

FILE COPY

**JOINT COMMITTEE ON
GOVERNMENT AND FINANCE**

Materials Distributed

June 9, 2010

May 26, 2010

2:00 - 3:00 p.m.

Joint Committee on Government and Finance

Senate

Tomblin, Chair
Chafin
Helmick
Kessler
Plymale
Deem
Hall

House

Thompson, Chair
Boggs
Caputo
Miley (absent)
White
Armstead
Border

President Tomblin, Cochair, presided.

1. Approval of Minutes

Upon motion by Speaker Thompson, properly adopted, the minutes of the April 14, 2010, meeting were approved.

2. Committee Reports/Requests:

Upon motion by Speaker Thompson, properly adopted, the Committee approved the study resolutions be assigned to Joint Standing Committee on the Judiciary as follows:

Voter Registration and Modernization Act
Absentee Ballot, Track, Receive and Confirm Act
SB 394 Authorizing DMV use certain program to identify uninsured vehicles

3. Lottery, General Revenue Reports and Unemployment Compensation Trust Fund

Distributed to members of the Committee were the following: Lottery Commission reports for the month ended March 31, 2010; General Revenue Fund report for the month ended April 30, 2010; and the Unemployment Compensation Trust Fund report as of March 31, 2010. Distributed with each of the reports were an analysis and a summary of the reports.

4. PEIA, BRIM and CHIP Reports

The following BRIM reports were distributed: An unaudited balance sheet and unaudited income statement for the period ending March 31, 2010.

The following reports from CHIP were distributed: A report of enrollment for April 30, 2010 and financial statements for period ending March 31, 2010.

The following monthly PEIA reports were distributed: Monthly Management Report and Prescription Drug Report for March 2010.

5. **Real Estate Report, Department of Administration**

A real estate report for April 1, 2010 through April 30, 2010, was distributed.

6. **Departments of Health and Human Resources (DHHR) Monthly Reports**

A Medicaid report dated May 2010 was distributed.

7. **Investment Management Board**

A Investment Management Board report dated March 31, 2010, was distributed. Craig Slaughter, Executive Director, said fiscal year returns for defined benefit plans have improved about 19 - 20% to date.

8. **Workers' Compensation**

A Workers' Compensation report dated May 6, 2010, was distributed. Jane Cline, Insurance Commissioner, said she would bring Tonya Gillespie, Director of Rates and Forms to the next Joint Committee meeting to answer questions the members had regarding the Fire Departments rate increases.

9. **Board of Treasury Investments Report Distribution**

A Board of Treasury Investments Report dated March 31, 2010 was distributed.

The meeting was adjourned.

WEST VIRGINIA LEGISLATURE
Office of the Legislative Auditor

Budget Division
Building 1, Room 314-West Wing
1900 Kanawha Blvd. East
Charleston, WV 25305-0590
June 1, 2010



, 304-347-4870

Executive Summary of Lottery, Unemployment, General Revenue and State Road Fund Reports to Joint Committee

Lottery Commission as of April 30, 2010 :

Appears to be in good condition. Gross profit for fiscal year 2010 was 9.31% lower than for fiscal year 2009.

General Revenue Fund as of May 31, 2010:

Collections were at 98.72% of the yearly estimate as of May 31, 2010. (FY 2009-2010)
This lag in collections was anticipated in December and budgeted expenditures were reduced 3.4% at that time.

State Road Fund as of May 31, 2010

Fund collections were at 95.38 % of the yearly estimate. (FY 2009-2010)

Unemployment Compensation Trust as of April 30, 2010:

Regular benefits paid in fiscal year 2010 were \$ 95.7 million more than in fiscal year 2009.
Total revenues for 2010 were \$ 238 million more than in 2009. Trust fund ending balance on April 30, 2010 was \$67,265,942.58.

Joint Committee on Government and Finance

WEST VIRGINIA LEGISLATURE
Office of the Legislative Auditor


Budget Division
Building 1, Room 314-West Wing
1900 Kanawha Blvd. East
Charleston, WV 25305-0590



304-347-4870

MEMORANDUM

To: Honorable Senate President Tomblin
Honorable House of Delegates Speaker Thompson
Honorable Members of the Joint Committee on Government and Finance

From: Ellen Clark, CPA 
Director Budget Division
Legislative Auditor's Office

Date: June 1, 2010

Re: Review of West Virginia Lottery Financial Information
As of April 30, 2010 (FY 2010)

We performed an analysis of the Statement of Revenues, Expenses and Retained Earnings for July - April of fiscal year 2009-2010 from monthly unaudited financial reports furnished to our office by the West Virginia Lottery Commission. The results are as follows:

Lottery Revenues:

Gross lottery revenues are receipts from on-line games, instant games, table games and video lottery. These gross receipts totaled \$ 1,128,703,000.00 for July - April of fiscal year 2010. Table games accounted for \$26.3 million of this total. Historic Resort Hotel video lottery and table games enacted in 2009 accounted for \$1.2 million of total gross receipts. These gross receipts were \$ 1,238,706,000.00 for the same months of the preceding fiscal year, 2008-2009. Gross lottery revenue is down by 8.88% from the preceding fiscal year. This number does not

Lottery

Joint Committee on Government and Finance

Lottery continued

include commission and prize deductions. Gross profit (Gross revenues minus commissions and prize costs) for July - April 2010 was \$497,927,000.00; for the previous fiscal year it was \$549,053,000.00. Expressed as a percentage, gross profit is 9.31% lower for fiscal year 2010 than for fiscal year 2009.

Operating Income:

Operating income was \$ 481,086,000.00 for July - April 2010. For the preceding July- April it was \$ 533,435,000.00. This was a decrease of 9.81%. After additions and subtractions of non-operating income and expenses, distributions to the state were \$466,764,000.00 for July- April 2010.

Operating Transfers to the State of West Virginia:

A total of \$466,764,000.00 has been accrued to the state of West Virginia for fiscal year 2009-2010. This is on an accrual basis and may not correspond to the actual cash transfers made during the same time period. (Amounts owed to the different accounts according to the Lottery Act are calculated monthly and accrued to the state; actual cash transfers are often made based upon actual cash flow needs of the day-to-day operation of the lottery.)

A schedule of cash transfers follows:

Bureau of Senior Services	\$ 57,187,000.00
Community and Technical College	\$2,500,000.00
Department of Education	\$ 34,343,000.00
Library Commission	\$ 11,195,000.00
Higher Education-Central Office	\$ 13,916,000.00
Tourism	\$ 7,606,000.00
Department of Natural Resources	\$ 3,450,000.00

Lottery

Lottery continued

Division of Culture and History	\$ 5,881,000.00
Department of Education and Arts	\$ 1,192,000.00
State Building Commission	\$ 8,240,000.00
School Building Authority	\$ 17,997,000.00
<u>SUBTOTAL BUDGETARY TRANSFERS</u>	\$163,507,000.00

Excess Lottery Fund

General Purpose Fund	65,000,000.00
Economic Development Fund	19,000,000.00
Excess Lottery Surplus	25,123,000.00
Education Improvement Fund	10,000,000.00
WV Infrastructure Council Fund	40,000,000.00
Higher Education Improvement Fund	29,000,000.00
State Park Improvement Fund	5,000,000.00
Refundable Credit	6,814,000.00
School Building Authority	19,000,000.00
TOTAL EXCESS LOTTERY FUND	\$218,937,000.00

Historic Resort Hotel Distributions:

State General Revenue Fund	286,000.00
State Debt Reduction Fund	85,000.00
Tourism Promotion Fund	13,000.00
Total Historic Hotel	384,000.00

Veterans Instant Ticket Fund 395,000.00

Lottery

Lottery continued

Table Games State Debt Reduction Fund

13,940,000.00

RACETRACK VIDEO LOTTERY TRANSFERS:	
Tourism Promotion Fund 1.375%	\$8,054,000.00
Development Office Promo Fund	\$2,196,000.00
Research Challenge Fund .5%	\$2,929,000.00
Capitol Renovation and Improvement Fund .6875%	\$4,027,000.00
Parking Garage Fund .0625%	\$366,000.00
Parking Garage Fund 1%	\$500,000.00
Cultural Facilities and Cap. Resources Fund .5%	\$1,500,000.00
Capitol Dome & Cap. Improvements Fund .5%	\$3,857,000.00
Workers Compensation Debt Reduction Fund 7%	\$11,000,000.00
SUBTOTAL VIDEO LOTTERY TRANSFERS:	\$34,429,000.00
TOTAL TRANSFERS	*\$431,592,000.00

* CASH BASIS

Total Accrued last FY 2009:	202,184,000.00
Total Cash Distributions July-April:	431,592,000.00
Applied to FY 2009:	202,184,000.00
Total Applied to FY 2010	229,408,000.00
Accrued for FY 2009 as of April	-0-
Accrued for FY 2010 as of April 30	237,356,000.00

Lottery



P.O. BOX 2067
CHARLESTON, WV 25327

PHONE: (304) 558-0500
FAX: (304) 558-3321

Joe Manchin III
Governor

John C. Musgrave
Director

MEMORANDUM

TO: Joint Committee on Government and Finance

FROM: John C. Musgrave, Director

RE: Monthly Report on Lottery Operations
Month Ending April 30, 2010

DATE: May 20, 2010

This report of the Lottery operations is provided pursuant to the State Lottery Act.

Financial statements of the Lottery for the month ending April 30, 2010 are attached. Lottery revenue, which includes on-line, instant, video lottery sales and table games, was \$117,037,633 for the month of April.

Transfers of lottery revenue totaling \$40,841,984 made for the month of April to the designated state agencies per House Bill 2010, Veterans Instant Ticket Fund, Racetrack Video Lottery Act (§29-22A-10), and the Racetrack Table Games Act (§29-22C-27). The amount transferred to each agency is shown in Note 10 on pages 17 and 18 of the attached financial statements.

The number of traditional and limited retailers active as of April 30, 2010 was 1,600 and 1,627 respectively.

A listing of the names and amounts of prize winners has been provided to the Clerk of the Senata, the Clerk of the House and Legislative Services.

If any member of the Committee has questions concerning the Lottery, please call me. Also if any members of the Legislature wish to visit the Lottery offices, I would be pleased to show them our facilities and discuss the Lottery with them.

JCM/rd
Attachment

pc: Honorable Joe Manchin III
Virgil T. Helton, Cabinet Secretary – Dept. of Revenue
John Perdue, Treasurer
Glen B. Gainer III, Auditor
Members of the West Virginia Lottery Commission



WEST VIRGINIA LOTTERY

STATE OF WEST VIRGINIA

**FINANCIAL STATEMENTS
-UNAUDITED-**

April 30, 2010

WEST VIRGINIA LOTTERY

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WEST VIRGINIA LOTTERY
BALANCE SHEETS
(In Thousands)
- Unaudited -

	April 30, 2010	June 30, 2009
ASSETS		
<i>Current Assets:</i>		
Cash and cash equivalents	\$ 230,489	\$ 225,355
Accounts receivable	32,943	33,311
Inventory	765	649
Current portion of investments held in trust	-	-
Other assets	<u>2,330</u>	<u>2,555</u>
Total Current Assets	<u>286,527</u>	<u>261,870</u>
<i>Noncurrent Assets:</i>		
Restricted cash and cash equivalents	69,944	69,870
Investments held in trust, less current portion	-	-
Capital assets	17,916	17,641
Less accumulated depreciation and amortization	<u>(15,888)</u>	<u>(14,335)</u>
Net Capital Assets	<u>2,028</u>	<u>3,306</u>
Total Noncurrent Assets	<u>71,972</u>	<u>73,176</u>
Total Assets	<u>\$ 358,499</u>	<u>\$ 335,046</u>
LIABILITIES AND NET ASSETS		
<i>Current Liabilities:</i>		
Accrued nonoperating distributions to the State of West Virginia	\$ 237,356	\$ 202,184
Estimated prize claims	12,535	12,939
Accounts payable	2,181	1,716
Other accrued liabilities	23,165	35,019
Current portion of deferred jackpot prize obligations	-	-
Total Current Liabilities	<u>275,237</u>	<u>251,858</u>
Deferred jackpot prize obligations, less current portion	-	-
Total Liabilities	<u>275,237</u>	<u>251,858</u>
<i>Net Assets:</i>		
Invested in capital assets	2,028	3,306
Unrestricted assets (deficit)	(1,528)	(2,806)
Unrestricted assets- Committed (see note 12)	12,818	12,818
Restricted assets (see note 11)	<u>69,944</u>	<u>69,870</u>
Total Net Assets	<u>83,262</u>	<u>83,188</u>
Total Liabilities and Net Assets	<u>\$ 358,499</u>	<u>\$ 335,046</u>

The accompanying notes are an integral part of these financial statements.

WEST VIRGINIA LOTTERY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
FOR THE TEN MONTH PERIOD ENDED APRIL 30, 2010

(In Thousands)
 Unaudited

	CURRENT MONTH		YEAR TO DATE	
	2010	2009	2010	2009
Lottery revenues				
On-line games	\$ 7,790	\$ 6,794	\$ 69,467	\$ 69,013
Instant games	8,946	8,080	80,010	95,869
Raceback video lottery	63,525	72,226	620,111	701,124
Limited video lottery	34,395	35,269	331,479	344,143
Table games	2,833	2,865	26,383	28,555
Historic resort	227	-	1,253	-
	<u>117,038</u>	<u>125,234</u>	<u>1,128,703</u>	<u>1,238,706</u>
Less commissions				
On-line games	546	475	4,863	4,832
Instant games	598	566	5,600	6,711
Raceback video lottery	33,932	37,593	350,404	392,314
Limited video lottery	16,853	17,282	162,425	168,631
Table games	1,005	1,126	10,373	11,231
Historic resort	122	-	632	-
	<u>53,076</u>	<u>57,044</u>	<u>534,317</u>	<u>583,719</u>
Less on-line prizes	3,792	3,511	34,566	34,884
Less instant prizes	5,847	5,538	54,336	64,857
Less ticket costs	152	97	1,229	1,297
Less vendor fees and costs	809	504	6,328	4,896
	<u>10,300</u>	<u>9,650</u>	<u>96,459</u>	<u>105,934</u>
Gross profit	<u>53,662</u>	<u>58,540</u>	<u>497,927</u>	<u>549,053</u>
Administrative expenses				
Advertising and promotions	1,127	532	6,277	5,487
Wages and related benefits	980	787	9,065	7,420
Telecommunications	75	161	331	1,666
Contractual and professional	371	429	4,076	4,583
Rental	59	56	593	608
Depreciation and amortization	143	166	1,453	1,655
Other administrative expenses	126	63	898	788
	<u>2,881</u>	<u>2,194</u>	<u>23,003</u>	<u>22,204</u>
Other Operating Income	<u>3,539</u>	<u>4,373</u>	<u>6,162</u>	<u>6,586</u>
Operating Income	<u>54,320</u>	<u>60,719</u>	<u>481,086</u>	<u>533,433</u>
Nonoperating income (expense)				
Investment income	36	42	308	2,562
Nonoperating income - OPEB	-	-	-	-
Interest expense	-	-	-	(1)
Distributions to municipalities and counties	(674)	(691)	(6,497)	(6,743)
Distributions - capital reinvestment	(1,611)	(2,079)	(8,039)	(10,415)
Distributions to the State of West Virginia	(52,062)	(37,982)	(466,764)	(518,303)
	<u>(54,311)</u>	<u>(60,710)</u>	<u>(481,012)</u>	<u>(532,902)</u>
Net income	<u>9</u>	<u>9</u>	<u>74</u>	<u>533</u>
Net assets, beginning of period	<u>83,283</u>	<u>64,009</u>	<u>83,189</u>	<u>64,483</u>
Net assets, end of period	<u>\$ 83,262</u>	<u>\$ 65,018</u>	<u>\$ 83,262</u>	<u>\$ 65,018</u>

The accompanying notes are an integral part of these financial statements.

**WEST VIRGINIA LOTTERY
STATEMENTS OF CASH FLOWS
FOR THE TEN MONTH PERIOD ENDED APRIL 30, 2010**

(In Thousands)
-Unaudited-

	2010	2009
Cash flows from operating activities:		
Cash received from customers and other sources	\$ 1,133,234	\$ 1,256,224
Cash payments for:		
Personnel costs	(9,065)	(7,420)
Suppliers	(11,060)	(17,327)
Other operating costs	<u>(636,108)</u>	<u>(687,627)</u>
Cash provided by operating activities	<u>479,001</u>	<u>543,850</u>
Cash flows from noncapital financing activities:		
Nonoperating distributions to the State of West Virginia	(431,592)	(461,506)
Distributions to municipalities and counties	(6,412)	(6,712)
Distributions to racetrack from racetrack cap. retuv. fund	(15,822)	(15,369)
Deferred jackpot prize obligations and related interest paid	-	(1)
Cash used in noncapital financing activities	<u>(453,826)</u>	<u>(483,588)</u>
Cash flows from capital and related financing activities:		
Purchases of capital assets	<u>(275)</u>	<u>(245)</u>
Cash flows from investing activities:		
Maturities of investments held in trust	-	137
Investment earnings received	<u>308</u>	<u>2,562</u>
Cash provided by investing activities	<u>308</u>	<u>2,699</u>
Increase (decrease) in cash and cash equivalents	25,208	62,716
Cash and cash equivalents - beginning of period	<u>295,225</u>	<u>238,949</u>
Cash and cash equivalents - end of period	<u>\$ 320,433</u>	<u>\$ 301,665</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 481,086	\$ 533,435
Adjustments to reconcile operating income to cash provided by operating activities:		
Depreciation and amortization	1,553	1,655
Changes in operating assets and liabilities:		
(Increase) decrease in accounts receivable	368	10,933
(Increase) decrease in inventory	(116)	34
(Increase) decrease in other assets	224	4
Increase (decrease) in estimated prize claims	(403)	(886)
Increase (decrease) in accounts payable	465	(1,495)
Increase (decrease) in other accrued liabilities	<u>(4,176)</u>	<u>170</u>
Cash provided by operating activities	<u>\$ 479,001</u>	<u>\$ 543,850</u>

The accompanying notes are an integral part of these financial statements.

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
-Unaudited-

NOTE 1 - LEGISLATIVE ENACTMENT

The West Virginia Lottery (Lottery) was established by the State Lottery Act (Act) passed April 13, 1985, which created a special fund in the State Treasury designated as the "State Lottery Fund." The purpose of the Act was to establish and implement a state-operated lottery under the supervision of a state lottery commission (Commission) and a director. The Commission, consisting of seven members and the Director are appointed by the Governor. Under the Act, the Commission has certain powers and the duty to establish rules for conducting games, to select the type and number of gaming systems or games and to enter into contracts and agreements, and to do all acts necessary or incidental to the performance of its duties and exercise of its power and duty to operate the Lottery in a highly efficient manner. The Act provides that a minimum annual average of 45% of the gross amount received from each lottery shall be allocated for prizes and also provides for certain limitations on expenses necessary for operation and administration of the Lottery. To the extent available, remaining net profits are to be distributed to the State of West Virginia. As the State is able to impose its will over the Lottery, the Lottery is considered a component unit of the State and its financial statements are presented in the comprehensive annual financial report of the State as a blended proprietary fund component unit.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies of the Lottery is presented below.

BASIS OF PRESENTATION – The West Virginia Lottery is a component unit of the State of West Virginia, and is accounted for as a proprietary fund special purpose government engaged in business type activities. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 34, "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments," and with accounting principles generally accepted in the United States of America, the financial statements are prepared on the accrual basis of accounting which requires recognition of revenue when earned and expenses when incurred. As permitted by Governmental Accounting Standards Board (GASB) Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting," the Lottery has elected not to adopt Financial Accounting Standards Board (FASB) statements and interpretations issued after November 30, 1989 unless the GASB specifically adopts such FASB statements or interpretations.

The Lottery is included in the State's basic financial statements as a proprietary fund and business type activity using the accrual basis of accounting. Because of the Lottery's presentation in these financial statements as a special purpose government engaged in business type activities, there may be differences in presentation of amounts reported in these financial statements and the basic financial statements of the State as a result of major fund determination.

USE OF ESTIMATES – The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and develop assumptions that affect the amounts reported in the financial statements and related notes to financial statements. Actual results could differ from management's estimates.

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
-Unaudited-

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

LOTTERY GAME OPERATIONS – The West Virginia Lottery derives its revenues from four basic types of lottery games: instant, on-line, video type games, and table games. The Lottery develops multiple game themes and prize structures to comply with its enabling legislation, including aggregate annual minimum prize provisions. All bonded retailers and agents comprised principally of grocery and convenience stores serve as the primary distribution channel for instant and on-line lottery sales to the general public.

The Lottery has contracted with a private vendor to manufacture, distribute, and provide data processing support for instant and on-line games. Under the terms of the agreements, the Lottery pays a percentage of gross revenues or gross profits for the processing and manufacture of the games.

Revenue from instant games is recognized when game tickets are sold to the retailers, and the related prize expense is recorded based on the specific game prize structure. Instant ticket sales and related prizes do not include the value of free plays issued for the purpose of increasing the odds of winning a prize.

Sales of on-line lottery tickets are made by licensed agents to the public with the use of computerized terminals. On-line games include POWERBALL®, a multi-state "jackpot" game; HOT LOTTO®, a multi-state "lotto" game; Cash25 "lotto" game; Daily 3 and 4 "numbers" games; and Travel, a daily "keno" game. Revenue is recognized when the agent sells the tickets to the public. Prize expense is recognized on the basis of actual drawing results.

Commissions are paid to instant game retailers and on-line agents at the rate of seven percent of gross sales. A portion of the commission not to exceed one and one quarter percent of gross sales may be paid from unclaimed prize moneys. The amount paid from unclaimed prize moneys is credited against prize costs. In addition, retailers and agents are paid limited bonus incentives that include prize shares on winning tickets they sold and a ticket cashing bonus on winning tickets they cash. On a weekly basis, retailers and agents must remit amounts due to the Lottery. Retailers may not be able to order additional instant tickets if payment has not been made for the previous billing period, while an agent's on-line terminal may be rendered inactive if payment is not received each week. No one retailer or agent accounts for a significant amount of the Lottery's sales or accounts receivable. Historically credit losses have been nominal and no allowance for doubtful accounts receivable is considered necessary.

Racetrack video lottery is a self-activated video version of lottery games. The board-operated games allow a player to place bets for the chance to be awarded credits which can either be redeemed for cash or be replayed as additional bets. The coin operated games allow a player to use coins, currency, or tokens to place bets for the chance to receive coin or token awards which may be redeemed for cash or used for replay in the coin operated games. The racetrack video lottery games' prize structures are designed to award prizes, or credits, at a stipulated rate of total bets played, and prize expense is netted against total video credits played. The Lottery recognizes as racetrack video lottery revenue "gross terminal income" equivalent to all wagers, net of related prizes. Amounts required by statute to be paid to the private and local government entities are reported as commissions. Racetrack video lottery legislation has established specific requirements for racetrack video lottery and imposed certain restrictions limiting the licensing for operation of racetrack video lottery games to horse and dog racetracks in West Virginia, subject to local county elections permitting the same. The legislation further stipulates the distribution of revenues from racetrack video lottery games, and requires any licensed racetrack to be responsible for acquiring the necessary equipment and bearing the risk associated with the costs of operating and marketing the games.

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
-Unaudited-

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Limited video lottery is also a self-activated video version of lottery games, which were first placed in operation in December 2001, located in limited licensed retailer areas restricted for adult amusement. The games allow a player to use currency to place bets for the chance to receive free games or vouchers which may be redeemed for cash. The limited video lottery games' prize structures are designed to award prizes, at a stipulated rate of total bets played, and prize expense is netted against total video credits played. The Lottery recognizes as limited video lottery revenue "gross terminal income" equivalent to all wagers, net of related prizes. Amounts required by statute to be paid to private entities are reported as commissions. Limited video lottery permit holders are statutorily responsible for acquiring equipment and bearing the risk associated with the costs of operating the games.

Table games are lotteries as each game involves consideration, the possibility of a prize, and their outcome is determined predominantly by chance, which the common law of West Virginia has long held are the three essential elements of a lottery. Table games are the exclusive intangible intellectual property of the state of West Virginia. Table games legislation has established specific requirements for table games and imposed certain restrictions limiting the licensing for operation of table games to horse and dog racetracks in West Virginia, subject to local county elections permitting the same. Each racetrack licensed as an agent of the Lottery Commission to operate West Virginia table games shall have written rules of play for each table game it operates which must be approved by the Commission. All wagers and pay-offs of winning wagers shall be made according to those rules of play. For the privilege of holding a table games license, there is levied a privilege tax of thirty-five percent of each licensee's adjusted gross receipts for the operation of West Virginia Lottery table games. Amounts required by statute to be paid to private and local government entities are reported as commissions. The legislation further stipulates the distribution of revenues from West Virginia table games, and requires any licensed racetrack to be responsible for acquiring the necessary equipment and bearing the risk associated with the costs of operating and marketing the games.

Historic resort lottery games are a combination of self-activated video lottery games as well as table games which are located at a licensed historic resort hotel as defined by the WV Code. Video lotteries at the historic resort are board-operated games that allow a player to place bets for the chance to be awarded credits which can either be redeemed for cash or be replayed as additional bets. The coin operated games allow a player to use coins, currency, or tokens to place bets for the chance to receive coin or token awards which may be redeemed for cash or used for replay in the coin operated games.

The historic resort video lottery games' prize structures are designed to award prizes, or credits, at a stipulated rate of total bets played, and prize expense is netted against total video credits played. The Lottery recognizes as historic resort lottery revenues:

- Video lottery revenues consisting of "gross terminal income" equivalent to all wagers, net of related prizes; and,
- Historic resort table games revenues consisting of a privilege tax of thirty-five percent of each licensee's adjusted gross receipts for the operation of West Virginia Lottery table games.

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
-Unaudited-

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Amounts required by statute to be paid to the private and local government entities are reported as commissions. The Lottery Act as amended has established specific requirements for historic resort video and table games lotteries and imposed certain restrictions limiting the licensing for operation of historic resort lottery games in West Virginia, subject to local county elections permitting the same. The legislation further stipulates the distribution of revenues from historic resort lottery games, and requires any licensed historic resort to be responsible for acquiring the necessary equipment and bearing the risk associated with the costs of operating and marketing the games.

CASH AND CASH EQUIVALENTS – Cash and cash equivalents primarily consist of interest-earning deposits with the West Virginia Board of Treasury Investments (BTI) and are recorded at fair value.

INVENTORY – Inventory consists of instant game tickets available for sale to approved Lottery retailers and is carried at cost.

OTHER ASSETS – Other assets consist primarily of deposits restricted for payment of certain Multi-State Lottery Association activities.

CAPITAL ASSETS – The Lottery leases, under a cancelable operating lease, its office and warehouse facilities. The Lottery also leases various office equipment under agreements considered to be cancelable operating leases. Rental expense for the year-to-date ended April 30, 2010 and April 30, 2009 approximated \$582,877 and \$604,720, respectively.

The Lottery has adopted a policy of capitalizing assets with individual amounts exceeding \$25,000. These assets include leasehold improvements, contributed and purchased equipment, comprised principally of technology property, office furnishings and equipment necessary to administer lottery games, are carried at cost. Depreciation is computed by the straight-line method using three to ten year lives.

COMPENSATED ABSENCES – The Lottery has accrued \$467,815 and \$371,165 of at June 30, 2009 and 2008, respectively, for estimated obligations that may arise in connection with compensated absences for vacation at the current rate of employee pay. Employees fully vest in all earned but unused vacation. To the extent that accumulated sick leave is expected to be converted to benefits on termination or retirement, the Lottery participates in an other postemployment benefits plan (see Note 15).

NET ASSETS – Net assets are presented as restricted, unrestricted and invested in capital assets which represent the net book value of all property and equipment of the Lottery.

OPERATING REVENUES AND EXPENSES – Operating revenues and expenses for proprietary funds such as the Lottery are revenues and expenses that result from providing services and producing and delivering goods and/or services. Operating revenues for the Lottery are derived from providing various types of lottery games. Operating expenses include commissions, prize costs, other direct costs of providing lottery games, and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
 -Unaudited-

NOTE 3 - CASH AND CASH EQUIVALENTS

At April 30, 2010 the carrying amounts of deposits (overdraft) with financial institutions were (\$39) thousand with a bank balance (overdraft) of \$5 thousand. Of this balance \$100 thousand was covered by federal depository insurance with the remaining balance collateralized with securities held by the State of West Virginia's agent in the State's name. At April 30, 2010, the Lottery had \$31,924 thousand on deposit with the West Virginia Treasurer's Office.

A summary of the amount on deposit with the West Virginia Board of Treasury Investments (BTI) is as follows (in thousands):

	April 30, 2010	June 30, 2009
Amount on deposit with the BTI	\$ 288,549	\$ 295,248

The deposits with the BTI are part of the State of West Virginia's consolidated investment cash liquidity pool and are not separately identifiable as to specific types of securities. Investment income is pro-rated to the Lottery at rates specified by the BTI based on the balance of the deposits maintained in relation to the total deposits of all state agencies participating in the pool. Such funds are available to the Lottery with overnight notice.

NOTE 4 - CAPITAL ASSETS

A summary of capital asset activity for the period ended April 30, 2010 is as follows (in thousands):

	At June 30, 2009	Additions	Deletions	At April 30, 2010
Construction in Progress	\$ -	\$ -	\$ -	\$ -
Improvements	1,170	-	-	1,170
Equipment	16,471	275	-	16,746
	\$ 17,641	\$ 275	\$ -	\$ 17,916
Accumulated Depreciation:				
	Historical Cost			Historical Cost
	At June 30, 2009	Additions	Deletions	At April 30, 2010
Improvements	\$ 1,080	\$ 50	\$ -	\$ 1,130
Equipment	13,255	1,503	-	14,758
	\$ 14,335	\$ 1,553	\$ -	\$ 15,888

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
-Unaudited-

NOTE 5 - PARTICIPATION IN THE MULTI-STATE LOTTERY

The Lottery is a member of the Multi-State Lottery (MUSL), which operates the semi-weekly POWERBALL® jackpot lotto game and HOT LOTTO® game, on behalf of participating state lotteries. Each MUSL member sells game tickets through its agents and makes weekly wire transfers to the MUSL in an amount equivalent to the total prize pool less the amount of prizes won in each state. Lesser prizes are paid directly to the winners by each member lottery. The prize pool for POWERBALL®, and HOT LOTTO® is 50% of each drawing period's sales, with minimum jackpot levels. Revenues derived from the Lottery's participation in the MUSL POWERBALL® jackpot game for the month and year-to-date periods ended April 30, 2010 were \$4,474,614 and \$40,458,503 while related prize costs for the same periods were \$2,171,325 and \$20,249,524. Revenues derived from the Lottery's participation in the HOT LOTTO® game for the month and year-to-date periods ended April 30, 2010 were \$504,233 and \$5,466,582 while related prize costs for the same periods were \$239,989 and \$2,736,494. Revenues derived from the Lottery's participation in the MEGA MILLIONS® jackpot game for the month and year-to-date periods ended April 30, 2010 were \$696,548 and \$1,650,814 while related prize costs for the same periods were \$359,842 and \$834,275.

MUSL places 2% of each POWERBALL® drawing period's sales in separate prize reserve funds that serve as a contingency reserve to protect the respective MUSL Product Groups from unforeseen prize liabilities. Currently, the MUSL Board of Directors has placed a \$75,000,000 limit on the POWERBALL® Prize Reserve Fund and a \$25,000,000 limit on the Set Prize Reserve Fund. These funds can only be used at the discretion of the respective MUSL Product Group. Once the prize reserve funds exceed the designated limit, the excess becomes part of that particular prize pool. Prize reserve fund monies are refundable to MUSL Product Group members if the MUSL disbands or, after one year, if a member leaves the MUSL. At April 30, 2010 the POWERBALL® prize reserve fund had a balance of \$111,954,646 of which the Lottery's share was \$2,385,173. The Lottery has charged amounts placed into the prize reserve funds to prize costs as the related sales have occurred.

NOTE 6 - RACETRACK VIDEO LOTTERY

The Racetrack Video Lottery legislation stipulates the distribution of racetrack video lottery revenues. This legislation has been amended since inception to restate revenue distribution based on revenue benchmarks. Initially, four percent (4%) of gross terminal revenue is allocated for lottery administrative costs. Sixty-six percent (66%) of net terminal revenue (gross less 4%) is allocated in lieu of commissions to: the racetracks (47%); other private entities associated with the racing industry (17%); and the local county and municipal governments (2%). The remaining revenues (34%) of net terminal revenue is allocated for distribution to State as specified in the Racetrack Video Lottery Act or subsequent State budget, as described in the Note 10 titled "Nonoperating Distributions to the State of West Virginia."

The first benchmark occurs when the current year net terminal revenue meets the fiscal year 1999 net terminal revenue. The counties and incorporated municipalities split 50/50 the two percent (2%) net terminal revenue.

The second benchmark occurs when the current year gross terminal revenue meets the fiscal year 2001 gross terminal revenue. The four percent (4%) is no longer allocated for lottery administrative costs; instead the State receives this for distribution as specified by legislation or the State budget.

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
-Unaudited-

NOTE 6 - RACETRACK VIDEO LOTTERY (continued)

The final benchmark occurs when the current year net terminal revenue meets the fiscal year 2001 net terminal revenue. At this point a 10% surcharge is applied to net terminal revenue, with 58% of the surcharge allocated for distribution to the State as specified by legislation or the State budget, and 42% of the surcharge allocated to separate capital reinvestment funds for each licensed racetrack.

After deduction of the surcharge, 55% of net terminal revenue is allocated in lieu of commissions to: the racetracks (42%); other private entities associated with the racing industry (11%); and the local county and incorporated municipality governments (2%). The remaining net terminal revenue (45%) is allocated for distribution to the State as specified in the Racetrack Video Lottery Act or subsequent State budget, as described in Note 10. Amounts from the capital reinvestment fund may be distributed to each racetrack if qualifying expenditures are made within the statutory timeframe; otherwise amounts accumulated in the fund revert to the state excess lottery revenue fund.

The WV Lottery, along with the Rhode Island and Delaware lotteries, participate in Multi-Jurisdictional Wide Area Progressive (MWAP) video games. This allows each of the lotteries to offer a higher progressive jackpot than they could generate alone. MUSL manages the progressive games and charges each participant a MWAP contribution fee of 4% of the amount wagered. A summary of racetrack video lottery revenues for the month ended April 30, 2010 and year-to-date follows (in thousands):

	Current Month		Year-to-Date	
	2010	2009	2010	2009
Total credits played	\$ 709,876	\$ 736,998	\$ 6,768,364	\$ 7,190,476
Credits (prizes) won	(639,107)	(664,436)	(6,093,400)	(6,485,731)
Promotional credits played	(6,982)	-	(49,719)	-
MWAP Contributions	(262)	(316)	(3,134)	(3,621)
Gross terminal income	63,525	72,226	620,111	701,124
Administrative costs	(828)	(827)	(16,560)	(17,422)
Net Terminal Income	62,697	71,399	603,551	683,702
Less distribution to agents	(33,952)	(37,595)	(350,404)	(392,314)
Racetrack video lottery revenues	<u>\$ 28,745</u>	<u>\$ 33,804</u>	<u>\$ 253,147</u>	<u>\$ 291,388</u>

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
- Unaudited -

NOTE 6 - RACETRACK VIDEO LOTTERY (continued)

A summary of video lottery revenues paid or accrued for certain state funds to conform with the legislation follows (in thousands):

	April 30, 2010	Year-to-Date
State Lottery Fund	\$ 6,845	\$ 121,322
State Excess Lottery Revenue Fund	18,011	89,758
Capital Reinvestment Fund	1,603	8,018
Tourism Promotion Fund 1.375%	786	7,923
Development Office Promotion Fund .375 %	214	2,161
Research Challenge Fund .5 %	286	2,881
Capitol Renovation & Improvement Fund .6875 %	393	3,962
Parking Garage Fund .0625 %	35	360
Parking Garage Fund 1 %	-	500
Cultural Facilities & Capitol Resources Fund .5 %	-	1,500
Capitol Dome & Capitol Improvements Fund .5 %	572	3,762
Worker's Compensation Debt Reduction Fund 7 %	-	11,000
Total nonoperating distributions	<u>\$ 28,745</u>	<u>\$ 253,147</u>

NOTE 7 - LIMITED VIDEO LOTTERY

Limited video lottery legislation passed in 2001 has established specific requirements imposing certain restrictions limiting the licensing for the operation of limited video lottery games to 9,000 terminals placed in licensed retailers. These licensed retailers must hold a qualifying permit for the sale and consumption on premises of alcohol or non-intoxicating beer. The Lottery has been charged with the administration, monitoring and regulation of these machines. The legislation further stipulates the distribution of revenues from the limited video lottery games, and requires any licensees to comply with all related rules and regulations of the Lottery in order to continue its retailer status. The Limited Video Lottery legislation stipulates that 2% of gross terminal income be deposited into the state lottery fund for administrative costs. Then, the state share percentage of gross profit is to be transferred to the State Excess Lottery Revenue Fund. Such percentage is between 30 and 50 percent and is subject to change on a quarterly basis. Two percent is distributed to counties and incorporated municipalities in the manner prescribed by the statute. The remaining amount of gross profit is paid to retailers and/or operators as prescribed in the Act, and is recorded as limited video lottery commissions in the financial statements. Municipal and county distributions are accounted for as nonoperating expenses. A summary of limited video lottery revenues for the month ended April 30, 2010 and year-to-date follows (in thousands):

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
 -Unaudited-

NOTE 7 - LIMITED VIDEO LOTTERY (continued)

	Current Month		Year-to-Date	
	2010	2009	2010	2009
Total credits played	\$ 406,196	\$ 416,100	\$ 3,892,415	\$ 4,123,584
Credits (prizes) won	(371,801)	(380,831)	(3,560,936)	(3,779,439)
Gross terminal income	\$ 34,395	\$ 35,269	\$ 331,479	\$ 344,145
Administrative costs	(688)	(705)	(6,629)	(6,883)
Gross Profit	33,707	34,564	324,850	337,262
Commissions	(16,853)	(17,282)	(162,425)	(168,631)
Municipalities and Counties	(674)	(691)	(6,497)	(6,745)
Limited video lottery revenues	<u>\$ 16,180</u>	<u>\$ 16,591</u>	<u>\$ 153,928</u>	<u>\$ 161,886</u>

NOTE 8 - TABLE GAMES

Table Games legislation passed in 2007 per House Bill 2718. Table games include blackjack, roulette, craps, and various types of poker. Each racetrack licensee is subject to a privilege tax of thirty five percent (35%) of adjusted gross receipts which will be deposited weekly into the Racetrack Table Games Fund.

From the gross amounts deposited into the Racetrack Table Games Fund, the Commission, on a monthly basis shall:

Retain 3% of the adjusted gross receipts for administrative expenses of which at least \$100,000 and not more than \$500,000 annually will be transferred to the Compulsive Gambling Treatment Fund. Transfer two and one-half percent of adjusted gross receipts from all thoroughbred racetracks with West Virginia Lottery table games to the special funds established by each thoroughbred racetrack table games licensee for the payment of regular racetrack purses to be divided equally among each licensee and transfer two and one-half percent of adjusted gross receipts from all greyhound racetracks with West Virginia Lottery table games to the special funds established by each greyhound racetrack table games licensee for the payment of regular racetrack purses to be divided equally among each licensee. Transfer two percent of the adjusted gross receipts from all licensed racetracks to the Thoroughbred Development Fund and the Greyhound Breeding Development Fund to be divided pro rata among the development funds. Transfer one percent of the adjusted gross receipts from each licensed racetrack to the county commissions of the counties where racetracks with West Virginia Lottery table games are located to be divided pro rata among the counties. Transfer two percent of the adjusted gross receipts from each licensed racetrack to the governing bodies of municipalities within counties where racetracks with West Virginia Lottery table games are located as prescribed by statute. And transfer one-half of one percent of the adjusted gross receipts to the governing bodies of municipalities in which a racetrack table games licensee is located to be divided equally among the municipalities. The Commission will distribute the remaining amounts, hereinafter referred to as the net amounts in the Racetrack Table Games Funds as follows:

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
 -Unaudited-

NOTE 8 – TABLE GAMES (continued)

- 1) Transfer four percent into a special fund to be established by the Racing Commission to be used for payment into the pension plan for all employees of each licensed racing association;
- 2) Transfer ten percent, to be divided and paid in equal shares, to each county commission in the state where table games are not located;
- 3) Transfer ten percent, to be divided and paid in equal shares, to the governing bodies of each municipality in the state where table games are not located; and
- 4) Transfer seventy-six percent to the State Debt Reduction Fund.

The cash transferred to the State Debt Reduction Fund in the current month is included in Note 10- Nonoperating Distributions to the State of West Virginia. The table games adjusted gross receipts for the month and year-to-date periods ended April 30, 2010 were \$7,301,416 and \$75,378,919, respectively. The following table shows the month and year-to-date totals of the privilege tax and the accrued distributions (in thousands) to be transferred in the subsequent month:

	Current Month		Year-to-Date	
	2010	2009	2010	2009
Table Games Privilege Tax	\$ 2,555	\$ 2,865	\$ 26,383	\$ 28,555
Interest on Table Games Fund	-	-	2	21
Administrative costs	(219)	(246)	(2,261)	(2,448)
Total Available for Distribution	2,337	2,619	24,124	26,128
<u>Less Distributions:</u>				
Racetrack Purse Funds	183	204	1,884	2,039
Thoroughbred & Greyhound Development Funds	146	164	1,508	1,632
Racing Association Pension Plan	70	79	724	784
Municipalities/ Counties	606	679	6,257	6,776
Total Distributions	1,005	1,126	10,373	11,231
State Debt Reduction Fund	\$ 1,332	\$ 1,493	\$ 13,751	\$ 14,897

NOTE 9 – HISTORIC RESORT HOTEL

In 2009, the Legislature passed Senate Bill 575 which permits video lottery and table games at a licensed historic resort hotel which is defined as “a resort hotel registered with the United States Department of the Interior as a national historic landmark in its National Registry of Historic Places having not fewer than five hundred guest rooms under common ownership and having substantial recreational guest amenities in addition to the gaming facility.”

Historic Resort Video Lottery

According to Senate Bill 575, thirty six percent (36%) of gross terminal income is allocated to Historic Resort Hotel Fund and seventeen percent (17%) of gross terminal income is allocated to the Human Resource Benefit Fund. The remaining forty-seven percent (47%) of gross terminal income is then subject to a ten percent (10%) surcharge which is allocated to separate capital reinvestment funds for each licensed historic resort hotel. The remaining forty-two and three-tenths percent (42.3%) of gross terminal income is retained by the

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
- Unaudited -

NOTE 9 – HISTORIC RESORT HOTEL (continued)

historic resort hotel. A summary of historic resort hotel video lottery revenues for the month ended April 30, 2010 and year-to-date follows (in thousands):

	<u>Current Month</u>	<u>Year-to-Date</u>
Total credits played	\$ 1,797	\$ 8,735
Credits (prizes) won	(1,619)	(7,844)
Promotional credits played	(8)	(8)
Gross terminal income	<u>170</u>	<u>883</u>
Capital reinvestment	(8)	(41)
Administrative costs	(9)	(48)
Commissions	<u>(72)</u>	<u>(374)</u>
Net terminal income	81	420
Historic Resort Hotel Fund	52	270
Human Resource Benefit Fund	29	150

Historic Resort Table Games

Each historic resort hotel licensee is subject to a privilege tax of thirty five percent (35%) of adjusted gross receipts, of which thirty percent (30%) is deposited directly into the Historic Resort Hotel Fund and five percent (5%) is deposited directly into the Human Resource Benefit Fund. The historic resort hotel table games adjusted gross receipts for the month and year-to-date periods ended April 30, 2010 were \$162,872 and \$1,057,019, respectively.

The following table shows the month and year -to- date totals of the privilege tax and the accrued distributions (in thousands) to be transferred in the subsequent month:

	<u>Current Month</u>	<u>Year-to-Date</u>
Table games privilege tax	\$ 57	\$ 370
Administrative Costs	<u>(7)</u>	<u>(47)</u>
Total Available for Distribution	50	323
Historic Resort Hotel Fund	42	270
Human Resource Benefit Fund	8	53

Historic Resort Hotel Fund

Of the monies deposited into the Historic Resort Hotel Fund, fifteen percent (15%) is allocated for lottery administrative costs. The remaining Historic Resort Hotel Fund net income (gross deposits less 15%) is distributed as follows:

- 1) Sixty-four percent (64%) is paid to the State of West Virginia General Revenue Fund;

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
-Unaudited-

NOTE 9 – HISTORIC RESORT HOTEL (continued)

- 2) Nineteen percent (19%) is paid to the State Debt Reduction Fund;
- 3) Three percent (3%) is paid to the State of West Virginia Tourism Promotion Fund;
- 4) Four percent (4%) is paid to the county where the gaming facility is located;
- 5) Two and one-half percent (2.5%) is paid to the municipality where the gaming facility is located as prescribed by statute;
- 6) Two and one-half percent (2.5%) is divided and paid in equal shares to the remaining municipalities in the county where the gaming facility is located;
- 7) Two and one-half percent (2.5%) is divided and paid in equal shares, to each county commission in the state where the gaming facility is not located;
- 8) Two and one-half percent (2.5%) is divided and paid in equal shares, to each municipality in the state not already receiving a distribution as described in item five (5) or item six (6) above.

A summary of Historic Resort Hotel Fund revenues and related distributions is as follows (in thousands):

	<u>Current Month</u>	<u>Year-to-Date</u>
Historic Resort Hotel Video Lottery	\$ 52	\$ 270
Historic Resort Table Games	42	270
Interest on Historic Resort Hotel Fund	-	-
Historic Resort Hotel Fund Net Income	<u>94</u>	<u>540</u>
Municipalities/ Counties	13	75
State General Revenue Fund	60	346
State Debt Reduction Fund	18	103
State Tourism Promotion Fund	3	16
Total Distributions	<u>\$ 94</u>	<u>\$ 540</u>

NOTE 10- NONOPERATING DISTRIBUTIONS TO THE STATE OF WEST VIRGINIA

The Lottery periodically distributes surplus funds, exclusive of amounts incurred and derived from limited video lottery and a portion of racetrack video lottery funds, to the State of West Virginia in accordance with the legislation. For the year ending June 30, 2010 the State Legislature budgeted \$166,010,000 of estimated profits of the Lottery for distributions to designated special revenue accounts of the State of West Virginia. With regard to the State Lottery Fund, legislation stipulates that debt service payments be given a priority over all other transfers in instances where estimated profits are not sufficient to provide for payment of all appropriated distributions. Debt service payments of \$1,800,000 and \$1,000,000 per month for the first ten months of each fiscal year currently have such priority. Transfers made pursuant to the State Excess Lottery Revenue Fund have similar requirements; currently payments are \$3,920,843 per month for the first ten months of each fiscal year. In addition, Legislation provides that, if in any month, there is a shortage of funds in the State Excess Lottery Revenue Fund to make debt service payments, the necessary amount shall be transferred from the State Lottery Fund to cover such shortfall, after the State Lottery Fund debt service payments have been made. Repayments to the State Lottery Fund are required to be made in subsequent months as funds become available. During the month ended April 30, 2010 the Lottery made such distributions and accrued additional distributions of \$48,362,508. The Lottery is a non-appropriated state

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
-Unaudited-

NOTE 10- NONOPERATING DISTRIBUTIONS TO THE STATE OF WEST VIRGINIA
(continued)

agency and therefore does not have a budget adopted by the Legislature. Since the enactment of the Racetrack Video Lottery Act, the Lottery is also statutorily required to distribute income from racetrack video lottery operations as described in Note 6. As of April 30, 2010 the Lottery accrued additional distributions relating to racetrack video lottery operations of \$385,635.

Note 7 describes the Limited Video Lottery Act and the statutory distributions required to be made from limited video lottery operations. Note 8 describes the Table Games Act and the statutory distributions required to be made from table games operations. Note 9 describes the Historic Resort Hotel statutory distributions to be made from historic resort operations.

A summary of the cash distributions made to certain state agencies to conform to the legislation follows (in thousands):

<u>BUDGETARY DISTRIBUTIONS</u>	<u>April 30, 2010</u>	<u>Year-to-Date</u>
<u>State Lottery Fund:</u>		
Community and Technical College	\$ 500	\$ 2,500
Bureau of Senior Services	-	57,187
Department of Education	-	34,343
Library Commission	-	11,195
Higher Education-Policy Commission	-	13,916
Tourism	-	7,606
Natural Resources	-	3,450
Division of Culture & History	-	5,881
Department of Education & Arts	-	1,192
Building Commission	-	8,240
School Building Authority	1,797	17,997
Total State Lottery Fund	<u>\$ 2,297</u>	<u>\$ 163,507</u>

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
 -Unaudited-

NOTE 10- NONOPERATING DISTRIBUTIONS TO THE STATE OF WEST VIRGINIA
 (continued)

<u>State Excess Lottery Revenue Funds:</u>		
Economic Development Fund	\$ 1,900	\$ 19,000
Higher Education Improvement Fund	1,000	10,000
General Purpose Account	-	65,000
Higher Education Improvement Fund	-	29,000
State Park Improvement Fund	212	5,000
School Building Authority	1,669	19,000
Refundable Credit	2,760	6,814
Excess Lottery Surplus	25,123	25,123
West Va. Infrastructure Council	1,698	40,000
Total State Excess Lottery Revenue Fund	<u>\$ 34,362</u>	<u>\$ 218,937</u>
Total Budgetary distributions:	<u>\$ 36,659</u>	<u>\$ 382,444</u>
Veterans Instant Ticket Fund	\$ 33	\$ 395
<u>Other Racetrack Video Lottery distributions:</u>		
Tourism Promotion Fund 1.375%	\$ 926	\$ 8,054
Development Office Promotion Fund .375%	252	2,196
Research Challenge Fund .5%	337	2,929
Capitol Renovation & Improvement Fund .6875%	463	4,027
Parking Garage Fund .0625 %	42	366
Parking Garage Fund 1 %	-	500
Cultural Facilities & Cap. Resources Fund .5%	-	1,500
Capitol Dome & Cap. Improvements Fund .5%	673	3,857
Workers Compensation Debt Reduction Fund 7%	-	11,000
Total	<u>\$ 2,693</u>	<u>\$ 34,429</u>
Table Games State Debt Reduction Fund	\$ 1,363	\$ 13,940
<u>Historic Resort Hotel distributions:</u>		
State General Revenue Fund	\$ 70	\$ 286
State Debt Reduction Fund	21	85
Tourism Promotion Fund	3	13
Total	<u>\$ 94</u>	<u>\$ 384</u>
Total nonoperating distributions to the State of West Virginia (cash basis)	\$ 40,842	\$ 431,592
Accrued nonoperating distributions, beginning	(226,136)	(202,184)
Accrued nonoperating distributions, end	<u>237,356</u>	<u>237,356</u>
	<u>\$ 52,062</u>	<u>\$ 466,764</u>

**WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
-Unaudited-**

NOTE 11 – RESTRICTED NET ASSETS

On June 14, 2006, House Bill 106 was enacted by the West Virginia State Legislature to set aside unexpended administrative expenses of the Lottery up to the limits for such expenses established by the enabling legislation of traditional, racetrack video lottery, and limited video lottery games in an amount not to exceed \$20,000,000 beginning in fiscal year 2006 and each year through fiscal year 2012. These assets are to be set aside for the design and construction of a building for the use of the Lottery and certain other State of West Virginia governmental entities. The lottery contributed \$10,817,386 to the fund for fiscal year 2009 plus related interest of \$566,293.

NOTE 12 – COMMITMENTS

The Lottery Commission has set aside funds as unrestricted net assets for the acquisition of future assets. As of June 30, 2009, a balance of \$12,817,601 is available for this purpose.

NOTE 13 - RETIREMENT BENEFITS

All full-time Lottery employees are eligible to participate in the State of West Virginia Public Employees' Retirement System (PERS), a cost-sharing multiple-employer defined benefit public employee retirement system. The PERS is one of several plans administered by the West Virginia Consolidated Public Retirement (CPRB) under the direction of its Board of Trustees, which consists of the Governor, State Auditor, State Treasurer, Secretary of the Department of Administration, and nine members appointed by the Governor. CPRB prepares separately issued financial statements covering all retirement systems it administers, which can be obtained from Consolidated Public Retirement Board, Building 5, Room 1000, State Capitol Complex, Charleston, West Virginia 25305-0720.

Employees who retire at or after age sixty with five or more years of contributory service or who retire at or after age fifty-five and have completed twenty-five years of credited service with age and credited service equal to eighty or greater are eligible for retirement benefits as established by State statute. Retirement benefits are payable monthly for life, in the form of a straight-line annuity equal to two percent of the employee's average annual salary from the highest 36 consecutive months within the last 10 years of employment, multiplied by the number of years of the employee's credited service at the time of retirement. Covered employees are required to contribute 4.5% of their salary to the PERS. The Lottery is required to contribute 11.0% of covered employees' salaries to the PERS. The required employee and employer contribution percentages have been established and changed from time to time by action of the State Legislature. The required contributions are not actuarially determined; however, actuarial valuations are performed to assist the Legislature in determining appropriate contributions. The Lottery and employee contributions, for the period ending April 30, 2010 are as follows (in thousands):

	April 30, 2010	Year-to-Date
Lottery contributions	\$ 63	\$ 634
Employee contributions	26	259
Total contributions	\$ 89	\$ 893

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
-Unaudited-

NOTE 14 - RISK MANAGEMENT

The Lottery is exposed to various risks of loss related to torts; theft of, or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Lottery participates in several risk management programs administered by the State of West Virginia. Each of these risk pools has issued separate audited financial reports on their operations. Those reports include the required supplementary information concerning the reconciliation of claims liabilities by type of contract and ten-year claim development information. Complete financial statements of the individual insurance enterprise funds can be obtained directly from their respective administrative offices.

WEST VIRGINIA WORKERS' COMPENSATION COMMISSION (WCC)

The State of West Virginia operated an exclusive state-managed workers' compensation insurance program (WCC) prior to December 31, 2005. A framework for the privatization of workers' compensation insurance in West Virginia was established with the passage of Senate Bill 1004 and the WCC trust fund was terminated effective December 31, 2005. A privatized business entity, BrickStreet Administrative Services (BAS), was established and became the administrator of the WCC Old Fund, beginning January 1, 2006, and thereafter for seven years, and will have all administrative and adjudicatory authority previously vested in the WCC trust fund in administering old law liabilities and otherwise processing and deciding old law claims. BAS will be paid a monthly administrative fee and rated premium to provide a prompt and equitable system for compensation for injury sustained in the course of and growing out of employment. The monthly administrative fee for the West Virginia Lottery has been set at a level consistent with prior year payments and the new rate or premium will be established on an experience rated basis. The West Virginia Lottery is required to participate in the new BrickStreet Administrative Services (BAS) experience rated pool, which is expected to be rate adjusted on a quarterly basis.

PUBLIC EMPLOYEES' INSURANCE AGENCY (PEIA)

The Lottery participates in the Public Employees' Insurance Agency which provides an employee benefit insurance program to employees. PEIA was established by the State of West Virginia for State agencies, institutions of higher education, Boards of Education and component units of the State. In addition, local governmental entities and certain charitable and public service organizations may request to be covered by PEIA. PEIA provides a base employee benefit insurance program which includes hospital, surgical, major medical, prescription drug and basic life and accidental death. Underwriting and rate setting policies are established by PEIA. The cost of all coverage as determined by PEIA shall be paid by the participants. Premiums are established by PEIA and are paid monthly, and are dependent upon, among other things, coverage required, number of dependents, state vs. non state employees and active employees vs. retired employees and level of compensation. Coverage under these programs is limited to \$1 million lifetime for health and \$10,000 of life insurance coverage.

The PEIA risk pool retains all risks for the health and prescription features of its indemnity plan. PEIA has fully transferred the risks of coverage to the Managed Care Organization (MCO) Plan to the plan provider, and has transferred the risks of the life insurance coverage to a third party insurer. PEIA presently charges equivalent premiums for participants in either the indemnity plan or the MCO Plan. Altogether, PEIA insures approximately 205,000 individuals, including participants and dependents.

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
-Unaudited-

NOTE 14 - RISK MANAGEMENT (continued)

BOARD OF RISK AND INSURANCE MANAGEMENT (BRIM)

The Lottery participates in the West Virginia Board of Risk and Insurance Management (BRIM), a common risk pool currently operating as a common risk management and insurance program for all State agencies, component units, and other local governmental agencies who wish to participate. The Lottery pays an annual premium to BRIM for its general insurance coverage. Fund underwriting and rate setting policies are established by BRIM. The cost of all coverage as determined by BRIM shall be paid by the participants. The BRIM risk pool retains the risk of the first \$1 million per property event and purchases excess insurance on losses above that level. Excess coverage, through an outside insurer under this program is limited to \$200 million per event, subject to limits on certain property. BRIM has \$1 million per occurrence coverage maximum on all third-party liability claims.

NOTE 15- OTHER POSTEMPLOYMENT BENEFITS (OPEB)

The Lottery participates in the West Virginia Other Postemployment Benefits Plan (OPEB Plan) of the West Virginia Retiree Health Benefit Trust Fund (Trust), a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the West Virginia Public Employee Insurance Agency (WVPEIA). The OPEB Plan provides retiree post-employment health care benefits for participating state and local government employers. The provisions of the Code of West Virginia, 1931, as amended (the Code), assigns the authority to establish and amend benefit provisions to the WVPEIA board of trustees. The WVPEIA issues a publicly available financial report that includes financial statements and required supplementary information for the OPEB Plan. That report may be obtained by writing to Public Employees Insurance Agency, 601 57th Street, South East, Suite 2, Charleston, West Virginia, or by calling 1-888-680-7342.

Funding Policy

The Code requires the OPEB Plan bill the participating employers 100% of the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. State of West Virginia plan employers are billed per active health policy per month.

The ARC rate is \$388 and \$461 per employee per month for the years ending June 30, 2009 and 2008 respectively. Through June 30, 2009 and 2008, the Lottery has paid premiums of \$185,563 and \$98,625. For year ended June 30, 2008 (initial year of the Lottery's participation in the Trust), the State of West Virginia, on the Lottery's behalf, paid \$472,247 towards the Annual Required Contribution. As of June 30, 2009 and 2008, the Lottery has recorded a liability of \$251,867 and \$10,073 on its balance sheet for OPEB.

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
-Unaudited-

NOTE 16- NEW ACCOUNTING PRONOUNCEMENTS

The Governmental Accounting Standards Board (GASB) issued Statement No. 50, Pension Disclosures, an amendment of GASB Statements No. 25 and No. 27, in 2007. This Statement more closely aligns the financial reporting requirements for pensions with those for other postemployment benefits (OPEB) and, in doing so, enhances information disclosed in notes to the financial statements or presented as required supplementary information (RSI) by pension plans and by employers that provide pension benefits. The reporting changes required by this Statement amend applicable note disclosure and RSI requirements of Statements No. 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans, and No. 27, Accounting for Pensions by State and Local Governmental Employers, to conform with requirements of Statements No. 43, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, and No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. This Statement is effective for periods beginning after June 15, 2007, and management has not yet determined what impact, if any, it will have on the financial statements.

WEST VIRGINIA LEGISLATURE
Office of the Legislative Auditor

*Budget Division
Building 1, Room 314-West Wing
1900 Kanawha Blvd. East
Charleston, WV 25305-0590*



, 304-347-4870

Memorandum

To: Honorable Senate President Tomblin
Honorable House of Delegates Speaker Thompson
Honorable Members of the Joint Committee on Government and
Finance

From: Ellen Clark, C.P.A. *EC*
Director Budget Division
Legislative Auditor's Office

Date: June 1, 2010

Re: Status of General Revenue Fund May 31, 2010

We have reviewed the cash revenue flows of the West Virginia general revenue fund for the months of July - May of fiscal year 2009-2010. The status of the fund collections are as follows:

The net collections were **98.72%** of the estimate for the fiscal year as of May 31, 2010. **The amount BELOW estimate was \$43.9 million for the year.**

Personal Income Tax collections were \$ 71.9 million under the estimate for the fiscal year.

Consumer sales and use tax collections were \$37.8 million under the estimate for the fiscal year.

Severance tax collections were \$ 96 million over the estimate for the fiscal year.

Corporate income and business franchise collections were \$1.8 million below the estimate for the year.

Joint Committee on Government and Finance

State Road Fund

The state road fund was collected at 95.38% of the estimate for the months of July - May 2010. Privilege tax collections were \$ 12.7 million under the estimate. Gasoline tax was \$ 12.3 million above the estimate. The entire fund was \$ 26.4 million below the estimate for the year.

Rainy Day and Personal Income Tax Reserve

Revenue Shortfall Reserve Fund A(Rainy Day Fund) had a cash balance of \$ \$277,818,714.92 as of May 31, 2010.

Balance July 1, 2009	236,619,572.54
Cash flow loan to General Revenue on July 1, 2009. To be repaid 90 days. This is a normal occurrence in July due to cash flow demands; repaid in September.	- 56,000,000.00 + 56,000,000.00
Revenues July 1, 2008-June 30,2009 (Surplus from FY 2009 transferred in August 2009.)	11,067,940.85
Earnings	30,131,201.53
Balance May 31, 2010	277,818,714.92

Revenue Shortfall Reserve Fund B (Tobacco Settlement Monies) had a cash balance of \$ 287,887,618.81 as of May 31, 2010.

Balance July 1, 2009	236,006,002.65
Statutory Transfer according to WV Code 33-3-14 A,B,C Medical malpractice premiums	1,555,022.00
Earnings	50,326,594.16
Balance May 31, 2010	287,887,618.81

The Special Income Tax Reserve Fund had a cash balance of \$45,019,319.21 as of May 31, 2010.

Balance July 1, 2009	45,019,319.21
Revenues	-0-
Balance May 31, 2010	45,019,319.21

Monthly Revenue Estimates
as of May 28, 2010 WVFIMS

	MONTH ESTIMATES	NET MONTH COLLECTIONS	UNDER ESTIMATES VS ACTUAL COLLECTIONS	YTD ESTIMATES	NET YTD COLLECTIONS	YEARLY OVER UNDER ESTIMATES VS ACTUAL COLLECTIONS
Personal Income Tax	132,900,000	131,341,902	-1,558,098	1,380,200,000	1,308,267,700	-71,932,300
Consumer Sales Tax & Use Tax	99,000,000	92,272,082	-6,727,918	1,052,200,000	1,014,337,482	-37,862,518
Severance Tax	25,000,000	27,216,841	2,216,841	263,500,000	359,537,641	96,037,641
Corp Income /Business Franchise	1,400,000	3,607,622	2,207,622	182,800,000	180,986,419	-1,813,581
HB 102 - Lottery Transfers	10,800,000	37,066,329	26,266,329	127,900,000	127,189,440	-710,560
Business and Occupation	8,800,000	7,111,774	-1,688,226	121,200,000	117,932,003	-3,267,997
Insurance Tax	4,800,000	4,988,948	188,948	107,900,000	102,099,674	-5,800,326
Cigarette Tax	9,200,000	8,824,311	-375,689	99,300,000	99,587,645	287,645
Interest Income	2,100,000	1,581,068	-518,932	22,900,000	11,654,221	-11,245,779
Liquor Profit Transfers	2,600,000	1,718,976	-881,024	15,320,000	11,872,801	-3,447,199
Departmental Collections	800,000	815,681	15,681	13,200,000	13,572,364	372,364
Property Transfer Tax	800,000	651,048	-148,952	9,400,000	7,208,216	-2,191,784
Refundable Credit Reim LTY	1,170,000	962,783	-207,217	9,200,000	7,776,763	-1,423,237
Beer Tax and Licenses	940,000	953,509	13,509	7,490,000	7,440,283	-49,717
Property Tax	300,000	284,217	-15,783	5,700,000	5,749,886	49,886
Smokeless Tobacco Tax	500,000	251,872	-248,328	5,400,000	3,433,473	-1,966,527
Miscellaneous Receipts	100,000	178,494	78,494	5,050,000	5,605,283	555,283
Business Franchise Fees	60,000	182,101	122,101	850,000	865,781	15,781
Racing Fees	70,000	0	-70,000	800,000	293,559	-506,441
Miscellaneous Transfers	0	0	0	500,000	239,287	-260,713
Charter Tax	0	16,515	16,515	0	160,115	160,115
Telecommunications Tax	0	9,503	9,503	0	68,076	68,076
Estate and Inheritance Tax	0	0	0	0	81,676	81,676
Video Lottery Transfers	0	176,898	176,898	0	873,080	873,080
Special Revenue Transfer	0	0	0	0	0	0
Cash Flow Transfer	0	0	0	0	0	0
TOTALS	301,340,000	320,212,273	18,872,273	3,430,810,000	3,386,832,646	-43,977,354
Minus Cash Flow Transfer	0	0	0	0	0	0
Percent of Estimates		106.26%				
TOTALS	301,340,000	320,212,273	18,872,273	3,430,810,000	3,386,832,646	-43,977,354
Percent of Estimates		106.26%			98.72%	
Collections this day		27,901,764				

Prepared by Legislative Auditor's Office, Budget Division

	MONTH ESTIMATES	NET MONTH COLLECTIONS	MONTHLY OVER UNDER ESTIMATES VS ACTUAL COLLECTIONS	YTD ESTIMATES	NET YTD COLLECTIONS	YEARLY OVER UNDER ESTIMATES VS ACTUAL COLLECTIONS
Gasoline & Motor Carrier Rd Tax	32,000,000	14,385,224	-17,614,776	350,400,000	338,062,414	-12,337,586
Privilege Tax	14,967,000	12,852,644	-2,114,356	145,958,000	133,213,579	-12,744,421
Licenses & Registration	8,126,000	8,491,741	365,741	73,587,000	72,307,431	-1,279,569
Highway Litter Control	154,000	123,641	-30,360	1,392,000	1,330,306	-61,694
TOTALS	55,247,000	35,853,249	-19,393,751	571,337,000	544,913,730	-26,423,270

Percent of Estimates

64.90%

95.38%

Collections this day

13,055,433

REVENUE SHORTFALL RESERVE FUND 7005, Part A AS OF May 3, 2010 : \$275,406,185.84

REVENUE SHORTFALL RESERVE FUND 7006, Part B AS OF May 3, 2010 : \$284,196,955.82

PERSONAL INCOME TAX REFUND RESERVE FUND AS OF May 3, 2010: \$45,019,319.21

Prepared by Legislative Auditor's Office, Budget Division

WEST VIRGINIA LEGISLATURE
Office of the Legislative Auditor

*Budget Division
Building 1, Room 314-West Wing
1900 Kanawha Blvd. East
Charleston, WV 25305-0590*



. 304-347-4870

To: Honorable Senate President Tomblin
Honorable House of Delegates Speaker Thompson
Honorable Members of the Joint Committee on Government
and Finance

From: Ellen Clark, C.P.A. *EC*
Director Budget Division
Legislative Auditor's Office

Date: June 1, 2010

Re: West Virginia Unemployment Compensation Trust Fund

We have reviewed the April 2010 monthly report of the Unemployment Compensation Trust Fund we received from WorkForce West Virginia. April is the tenth month of fiscal year 2009-2010.

For the fiscal year 2009-2010, the trust fund cash flow was as follows:

Trust Fund Beginning Cash Balance 7-1-2009	\$193,165,088.22
Receipts July 1, 2009 thru June 30, 2010	\$390,615,265.24
Disbursements July 1, 2009 thru June 30, 2010	\$516,514,411.01
Balance April 30, 2010	\$67,265,942.45

ITEMS OF NOTE:

Regular benefits paid for July - April 2010 (fiscal year 2010) were \$95.7 million more than for July - April of fiscal year 2009.

Unemployment *Joint Committee on Government and Finance*

Federal emergency benefits totaled \$ 164.7 million for the fiscal year 2010; for last fiscal year federal emergency benefits totaled \$ 38.6 million during the same period.

Total disbursements were \$ 277 million more than the same months of the preceding fiscal year.

Receipts in July - April 2010 were \$ 238 million more than in July - April of fiscal year 2009. Overall ending trust fund balance was \$ 97.7 million less on April 30, 2010 than on April 30, 2009.

West Virginia's unemployment rate for the month of April 2010 was 8.9 percent. National unadjusted employment rate was 9.5 percent.

Seasonally adjusted unemployment rates were 9.2 percent for West Virginia and 9.9 percent nationally.

Since April 2009 employment has decreased by 8,000. The declines were: 1,500 in construction; 2,100 in mining and logging; 1,700 in leisure and hospitality; 2,200 in trade, transportation and utilities; 1,700 in manufacturing; 300 in professional and business services; 800 in financial activities; 700 in information. Employment gains included 1,000 in educational and health services, 1,800 in government and 200 in other services

Unemployment

**MONTHLY STATUS REPORT FOR THE JOINT COMMITTEE ON GOVERNMENT AND FINANCE
FOR THREE MONTHS STARTING FEBRUARY 2009 AND FEBRUARY 2010**

	FEBRUARY 09	MARCH 09	APRIL 09	FEBRUARY 2010	MARCH 2010	APRIL 2010	THREE MONTH TOTAL VARIANCE *
Balance Forward	<u>\$215,071,498.24</u>	<u>\$200,935,522.93</u>	<u>\$171,595,960.24</u>	<u>\$97,497,176.63</u>	<u>\$85,918,762.90</u>	<u>\$60,906,505.30</u>	<u>(\$343,282,537.69)</u>
Add Receipts:							
1. Bond Assessment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2. Regular Contributions:	\$12,545,573.50	\$484,987.61	\$23,632,654.48	\$16,276,982.26	\$1,403,368.11	\$28,474,801.89	\$9,491,856.67
3. Federal Emergency Benefits (EUC08)	\$3,539,930.00	\$4,219,602.00	\$3,818,689.78	\$21,057,309.18	\$26,060,716.96	\$20,074,609.12	\$55,614,413.48
4. Federal Share Extended Benefits (EB)	\$0.00	\$0.00	\$0.00	\$726,980.38	\$332,375.99	\$136,535.15	\$1,195,891.52
5. Temp Federal Additional Comp (FAC)	\$0.00	\$0.00	\$4,435,872.00	\$4,829,018.00	\$5,681,837.00	\$4,047,768.00	\$10,102,751.00
6. UCFE (Federal Agencies)	\$100,000.00	\$115,000.00	\$104,141.24	\$230,031.31	\$227,720.89	\$149,390.37	\$288,001.33
7. Special Administrative Transfer **	\$2,369,759.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$2,369,759.00)
8. Reed Act Funds	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
9. UC Modernization Incentive	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
10. Treasury Interest Credits	\$0.00	\$2,418,724.72	\$0.00	\$0.00	\$1,055,895.47	\$0.00	(\$1,362,829.25)
11. UCX (Military Agencies)	\$280,000.00	\$298,000.00	\$276,420.46	\$275,783.33	\$372,296.95	\$347,475.60	\$161,135.42
12. WV Insurance Committee-Senate Bill 246	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
13. CMA Receipts	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Monthly Receipts	<u>\$18,815,262.50</u>	<u>\$7,536,294.33</u>	<u>\$32,267,777.96</u>	<u>\$43,396,104.46</u>	<u>\$35,114,211.37</u>	<u>\$63,230,600.13</u>	<u>\$73,121,561.17</u>
Less Disbursements:							
Debt Bond Repayment	(Retired)	(Retired)	(Retired)	(Retired)	(Retired)	(Retired)	(Retired)
Regular Benefits:	\$27,998,187.51	\$32,127,949.05	\$29,846,712.96	\$27,799,021.77	\$30,189,246.04	\$22,299,614.07	(\$9,685,947.64)
Federal Emergency Benefits (EUC08)	\$3,517,405.00	\$4,286,205.00	\$3,757,131.88	\$21,060,285.25	\$23,463,540.84	\$19,847,608.18	\$52,810,692.59
Federal Share Extended Benefits (EB)	\$0.00	\$0.00	\$0.00	\$695,477.66	\$328,900.77	\$150,249.15	\$1,172,627.58
Emergency Benefits (TEUC)	(\$325.00)	(\$317.58)	(\$380.00)	(\$315.00)	(\$360.00)	(\$180.00)	\$167.58
Temp Federal Additional Comp (FAC)	\$0.00	\$0.00	\$4,838,649.00	\$4,827,862.00	\$5,154,555.00	\$4,002,170.00	\$9,145,738.00
UCFE (Federal Workers) Benefits	\$108,128.53	\$126,933.06	\$111,790.50	\$268,004.47	\$250,157.66	\$152,381.95	\$323,691.99
UCX (Military Workers) Benefits	\$283,042.19	\$335,087.49	\$300,757.45	\$326,381.04	\$406,485.09	\$417,890.26	\$231,869.28
Reed Act Funds	\$1,044,819.58	\$0.00	\$0.00	\$0.00	\$328,395.86	\$0.00	(\$716,423.72)
Special Administrative Transfer**	\$0.00	\$0.00	\$0.00	\$0.00	\$6,547.71	\$1,409.24	\$7,956.95
Total Monthly Disbursements	<u>\$32,951,237.81</u>	<u>\$36,875,857.02</u>	<u>\$38,854,661.59</u>	<u>\$54,876,517.19</u>	<u>\$60,124,468.97</u>	<u>\$46,871,142.85</u>	<u>\$53,290,372.59</u>
Trust Fund Balance	<u>\$200,935,522.93</u>	<u>171,595,960.24</u>	<u>\$165,009,076.61</u>	<u>\$85,918,762.90</u>	<u>\$60,808,505.30</u>	<u>\$67,265,942.58</u>	<u>(\$323,451,349.00)</u>

* Three month total variance column is the difference between the sum of the previous year's three months data for each category and the current year's three months data. The purpose of the report is to show significant changes in receipts, disbursements, or balances.

**The Assistance for Unemployed Workers and Struggling Families Act, Title II of Division B of Public Law No. 111-5, enacted February 17, 2009, provided a special administrative transfer to states' accounts of \$500 million to be used for certain administrative purposes. On February 27, 2009, the U.S. Treasury distributed West Virginia's amount of \$2,369,759 to the Unemployment Insurance Trust Fund. Attachment IV to the Unemployment Insurance Program Letter No. 14-09 issued by the U.S. Department of Labor on February 26, 2009 specifies the permissible uses of the administrative transfer. The special administrative transfer is not available for the payment of Unemployment Compensation (UC) benefits; therefore the Trust Fund Balance must be reduced by the Special Administrative Transfer on line 7 to obtain the balance available for UC benefits.



Prescription Drug Report

April 2010

West Virginia Legislative Interims
June 2010

WV PEIA - Monthly Trend

Plan Demographics	Jan-10	Feb-10	Mar-10	Apr-10	2008 - 2010 Fiscal	2008 - 2009 Fiscal	% Change
Total Drug Cost	\$14,312,621	\$14,088,510	\$16,373,568	\$15,532,116	\$143,485,342	\$132,002,653	8.70%
Amount Paid By Plan Sponsor	\$11,910,447	\$11,793,645	\$13,748,094	\$13,142,854	\$115,162,255	\$104,147,977	10.57%
Amount Paid By Members	\$2,402,378	\$2,291,666	\$2,625,472	\$2,389,260	\$28,333,087	\$27,854,688	1.72%
Total Claims	221,169	212,291	248,328	227,363	2,211,689	2,104,333	5.11%
Average Eligible Member	165,993	166,234	168,388	165,485	164,783	159,929	3.04%
Average # of Rx's Per Member Per Month	1.33	1.28	1.48	1.37	1.34	1.32	2.01%
Plan Paid Per Member Per Month (PMPM)	\$71.75	\$70.88	\$82.63	\$79.42	\$69.88	\$65.12	7.31%
Average Eligible Enrollees	76,467	76,624	76,800	76,846	75,939	73,609	3.10%
Average # of Rx's Per Enrollee Per Month	2.89	2.77	3.21	2.96	2.91	2.89	1.96%
Plan Paid Per Enrollee Per Month (PEPM)	\$156.78	\$153.92	\$179.01	\$171.03	\$151.64	\$141.39	7.25%
Rx Cost Share							
Avg. Claim Cost to Plan	\$53.89	\$55.56	\$58.81	\$57.81	\$62.06	\$49.49	5.18%
AVG. Member Cost/Claim	\$10.86	\$10.80	\$10.68	\$10.81	\$12.51	\$13.24	-3.23%
Percent member Cost Share	18.8%	18.3%	18.0%	18.4%	19.7%	21.1%	-6.42%
Average Ingredient Costs							
Single Source (no generics available)	\$200.31	\$206.11	\$206.42	\$209.61	\$196.68	\$178.70	10.73%
Multi-Source Brand (generics available)	\$77.48	\$82.59	\$76.72	\$82.81	\$75.82	\$49.18	54.46%
Generic Drugs	\$20.09	\$20.92	\$22.10	\$23.48	\$20.42	\$18.77	8.77%
Brand/Generics Dispensing Rates							
Single Source (no generics)	23.7%	23.67%	23.26%	23.3%	24.31%	29.87%	-8.66%
Multi-Source Brand (generics available)	0.9%	0.90%	0.88%	0.9%	0.94%	0.96%	-1.82%
Generic Drug	75.3%	75.53%	75.87%	75.8%	74.76%	72.38%	3.29%
Generics Dispensed when available	98.8%	98.82%	98.66%	98.6%	98.76%	98.70%	0.07%
Percent of Plan Cost for Single Source	77.9%	77.43%	76.77%	74.7%	78.36%	80.39%	-2.49%
Retail Pharmacy Program							
Avg. Day Supply	33.3	33.0	33.0	33.5	33.0	32.4	1.66%
Avg. Plan Cost/Day Supply	\$1.60	\$1.57	\$1.69	\$1.71	\$1.57	\$1.51	3.37%
Avg. Claim Cost to Plan	\$53.34	\$56.08	\$56.33	\$57.22	\$51.59	\$49.09	5.08%
Avg. Member Cost / Claim	\$10.79	\$10.72	\$10.60	\$10.46	\$12.72	\$13.15	-3.27%
Percent Member Cost Share	18.8%	18.30%	18.07%	18.4%	19.78%	21.13%	-6.36%
Special Maint Netwk (% of claims filled)	12.5%	12.38%	12.34%	12.4%	12.18%	11.54%	6.66%
Other Maint (% of claims filled)	0.7%	0.70%	0.76%	0.8%	0.73%	0.60%	20.89%
Avg. Days Supply for Maint. Netwks	87.2	87.4	87.2	87.3	87.3	87.5	-0.21%
Total # Claims Fills 1-34 Days Supply	187,274	180,279	208,970	182,823	1,681,496	1,813,061	3.77%
Total # Claims Fills 35-60 Day Supply	1,904	1,885	2,141	1,932	17,991	14,885	20.87%
Total # Claims Fills 61-90 Day Supply	29,736	28,421	33,034	30,760	291,377	259,133	12.66%
Total # Claims Fills 91+ Day Supply	49	58	71	45	520	111	389.47%
Mail Service Program							
Avg. Days Supply	71.7	71.6	72.1	72.0	71.4	72.2	-1.12%
Avg. Plan Cost/Days Supply	\$1.48	\$1.52	\$1.55	\$1.97	\$1.44	\$1.32	8.81%
Avg. Cost to Plan	\$104.60	\$108.49	\$111.80	\$120.03	\$102.46	\$95.23	7.60%
Avg. Member Cost/Claim	\$18.10	\$18.95	\$17.98	\$17.02	\$22.09	\$22.85	-3.36%
Percent Member Cost Share	14.6%	14.88%	13.84%	12.4%	17.73%	19.35%	-8.36%
Total # Claims Fills 1-34 Days Supply	647	553	609	611	6,138	6,188	18.06%
Total # Claims Fills 35-60 Days Supply	10	8	7	7	62	68	67.27%
Total # Claims Fills 61-90 Days Supply	1,549	1,307	1,494	1,485	14,257	12,885	10.66%
Total # Claims Fills 91+ Day Supply	0	0	0	0	-	-	-
Formulary Program							
S/S Formulary Drugs (% by claim)	19.3%	19.20%	18.85%	19.0%	19.96%	21.84%	-8.81%
S/S Non-Formulary Drugs (% by claim)	4.4%	4.37%	4.40%	4.3%	4.35%	4.83%	-9.86%
M/S Drugs (% by claim)	0.9%	0.90%	0.88%	0.9%	0.94%	0.98%	-1.82%
Generic Drugs (% by Claim)	75.3%	75.53%	75.87%	75.8%	74.76%	72.38%	3.29%
S/S Formulary Drugs (% by \$)	69.0%	68.22%	68.74%	68.6%	69.42%	72.07%	-3.69%
s/s non-Formulary Drugs (% by \$)	8.9%	9.21%	8.03%	8.9%	8.97%	9.31%	7.88%
M/S Drugs (% by \$)	0.9%	0.88%	0.74%	0.8%	0.85%	0.43%	98.64%
Generic Drugs (% by \$)	21.3%	21.71%	23.49%	24.5%	20.77%	19.19%	8.23%
Specialty Drugs							
Total Drug Cost	\$1,551,158	\$1,643,798	\$1,848,918	\$1,789,649	\$16,345,263	\$13,916,742	17.45%
Amount Paid by Plan Sponsor	\$1,517,051	\$1,608,818	\$1,807,933	\$1,781,251	\$15,938,512	\$13,538,689	17.75%
Amount Paid by Members	\$34,107	\$35,180	\$41,083	\$38,398	\$406,771	\$381,053	8.75%
Total Claims	691	709	843	791	7,562	7,085	6.73%
Avg # of Rx's per Member per Month	0.00	0.00	0.01	0.00	0.005	0.004	3.59%
Plan Paid Per Member Per Month (PMPM)	\$9.14	\$9.88	\$10.87	\$10.64	\$9.67	\$9.46	14.28%
Avg Claim Cost to Plan	\$2,195.44	\$2,268.85	\$2,144.62	\$2,226.81	\$2,107.71	\$1,910.47	10.32%
Avg Claim Cost to Member	\$49.38	\$49.82	\$48.73	\$48.54	\$53.79	\$53.78	0.02%
Percent of Member Cost Share	2.20%	2.14%	2.22%	2.13%	2.49%	2.74%	-9.11%
Percent of Overall Drug Spend	10.84%	11.67%	11.28%	11.69%	11.39%	10.64%	8.05%

WV PEIA - Monthly Trend

Plan Demographics	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09
Total Drug Cost	\$12,458,371	\$13,255,898	\$13,869,107	\$14,763,076	\$13,822,390	\$14,821,839
Amount Paid By Plan Sponsor	\$7,708,511	\$10,130,169	\$11,048,281	\$11,671,917	\$11,408,661	\$12,393,477
Amount Paid By Members	\$4,751,860	\$3,125,509	\$2,822,848	\$2,881,168	\$2,513,628	\$2,628,212
Total Claims	106,479	204,569	217,158	235,633	220,169	230,694
Average Eligible Member	162,225	162,451	163,418	164,742	165,225	165,674
Average # of Rx's Per Member Per Month	1.21	1.26	1.33	1.43	1.33	1.39
Plan Paid Per Member Per Month (PMPM)	\$47.51	\$62.38	\$67.50	\$72.08	\$69.05	\$74.81
Average Eligible Enrollees	74,591	74,697	75,147	75,821	76,108	76,323
Average # of Rx's Per Enrollee Per Month	2.63	2.74	2.68	3.11	2.89	3.02
Plan Paid Per Enrollee Per Month (PEPM)	\$103.32	\$135.67	\$147.00	\$155.58	\$149.90	\$162.38
Rx Cost Share						
Avg. Claim Cost to Plan	\$39.22	\$49.52	\$50.67	\$50.38	\$51.61	\$53.72
Avg. Member Cost/Claim	\$24.19	\$15.28	\$13.00	\$12.23	\$11.42	\$10.96
Percent member Cost Share	38.1%	23.6%	20.4%	19.5%	18.1%	18.5%
Average Ingredient Costs						
Single Source (no generics available)	\$189.42	\$191.89	\$191.45	\$181.12	\$188.67	\$197.08
Multi-Source Brand (generics available)	\$53.19	\$65.69	\$79.49	\$79.04	\$66.78	\$73.33
Generic Drugs	\$19.42	\$19.50	\$19.29	\$19.08	\$19.58	\$20.34
Brand/Generic Dispensing Rates						
Single Source (no generics)	24.84%	26.18%	24.73%	25.7%	24.82%	24.06%
Multi-Source Brand % (generics available)	0.95%	0.83%	0.99%	0.9%	0.88%	0.97%
Generic Drug	74.21%	73.65%	74.28%	73.4%	74.10%	74.96%
Generics Dispensed when available	98.74%	98.69%	98.69%	98.6%	98.70%	98.72%
Percent of Plan Cost for Single Source	85.40%	81.43%	79.88%	79.2%	78.25%	77.78%
Retail Pharmacy Program						
Avg. Days Supply	33.1	33.9	32.9	31.8	32.3	33.1
Avg. Plan Cost/Day Supply	\$1.17	\$1.45	\$1.63	\$1.58	\$1.59	\$1.61
Avg. Claim Cost to Plan	\$38.63	\$49.07	\$50.37	\$49.98	\$51.39	\$53.22
Avg. Member Cost / Claim	\$24.03	\$16.15	\$12.69	\$12.16	\$11.39	\$10.89
Percent Member Cost Share	38.23%	23.59%	20.38%	19.6%	18.09%	18.99%
Special Maint. Network (% of claims filled)	11.88%	12.49%	12.25%	11.5%	11.89%	12.52%
Other Maint (% of claims filled)	0.66%	0.72%	0.73%	0.7%	0.67%	0.77%
Avg. Days Supply for Maint. Network	87.3	87.3	87.4	87.3	87.3	87.4
Total # Claims-Fills 1-34 Days Supply	168,160	173,339	184,679	202,509	188,269	186,504
Total # Claims Fills 35-60 Day Supply	1,545	1,865	1,737	1,813	1,738	1,661
Total # Claims Fills 61-90 Day Supply	24,868	27,440	28,716	29,198	26,184	31,220
Total # Claims Fills 91+ Day Supply	37	51	53	41	62	63
Mail Service Program						
Avg. Days Supply	71.8	71.5	71.3	71.2	69.8	70.8
Avg. Plan Cost/Days Supply	\$1.06	\$1.31	\$1.48	\$1.38	\$1.42	\$1.54
Avg. Cost to Plan	\$75.91	\$93.71	\$105.43	\$96.09	\$99.36	\$109.22
Avg. Member Cost/Claim	\$38.84	\$28.78	\$24.55	\$19.87	\$18.39	\$18.39
Percent Member Cost Share	33.85%	23.60%	18.89%	17.1%	16.62%	14.41%
Total # Claims Fill 1-34 Days Supply	803	816	594	628	633	637
Total # Claims Fills 35-60 Days Supply	11	8	8	12	12	9
Total # Claims Fills 61-90 Days Supply	1,455	1,450	1,369	1,432	1,306	1,410
Total # Claims Fills 91+ Day Supply	0	0	0	0	0	0
Formulary Program						
S/S Formulary Drugs (% by claim)	20.23%	20.61%	20.34%	21.5%	20.71%	19.87%
S/S Non-Formulary Drugs (% by claim)	4.61%	4.57%	4.39%	4.2%	4.21%	4.09%
M/S Drugs (% by claim)	0.95%	0.95%	0.99%	0.9%	0.93%	0.97%
Generic Drugs (% by Claim)	74.21%	73.83%	74.28%	73.4%	74.10%	74.96%
S/S Formulary Drugs (% by \$)	76.27%	72.29%	70.82%	70.5%	69.61%	68.67%
S/S Non-Formulary Drugs (% by \$)	9.13%	9.14%	9.28%	8.7%	8.74%	8.79%
M/S Drugs (% by \$)	0.82%	0.73%	1.02%	1.0%	1.12%	0.82%
Generic Drugs (% by \$)	14.09%	17.84%	19.11%	19.8%	20.62%	21.42%
Specialty Drugs						
Total Drug Cost	\$1,474,493	\$1,523,254	\$1,628,720	\$1,631,192	\$1,530,883	\$1,713,210
Amount Paid by Plan Sponsor	\$1,408,968	\$1,483,872	\$1,588,620	\$1,592,605	\$1,494,862	\$1,673,842
Amount Paid by Members	\$65,525	\$39,382	\$39,900	\$38,587	\$36,021	\$39,368
Total Claims	749	719	768	780	726	800
Avg # of Rx's per Member per Month	0.00	0.00	0.00	0.005	0.004	0.005
Plan Paid Per Member Per Month (PMPM)	\$8.69	\$9.13	\$9.73	\$9.87	\$9.05	\$10.10
Avg Claim Cost to Plan	\$1,981.13	\$2,063.80	\$2,105.72	\$2,041.80	\$2,061.85	\$2,092.05
Avg Claim Cost to Member	\$87.48	\$54.78	\$51.52	\$49.47	\$49.70	\$49.48
Percent of Member Cost Share	4.44%	2.69%	2.39%	2.37%	2.35%	2.31%
Percent of Overall Drug Spend	11.84%	11.49%	11.74%	11.06%	11.00%	11.48%

Utilization Report by Population Level

WVA - WV Public Employees Ins

Prescriptions Filled From 04/2010 - 04/2010



Reporting Level 2	Avg Mbr Count	Avg Util Mbr/Mnth	Rx Count	Plan Cost	Member Contr/Rx	Plan Cost/Rx	Mail % Rxs	Gen % Rxs	Form % Rxs	Gen Conv %	PMPM Plan Cost
COBRA (COBRA)	313	181	630	\$41,410	\$10.82	\$85.73	1.8 %	76.0 %	93.7 %	99.0 %	\$132.30
NON STATE AGENCIES (02)	18,143	8,290	24,667	\$1,337,834	\$10.15	\$54.24	0.9 %	76.8 %	94.2 %	99.1 %	\$73.74
NON STATE AGENCIES PLAN B (02B)	3,670	1,531	4,061	\$184,668	\$12.03	\$45.45	3.2 %	79.8 %	94.7 %	99.5 %	\$50.29
NON STATE RETIREES (08)	1,403	821	3,694	\$218,375	\$9.88	\$59.12	1.6 %	75.6 %	95.1 %	99.1 %	\$165.65
NON STATE RETIREES 60 (0860)	16	10	49	\$2,059	\$2.54	\$44.78	0.0 %	80.4 %	97.8 %	100.0 %	\$128.68
STATE AGENCIES (01)	122,347	64,605	166,744	\$8,997,621	\$10.41	\$57.77	0.8 %	75.9 %	93.0 %	98.8 %	\$73.54
STATE AGENCIES (01B)	4,760	1,318	2,982	\$141,390	\$13.68	\$47.41	1.4 %	77.4 %	92.9 %	99.0 %	\$29.77
STATE RETIREES (07)	14,782	9,603	34,654	\$2,189,894	\$10.85	\$62.65	1.1 %	74.2 %	94.0 %	98.7 %	\$148.15
STATE RETIREES ASST 60 (0760)	81	50	241	\$13,260	\$2.41	\$55.02	0.0 %	78.8 %	95.9 %	100.0 %	\$217.38
Grand Total	165,485		227,019	\$13,128,411	\$10.50	\$57.82	0.9 %	75.8 %	94.0 %	98.9 %	\$78.32



Key Performance Indicators

Comprehensive Indicators

WVA - WV Public Employees Ins

Current Period: 04/2010 - 04/2010

Previous Period: 04/2009 - 04/2009

	Current Period	Previous Period	% Change
Overall Performance			
Plan Cost PMPM	\$79.32	\$70.60	12.4 %
Average Mbrs/Month	165,485	161,865	2.2 %
Average Subs/Month	76,846	74,753	2.8 %
% Utilizing Members	46.3 %	46.7 %	-0.9 %
% Retail Utilizing Members	46.0 %	46.5 %	-1.0 %
% Mail Utilizing Members	0.6 %	0.6 %	6.7 %
Rx Measures			
Rxs PMPM	1.37	1.37	0.4 %
Retail Rxs PMPM	1.36	1.36	0.3 %
Mail Rxs PMPM	0.01	0.01	11.6 %
Average Admin Fee/Rx	\$0.00	\$0.00	-89.6 %
Avg Retail Admin Fee/Rx	\$0.00	\$0.00	-89.6 %
Avg Mail Admin Fee/Rx	\$0.00	\$0.00	0.0 %
Average Plan Cost/Rx	\$57.82	\$51.65	11.9 %
Avg Retail Plan Cost/Rx	\$57.24	\$51.28	11.6 %
Avg Mail Plan Cost/Rx	\$119.78	\$96.40	24.3 %
Average Mbr Contrib/Rx	\$10.50	\$10.93	-3.9 %
Avg Retail Mbr Contrib/Rx	\$10.44	\$10.86	-3.8 %
Avg Mail Mbr Contrib/Rx	\$16.97	\$19.07	-11.0 %
Average Ing Cost/Rx	\$87.08	\$61.10	9.8 %
Avg Retail Ing Cost/Rx	\$66.43	\$60.64	9.5 %
Avg Mail Ing Cost/Rx	\$136.74	\$115.47	18.4 %
Average AWP/Rx	\$120.50	\$114.95	4.8 %
Avg Retail AWP/Rx	\$119.33	\$113.98	4.7 %
Avg Mail AWP/Rx	\$245.26	\$230.29	6.5 %
Average Days Supply/Rx	33.9	32.8	3.3 %
Avg Retail Days/Rx	33.5	32.5	3.2 %
Avg Mail Days/Rx	71.9	71.7	0.3 %
Average Plan Cost/Day	\$1.71	\$1.57	8.4 %
Avg Retail Plan Cost/Day	\$1.71	\$1.58	8.2 %
Avg Mail Plan Cost/Day	\$1.67	\$1.34	23.9 %
% Plan Cost	84.6 %	82.5 %	2.5 %
% Member Contribution	15.4 %	17.5 %	-12.0 %
% Retail Plan Cost	84.6 %	82.5 %	2.5 %
% Retail Mbr Contrib	15.4 %	17.5 %	-11.7 %
% Mail Plan Cost	87.6 %	83.5 %	4.9 %
% Mail Member Contrib	12.4 %	16.5 %	-24.9 %

**Key Performance Indicators****Comprehensive Indicators****WVA - WV Public Employees Ins**

Current Period: 04/2010 - 04/2010

Previous Period: 04/2009 - 04/2009

	Current Period	Previous Period	% Change
Rx Sources			
% Mail Rx's	0.9 %	0.8 %	11.2 %
% Retail Rx's	99.1 %	99.2 %	-0.1 %
% Member Submit Rx's	0.0 %	0.0 %	-71.3 %
Rx Types			
Avg SSB Plan Cost/Rx	\$185.51	\$159.09	16.6 %
Avg Retail SSB Plan Cost/Rx	\$184.15	\$158.30	16.3 %
Avg Mail SSB Plan Cost/Rx	\$308.49	\$236.32	31.1 %
Avg MSB Plan Cost/Rx	\$53.26	\$31.66	68.2 %
Avg Retail MSB Plan Cost/Rx	\$51.47	\$31.42	63.8 %
Avg Mail MSB Plan Cost/Rx	\$249.83	\$55.53	349.9 %
Avg GEN Plan Cost/Rx	\$18.70	\$13.73	36.2 %
Avg Retail GEN Plan Cost/Rx	\$18.46	\$13.59	35.8 %
Avg Mail GEN Plan Cost/Rx	\$45.80	\$31.01	47.7 %
% Single-Source Brand Rx's	23.3 %	26.0 %	-10.4 %
% Multi-Source Brand Rx's	0.9 %	0.9 %	-6.5 %
% Generic Rx's	75.8 %	73.1 %	3.8 %
% Retail Single-Source Brand	23.2 %	25.9 %	-10.4 %
% Retail Multi-Source Brand	0.9 %	0.9 %	-6.3 %
% Retail Generic	75.9 %	73.1 %	3.8 %
% Mail Single-Source Brand	27.5 %	31.9 %	-13.7 %
% Mail Multi-Source Brand	0.9 %	1.1 %	-24.9 %
% Mail Generic	71.6 %	67.0 %	6.9 %
% Formulary Rx's	94.0 %	94.0 %	-0.0 %
% Retail Formulary Rx's	94.0 %	94.0 %	-0.0 %
% Mail Formulary Rx's	92.7 %	92.2 %	0.5 %
% DAW Rx's	0.5 %	0.5 %	5.2 %
% Retail DAW Rx's	0.5 %	0.5 %	4.9 %
% Mail DAW Rx's	1.0 %	0.8 %	22.7 %
% Generic Conversion	98.9 %	98.7 %	0.1 %
% Retail GEN Conversion	98.9 %	98.7 %	0.1 %
% Mail GEN Conversion	98.8 %	98.3 %	0.5 %
Period Totals			
Total Plan Cost	\$13,126,411.08	\$11,427,651.18	14.9 %
Retail Plan Cost	\$12,874,623.26	\$11,250,083.30	14.4 %
Mail Plan Cost	\$251,787.80	\$177,567.88	41.8 %
Total Member Contribution	\$2,384,222.32	\$2,417,743.62	-1.4 %

Key Performance Indicators
 Comprehensive Indicators
 WVA - WV Public Employees Ins

 Current Period: 04/2010 - 04/2010
 Previous Period: 04/2009 - 04/2009

	Current Period	Previous Period	
Retail Member Contrib	\$2,348,551.83	\$2,382,811.10	- 1.4 %
Mall Member Contrib	\$35,670.49	\$35,132.52	1.5 %
Total Rx Count	227,019	221,242	2.6 %
Retail Rx Count	224,907	219,366	2.5 %
Member Submit Rxs	10	34	-70.6 %
Mall Rx Count	2,102	1,842	14.1 %
Total Admin Fee	\$25.00	\$235.00	-89.4 %
Total UC Savings	\$13,075,935.73	\$9,107,635.18	43.6 %
Total Lost Savings	\$31,526.53	\$19,623.09	60.7 %
Demographics			
Average Age	39.1	39.0	0.1 %
% Male Members	46.6 %	46.5 %	0.1 %
% Female Members	53.4 %	53.5 %	-0.1 %

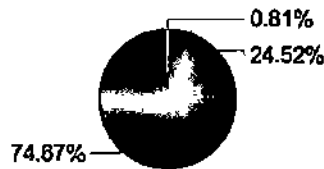
Graphs based on Current Period: 04/2010 - 04/2010

Claim Source by Rx Count



■ Mail □ Mem... ■ Retail

Drug Type by Plan Cost



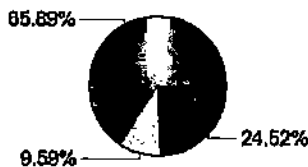
■ Gen... □ MS... ■ SS...

Formulary Status by Rx Count



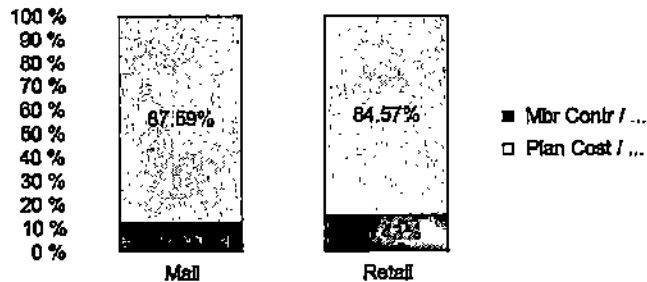
■ For... □ Non...

Drug Formulary Status by Plan Cost



■ Bra... □ Bra... ■ Gen...

Cost Share Distribution by Claim Source





**Monthly Management Report
Total Claims
April 2010**

*West Virginia Legislative Interims
June 2010*

WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY
 MONTHLY MANAGEMENT REPORT - TOTAL CLAIMS
 APRIL 2010

Page: 1

Reporting Category	Type of Service	Current		12 Months Prior		Current Fiscal Yr PEIA Payments	Previous Fiscal Yr PEIA Payments
		Current Period PEIA Payments	Rolling Avg PEIA Payments	12 Months Prior PEIA Payments	Rolling Avg PEIA Payments		
INPATIENT HOSPITAL FACILITY	BEHAVIORAL	356,274.77	218,366.90	188,780.85	188,786.14	2,369,906.52	1,922,078.45
	MATERNITY	205,834.52	169,806.88	221,564.62	158,366.61	1,625,239.53	1,576,126.48
	MEDICAL AND SURGICAL	7,931,665.56	6,754,560.85	6,616,157.42	6,401,002.13	67,541,491.07	60,421,466.13
	NEONATAL COMPLICATIONS	140,431.73	30,271.75	12,831.00	47,155.02	425,557.45	424,431.90
	sum	8,634,206.58	7,173,006.38	7,039,333.89	6,795,309.91	71,962,194.57	64,344,102.96
OUTPATIENT HOSPITAL FACILITY	BEHAVIORAL	43,612.45	46,715.78	44,131.35	42,819.01	448,649.71	409,422.52
	DIALYSIS	120,157.99	139,116.53	138,585.99	126,788.40	1,322,555.58	1,161,387.16
	EMERGENCY ROOM	535,132.53	581,821.61	594,119.63	479,127.51	5,463,886.38	4,715,838.44
	MATERNITY	38,352.71	45,109.97	45,736.27	45,224.25	438,487.39	433,319.18
	MEDICAL AND SURGICAL	8,556,005.69	8,613,170.03	9,323,746.10	7,715,648.97	80,503,623.87	74,759,485.20
sum	9,293,261.37	9,425,933.92	10,146,319.34	8,409,608.14	88,177,202.93	81,479,452.50	
PHARMACY	PRESCRIPTION DRUGS	14,538,270.22	11,035,880.50	12,556,454.22	10,096,461.27	113,598,169.16	102,279,861.51
sum		14,538,270.22	11,035,880.50	12,556,454.22	10,096,461.27	113,598,169.16	102,279,861.51
PROFESSIONAL SERVICES	ADVANCED IMAGING	581,658.41	417,640.00	519,270.00	540,219.00	3,992,261.80	5,054,765.00
	AMBULANCE	329,690.72	230,148.37	263,671.41	191,582.76	2,378,083.15	1,882,028.61
	ANESTHESIA	942,698.96	691,574.42	636,425.92	682,589.34	6,965,492.90	6,571,136.05
	BEHAVIORAL	484,317.87	339,243.30	384,698.70	313,855.34	3,388,268.67	3,046,336.07
	CARDIOVASCULAR MEDICINE	427,722.33	337,715.12	405,314.89	366,396.66	3,178,541.44	3,472,081.26
	CERVICAL CANCER SCREENING	18,822.33	18,136.79	15,194.37	18,344.55	185,176.43	176,762.37
	DIALYSIS	16,335.90	14,751.98	16,842.24	5,527.47	146,039.67	66,007.27
	DME	600,672.62	417,231.80	413,736.91	406,439.36	4,130,112.62	3,976,396.53

SOURCE: WELLS FARGO AND EXPRESS SCRIPTS PAID CLAIMS TAPES

NOTE: CLAIMS LISTED ARE ON A PAID BASIS

NOTE: DOES NOT INCLUDE REBATES, PHARMACY ADMINISTRATIVE FEES, OR RECOVERIES



**Monthly Management Report
Per Capita Claims
April 2010**

*West Virginia Legislative Interims
June 2010*

WEST VIRGINIA PUBLIC EMPLOYERS INSURANCE AGENCY
 MONTHLY MANAGEMENT REPORT - TOTAL CLAIMS
 APRIL 2010

Page: 2

Reporting Category	Type of Service	Current Period	Current	12 Months Prior	12 Months Prior	Current Fiscal Yr	Previous Fiscal Yr
		PEIA Payments	Rolling Avg PEIA Payments	PEIA Payments	Rolling Avg PEIA Payments	PEIA Payments	PEIA Payments
PROFESSIONAL SERVICES	EVALUATION AND MANAGEMENT	6,524,732.32	4,905,783.50	5,052,157.78	4,453,362.04	49,626,093.22	44,480,739.21
	IMMUNIZATION	292,777.37	305,209.96	261,588.31	303,122.10	3,187,530.58	3,151,146.61
	INJECTION	991,356.54	718,318.82	747,049.44	774,666.95	7,275,780.74	7,462,631.58
	LAB AND PATHOLOGY	1,032,102.79	750,901.09	821,708.47	671,744.33	7,256,588.47	6,444,725.16
	MAMMOGRAPHY	164,079.10	143,565.78	130,319.20	140,342.79	1,468,283.15	1,413,890.42
	OTHER	556,628.35	383,258.92	375,033.93	362,634.42	3,896,722.66	3,651,157.31
	OTHER IMAGING	881,672.95	763,276.22	883,181.71	729,661.12	7,209,051.31	7,124,781.75
	OTHER MEDICINE	1,237,706.01	698,026.43	1,141,810.09	698,389.66	6,985,209.92	7,046,266.43
	PHYSICAL MEDICINE	914,619.13	636,460.44	700,322.21	589,769.28	6,205,452.14	5,780,362.42
	PROSTATE CANCER SCREENING	13,985.95	12,670.60	17,073.50	15,446.79	105,803.49	146,118.37
	SURGICAL	3,371,027.26	2,472,977.01	2,503,492.59	2,443,023.57	24,443,265.18	23,349,734.12
.....							
sum		19,382,603.93	14,256,890.56	15,290,891.67	13,707,117.52	142,023,759.54	134,297,086.54
sum		51,848,342.10	41,891,711.35	43,032,999.12	39,008,496.83	415,761,326.20	382,400,503.51

SOURCE: WELLS FARGO AND EXPRESS SCRIPTS PAID CLAIMS TAPES
 NOTE: CLAIMS LISTED ARE ON A PAID BASIS
 NOTE: DOES NOT INCLUDE REBATES, PHARMACY ADMINISTRATIVE FEES, OR RECOVERIES

WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY
 MONTHLY MANAGEMENT REPORT - PER CAPITA CLAIMS
 APRIL 2010

Page: 1

Reporting Category	Type of Service	Current		12 Months Prior		Current Fiscal Yr PEIA Payments	Previous Fiscal Yr PEIA Payments
		Current Period PEIA Payments	Rolling Avg PEIA Payments	12 Months Prior PEIA Payments	Rolling Avg PEIA Payments		
INPATIENT HOSPITAL FACILITY	BEHAVIORAL	2.2007	1.4325	1.2120	1.2857	14.7817	12.5129
	MATERNITY	1.2714	1.1171	1.4225	1.0803	10.1370	10.2607
	MEDICAL AND SURGICAL	48.9936	44.3717	42.4777	43.6767	421.2720	393.3484
	NEONATAL COMPLICATIONS	.8674	.1981	.0824	.3222	2.6543	2.7631
	***** sum		53.3331	47.1194	45.1946	46.3649	448.8450
OUTPATIENT HOSPITAL FACILITY	BEHAVIORAL	.2694	.3071	.2833	.2921	2.7983	2.6654
	DIALYSIS	.7422	.9145	.8898	.8652	8.2491	7.5607
	EMERGENCY ROOM	3.3055	3.8237	3.8144	3.2661	34.0795	30.7005
	MATERNITY	.2369	.2961	.2936	.3083	2.7349	2.8209
	MEDICAL AND SURGICAL	52.8501	56.6380	59.8612	52.6291	502.1199	486.6900
***** sum		57.4041	61.9794	65.1424	57.3608	549.9818	530.4376
PHARMACY	PRESCRIPTION DRUGS	89.8023	72.5002	80.6162	68.8097	708.5383	665.8498
***** sum		89.8023	72.5002	80.6162	68.8097	708.5383	665.8498
PROFESSIONAL SERVICES	ADVANCED IMAGING	3.5929	2.7482	3.3339	3.6865	24.9007	32.9069
	AMBULANCE	2.0365	1.5113	1.6928	1.3074	14.8327	12.2522
	ANESTHESIA	5.8230	4.5471	4.0860	4.6552	43.4454	42.7786
	BEHAVIORAL	2.9916	2.2297	2.4699	2.1401	21.1334	19.8319
	CARDIOVASCULAR MEDICINE	2.6420	2.2224	2.6022	2.5002	19.8253	22.6035
	CERVICAL CANCER SCREENING	.1163	.1192	.0976	.1252	1.1550	1.1507
	DIALYSIS	.1009	.0969	.1081	.0376	.9109	.4297
	DME	3.7103	2.7435	2.6563	2.7705	25.7605	25.8866

SOURCE: WELLS FARGO AND EXPRESS SCRIPTS PAID CLAIMS TAPES

NOTE: CLAIMS LISTED ARE ON A PAID BASIS

NOTE: DOES NOT INCLUDE REBATES, PHARMACY ADMINISTRATIVE FEES, OR RECOVERIES

WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY
 MONTHLY MANAGEMENT REPORT - PER CAPITA CLAIMS
 APRIL 2010

Page: 2

Reporting Category	Type of Service	Current Period	Current	12 Months Prior	12 Months Prior	Current Fiscal Yr	Previous Fiscal Yr
		PEIA Payments	Rolling Avg PEIA Payments	PEIA Payments	Rolling Avg PEIA Payments	PEIA Payments	PEIA Payments
PROFESSIONAL SERVICES	EVALUATION AND MANAGEMENT	40.3030	32.2476	32.4364	30.3563	309.5295	289.5731
	IMMUNIZATION	1.8085	2.0035	1.6795	2.0634	19.8814	20.5142
	INJECTION	6.1236	4.7183	4.7963	5.2816	45.3807	48.5824
	LAB AND PATHOLOGY	6.3753	4.9391	5.2756	4.5815	45.2610	41.9557
	MAMMOGRAPHY	1.0135	.9439	.8367	.9570	9.1580	9.2045
	OTHER	3.4383	2.5197	2.4078	2.4720	24.3048	23.7693
	OTHER IMAGING	5.4461	5.0212	5.6703	4.9750	44.9645	46.3829
	OTHER MEDICINE	7.6453	4.5935	7.3308	4.7651	43.5684	45.8717
	PHYSICAL MEDICINE	5.6496	4.1858	4.4963	4.0205	38.7049	37.6306
	PROSTATE CANCER SCREENING	.0864	.0836	.1096	.1054	.6599	.9512
	SURGICAL	20.8227	16.2646	16.0860	16.6657	152.4583	152.0086
***** SUM		119.7255	93.7393	98.1721	93.4662	885.8353	874.2845
SUM		320.2650	275.3383	289.1253	266.0016	2,593.2003	2,489.4570

SOURCE: WELLS FARGO AND EXPRESS SCRIPTS PAID CLAIMS TAPES
 NOTE: CLAIMS LISTED ARE ON A PAID BASIS
 NOTE: DOES NOT INCLUDE REBATES, PHARMACY ADMINISTRATIVE FEES, OR RECOVERIES



Monthly Management Report Per Capita Utilization April 2010

*West Virginia Legislative Interims
June 2010*

WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY
 MONTHLY MANAGEMENT REPORT - PER CAPITA UTILIZATION
 APRIL 2010

Page: 1

Reporting Category	Type of Service	Current Period Encounters	12 Months Prior Encounters	Current Fiscal Yr Encounters	Previous Fiscal Yr Encounters
INPATIENT HOSPITAL FACILITY	BEHAVIORAL	.0015	.0004	.0083	.0055
	MATERNITY	.0011	.0005	.0082	.0077
	MEDICAL AND SURGICAL	.0104	.0066	.0836	.0812
	NEONATAL COMPLICATIONS	.0002	.0001	.0010	.0021
	***** sum		.0132	.0076	.1010
OUTPATIENT HOSPITAL FACILITY	BEHAVIORAL	.0031	.0025	.0323	.0268
	DIALYSIS	.0063	.0038	.0450	.0302
	EMERGENCY ROOM	.0197	.0270	.2342	.2316
	MATERNITY	.0022	.0021	.0217	.0205
	MEDICAL AND SURGICAL	.1819	.2020	1.9687	1.9826
***** sum		.2131	.2374	2.3019	2.2916
PHARMACY	PRESCRIPTION DRUGS	1.0891	1.0904	9.5360	9.3040
***** sum		1.0891	1.0904	9.5360	9.3040
PROFESSIONAL SERVICES	ADVANCED IMAGING	.0285	.0248	.2172	.2288
	AMBULANCE	.0053	.0045	.0386	.0376
	ANESTHESIA	.0251	.0177	.1935	.1900
	BEHAVIORAL	.0520	.0416	.4019	.3755
	CARDIOVASCULAR MEDICINE	.0388	.0365	.3159	.3358
	CERVICAL CANCER SCREENING	.0049	.0039	.0462	.0474
	DIALYSIS	.0007	.0007	.0063	.0035
	DME	.0325	.0223	.2367	.2374
	EVALUATION AND MANAGEMENT	.6094	.5200	4.8848	4.8248
	IMMUNIZATION	.0228	.0185	.3951	.3994

SOURCE: WELLS FARGO AND EXPRESS SCRIPTS PAID CLAIMS TAPES
 NOTE: CLAIMS LISTED ARE ON A PAID BASIS

WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY
 MONTHLY MANAGEMENT REPORT - PER CAPITA UTILIZATION
 APRIL 2010

Page: 2

Reporting Category	Type of Service	Current Period Encounters	12 Months Prior Encounters	Current Fiscal Yr Encounters	Previous Fiscal Yr Encounters
PROFESSIONAL SERVICES	INJECTION	.0368	.0303	.2735	.2700
	LAB AND PATHOLOGY	.1916	.1640	1.6447	1.5761
	MAMMOGRAPHY	.0190	.0155	.1697	.1728
	OTHER	.0415	.0270	.3192	.3092
	OTHER IMAGING	.1164	.1016	.9459	.9257
	OTHER MEDICINE	.0995	.0795	.7584	.7515
	PHYSICAL MEDICINE	.1218	.1035	.9780	1.0039
	PROSTATE CANCER SCREENING	.0056	.0059	.0469	.0601
	SURGICAL	.0961	.0796	.7699	.7836
***** SUM		1.5485	1.2976	12.6423	12.5328
 SUM		2.8638	2.6330	24.5813	24.2250

SOURCE: WELLS FARGO AND EXPRESS SCRIPTS PAID CLAIMS TAPES
 NOTE: CLAIMS LISTED ARE ON A PAID BASIS

West Virginia Board of Risk and Insurance Management
UNAUDITED BALANCE SHEET

DRAFT

April 30

	2010	2009
	(In thousands)	
ASSETS		
Short Term Assets		
Cash and Equivalents	\$ 27,738	\$ 29,884
Advance Deposit with Carrier/Trustee	181,924	179,406
Receivables - Net	2,574	2,024
Prepaid Insurance	1,042	1,023
Total Short Term Assets	213,278	212,337
Long Term Assets		
Investments	122,987	98,849
Total Long Term Assets	122,987	98,849
TOTAL ASSETS	336,265	311,186
LIABILITIES		
Short Term Liabilities		
Accounts payable	1,328	1,285
Claims Payable	157	170
OPEB Liability	-	35
Agents Commissions Payable	1,049	1,351
Unearned Revenue	10,277	11,030
Current Estimated Claim Reserve	42,204	52,108
Total Short Term Liabilities	55,015	65,959
Long Term Liabilities		
Compensated Absences	58	52
Estimated Noncurrent Claim Reserve	103,618	114,040
Total Long Term Liabilities	103,676	114,092
TOTAL LIABILITIES	158,691	180,051
Prior Year Net Assets	150,958	127,630
Current Year Earnings/Prior Year Earnings	26,616	3,505
TOTAL NET ASSETS	177,574	131,135
TOTAL LIABILITIES AND RETAINED EARNINGS	\$ 336,265	\$ 311,186

DRAFT - Unaudited - Management Purposes Only

West Virginia Board of Risk and Insurance Management
UNAUDITED INCOME STATEMENT
For the ten months ending

DRAFT

	2010	April 30	2009
	(In thousands)		
Operating Revenues			
Premium Revenues	\$ 48,454		\$ 52,202
Less - Excess Insurance	(5,213)		(5,114)
Total Operating Revenues	<u>43,241</u>		<u>47,088</u>
Operating Expenses			
Claims Expense	30,845		36,356
Property & MS Claims Expense	5,793		5,006
Personal Services	1,085		1,088
General & Administrative Expense	2,119		2,485
Total Operating Expenses	<u>39,822</u>		<u>44,886</u>
Operating Income	<u>3,419</u>		<u>2,203</u>
Nonoperating Revenues			
Court Fees	27		27
Investment Income	23,170		1,275
Total Nonoperating Revenues	<u>23,197</u>		<u>1,302</u>
Net Income	<u>26,616</u>		<u>3,505</u>

DRAFT - Unaudited - Management Purposes Only



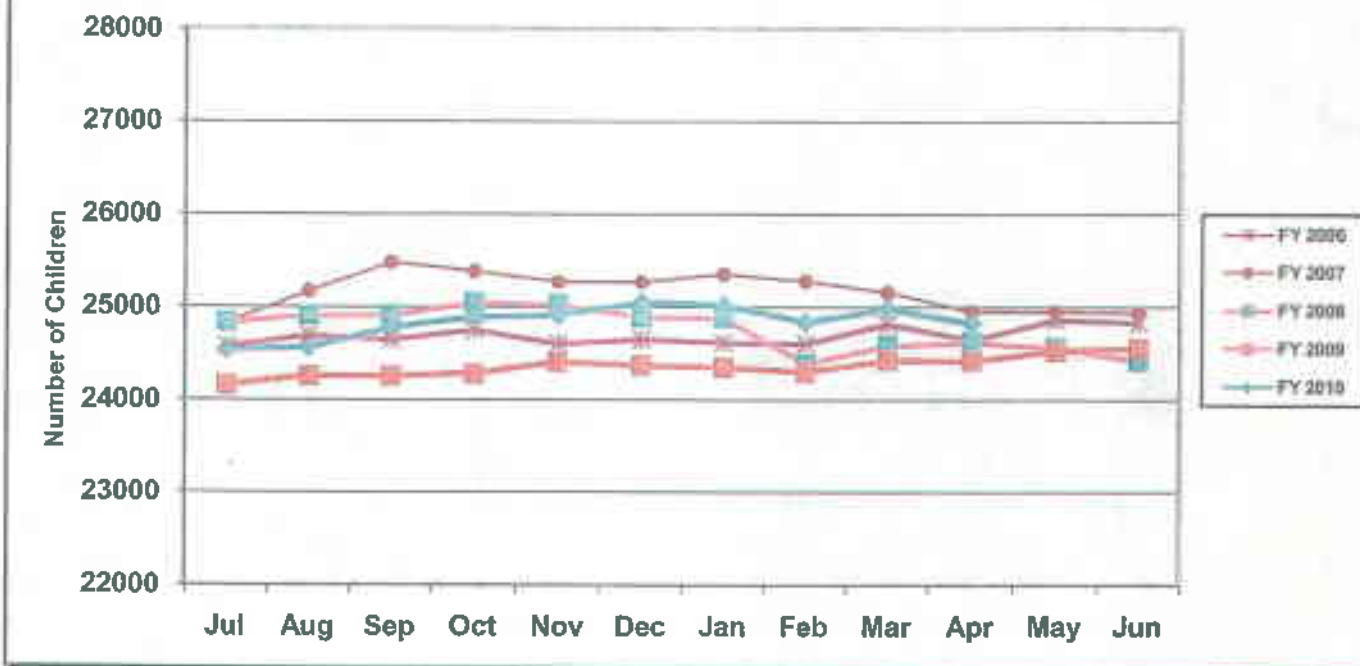
**West Virginia
Children's Health Insurance Program
1018 Kanawha Boulevard East
Suite 209
Charleston, WV 25301**

**Phone: 304-558-2732
Toll-Free: 1-877-WVA CHIP
Fax: 304-558-2741
www.wvchip.org**

**Joint Committee on
Government and Finance
Report**

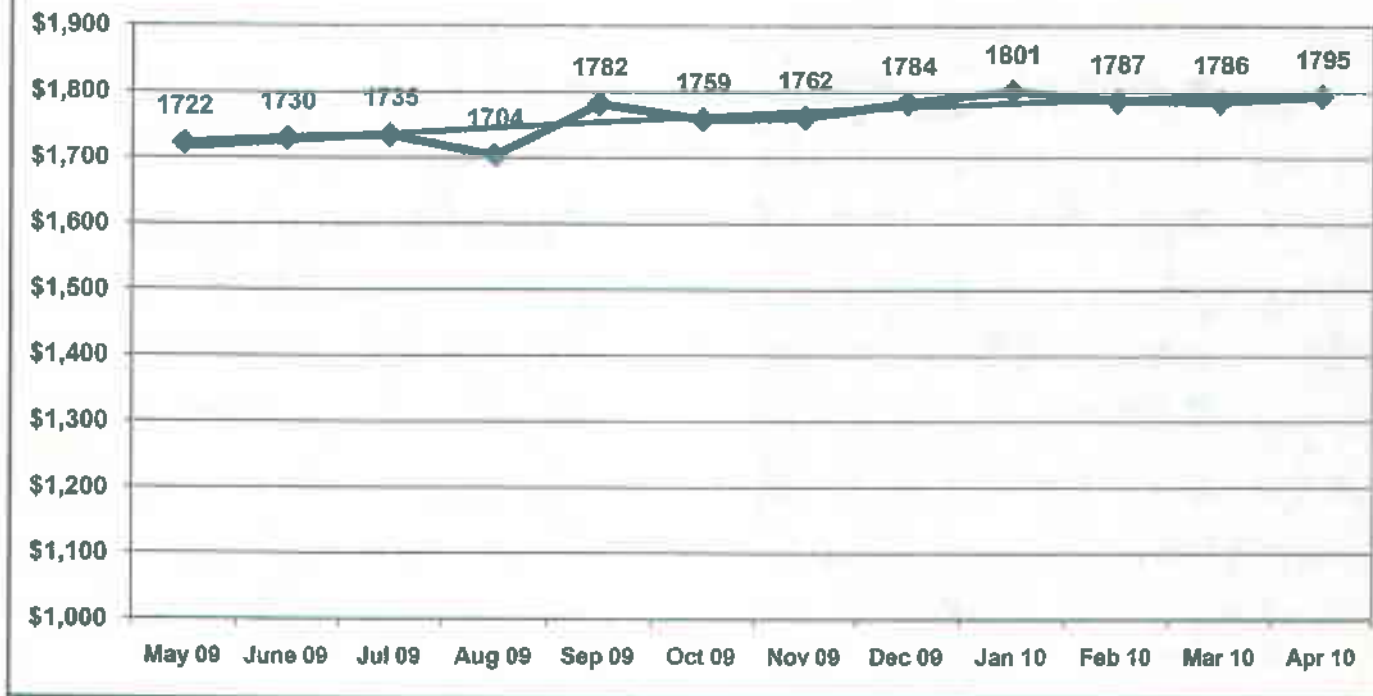
June 2010

WV CHIP Enrollment



April 30 Enrollment 24,823

Annualized Health Care Expenditures (Cost per Child)



West Virginia Children's Health Insurance Program
Comparative Balance Sheet
April 2010 and 2009
(Accrual Basis)

	April 30, 2010	April 30, 2009	Variance	
Assets:				
Cash	\$119,595	\$406,714	(\$287,119)	-71%
Investments	\$13,185,472	\$11,077,683	\$2,107,789	19%
Due From Federal Government	\$3,449,990	\$3,313,807	\$136,183	4%
Due From Other Funds	\$766,055	\$746,733	\$19,322	3%
Accrued Interest Receivable	\$30,137	\$1,810	\$28,327	1565%
Fixed Assets, at Historical Cost	<u>\$69,738</u>	<u>\$70,282</u>	<u>(\$544)</u>	<u>-1%</u>
Total Assets	<u>\$17,620,987</u>	<u>\$15,617,029</u>	<u>\$2,003,958</u>	<u>13%</u>
Liabilities:				
Due to Other Funds	\$156,046	\$240,540	(\$84,494)	-35%
Deferred Revenue	\$1,845,641	\$2,623,752	(\$778,111)	-30%
Unpaid Insurance Claims Liability	<u>\$4,060,000</u>	<u>\$3,820,000</u>	<u>\$240,000</u>	<u>6%</u>
Total Liabilities	<u>\$6,061,686</u>	<u>\$6,684,292</u>	<u>(\$622,606)</u>	<u>-9%</u>
Fund Equity	<u>\$11,559,301</u>	<u>\$8,932,737</u>	<u>\$2,626,564</u>	<u>29%</u>
Total Liabilities and Fund Equity	<u>\$17,620,987</u>	<u>\$15,617,029</u>	<u>\$2,003,958</u>	<u>13%</u>

PRELIMINARY FINANCIAL STATEMENTS

Unaudited - For Management Purposes Only - Unaudited

West Virginia Children's Health Insurance Program
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances
For the Ten Months Ending April 30 2010 and April 30, 2009
(Modified Accrual Basis)

	April 30, 2010	April 30, 2009	Variance	
Operating Revenues				
Federal Grants	32,711,880	31,722,510	989,370	3%
State Appropriations	10,599,637	10,971,688	(372,051)	-3%
Premium Revenues	<u>279,602</u>	<u>112,019</u>	<u>167,583</u>	<u>150%</u>
Total Operating Revenues	43,591,119	42,806,217	784,902	2%
Non-Operating Revenues				
Investment Earnings	105,370	99,914	5,456	5%
Unrealized Gain On Investments*	<u>89,458</u>	<u>0</u>	<u>89,458</u>	<u>100%</u>
Total Non-Operating Revenues	194,829	99,914	94,915	95%
Total Revenues	<u>43,785,948</u>	<u>42,906,131</u>	<u>879,817</u>	<u>2%</u>
Expenditures:				
Claims:				
Outpatient Services	10,085,024	10,046,032	38,992	0%
Physicians & Surgical	8,327,113	8,251,659	75,454	1%
Prescribed Drugs	7,428,692	7,145,315	283,377	4%
Dental	4,463,748	4,153,608	310,140	7%
Inpatient Hospital Services	2,975,956	3,282,775	(306,819)	-9%
Durable & Disposable Med. Equip.	1,063,514	1,026,051	37,463	4%
Outpatient Mental Health	1,063,462	1,092,661	(29,199)	-3%
Inpatient Mental Health	683,851	611,104	72,747	12%
Vision	603,890	532,231	71,659	13%
Therapy	399,348	376,819	22,529	6%
Medical Transportation	269,252	294,519	(25,267)	-9%
Other Services	85,335	91,606	(6,271)	-7%
Less: Collections**	<u>(380,779)</u>	<u>(657,183)</u>	<u>276,404</u>	<u>-42%</u>
Total Claims	<u>37,068,406</u>	<u>36,247,197</u>	<u>821,209</u>	<u>2%</u>
General and Admin Expenses:				
Salaries and Benefits	413,090	410,362	2,728	1%
Program Administration	2,079,224	1,810,389	268,835	15%
Eligibility	337,430	252,092	85,338	34%
Outreach & Health Promotion	280,472	106,997	173,475	162%
Current	<u>107,224</u>	<u>123,723</u>	<u>(16,499)</u>	<u>-13%</u>
Total Administrative	<u>3,217,440</u>	<u>2,703,563</u>	<u>513,877</u>	<u>19%</u>
Total Expenditures	<u>40,285,846</u>	<u>38,950,760</u>	<u>1,335,086</u>	<u>3%</u>
Excess of Revenues				
Over (Under) Expenditures	3,305,273	3,955,371	(650,098)	-16%
Fund Equity, Beginning	<u>8,254,028</u>	<u>4,977,366</u>	<u>3,276,662</u>	<u>66%</u>
Fund Equity, Ending	<u>11,559,301</u>	<u>8,932,737</u>	<u>2,626,564</u>	<u>29%</u>

* Short Term Bond Fund Investment began in November 2009

** Collections are primarily drug rebates and subrogation

PRELIMINARY FINANCIAL STATEMENTS

Unaudited - For Management Purposes Only - Unaudited

West Virginia Children's Health Insurance Program
 Budget to Actual Statement
 State Fiscal Year 2010
 For the Ten Months Ended April 30, 2010

	Budgeted for Year	Year to Date Budgeted Amt	Year to Date Actual Amt	Year to Date Variance*		Monthly Budgeted Amt	Apr-10	Mar-10	Feb-10
Projected Cost	\$48,693,584	\$40,577,987	\$37,217,049	\$3,360,938	8%	\$4,057,799	\$4,469,935	\$3,915,442	\$3,472,968
Premiums	305,828	254,855	279,602	(\$24,747)	10%	25,486	29,977	36,576	28,543
Subrogation & Rebates	<u>623,650</u>	<u>519,708</u>	<u>378,455</u>	<u>141,253</u>	-27%	<u>51,971</u>	<u>696</u>	<u>69,939</u>	<u>9,698</u>
Net Benefit Cost	47,764,106	\$39,803,423	\$36,558,991	\$3,244,432	8%	3,980,342	4,439,262	3,808,927	3,434,526
Salaries & Benefits	\$581,411	\$484,509	\$413,089	\$71,420	15%	\$48,451	\$40,882	\$40,111	\$40,111
Program Administration	2,665,833	2,221,528	2,178,090	43,438	2%	222,153	-134,371	230,448	448,812
Eligibility	295,243	246,036	331,491	(85,455)	-35%	24,604	15,824	71,619	13,640
Outreach	300,000	250,000	253,614	(3,614)	-1%	25,000	35,830	9,154	6,657
Current Expense	<u>352,772</u>	<u>293,977</u>	<u>141,745</u>	<u>152,232</u>	52%	<u>29,398</u>	<u>11,114</u>	<u>10,552</u>	<u>10,598</u>
Total Admin Cost	\$4,195,259	\$3,496,049	\$3,318,029	\$178,020	5%	\$349,605	-\$30,721	\$361,884	\$519,818
Total Program Cost	<u>\$51,959,367</u>	<u>\$43,299,473</u>	<u>\$39,877,020</u>	<u>\$3,422,452</u>	8%	<u>\$4,329,947</u>	<u>\$4,408,541</u>	<u>\$4,170,811</u>	<u>\$3,954,344</u>
Federal Share 81.83%	42,489,772	\$35,408,144	\$32,605,849	2,802,294	8%	3,540,814	3,607,509	3,412,975	3,235,840
State Share 18.17%	<u>9,469,595</u>	<u>\$7,891,329</u>	<u>\$7,271,171</u>	<u>620,158</u>	8%	<u>789,133</u>	<u>801,032</u>	<u>757,836</u>	<u>718,504</u>
Total Program Cost **	<u>\$51,959,367</u>	<u>\$43,299,473</u>	<u>\$39,877,020</u>	<u>\$3,422,452</u>	8%	<u>\$4,329,947</u>	<u>\$4,408,541</u>	<u>\$4,170,811</u>	<u>\$3,954,344</u>

* Positive percentages indicate favorable variances
 ** Budgeted Year Based on CCRC Actuary 6/30/2009 Report.

Unaudited - Cash Basis For Management Purposes Only - Unaudited

Memo for Calculations Above:

Notes:

- 1/ Total budgeted for Year Program costs are CCRC Actuary's Base Line Scenerio dated 6/30/09 Final worksheet Net Paid Program Costs.
- 2/ Federal Share for FFY 2009 is 81.61%. Federal Share for FFY 2010 (10/1/09 - 9/30/10) is set at 81.83%.

WVCHIP Enrollment Report

ATTACHMENT 1

May 2010

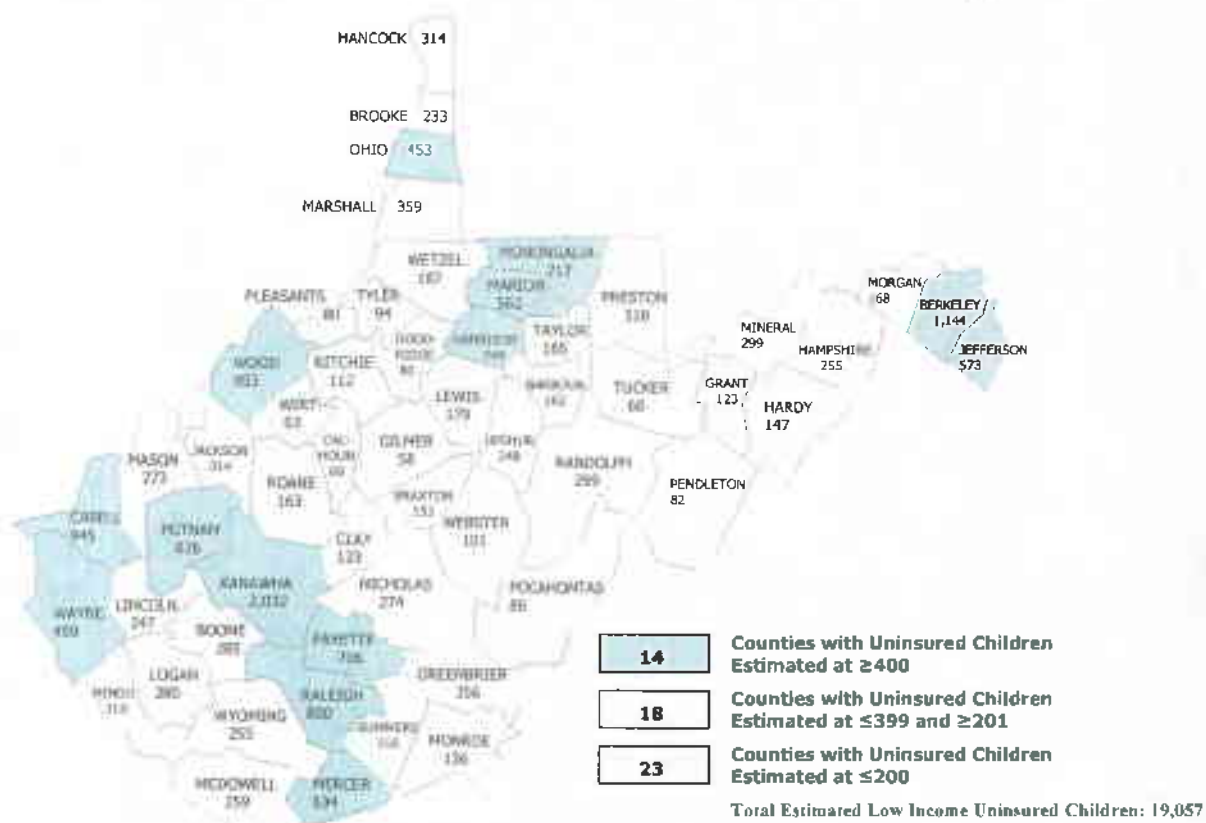
County	County Pop 2005 Est (0-18 Yrs)	Total CHIP Enrollment May-10	Total Medicaid Enrollment May-10	Total CHIP/Medicaid Enrollment	CHIP/Medicaid Enrollment % of Population	2009 Est Uninsured 5%	2009 # Children Uninsured Ranking*
Barbour	3,248	256	1,632	1,888	58.1%	162	38
Berkeley	22,882	1,268	7,425	8,693	38.0%	1,144	2
Boone	5,706	305	2,714	3,019	52.9%	285	24
Braxton	3,044	225	1,575	1,800	59.1%	152	39
Brooke	4,658	297	1,542	1,839	39.5%	233	32
Cabell	18,900	1,055	8,454	9,509	50.3%	945	4
Calhoun	1,389	117	906	1,023	73.7%	69	52
Clay	2,454	182	1,458	1,640	66.8%	123	43
Doddridge	1,607	129	729	858	53.4%	80	50
Fayette	9,692	855	4,784	5,639	58.2%	485	12
Gilmer	1,154	85	605	690	59.8%	58	55
Grant	2,463	171	989	1,160	47.1%	123	42
Greenbrier	7,110	629	2,922	3,551	49.9%	356	17
Hampshire	5,110	293	2,169	2,462	48.2%	255	28
Hancock	6,270	348	2,413	2,761	44.0%	314	20
Hardy	2,950	176	1,258	1,434	48.6%	147	40
Harrison	14,973	935	5,995	6,930	46.3%	749	6
Jackson	6,277	407	2,737	3,144	50.1%	314	19
Jefferson	11,465	427	2,704	3,131	27.3%	573	10
Kanawha	40,647	2,309	17,299	19,608	48.2%	2,032	1
Lewis	3,577	305	1,822	2,127	59.5%	179	34
Lincoln	4,945	394	2,689	3,083	62.4%	247	31
Logan	7,610	591	4,024	4,615	60.6%	380	15
Marion	11,245	715	4,388	5,103	45.4%	562	11
Marshall	7,176	364	2,853	3,217	44.8%	359	16
Mason	5,461	304	2,662	2,966	54.3%	273	26
McDowell	5,170	329	3,442	3,771	72.9%	259	27
Mercer	12,687	1,151	6,831	7,982	62.9%	634	8
Mineral	5,973	304	2,057	2,361	39.5%	299	22
Mingo	6,204	385	3,341	3,726	60.1%	310	21
Monongalia	14,346	741	4,302	5,043	35.2%	717	7
Monroe	2,728	219	1,140	1,359	49.8%	136	41
Morgan	3,365	257	1,187	1,444	42.9%	168	35
Nicholas	5,478	412	2,710	3,122	57.0%	274	25
Ohio	9,068	513	3,041	3,554	39.2%	453	14
Pendleton	1,632	101	513	614	37.6%	82	49
Pleasants	1,593	99	558	657	41.2%	80	51
Pocahontas	1,717	134	705	839	48.9%	86	48
Preston	6,354	474	2,478	2,952	46.5%	318	18
Putnam	12,522	710	3,367	4,077	32.6%	626	9
Raleigh	15,992	1,293	7,403	8,696	54.4%	800	5
Randolph	5,971	421	2,649	3,070	51.4%	299	23
Ritchie	2,234	137	976	1,113	49.8%	112	45
Roane	3,266	304	1,722	2,026	62.0%	163	37
Summers	2,322	207	1,210	1,417	61.0%	116	44
Taylor	3,307	212	1,419	1,631	49.3%	165	36
Tucker	1,354	135	513	648	47.9%	68	53
Tyler	1,887	119	816	935	49.6%	94	47

WVCHIP Enrollment Report

ATTACHMENT 1

May 2010

County	County Pop 2005 Est (0-18 Yrs)	Total CHIP Enrollment May-10	Total Medicaid Enrollment May-10	Total CHIP/Medicaid Enrollment	CHIP/Medicaid Enrollment % of Population	2009 Est. Uninsured 5%	2009 # Children Uninsured Ranking*
Upshur	4,956	393	2,397	2,790	56.3%	248	30
Wayne	9,176	597	4,129	4,726	51.5%	459	13
Webster	2,020	145	1,236	1,381	68.4%	101	46
Wetzel	3,732	174	1,736	1,910	51.2%	187	33
Wirt	1,268	106	567	673	53.1%	63	54
Wood	19,063	1,137	8,408	9,545	50.1%	953	3
Wyoming	5,092	415	2,742	3,157	62.0%	255	29
Totals	382,490	24,766	162,343	187,109	48.9%	19,125	



Note 1: The most recent estimate for all uninsured children statewide from the US Census Current Population Survey is 4.6%. It should be noted that even this five percent extrapolation to the county level could vary significantly from county to county depending on the availability of employee sponsored insurance. However, it remains our best gross estimate of the remaining uninsured children.

Note 2: It has been estimated that 7 of 10 uninsured children qualify or may have qualified for CHIP or Medicaid in the past, WVCHIP uses the 5% uninsured estimate as a target number for outreach.

Legislative Oversight Commission on
Health and Human Resources Accountability

JUNE 2010

Department of Administration

State Children's Health Insurance Program
UPDATE



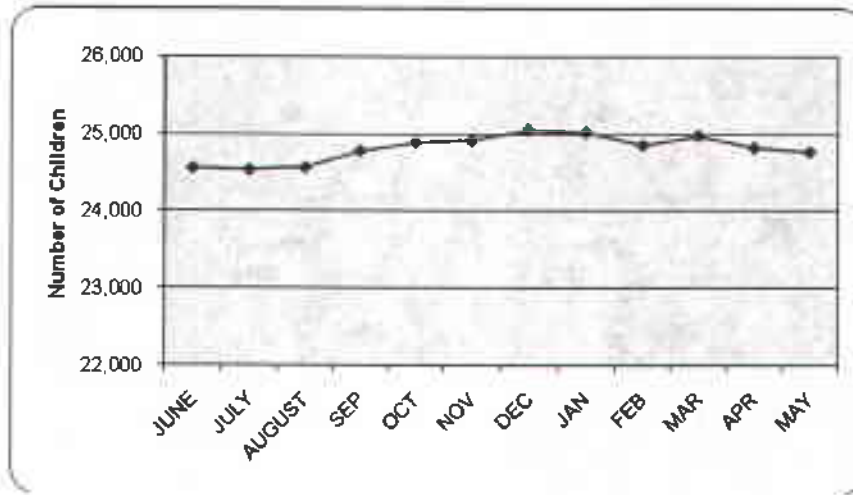
WV CHILDREN'S HEALTH INSURANCE AGENCY

REPORT FOR JUNE 2010

I. Enrollment on May 2010: 24,766

See Attachment 1 for enrollment by county

Current 12-Month Enrollment Period: June 2009 through May 2010



Enrollee Totals: February 2010 to April 2010

Month	Total	1 Year Average	Total
February	1,581	Average	1,884
March	1,707	High	2,271
April	1,631	Low	1,497

New Enrollee (Never Before on CHIP) Totals: February 2010 to April 2010

Month	Total	1 Year Average	Total
February	567	Average	742
March	604	High	909
April	578	Low	574

II. Re-enrollment for 3 Month Period: February 2010 to April 2010

Total Forms Mailed		Enrolled within Notice Period		Reopened Cases After Closure		Final Closures	
Month	Total	#	%	#	%	#	%
February	2,024	1,223	60%	190	9%	547	27%
March	1,856	1,134	61%	145	8%	549	30%
April	1,842	1,175	64%	44	2%	604	33%

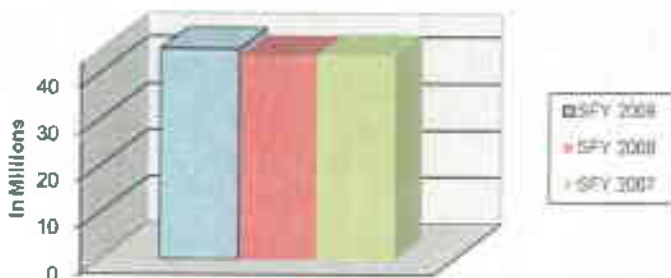
III. Financial Activity

Please see this month's financial statement at Attachment 2.

The average annualized claims cost per child for the month ended April 2010 was \$1,947.

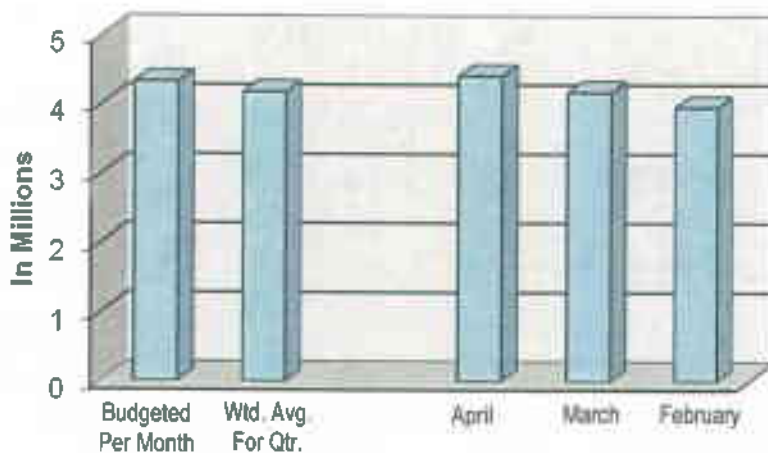
Annual Expenditures for a 3 Year Period: SFY 2007 – SFY 2009

	SFY 2009	FFP% 2009	SFY 2008	FFP% 2008	SFY 2007	FFP% 2007
Federal	37,550,029	81.61	35,626,232	81.98	35,472,537	80.97
State	8,417,193	18.39	7,947,861	18.02	8,336,944	19.03
Total Costs	45,967,222	100.00	43,574,093	100.00	43,809,481	100.00



Monthly Budgeted and Current 3 Month Period: February 2010 – April 2010

	Budgeted Per Month	Wtd. Avg. For Qtr.	Actual		
			April 2010	March 2010	February 2010
Federal	3,540,814	3,418,775	3,607,509	3,412,975	3,235,840
State	789,133	759,124	801,032	757,836	718,504
Total	4,329,947	4,177,899	4,408,541	4,170,811	3,954,344



IV. Other Highlights

- ◆ WVCHIP is a sponsor of the DanceDanceRevolution (DDR) Tournament Finals to be held all day next month at the Capitol on June 17th. We invite you to see this video game for fun and fitness in action. This game is now available at most of our middle and high schools for use in physical education and activity programs.

WVCHIP Enrollment Report

ATTACHMENT 1

May 2010

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West Virginia Children's Health Insurance Program
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances
For the Ten Months Ending April 30 2010 and April 30, 2009
(Modified Accrual Basis)

	April 30, 2010	April 30, 2009	Variance	
Operating Revenues				
Federal Grants	32,711,880	31,722,510	989,370	3%
State Appropriations	10,599,637	10,971,688	(372,051)	-3%
Premium Revenues	<u>279,602</u>	<u>112,019</u>	<u>167,583</u>	<u>150%</u>
Total Operating Revenues	43,591,119	42,806,217	784,902	2%
Non-Operating Revenues				
Investment Earnings	105,370	99,914	5,456	5%
Unrealized Gain On Investments*	<u>89,458</u>	<u>0</u>	<u>89,458</u>	<u>100%</u>
Total Non-Operating Revenues	194,829	99,914	94,915	95%
Total Revenues	<u>43,785,948</u>	<u>42,906,131</u>	<u>879,817</u>	<u>2%</u>
Expenditures:				
Claims:				
Outpatient Services	10,085,024	10,046,032	38,992	0%
Physicians & Surgical	8,327,113	8,251,659	75,454	1%
Prescribed Drugs	7,428,692	7,145,315	283,377	4%
Dental	4,463,748	4,153,608	310,140	7%
Inpatient Hospital Services	2,975,956	3,282,775	(306,819)	-9%
Durable & Disposable Med. Equip.	1,063,514	1,026,051	37,463	4%
Outpatient Mental Health	1,063,462	1,092,661	(29,199)	-3%
Inpatient Mental Health	683,851	611,104	72,747	12%
Vision	603,890	532,231	71,659	13%
Therapy	399,348	376,819	22,529	6%
Medical Transportation	269,252	294,519	(25,267)	-9%
Other Services	85,335	91,606	(6,271)	-7%
Less: Collections**	<u>(380,779)</u>	<u>(657,183)</u>	<u>276,404</u>	<u>-42%</u>
Total Claims	<u>37,068,406</u>	<u>36,247,197</u>	<u>821,209</u>	<u>2%</u>
General and Admin Expenses:				
Salaries and Benefits	413,090	410,362	2,728	1%
Program Administration	2,079,224	1,810,389	268,835	15%
Eligibility	337,430	252,092	85,338	34%
Outreach & Health Promotion	280,472	106,997	173,475	162%
Current	<u>107,224</u>	<u>123,723</u>	<u>(16,499)</u>	<u>-13%</u>
Total Administrative	<u>3,217,440</u>	<u>2,703,563</u>	<u>513,877</u>	<u>19%</u>
Total Expenditures	<u>40,285,846</u>	<u>38,950,760</u>	<u>1,335,086</u>	<u>3%</u>
Excess of Revenues				
Over (Under) Expenditures	3,305,273	3,955,371	(650,098)	-16%
Fund Equity, Beginning	<u>8,254,028</u>	<u>4,977,366</u>	<u>3,276,662</u>	<u>66%</u>
Fund Equity, Ending	<u>11,559,301</u>	<u>8,932,737</u>	<u>2,626,564</u>	<u>29%</u>

* Short Term Bond Fund Investment began in November 2009

** Collections are primarily drug rebates and subrogation

PRELIMINARY FINANCIAL STATEMENTS

Unaudited - For Management Purposes Only - Unaudited

**West Virginia Children's Health Insurance Program
Comparative Balance Sheet
April 2010 and 2009
(Accrual Basis)**

	April 30, 2010	April 30, 2009	Variance	
Assets:				
Cash	\$119,595	\$406,714	(\$287,119)	-71%
Investments	\$13,185,472	\$11,077,683	\$2,107,789	19%
Due From Federal Government	\$3,449,990	\$3,313,807	\$136,183	4%
Due From Other Funds	\$766,056	\$746,733	\$19,323	3%
Accrued Interest Receivable	\$30,137	\$1,810	\$28,327	1565%
Fixed Assets, at Historical Cost	<u>\$69,738</u>	<u>\$70,282</u>	<u>(\$544)</u>	<u>-1%</u>
Total Assets	<u>\$17,620,987</u>	<u>\$15,617,029</u>	<u>\$2,003,958</u>	<u>13%</u>
Liabilities:				
Due to Other Funds	\$156,046	\$240,540	(\$84,494)	-35%
Deferred Revenue	\$1,845,641	\$2,623,752	(\$778,111)	-30%
Unpaid Insurance Claims Liability	<u>\$4,060,000</u>	<u>\$3,820,000</u>	<u>\$240,000</u>	<u>6%</u>
Total Liabilities	<u>\$6,061,687</u>	<u>\$6,684,292</u>	<u>(\$622,605)</u>	<u>-9%</u>
Fund Equity	<u>\$11,559,301</u>	<u>\$8,932,737</u>	<u>\$2,626,564</u>	<u>29%</u>
Total Liabilities and Fund Equity	<u>\$17,620,987</u>	<u>\$15,617,029</u>	<u>\$2,003,958</u>	<u>13%</u>

PRELIMINARY FINANCIAL STATEMENTS

Unaudited - For Management Purposes Only - Unaudited

West Virginia Children's Health Insurance Program
WVFIMS Fund 2154
For the Month Ended March 31, 2010
(Accrual Basis)

Investment Account

Funds Invested	\$13,080,102
Interest Earned	<u>105,370</u>
Total	<u>\$13,185,472</u>

Unaudited - For Management Purposes Only - Unaudited

Department of Administration Real Estate Division Leasing Report
For the period of May 1, 2010 through May 31, 2010

NEW CONTRACT OF LEASE- DOA OWNED

DEPARTMENT OF ADMINISTRATION

F&A-035 New Contract of Lease for 1 year consisting of 1,119 square feet of office space at the annual per square foot rate of \$9.50, full service, in the City of Charleston, Kanawha County, West Virginia.

F&A-034 New Contract of Lease for 1 year consisting of 22,340 square feet of office space at the annual per square foot rate of \$9.50, full service, in the City of Charleston, Kanawha County, West Virginia.

NEW CONTRACT OF LEASE

AUDITOR'S OFFICE

SAO-009 New Contract of Lease for 3 years consisting of 2,744 square feet of office space at the per square foot rate of \$10.00, in the City of Charleston, Kanawha County, West Virginia.

DIVISION OF CORRECTIONS

COR-087 New Contract of Lease for 10 years consisting of 643 square feet of office space at the per square foot rate of \$14.00, full service, in the City of Welch, McDowell County, West Virginia.

DIVISION OF REHABILITATION SERVICES

DRS-100 New Contract of Lease for 10 years consisting of 3,162 square feet of office space at the per square foot rate of \$14.00, full service, in the City of Welch, McDowell County, West Virginia.

DRS-099 New Contract of Lease for 10 years consisting of 3,888 square feet of office space at the per square foot rate of \$12.62, full service, in the City of Princeton, Mercer County, West Virginia.

DRS-098 New Contract of Lease for 10 years consisting of 3,600 square feet of office space at the per square foot rate of \$15.87, full service, in the City of Oak Hill, Raleigh County, West Virginia.

DIVISION OF VETERANS AFFAIRS

VET-036 New Contract of Lease for 1 year consisting of 300 square feet of storage space at the per square foot rate of \$4.80, electric, in the City of Clarksburg, Harrison County, West Virginia.

ENTERPRISE RESOURCE PLANNING

ERP-001 New Contract of Lease for 3 years consisting of 4,673 square feet of office space at the per square foot rate of \$10.00, in the City of Charleston, Kanawha County, West Virginia.

WORKFORCE WEST VIRGINIA

WWV-020 New Contract of Lease for 10 years consisting of 4,143 square feet of office space at the per square foot rate of \$14.00, full services, in the City of Welch, McDowell County, West Virginia.

NEW CONTRACT OF LEASE CONTINUED

WWV-019 New Contract of Lease for 10 years consisting of 4,456 square feet of office space at the annual per square foot rate of \$12.62, full service, in the City of Princeton, Mercer County, West Virginia.

STRAIGHT RENEWAL

DEPARTMENT OF MILITARY AFFAIRS AND PUBLIC SAFETY

ADG-023 Renewal on a month-to-month basis consisting of 16,000 square feet of office space at the current annual per square foot rate of \$18.50, full service, in the City of Charleston, Kanawha County, West Virginia.

DIVISION OF FORESTRY

FOR-078 Renewal for 10 years consisting of tower/monitoring space at the annual rate of \$1,800.00, electric only, in the City of Glenville, Gilmer County, West Virginia.

DIVISION OF JUVENILE SERVICES

DJS-015 Renewal for 1 year consisting of 200 square feet of storage space at the monthly rate of \$180.00, in the City of Dunbar, Kanawha County, West Virginia.

DJS-003 Renewal for 3 years consisting of 12,266 square feet of office space at the current annual per square feet of \$10.35, full service, in the City of Charleston, Kanawha County, West Virginia.

DIVISION OF MOTOR VEHICLES

DMV-054 Renewal for 3 months consisting of 12,181 square feet of office space at the current annual per square foot rate of \$13.75, parking & snow removal, in the City of Teays Valley, Putnam County, West Virginia.

DIVISION OF REHABILITATION SERVICES

DRS-053 Renewal for 1 year consisting of 8,000 square feet of office space at the current annual per square foot rate of \$9.71, electric & janitorial, in the City of Wheeling, Ohio County, West Virginia.

FAIRMONT STATE UNIVERSITY

FSC-027 Renewal for 1 year consisting of 422 square feet of office space at the current annual per square foot rate of \$10.50, full service, in the City of Buckhannon, Upshur County, West Virginia.

FSC-024 Renewal for 1 year consisting of 1,400 square feet of office space at the current annual per square foot rate of \$4.67, in the City of Fairmont, Marion County, West Virginia.

GOVERNOR JOE MANCHIN, III

MAN-001 Renewal for 1 year consisting of storage space at the current monthly rate of \$115.00, full service, in the City of Charleston, Kanawha County, West Virginia.

SMALL BUSINESS DEVELOPMENT CENTER

SBD-001 Renewal for 1 year consisting of office space at the current monthly rate of \$1,040.00, full service, in the City of Martinsburg, Berkeley County, West Virginia.

STRAIGHT RENEWAL CONTINUED

WEST VIRGINIA DEVELOPMENT OFFICE

CID-008 Renewal for 1 year consisting of 384 square feet of office space at the current annual per square foot rate of \$12.00, full service, in the City of Moorefield, Hardy County, West Virginia.

WEST VIRGINIA STATE POLICE

PSA-108 Renewal for 1 year consisting of 4,800 square feet of office space at the current annual per square foot rate of \$1.03, in the City of Hundred, Wetzel County, West Virginia.

WORKFORCE WEST VIRGINIA

WWV-014 Renewal for 3 months consisting of 3,836 square feet of office space at the current annual per square foot rate of \$12.52, full service, in the City of Princeton, Mercer County, West Virginia.

STRAIGHT RENEWAL-DOA OWNED

DIVISION OF REHABILITATION SERVICES

DRS-054 Renewal for 1 year consisting of 4,386 square feet of office space at the current annual per square foot rate of \$14.50, full service, in the City of Parkersburg, Wood County, West Virginia.

DECREASE IN SQUARE FOOTAGE – DOA OWNED

DIVISION OF HIGHWAYS

HWY-001 Renewal for 1 year with a decrease in square footage from 206,899 to 204,694 of office space at the current annual per square foot rate of \$9.50, full service, in the City of Charleston, Kanawha County, West Virginia.

INCREASE IN RENT

STATE TREASURER'S OFFICE

STO-007 Renewal for 5 years consisting of 1,172 square feet of office space with an increase in rent starting the 2nd year through the remainder of the term from \$8.47 per square foot rate to \$8.55 per square foot rate, full service excluding parking, in the City of Beckley, Raleigh County, West Virginia.

INCREASED SQUARE FOOTAGE

DIVISION OF REHABILITATION SERVICES

DRS-071 Renewal for 5 years with an increase in square footage from 3,672 square feet to 4,872 square feet of office space at the current annual per square foot rate of \$12.00, full service, in the City of Lewisburg, Greenbrier County, West Virginia.

Joint Committee on Government and Finance

June 2010

Department of Health and Human Resources

MEDICAID REPORT

March 2010 Data

WV DEPARTMENT OF HEALTH AND HUMAN RESOURCES
 BUREAU FOR MEDICAL SERVICES
 EXPENDITURES BY PROVIDER TYPE
 SFY2010

Note: The Centers for Medicare and Medicaid Services (CMS) has mandated changes to reporting of Medicaid expenditures. The report below reflects the updated categorizations by provider type, which is the new format for future quarterly CMS 84 reports. The Department is in the process of re-coding the data and reports to comply with the mandated reporting changes. At the present time, we are only able to present provider type detail for the Current Month and Year-to-Date (YTD) Actuals. Prior year Actuals and Projected SFY 2010 Budget provider type detail will be updated when the coding changes are complete and data validation and quality assurance processes have been performed.

MONTH OF MARCH 2010	ACTUALS	TOTAL	ACTUALS	ESTIMATED	ACTUALS	PROJECTED
	SFY2009	SFY2010	Current Month Mar-10	Current Month Mar-10	Year To-Date Thru 3/31/10	4/1/10 Thru 03/30/10
EXPENDITURES:						
Inpatient Hospital - Reg. Payments	260,846,991	127,998,929	25,710,203	10,645,000	160,478,181	(32,878,288)
Inpatient Hospital - DSH	54,483,945	55,411,678	37,083	-	38,799,718	18,811,981
Inpatient Hospital - Supplemental Payments	-	114,140,000	-	-	16,906,776	68,234,228
Inpatient Hospital - GME Payments	-	4,073,000	-	-	3,661,438	411,562
Mental Health Facilities	47,860,442	55,718,940	5,918,518	4,647,000	52,532,929	3,188,012
Mental Health Facilities - DSH Adjustment Payments	18,799,469	19,055,754	-	-	14,166,284	4,890,470
Nursing Facility Services - Regular Payments	464,023,240	491,237,898	38,049,320	40,930,000	352,799,250	138,438,647
Nursing Facility Services - Supplemental Payments	-	-	-	-	-	-
Intermediate Care Facilities - Public Providers	-	-	-	-	-	-
Intermediate Care Facilities - Private Providers	63,249,071	63,402,718	4,859,684	5,284,000	47,716,094	15,688,626
Intermediate Care Facilities - Supplemental Payments	-	-	-	-	-	-
Physicians Services - Regular Payments	143,420,128	125,928,808	9,863,289	10,078,000	82,301,265	33,626,543
Physicians Services - Supplemental Payments ***	-	22,755,000	-	-	34,060,978	(11,308,978)
Outpatient Hospital Services - Regular Payments	120,824,371	118,181,864	7,180,823	9,884,000	70,790,789	47,401,179
Outpatient Hospital Services - Supplemental Payments	-	-	-	-	-	-
Prescribed Drugs	341,993,882	397,593,428	26,078,842	30,878,000	245,730,956	121,892,473
Drug Rebate Offset - National Agreement	(130,951,220)	(128,784,804)	(6,171,284)	(10,568,000)	(106,560,873)	(20,234,031)
Drug Rebate Offset - State Sidebar Agreement	(30,810,728)	(30,333,052)	(6,262)	(2,828,000)	(18,006,781)	(14,327,871)
Dental Services	40,350,088	48,800,578	3,371,933	4,082,000	32,808,185	18,082,411
Other Practitioners Services - Regular Payments	22,381,183	7,815,852	931,083	688,000	8,843,686	(1,028,034)
Other Practitioners Services - Supplemental Payments ***	-	-	-	-	-	-
Clinic Services	39,855,489	14,837,984	335,847	1,247,000	3,803,467	11,234,517
Lab & Radiological Services	10,177,238	10,836,738	840,788	923,000	8,523,185	2,313,553
Home Health Services	32,881,694	35,888,518	3,031,129	3,035,000	29,381,060	6,808,458
Hysterectomies/Sterilizations	816,259	574,054	18,878	48,000	178,804	398,450
Pregnancy Terminations	-	-	-	-	-	-
EPSDT Services	2,247,831	2,598,668	114,238	217,000	1,398,808	1,203,061
Rural Health Clinic Services	7,793,508	8,537,238	709,535	718,000	8,298,134	2,242,106
Medicare Health Insurance Payments - Part A Premiums	14,821,488	19,098,438	1,428,388	1,591,000	12,901,883	6,186,573
Medicare Health Insurance Payments - Part B Premiums	70,371,344	77,248,842	6,808,351	6,424,000	55,471,834	21,775,208
120% - 134% Of Poverty	4,408,874	5,101,770	421,778	432,000	3,850,338	1,261,434
135% - 175% Of Poverty	-	-	-	-	-	-
Coinurance And Deductibles	-	-	888,081	-	5,200,889	(8,200,889)
Medicaid Health Insurance Payments: Managed Care Organizations (MCO)	294,897,012	265,059,331	28,302,570	22,088,000	250,337,358	14,721,973
Medicaid Health Insurance Payments: Prepaid Ambulatory Health Plan	-	1	-	-	-	-
Medicaid Health Insurance Payments: Prepaid Inpatient Health Plan	-	-	-	-	-	-
Medicaid Health Insurance Payments: Group Health Plan Payments	393,780	416,852	37,078	35,000	330,018	85,834
Medicaid Health Insurance Payments: Coinurance	-	-	-	-	-	-
Medicaid Health Insurance Payments: Other	-	-	-	-	-	-
Home & Community-Based Services (MR/DD)	233,498,863	268,820,084	18,997,923	21,411,000	182,808,255	74,013,839
Home & Community-Based Services (Aged/Disabled)	80,034,343	89,794,000	7,238,863	7,483,000	68,681,164	18,812,838

MONTH OF MARCH 2010	ACTUALS	TOTAL	ACTUALS	ESTIMATED	ACTUALS	PROJECTED
	SFY2008	SFY2010	Current Month Mar-10	Current Month Mar-10	Year To-Date Thru 3/31/10	4/1/10 Thru 06/30/10
Home & Community-Based Services (State Plan 1915(f) Only)	-	-	-	-	-	-
Home & Community-Based Services (State Plan 1915(g) Only)	-	-	-	-	-	-
Community Supported Living Services	-	-	-	-	-	-
Programs Of All-Inclusive Care Elderly	-	-	-	-	-	-
Personal Care Services - Regular Payments	37,875,865	42,677,777	3,231,039	3,580,000	30,878,823	11,902,153
Personal Care Services - SDS 1915(f)	-	-	-	-	-	-
Targeted Case Management Services - Com. Case Management	-	0	-	-	-	0
Targeted Case Management Services - Institutional Transitioning	-	-	-	-	-	-
Targeted Case Management Services - State Wide	4,308,085	5,811,339	318,533	472,000	2,889,288	2,713,283
Primary Care Case Management Services	809,744	681,427	28,911	58,000	318,083	375,344
Hospice Benefits	14,489,070	15,248,730	1,787,388	1,271,000	12,280,378	2,968,381
Emergency Services Undocumented Aliens	88,318	-	25,305	-	122,858	(122,858)
Federally Qualified Health Center	10,761,540	20,208,125	891,910	1,893,000	13,847,685	8,558,440
Non-Emergency Medical Transportation	-	4,502,000	421,185	375,000	3,811,874	890,128
Physical Therapy	-	2,078,000	138,864	173,000	1,355,939	720,091
Occupational Therapy	-	658,000	17,082	55,000	182,660	503,340
Services for Speech, Hearing & Language	-	804,000	23,892	42,000	220,988	283,012
Prosthetic Devices, Dentures, Eyeglasses	-	680,000	138,208	57,000	1,431,524	(751,524)
Diagnostic Screening & Preventive Services	-	-	27,824	-	261,488	(281,488)
Nurse Mid-Wife	-	-	20,787	-	272,124	(272,124)
Emergency Hospital Services	-	-	713,871	-	8,784,769	(8,784,769)
Critical Access Hospitals	-	5,507,000	2,363,984	489,000	23,924,186	(18,417,186)
Nurse Practitioner Services	-	1,560,000	96,826	128,000	773,184	779,838
School Based Services	-	44,095,000	4,945,650	3,874,000	38,258,453	5,838,947
Rehabilitative Services (Non-School Based)	-	64,782,000	7,860,999	8,398,000	56,703,188	9,088,832
Private Duty Nursing	-	3,119,000	260,562	280,000	2,343,989	775,011
Other Care Services	128,150,532	51,022,801	3,117,123	4,382,000	28,413,841	22,808,980
Less: Recoupments	-	-	(417,142)	-	(724,888)	724,888
NET EXPENDITURES:	2,410,186,304	2,814,532,515	210,590,658	191,691,000	1,899,281,401	616,251,114
Collections: Third Party Liability (line 9A on CMS-84)	(8,038,342)	-	-	-	(2,911,695)	2,911,695
Collections: Probate (line 9B on CMS-84)	(122,220)	-	-	-	(82,904)	52,904
Collections: Identified through Fraud & Abuse Effort (line 9C on CMS-84)	(13,788)	-	-	-	(828)	528
Collections: Other (line 9D on CMS-84)	(5,809,008)	-	-	-	(1,369,819)	1,369,819
NET EXPENDITURES and CMS-84 ADJUSTMENTS:	2,388,612,864	2,814,532,515	210,590,658	191,691,000	1,894,848,356	619,686,160
Plus: Medicaid Part D Expenditures	27,747,852	31,899,287	-	2,491,480	29,936,817	8,082,420
Plus: State Only Medicaid Expenditures ***	4,883,431	3,848,891	1,112,810	289,548	4,433,102	(868,212)
TOTAL MEDICAID EXPENDITURES	2,430,844,047	\$2,850,378,843	\$211,703,268	\$194,442,028	\$1,923,316,276	\$627,682,368
Plus: Reimbursables (1)	4,329,882	4,787,564	425,480	335,686	4,051,280	738,304
TOTAL EXPENDITURES	\$2,436,173,930	\$2,855,166,207	\$212,128,728	\$194,777,683	\$1,927,367,535	\$627,788,972

(1) This amount will revert to State Only if not reimbursed.

*** CMS is currently reviewing portions of these payments. Until review is completed these expenses will be classified as state-only on the CMS-84. With all outside reviews, there is a potential for a portion of these costs to remain state-only if any of them are disallowed.

WV DEPARTMENT OF HEALTH AND HUMAN RESOURCES
 BUREAU FOR MEDICAL SERVICES
 MEDICAID CASH REPORT
 SFY2010

9 Months Actuals 3 Months Remaining

MONTH OF MARCH 2010	ACTUALS	ACTUALS	ACTUALS	PROJECTED	TOTAL
	SFY2009	Current Month Ended 3/31/10	Year-To-Date Thru 3/31/10	4/1/2010 Thru 6/30/10	SFY2010
REVENUE SOURCES					
Beg. Bal. (5084/1020 prior mth)	34,933,065	107,310,701	\$116,583,948		\$116,583,948
MATCHING FUNDS					
General Revenue (0403/188)	393,705,687	21,964,933	169,668,403	107,649,166	287,315,568
MRDD Waiver (0403/488)	-	6,686,123	53,838,834	28,616,849	80,353,483
Rural Hospitals Under 150 Beds (0403/940)	2,596,000	216,333	1,947,000	649,000	2,596,000
Tertiary Funding (0403/547)	4,858,000	629,668	4,767,000	1,589,000	6,356,000
Lottery Waiver (Less 550,000) (5405/539)	23,272,578	1,600,000	21,872,578	1,400,000	23,272,578
Lottery Transfer (5405/871)	10,300,000		7,500,000	1,170,000	8,870,000
Trust Fund Appropriation (5185/189)	19,784,219		0	30,556,594	30,556,594
Provider Tax (5090/189)	165,400,000	13,022,664	118,663,647	45,994,843	164,658,280
Certified Match	18,399,722	1,209,362	10,274,530	5,556,810	15,830,340
Reimbursables - Amount Reimbursed	4,348,906	1,013,894	3,680,002	1,207,562	4,787,564
Other Revenue (MWIN, Escheated Warrants, etc.) 8084/4010 & 4016	428,344	50,305	(812,748)	812,749	0
CMS - 64 Adjustments	1,098,690		(319,118)	319,118	0
TOTAL MATCHING FUNDS	680,123,202	\$153,813,981	\$497,760,075	\$223,220,290	\$720,980,365
FEDERAL FUNDS	1,874,489,691	200,880,466	1,572,163,868	\$517,938,002	\$2,089,791,870
TOTAL REVENUE SOURCES	2,554,812,893	\$364,474,447	\$2,069,914,043	\$740,858,282	\$2,810,772,335
TOTAL EXPENDITURES:					
Provider Payments	2,435,173,930	\$212,128,728	\$1,927,387,636	\$627,798,872	\$2,555,186,207
TOTAL	119,438,884	\$142,345,719	\$142,548,609	112,859,410	\$256,608,128

Note: FMAP (09* - 83.05% applicable July - Sept. 2009) (10* - 83.05% applicable Oct. 2009 - June 2010)
 (1) This amount will revert to State Only if not reimbursed.



Status Report Workers' Compensation

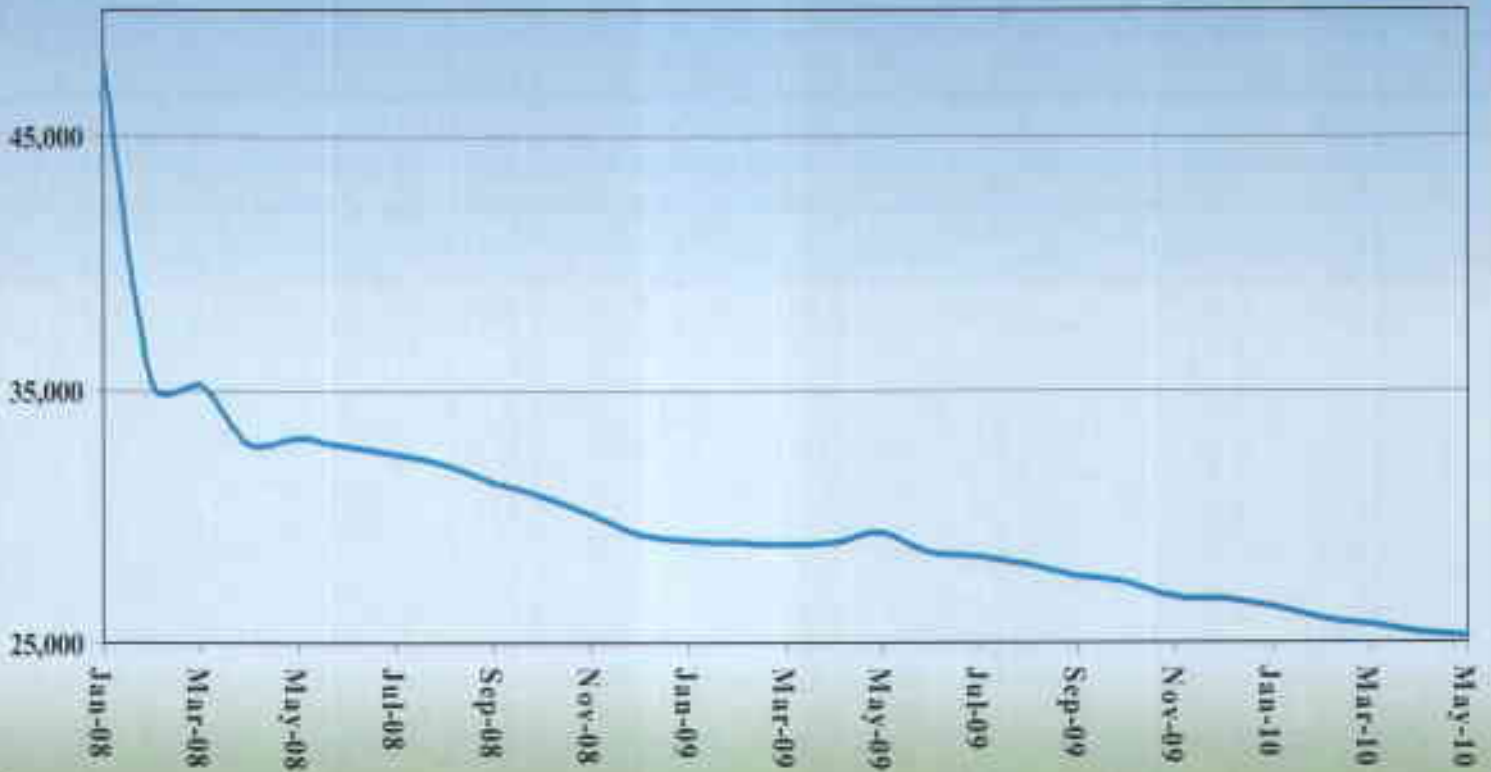
Joint Committee on
Government & Finance

6/4/10

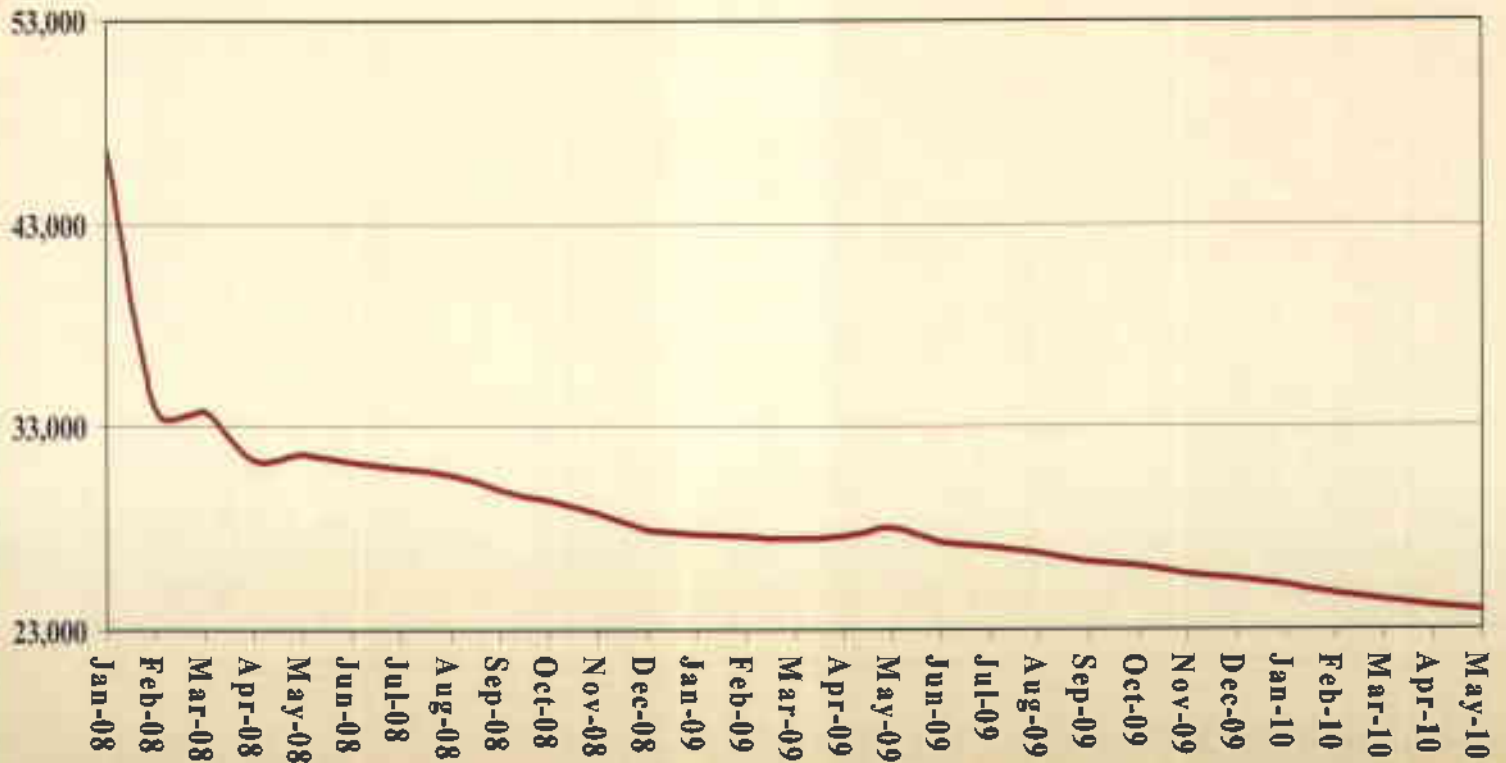
Provided by the West Virginia Offices of the Insurance Commissioner



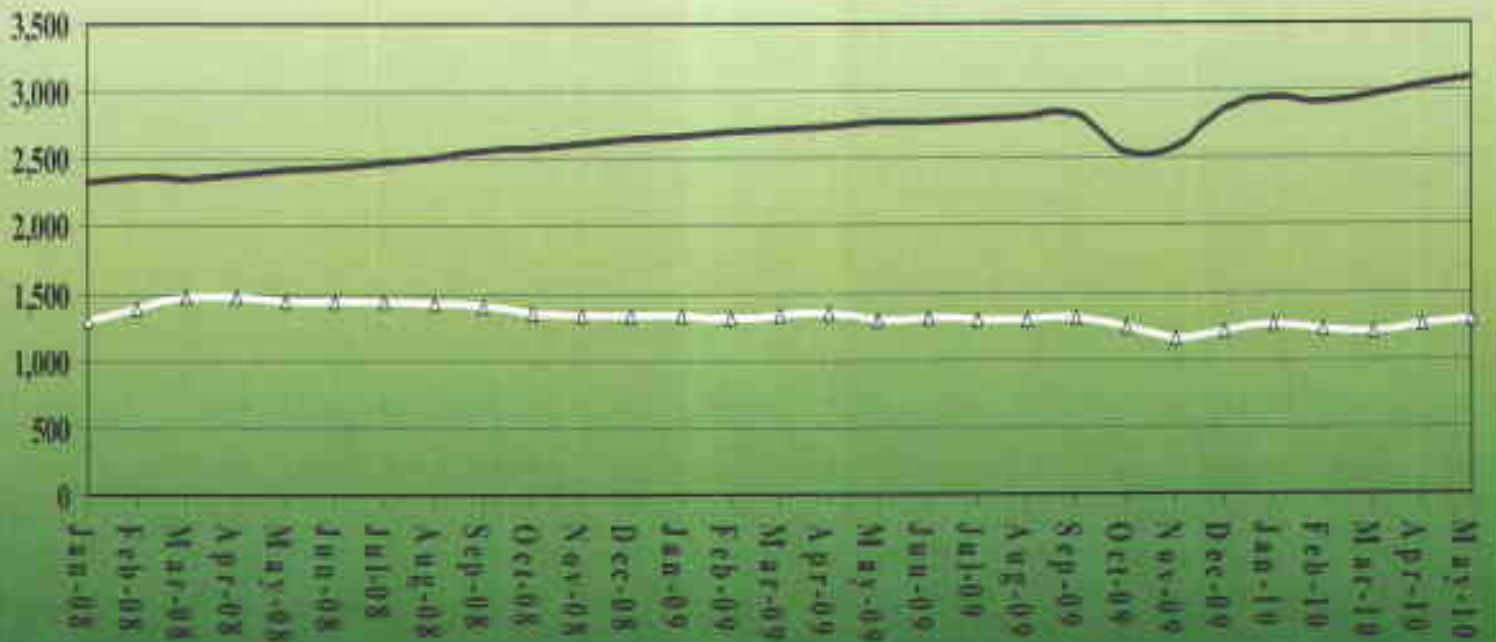
Total Active Claim counts



Non-FBL Active Claim counts

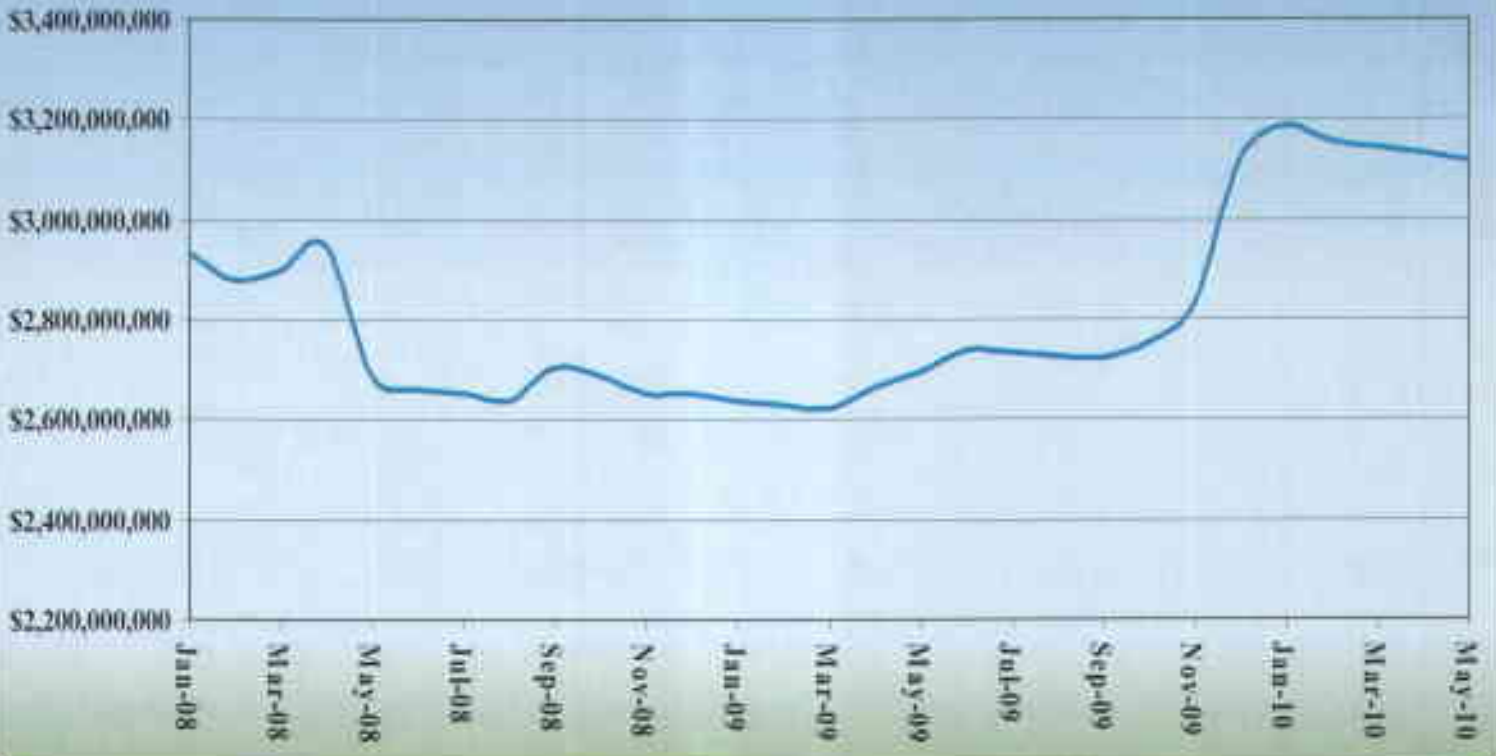


FBL Active Claim counts

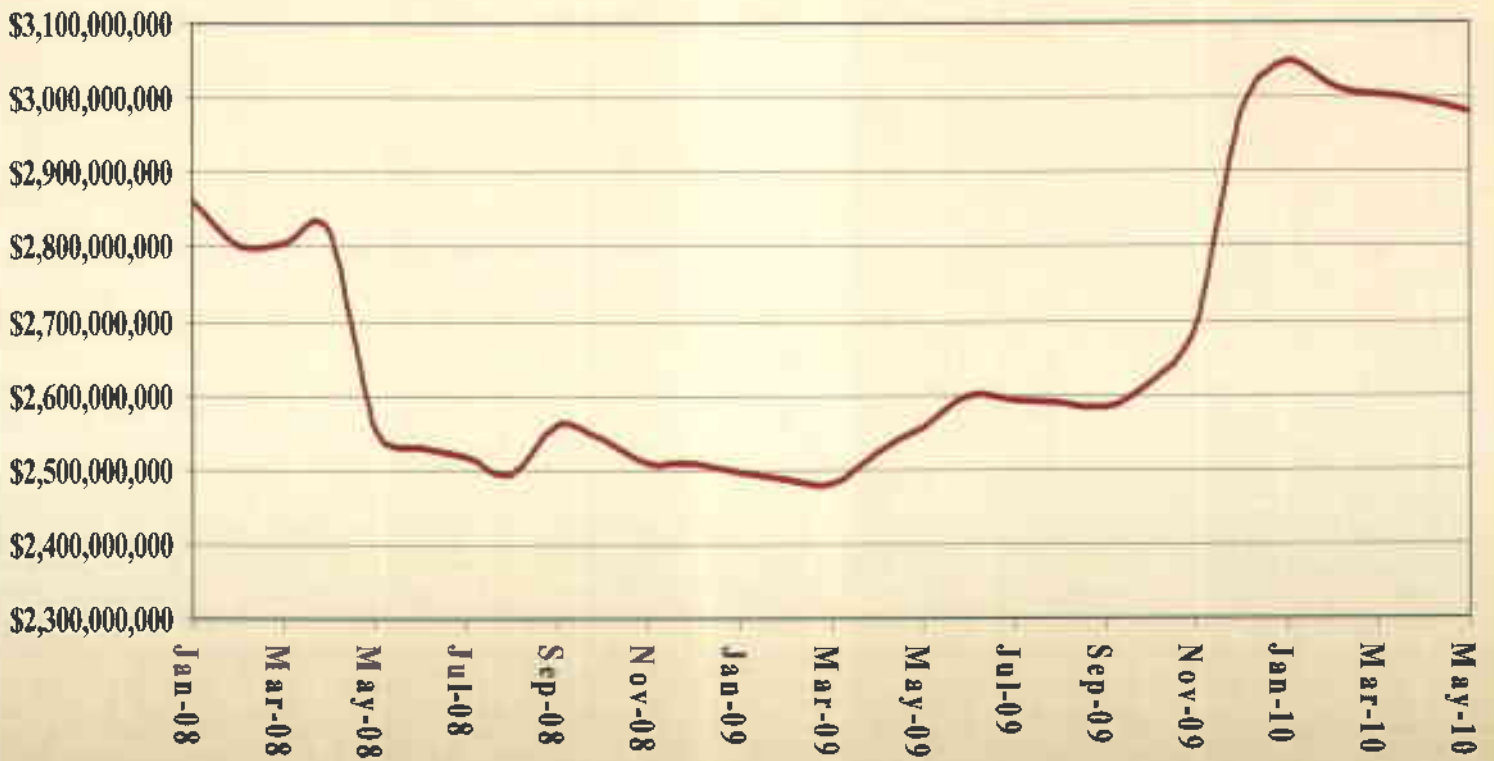


△ Active FBL Claims — Total FBL Claims

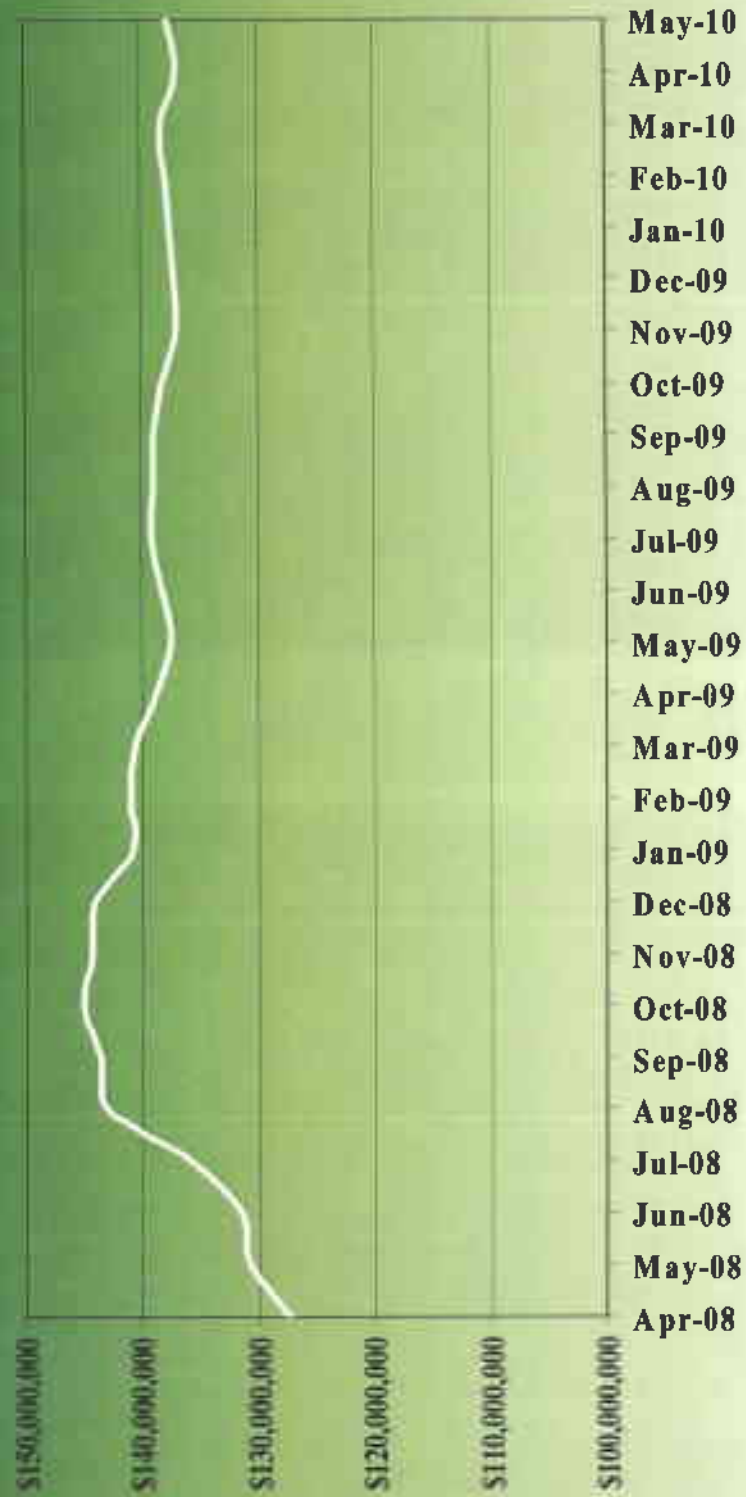
Total Case Reserves



Non-FBL Case Reserves



FBL Case Reserves



5/31/2010

	Sedgwick	Wells Fargo	American Mining	Totals
Total Claims	20,097	2,372	2,774	25,243
Non-FBL	20,097	2,240	1,616	23,953
FBL	0	132	1,158	1,290

FBL	
Inactive	All Total
1,808	3,098

	Sedgwick	Wells Fargo	American Mining	Totals
Total Reserves	2,541,232,903	280,102,945	295,035,855	\$3,116,371,703
Non-FBL Reserves	2,541,232,903	247,977,975	189,427,166	\$2,978,638,044
FBL Reserves	-	32,124,970	105,608,689	\$137,733,659

Prior Month	
Total	Change
\$3,132,756,686	-0.5%
\$2,995,839,531	-0.6%
\$136,917,155	0.6%

	Sedgwick	Wells Fargo	American Mining	Totals
Med Only	1,655	7	384	2,046
PTD	7,120	591	355	8,066
PPD	5,665	1,022	673	7,360
TTD	1,065	0	25	1,090
TPD	1	0	0	1
Settlement (payments)	0	15	10	25
Fatal	1,640	494	169	2,303
Partial Awd	10	111	0	121
OP/OD	2,941	2,084	948	2,941
Total NonFBL	20,097	2,240	1,616	23,953
Total FBL	0	132	1,158	1,290
Total	20,097	2,372	2,774	25,243

Prior Month	
Total	Change
2,087	-2.0%
8,101	-0.4%
7,454	-1.3%
1,080	0.9%
6	-500.0%
26	-4.0%
2,320	-0.7%
122	-0.8%
2,961	-0.7%
24,157	-0.9%
1,258	2.5%
25,415	-0.7%

WEST VIRGINIA
OFFICES OF THE INSURANCE COMMISSIONER
SCHEDULE OF NET ASSETS
Workers' Compensation Old Fund - Debt Reduction
(In Thousands)
May FY2010

	June 30, 2009	May 31, 2010	Change
Assets:			
Cash and Cash Equivalents	800,819	907,334	106,515
Receivables, Net:	<u>63,343</u>	<u>19,843</u>	<u>(43,500)</u>
Total Assets	<u>864,162</u>	<u>927,177</u>	<u>63,015</u>
Liabilities:			
Estimated Liability for Unpaid Claims and Claim Adjustment Expense	2,163,500	2,002,471	(161,029)
Other Liabilities	<u>244</u>	<u>244</u>	<u>0</u>
Total Liabilities	<u>2,163,744</u>	<u>2,002,715</u>	<u>(161,029)</u>
Net Assets:			
Unrestricted	<u>(1,299,582)</u>	<u>(1,075,538)</u>	<u>224,044</u>
Total Net Assets	<u>(1,299,582)</u>	<u>(1,075,538)</u>	<u>224,044</u>

*Debt Reduction estimates are updated on a monthly basis. See note on "Old Fund Liability Estimate" sheet.

Old Fund Liability Estimate

	FY2010	May
Undiscounted Beginning Reserve Amount		3,142,362,516
Claim Payments		24,750,907
Undiscounted Ending Reserve Amount		3,117,611,609
Estimated Ending Reserve Amount - Discounted at 5%		2,002,471,199

Note:

The discounted estimate of the Old Fund liabilities is derived using a formula that reduces the reserve amount at the beginning of each month by the amount of claims payments made during the month. Claims payments were **\$24,750,907 for May 2010**.

The formula makes an adjustment for the time value of money, assuming that claim payments are evenly distributed through the month. This calculation has been prepared in order to provide an interim estimate on the status of the deficit.

OLD FUND / DEBT REDUCTION
Quarterly Summary
May FY2010

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Y-T-D FY2010	Y-T-D FY2009	Change
Revenues							
Personal Income Tax	-	31,800,000	31,800,000	21,200,000	84,800,000	84,800,000	-
Severance Tax	19,556,893	25,804,529	23,549,257	12,839,517	81,750,196	80,605,382	1,144,814
Debt Reduction Surcharge	7,949,567	10,748,646	10,314,656	9,514,255	38,527,124	40,114,208	(1,587,084)
Self-Insured Debt Reduction Surcharge	1,335,879	1,822,840.8	2,019,768	1,383,562	6,562,051	6,533,783	28,267
Video Lottery	11,000,000	-	-	-	11,000,000	11,000,000	-
Employer Premium	572,113	639,559	238,481	259,784	1,709,937	2,837,298	(1,127,358)
Other Income - Return of Unclaimed Property	-	31,194	49	2,381	33,624	39,392	(5,769)
Total Revenues	40,414,452	70,846,769	67,922,211	45,199,500	224,382,931	225,930,061	(1,547,129)
Surplus Note Principal Payments	43,500,000		-	-	43,500,000	60,000,000	(16,500,000)
Investment / Interest Earnings (Losses)	52,210,253	28,292,679	11,717,661	21,171,412	113,392,005	(128,237,533)	241,629,538
Expenditures							
Public Employees Insurance	7,937	23,558	20,544	16,022	68,061	98,525	(28,464)
Payment of Claims	65,253,474	65,309,583	67,920,202	53,515,380	251,998,639	231,662,202	20,336,437
Contractual/Professional	5,065,476	5,110,419	4,659,889	2,908,029	17,743,813	17,129,307	614,506
Total Expenditures	70,326,887	70,443,560	72,600,634	56,439,431	269,810,513	248,888,034	20,922,479
Excess (Deficiency) of Revenues over Expenditures	65,797,818	28,695,887	7,039,237	9,931,481	111,464,424	(89,249,156)	202,659,930
Cash Beginning Balances	795,869,972	861,667,790	890,363,678	897,402,915	795,869,972		
Cash Ending Balances	861,667,790	890,363,678	897,402,915	907,334,396	907,334,396		

6/3/2010

**OLD FUND / DEBT REDUCTION
FY2010 - FY2009
COMPARISON
May FY2010**

YEAR TO DATE

	FY2010	FY2009	Change	FY2009 Annual
Revenues				
Personal Income Tax	84,800,000	84,800,000	-	95,400,000
Severance Tax	81,760,196	80,605,382	1,144,814	126,672,963
Debt Reduction Surcharge	38,527,124	40,114,208	(1,587,084)	40,115,329
Self-Insured Debt Reduction Surcharge	6,562,051	6,533,783	28,267	6,568,235
Video Lottery	11,000,000	11,000,000	-	11,000,000
Employer Premium	1,709,937	2,837,296	(1,127,358)	2,945,070
Other Income - Return of Unclaimed Property	33,624	39,392	(5,769)	39,392
Total Revenues	<u>224,382,931</u>	<u>225,930,081</u>	<u>(1,547,129)</u>	<u>281,740,989</u>
Surplus Note Principal Payments	<u>43,500,000</u>	<u>60,000,000</u>	<u>(16,500,000)</u>	<u>145,000,000</u>
Investment / Interest Earnings (Losses)	<u>113,392,005</u>	<u>(128,237,533)</u>	<u>241,629,639</u>	<u>(94,861,549)</u>
Expenditures				
Public Employees Insurance	68,081	96,526	(28,464)	106,117
Payment of Claims	251,998,639	231,662,202	20,336,437	251,860,952
Contractual/Professional	17,743,813	17,129,307	614,506	20,185,265
Total Expenditures	<u>269,810,513</u>	<u>248,888,034</u>	<u>20,922,479</u>	<u>272,161,333</u>
Excess (Deficiency) of Revenues over Expenditures	<u>111,464,424</u>	<u>(89,249,156)</u>	<u>202,659,930</u>	<u>59,728,107</u>
Cash Beginning Balances	<u>796,869,972</u>	<u>734,195,514</u>	<u>61,674,458</u>	<u>734,195,513</u>
Cash Ending Balances	<u>890,363,678</u>	<u>644,946,358</u>	<u>245,417,319</u>	<u>795,869,970</u>

**Workers' Compensation Old Fund Balances
Cash Basis**

April 2010 Report

	Calendar Year 2008	Calendar Year 2009
Revenue		
Statutory Transfers*	\$ 287,088,650	\$ 406,717,692
Collections	3,265,870	2,022,724
Investment Income	(168,342,828)	150,266,163
Total Revenue	<u>\$ 122,011,692</u>	<u>\$ 559,006,579</u>
Expenditures		
Claim Payments	\$ (249,839,063)	\$ (255,063,549)
Administrative/Other Expense	\$ (23,576,238)	\$ (20,357,232)
Total Expenditures	<u>\$ (273,415,301)</u>	<u>\$ (275,420,781)</u>
Workers' Compensation Commission Initial fund transfer January 2006		
Payments on Surplus Note	102,782,602	130,593,151
Invested Balance with WVIMB at year end	591,375,200	799,903,742

Workers' Compensation Old Fund Benefit Payments
Average Monthly Payments*

May Report

	7/1/07 : 6/30/08	7/1/08 : 6/30/09	7/1/09 : 6/30/10
	Previous 12 month period.	Current 12 month period.	Current 12 month period.
Claims benefits paid:			
Medical	4,216,466.10	4,296,649.61	4,826,523.71
Permanent Total Disability	12,705,096.33	12,512,742.53	12,773,471.26
Permanent Partial Disability	1,251,457.90	680,987.68	417,720.25
Temporary Total Disability	274,448.93	169,475.85	115,580.07
Settlement Agreements	371,246.66	268,303.45	1,590,032.23
Fatals	2,831,376.60	2,711,468.71	2,922,194.14
104 weeks	435,527.13	551,281.78	531,071.36
Loss Adjustment Expense	-	-	416,396.14
Total	22,085,619.64	21,190,909.62	23,176,593.01
Claims credits and overpayments	(369,925.10)	(217,740.97)	(343,334.24)
Total claims paid	21,715,694.54	20,973,168.65	22,833,258.77

6/3/2010

COAL WORKERS PNEUMOCONIOSIS FUND
Quarterly Summary
May FY2010

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	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	YTD FY 2010	YTD FY 2009	Change
Revenues							
Investment Earnings (Losses)	16,196,622	9,993,366	3,681,189	8,052,357	37,923,534	(38,408,172)	76,331,706
Other Income - Return of Unclaimed Property	-	-	-	898	898	132	
Total Revenues	16,196,622	9,993,366	3,681,189	8,053,255	37,924,432	(38,408,041)	76,331,706
Expenditures							
Payment of Claims	2,466,123	2,607,548	2,543,941	1,609,725	9,229,337	10,534,888	(1,305,551)
Contractual / Professional	15,011	20,036	-	-	35,048	(359)	35,405
Total Expenditures	2,483,133	2,627,583	2,543,941	1,609,725	9,264,383	10,534,529	(1,270,146)
Excess (Deficancy) of Revenues over Expenditures	13,713,489	7,365,782	1,137,248	6,443,530	28,660,050	(48,942,570)	77,601,853
Cash Beginning Balances	221,866,212	235,579,701	242,945,483	244,082,731	221,866,212		
Cash Ending Balances	235,579,701	242,945,483	244,082,731	250,526,261	250,526,261		

6/3/2010

SELF-INSURED FUND
Quarterly Summary
May FY2010

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	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	YTD FY 2010	YTD FY 2009	Change
Revenues							
Guaranty Risk Pool Assessments	281,149	428,666	328,505	391,074	1,429,395	1,626,955	(197,561)
Investment Earnings (Losses)	3,510	2,240	1,345	1,306	8,401	65,535	(57,133)
Total Revenues	284,660	430,906	329,850	392,381	1,437,796	1,692,490	(254,694)
Expenditures							
Payment of Claims	8,352	8,441	77,617	10,690	103,101	42,583	60,518
Contractual / Professional	5,672	26,623	11,705		44,001	-	44,001
Total Expenditures	12,025	35,065	89,322	10,690	147,102	42,583	104,518
Excess (Deficiency) of Revenues over Expenditures	272,635	395,842	240,527	381,690	1,290,694	1,649,907	(359,212)
Cash Beginning Balances	6,969,308	7,241,943	7,637,784	7,878,312	6,969,308		
Cash Ending Balances	7,241,943	7,637,784	7,878,312	8,260,002	8,260,002		

6/3/2010

UNINSURED FUND
Quarterly Summary
May FY2010

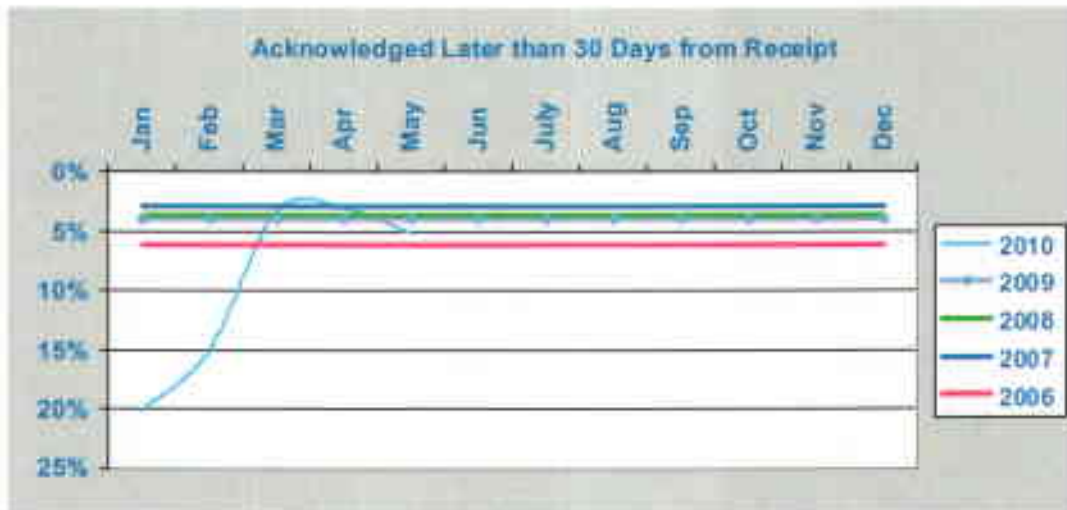
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	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	YTD FY 2010	YTD FY 2009	Change
Revenues							
Fines and Penalties	253,742	219,373	169,797	172,622	815,535	895,236	(79,702)
Investment Earnings (Losses)	4,325	2,672	1,532	1,472	10,001	97,060	(87,059)
Total Revenues	258,068	222,045	171,329	174,094	825,536	992,296	(166,760)
Expenditures							
Payment of Claims	93,185	154,467	166,945	118,806	533,404	618,393	(84,989)
Contractual/Professional	3,137	5,031	403		8,571	-	8,571
Total Expenditures	96,322	159,498	167,348	118,806	541,975	618,393	(76,418)
Excess (Deficiency) of Revenues over Expenditures	161,745	62,547	3,981	55,288	283,561	373,904	(90,342)
Cash Beginning Balances	8,588,268	8,750,013	8,812,581	8,816,542	8,588,268		
Cash Ending Balances	8,750,014	8,812,581	8,816,542	8,871,829	8,871,829		

C. Pending Caseload Report

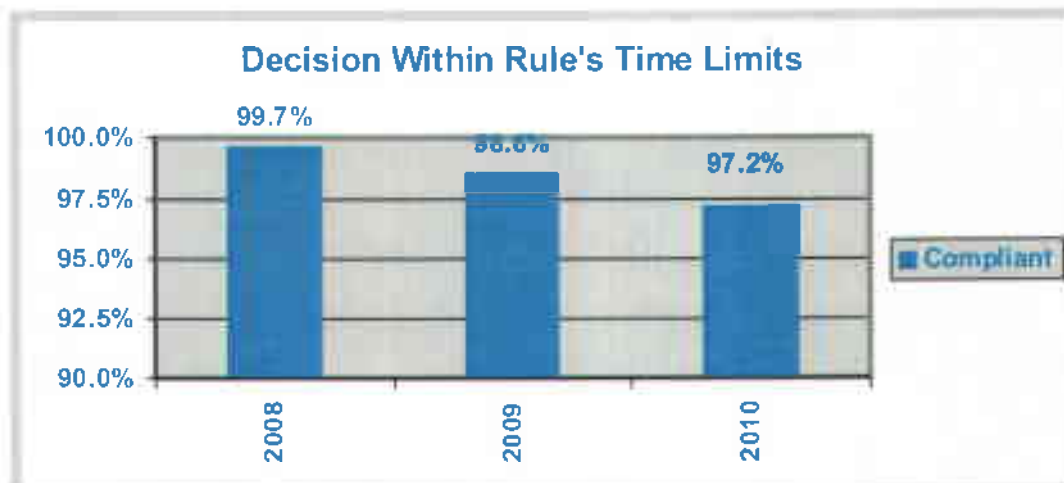
PENDING END OF May, 2010	3753
PENDING 1 MONTH BEFORE	3738
PENDING 2 MONTHS BEFORE	3839
PENDING 3 MONTHS BEFORE	3866
PENDING 6 MONTHS BEFORE	4048
PENDING 12 MONTHS BEFORE	4134

D. Acknowledgment Timeliness:	<u>2009</u>	<u>May</u>	<u>YTD</u>
1. Protest Ackn. >30 days	4.0%	5.1%	8.8%
2. Protest Ackn. 24-30 days	3.0%	0.5%	2.7%
3. Protest Ackn. 11-23 days	22.6%	23.1%	25.6%
4. Protest Ackn. <11 days	70.4%	71.3%	62.9%



E. Protests Resolved:	<u>May '10</u>	<u>2010</u>
1. Protests decided:	381	2350
2. Withdrawals:	97	494
3. "No Evidence" Dismissals:	41	280

F. Final Decision Timeliness	2009	May '10	2010
1. <30 days:	49.2%	51.4%	45.2%
2. 30-60 days:	29.3%	24.5%	29.5%
3. 60-90 days:	20.1%	20.1%	22.5%
4. +90 days:	1.4%	4.0%	2.8%



G. Time Standard Compliance	2009	May	2010
	88.9%	83.2%	89.8%

Friday, May 28, 2010

Time Standard Compliance

Report Dates: From 5/1/2010 thru 5/31/2010

Time Standard	Total Closed	Timely		Late	
		Count	Percent	Count	Percent
COMPENSABILITY	17	13	76.5%	4	23.5%
PPD	30	30	100%	0	0%
TRMT/EQUIP CL	32	24	75%	8	25%
TTD	10	7	70%	3	30%
BENEFIT OVERPAYMENT	1	1	100%	0	0%
DEP BEN FATAL	5	3	60%	2	40%
OPBD	11	11	100%	0	0%
REOPENING	6	4	66.7%	2	33.3%
TRMT/EQUIP EM	1	1	100%	0	0%
Total	113	94	83.2%	19	16.8%

Final Decision Compliance

Report Dates: From 5/1/2010 thru 5/31/2010

Description	Issues Resolved	Days to Decision							
		< 30 Days		30 - 60		61 - 90		> 90	
		Count	%	Count	%	Count	%	Count	%
DEP BEN FATAL	6	1	16.7%	3	50.0%	1	16.7%	1	16.7%
FAILURE TO ACT 15 DAY	5	1	20.0%	2	40.0%	2	40.0%	0	0.0%
IEB DETERMINATION	1	0	0.0%	0	0.0%	1	100.0%	0	0.0%
OPBD	11	10	90.9%	1	9.1%	0	0.0%	0	0.0%
TRMT/EQUIP CL	69	35	50.7%	20	29.0%	11	15.9%	3	4.3%
TRMT/EQUIP EM	1	1	100.0%	0	0.0%	0	0.0%	0	0.0%
TTD	21	12	57.1%	3	14.3%	5	23.8%	1	4.8%
BENEFIT OVERPAYMENT	1	1	100.0%	0	0.0%	0	0.0%	0	0.0%
BENEFIT RATE	1	1	100.0%	0	0.0%	0	0.0%	0	0.0%
COMPENSABILITY	59	31	52.5%	8	13.6%	18	30.5%	2	3.4%
FAILURE TO ACT 30 DAY	2	0	0.0%	2	100.0%	0	0.0%	0	0.0%
PPD	53	31	58.5%	11	20.8%	8	15.1%	3	5.7%
REOPENING	19	4	21.1%	11	57.9%	4	21.1%	0	0.0%
Totals	249	128	51.4%	61	24.5%	50	20.1%	10	4.0%

Friday, May 28, 2010

Motion Resolution Compliance

Report Dates: From 5/1/2010 thru 5/31/2010

Time Standard	Total Motions	Timely *		Late **	
		Count	Percent	Count	Percent
APPLICATION THRESHOLD	1	1	100%	0	0%
BENEFIT RATE	1	1	100%	0	0%
DEP BEN FATAL	29	27	93.1%	2	6.9%
FAILURE TO ACT 15 DAY	2	1	50%	1	50%
IEB DETERMINATION	10	10	100%	0	0%
REOPENING	62	57	91.9%	5	8.1%
TEMP	2	2	100%	0	0%
COMPENSABILITY	208	189	90.9%	19	9.1%
OP NON-MED	15	11	73.3%	4	26.7%
OPBD	67	59	88.1%	8	11.9%
PPD	177	168	94.9%	9	5.1%
PTD ENTITLEMENT	6	6	100%	0	0%
PTD ONSET DATE	3	3	100%	0	0%
TRMT/EQUIP CL	158	149	94.3%	9	5.7%
TTD	102	89	87.3%	13	12.7%
Total	843	773	91.7%	70	8.3%

* Action Date < Motion Date

** Action Date > Motion Date

Description

Protests Acknowledged

> 30

30-24

23-11

< 11

Count Percent Count Percent Count Percent Count Percent

Description	Protests Acknowledged	> 30	30-24	23-11	< 11
		Count	Percent	Count	Percent
BENEFIT OVERPAYMENT	Total: 2	0	0.0%	0	0.0%
CBO - CL BEN OVERPAYMENT	2	0	0.0%	0	0.0%
COMPENSABILITY	Total: 102	4	3.9%	0	0.0%
CCS - CL SEC CONDITION	24	0	0.0%	0	0.0%
CHC - CL COMPENSABILITY	6	0	0.0%	0	0.0%
CIS - CL SI SEC CONDITION	8	0	0.0%	0	0.0%
CPI - CL SI REJECT CLAIM	11	1	9.1%	0	0.0%
CPJ - CL REJECT CLAIM	45	3	6.7%	0	0.0%
CQR - CL SI REJ OCCDISEASE	3	0	0.0%	0	0.0%
CRZ - CL REJ OCC DISEASE	5	0	0.0%	0	0.0%
DEP BEN FATAL	Total: 3	0	0.0%	0	0.0%
CDF - CL DENY/GRNT DTH BEN	3	0	0.0%	0	0.0%
FAILURE TO ACT 15 DAY	Total: 2	1	50.0%	0	0.0%
C01 - CL FTA INJ COMPENSAB	2	1	50.0%	0	0.0%
FAILURE TO ACT 30 DAY	Total: 1	1	100.0%	0	0.0%
C7D - CL FTA REF FOR EXAM	1	1	100.0%	0	0.0%
IEB DETERMINATION	Total: 2	0	0.0%	0	0.0%
CEB - CL IEB DETERMINATION	2	0	0.0%	0	0.0%
OPBD	Total: 25	0	0.0%	0	0.0%
CAO - CL ADD BOARD FINDING	3	0	0.0%	0	0.0%
CBF - CL % BOARD FINDING	6	0	0.0%	0	0.0%
CSF - CL% SI BOARD FINDING	10	0	0.0%	0	0.0%
CSO - CL SI AD BRD FINDING	3	0	0.0%	0	0.0%
EAO - EM ADD BOARD FINDING	2	0	0.0%	0	0.0%
ESF - EM% SI BOARD FINDING	1	0	0.0%	0	0.0%
PPD	Total: 102	10	9.8%	1	1.0%
CAA - CL ADDL % AWARD D/G	15	0	0.0%	0	0.0%
CAD - CL % AWARD DENY/GRNT	66	6	9.1%	1	1.5%
CIE - CL SI ADD% AWARD D/G	2	0	0.0%	0	0.0%
CIG - CL SI %AWARD DNY/GNT	19	4	21.1%	0	0.0%
PTD ENTITLEMENT	Total: 4	0	0.0%	0	0.0%
CKC - CL DENY/GRANT PTD	4	0	0.0%	0	0.0%
PTD ONSET DATE	Total: 1	1	100.0%	0	0.0%
COD - CL ONSET DATE ISSUE	1	1	100.0%	0	0.0%
REOPENING	Total: 24	0	0.0%	0	0.0%
CIQ - CL SI DY/GNT R/O PPD	4	0	0.0%	0	0.0%
CIU - CL SI DY/GNT R/O PTD	1	0	0.0%	0	0.0%
CIY - CL SI DY/GNT R/O TTD	2	0	0.0%	0	0.0%
CJV - CL DNY/GRNT R/O PPD	6	0	0.0%	0	0.0%
CLH - CL DNY/GRNT R/O PTD	1	0	0.0%	0	0.0%
CRD - CL DENY/GRNT R/O TTD	10	0	0.0%	0	0.0%
SPECIAL CATEGORY	Total: 1	0	0.0%	0	0.0%

Friday,
May 28,
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GoalReport
Dates:
From
5/1/2010
thru

5/31/2010

Friday,
May 28,
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of
IssuesReport
Dates:
Decision
Date
from
5/1/2010
thru

5/31/2010

Time Standard Categories	Decisions Issued	Reversed		Affirmed		Affirmed by Rule		Dismissed		Modified		Moot		Other		Remanded	
		Count	%	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%
FAILURE TO ACT 30 DAY	1	0	0	0	0	0	0	1	100	0	0	0	0	0	0	0	0
IEB DETERMINATION	2	1	50	0	0	0	0	1	50	0	0	0	0	0	0	0	0
OP NON-MED	3	0	0	0	0	0	0	3	100	0	0	0	0	0	0	0	0
OPBD	30	2	6.7	9	30	1	3.3	18	60	0	0	0	0	0	0	0	0
PTD ONSET DATE	1	0	0	0	0	0	0	1	100	0	0	0	0	0	0	0	0
REOPENING	26	2	7.7	15	57.7	3	11.5	4	15.4	2	7.7	0	0	0	0	0	0
TRMT/EQUIP CL	96	22	22.9	44	45.8	14	14.6	9	9.4	5	5.2	2	2.1	0	0	0	0
TTD	35	7	20	11	31.4	4	11.4	12	34.3	1	2.9	0	0	0	0	0	0
BENEFIT OVERPAYMENT	1	1	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0
BENEFIT RATE	1	0	0	1	100	0	0	0	0	0	0	0	0	0	0	0	0
COMPENSABILITY	74	24	32.4	34	45.9	4	5.4	11	14.9	0	0	0	0	1	1.4	0	0
DEP BEN FATAL	10	1	10	5	50	3	30	1	10	0	0	0	0	0	0	0	0
PPD	100	21	21	30	30	12	12	36	36	0	0	0	0	1	1	0	0
TRMT/EQUIP EM	1	0	0	1	100	0	0	0	0	0	0	0	0	0	0	0	0
Totals	381	81	21.3	150	39.4	41	10.8	97	25.5	8	2.1	2	0.5	2	0.5	0	0

OOJ – Petition for Attorney Fees for Unreasonable Denial

	41
Petitions denied on face:	14
Petitions denied by ALJ Decision:	16
Petitions granted:	5
Petitions withdrawn through settlement:	2
Petitions currently pending:	4

Failure to Timely Act Process

Petitions filed 9/1/05 through 5/31/10

Filed:	168
Denied/dismissed:	61
Withdrawn:	10
Reports to OIC:	82
Pending	15

Expedited Hearings Scheduled

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	TOTAL
2006	7	0	2	1	7	4	8	2	5	7	6	3	52
2007	12	4	5	5	1	12	9	4	5	5	4	2	68
2008	3	2	1	11	1	6	11	8	6	4	8	4	65
2009	5	6	5	4	10	14	10	6	12	4	5	9	90
2010	13	2	6	9	4								34

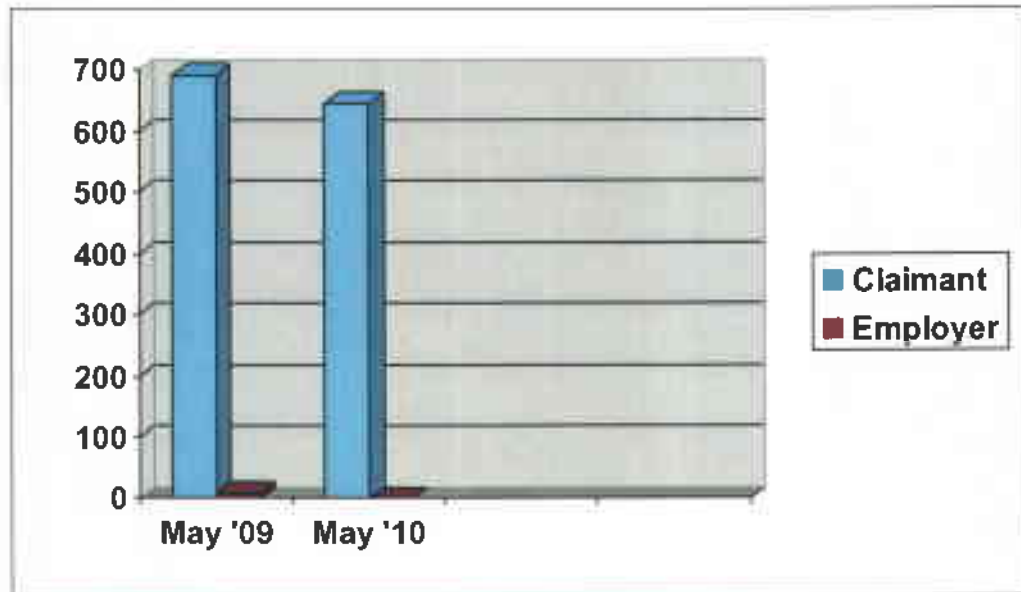
OOJ – Pending Treatment Issues

Pending Treatment Issues

Comparison to Prior Mo/Year

Party	Month May '10	% Protests	Month May '10	% Protests
Claimant	645	17.9%	691	16.72%
Employer	0	0.0%	9	0.22%
Total	645	17.9%	700	16.93%

Pending Treatment Issues



Pro Se Claimant Information

Pending Protests Involving Pro Se Claimants: 570

Pending Claims Involving Pro Se claimants: 522

Joe Manchin, III
Governor

W. Jack Stevens
Chairman

James D. Gray
Member

Rita Hedrick-Helmick
Member

Workers' Compensation Board of Review

Offices located at 1207 Quarrier St, Charleston
All communications should be addressed to the Board of Review
at the address shown at the bottom of this page.
an equal opportunity/affirmative action employer

MEMORANDUM

To: Jane L. Cline, Commissioner
Bill Dean, Chairman
Kent Hartsog, Vice Chairman
Dan Marshall
Honorable Brooks McCabe
Honorable Nancy Peoples Guthrie
Jim Dissen

From: W. Jack Stevens, Chairman

Date: June 3, 2010

Re: Workers' Compensation Board of Review Monthly Report

Attached, please find the Board of Review's May 2010 monthly report.

A number of changes have been made to the Board's reports. You will find a total of eight reports as opposed to the two reports you previously received. These reports include the following:

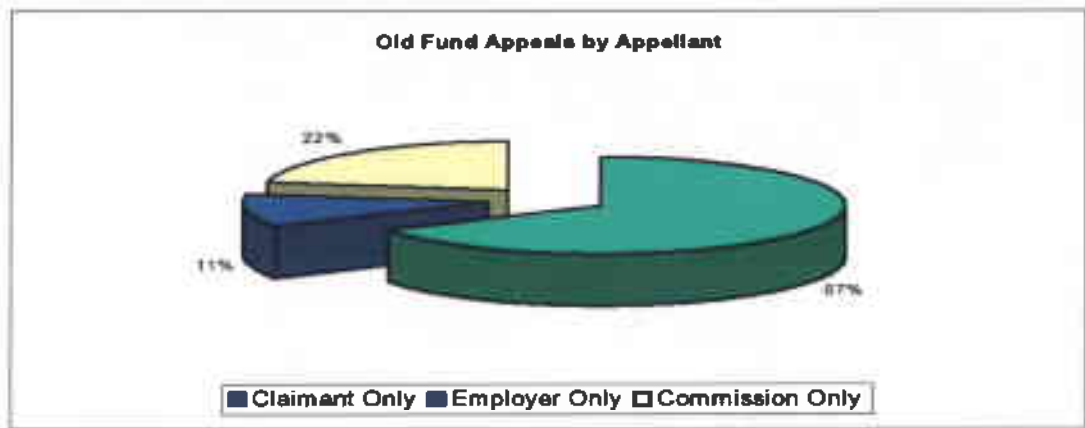
1. Monthly Report of Appeals Received
2. Yearly Report of Appeals Received
3. Monthly Report of Appeals Received by Issue
4. Yearly Report of Appeals Received by Issue
5. Monthly Appeals Received by Issue and Appellant
6. Monthly Summary of Dispositions by Party
7. Monthly Summary of Dispositions by Issue
8. Yearly Summary of Dispositions by Issue

Please do not hesitate to contact me in the event of any questions.

Appeals Received
From May 1, 2010 Thru May 31, 2010

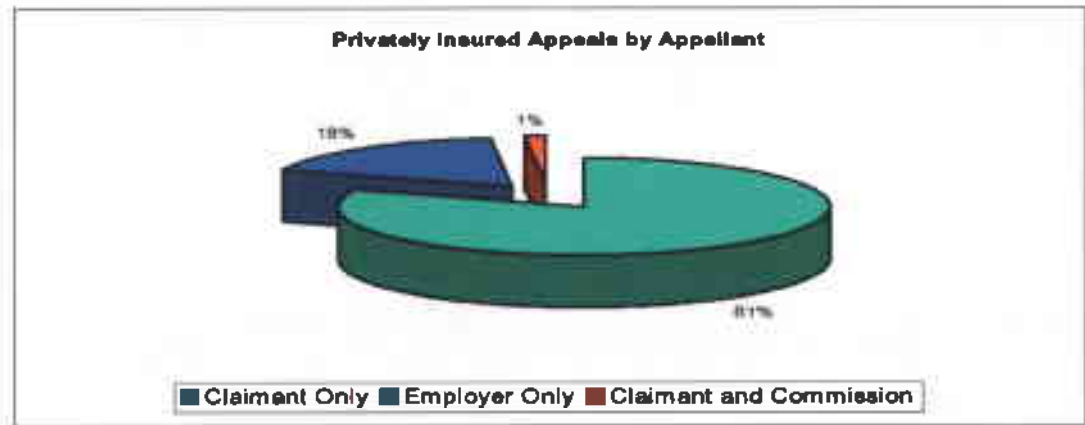
Old Fund Appeals (DOI < Jul-1-2005)

Appellant	Count
Claimant Only	30
Employer Only	5
Commission Only	10
Old Fund Total	45



Privately Insured Appeals (DOI > Jun-30-2005)

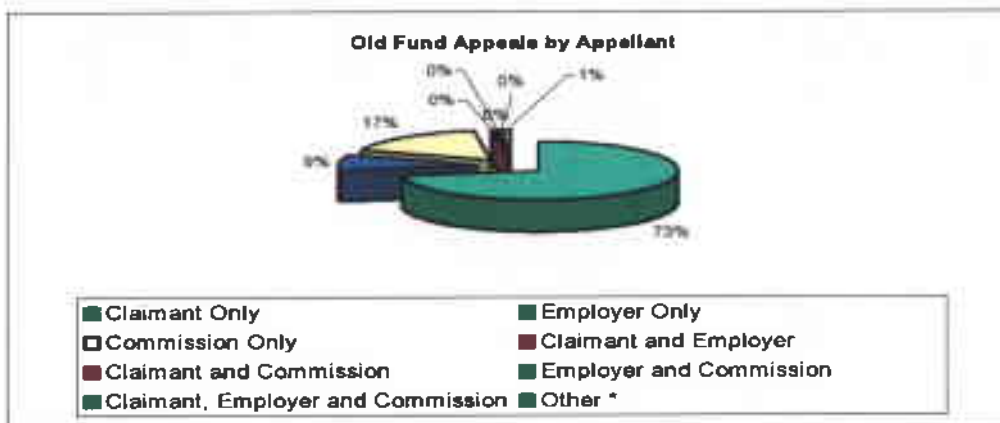
Appellant	Count
Claimant Only	59
Employer Only	13
Claimant and Commission	1
Privately Insured Total	73
Total Appeals	118



Yearly Appeals Received
From June 1, 2008 Thru May 31, 2010

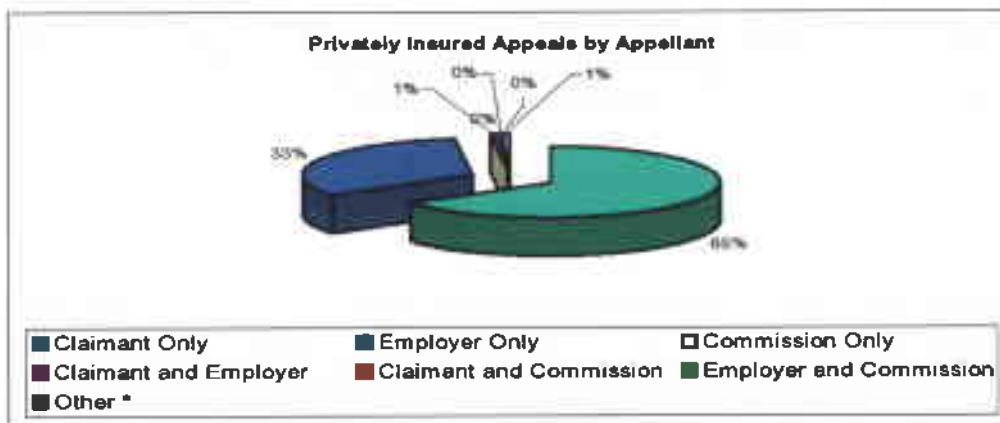
Old Fund Appeals (DOI < Jul-1-2005)

Appellant	Count
Claimant Only	1123
Employer Only	133
Commission Only	262
Claimant and Employer	6
Claimant and Commission	6
Employer and Commission	1
Claimant, Employer and Commission	1
Other *	17
Old Fund Total	1549



Privately Insured Appeals (DOI > Jun-30-2005)

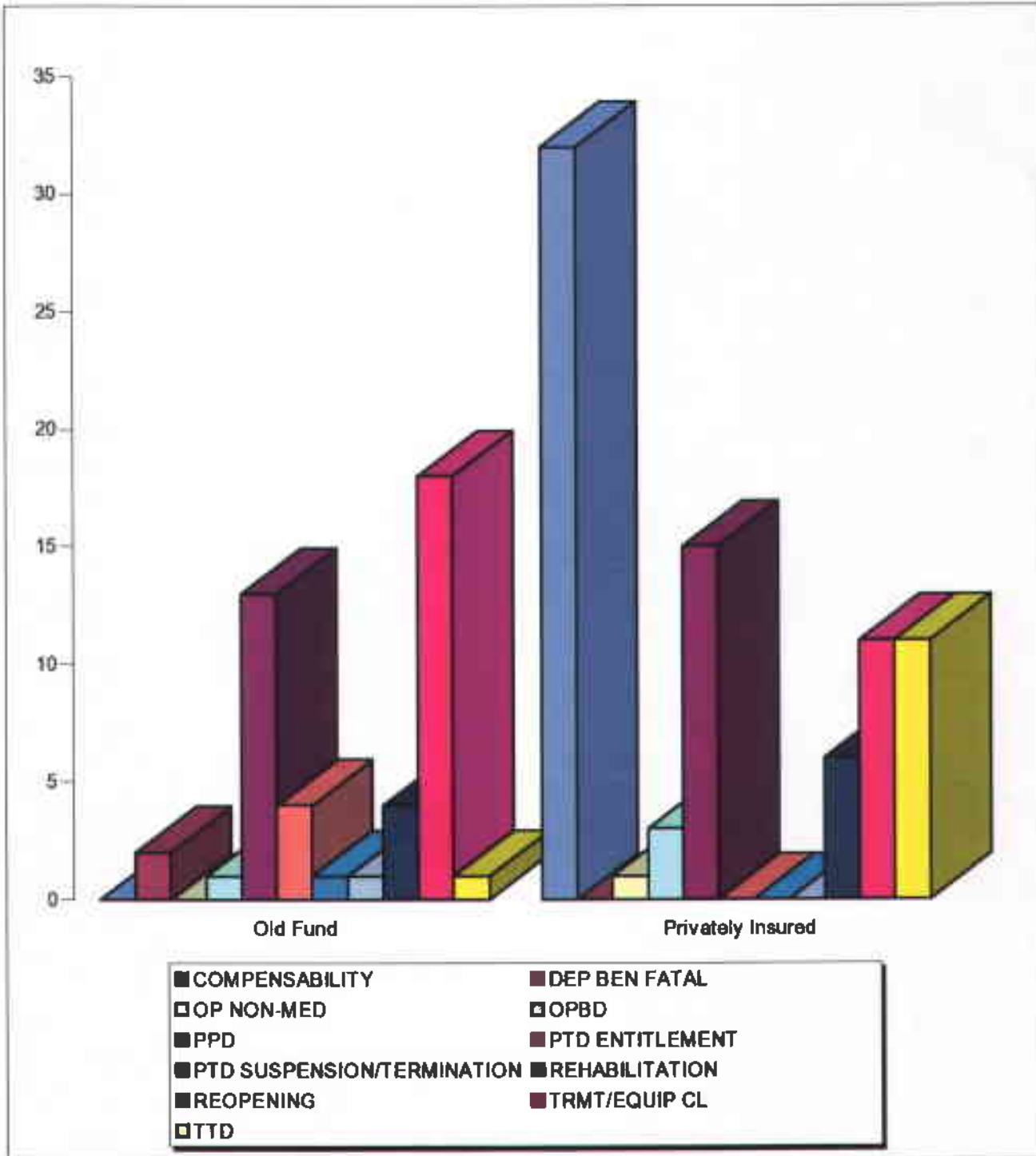
Appellant	Count
Claimant Only	1175
Employer Only	592
Commission Only	3
Claimant and Employer	14
Claimant and Commission	1
Employer and Commission	1
Other *	13
Privately Insured Total	1799
Total Appeals	3348



Appeals Received By Issue
Old Fund Appeals (DOI < Jul-1-2005) vs Privately Insured Appeals (DOI > Jun-30-2005)
From May 1, 2010 Thru May 31, 2010

Type of Issue	Total Issues	Old Fund		Privately Insured	
		#	%	#	%
COMPENSABILITY	32	0	0.0	32	100.0
DEP BEN FATAL	2	2	100.0	0	0.0
OP NON-MED	1	0	0.0	1	100.0
OPBD	4	1	25.0	3	75.0
PPD	28	13	46.4	15	53.6
PTD ENTITLEMENT	4	4	100.0	0	0.0
PTD SUSPENSION/TERMINA	1	1	100.0	0	0.0
REHABILITATION	1	1	100.0	0	0.0
REOPENING	10	4	40.0	6	60.0
TRMT/EQUIP CL	29	18	62.1	11	37.9
TTD	12	1	8.3	11	91.7
Totals	124	45	36.3	79	63.7

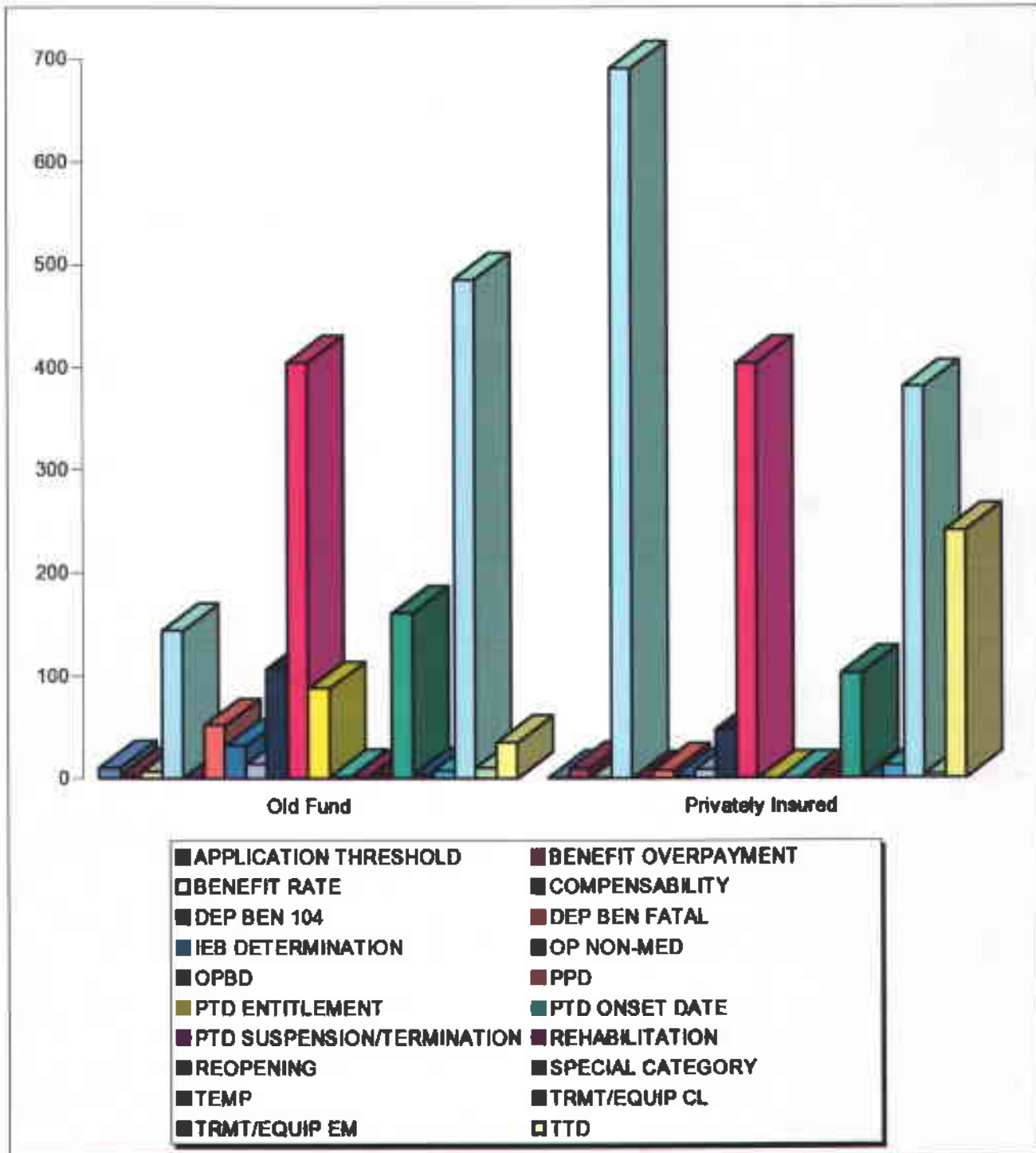
Appeals Received By Issue
Old Fund Appeals (DOI < Jul-1-2005) vs Privately Insured Appeals (DOI > Jun-30-2005)
From May 1, 2010 Thru May 31, 2010



Yearly Appeals Received By Issue
Old Fund Appeals (DOI < Jul-1-2005) vs Privately Insured Appeals (DOI > Jun-30-2005)
From June 1, 2008 Thru May 31, 2010

Type of Issue	Total Issues	Old Fund		Privately Insured	
		#	%	#	%
APPLICATION THRESHOLD	12	11	91.7	1	8.3
BENEFIT OVERPAYMENT	13	3	23.1	10	76.9
BENEFIT RATE	8	7	87.5	1	12.5
COMPENSABILITY	836	144	17.2	691	82.7
DEP BEN 104	1	1	100.0	0	0.0
DEP BEN FATAL	60	52	86.7	8	13.3
IEB DETERMINATION	34	32	94.1	2	5.9
OP NON-MED	23	14	60.9	9	39.1
OPBD	155	107	69.0	48	31.0
PPD	809	405	50.1	404	49.9
PTD ENTITLEMENT	88	88	100.0	0	0.0
PTD ONSET DATE	2	2	100.0	0	0.0
PTD SUSPENSION/TERMINA	1	1	100.0	0	0.0
REHABILITATION	10	4	40.0	6	60.0
REOPENING	264	161	61.0	103	39.0
SPECIAL CATEGORY	4	4	100.0	0	0.0
TEMP	21	8	38.1	13	61.9
TRMT/EQUIP CL	867	486	56.1	381	43.9
TRMT/EQUIP EM	15	11	73.3	4	26.7
TTD	276	35	12.7	241	87.3
Totals	3499	1576	45.0	1922	54.9

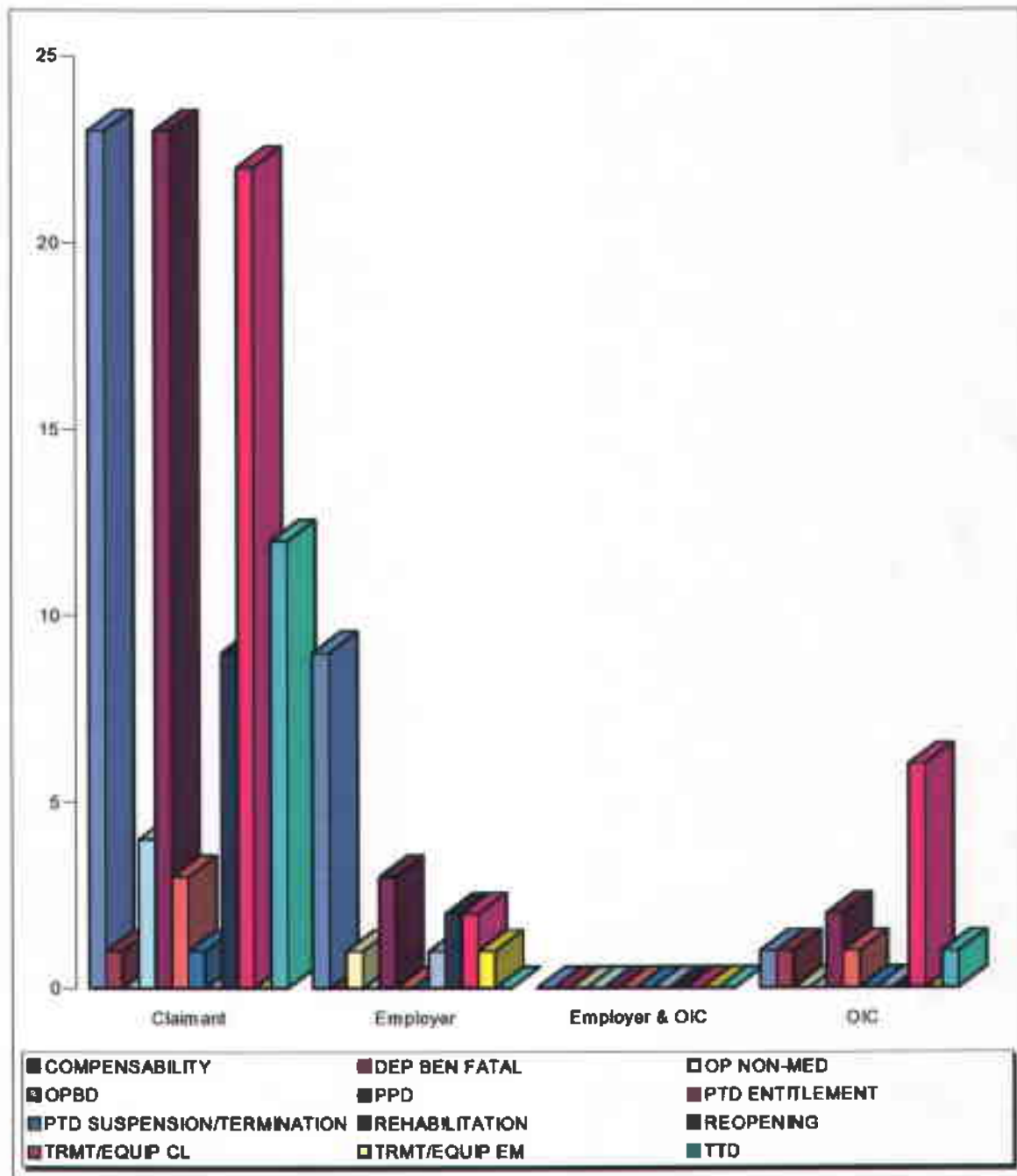
Yearly Appeals Received By Issue
Old Fund Appeals (DOI < Jul-1-2005) vs Privately Insured Appeals (DOI > Jun-30-2005)
From June 1, 2008 Thru May 31, 2010



Appeals Received By Issue
From May 1, 2010 Thru May 31, 2010

Type of Issue	Total Issues	Claimant		Employer		OIC		Emp and OIC	
		#	%	#	%	#	%	#	%
COMPENSABILITY	33	23	69.7	9	27.3	0	0.0	1	3.0
DEP BEN FATAL	2	1	50.0	0	0.0	0	0.0	1	50.0
OP NON-MED	1	0	0.0	1	100.0	0	0.0	0	0.0
OPBD	4	4	100.0	0	0.0	0	0.0	0	0.0
PPD	28	23	82.1	3	10.7	0	0.0	2	7.1
PTD ENTITLEMENT	4	3	75.0	0	0.0	0	0.0	1	25.0
PTD SUSPENSION/TERMINA1	1	1	100.0	0	0.0	0	0.0	0	0.0
REHABILITATION	1	0	0.0	1	100.0	0	0.0	0	0.0
REOPENING	11	9	81.8	2	18.2	0	0.0	0	0.0
TRMT/EQUIP CL	30	22	73.3	2	6.7	0	0.0	6	20.0
TRMT/EQUIP EM	1	0	0.0	1	100.0	0	0.0	0	0.0
TTD	13	12	92.3	0	0.0	0	0.0	1	7.7
Totals	129	98	76.0	19	14.7	0	0.0	12	9.3

Appeals Received By Issue
From May 1, 2010 Thru May 31, 2010



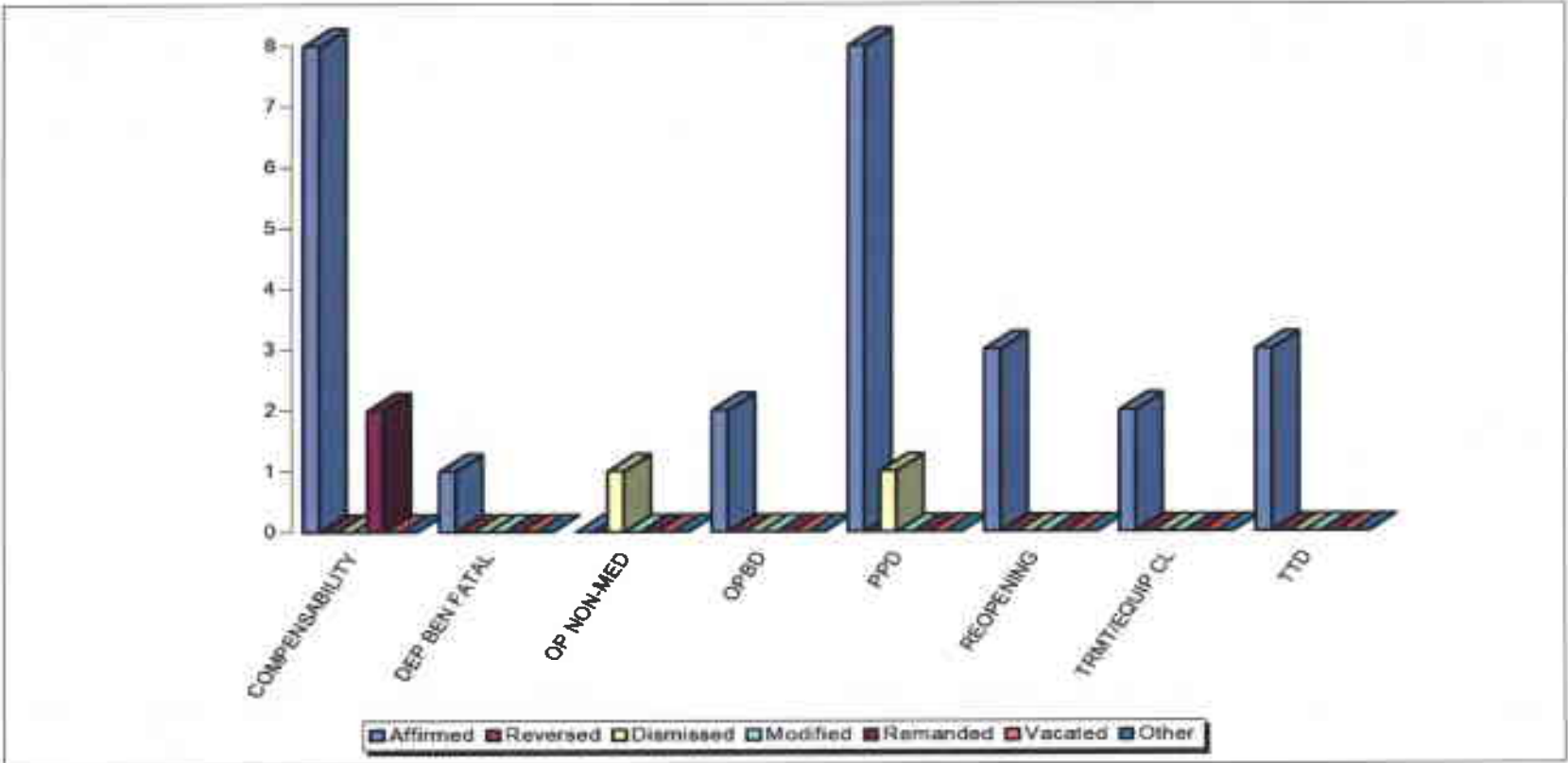
**WORKER COMPENSATION BOARD OF REVIEW
FOR MAY 2010**

Appealed By	BOR Disposition	Disposition			Year to		
		Count	Disp %	Total %	Date	Disp %	Total %
CLAIMANT	AFFIRMED	19	100.0%	76.0%	337	91.3%	62.6%
	DISMISSED				1	0.3%	0.2%
	MOOT				3	0.8%	0.6%
	REMAND				12	3.3%	2.2%
	REVERSE				16	4.3%	3.0%
	Total Dispositions	19			369		
CLAIMANT/EMPLOYER	AFFIRMED				1	33.3%	0.2%
	REVERSE				2	66.7%	0.4%
	Total Dispositions				3		
EMPLOYER	ABEYANCE				1	0.8%	0.2%
	AFFIRMED	4	66.7%	16.0%	70	58.3%	13.0%
	DISMISSED				2	1.7%	0.4%
	MOOT				3	2.5%	0.6%
	REMAND	2	33.3%	8.0%	7	5.8%	1.3%
	REVERSE				37	30.8%	6.9%
Total Dispositions	6			120			
DIVISION/OIC	AFFIRMED				22	47.8%	4.1%
	DISMISSED				1	2.2%	0.2%
	REVERSE				23	50.0%	4.3%
	Total Dispositions				46		
Grand Totals	25			538			

Dispositions By Issues
BOR Orders Mailed From May 1, 2010 Thru May 31, 2010

Type of Issue	Issues	Affirmed		Reversed		Dismissed		Modified		Remanded		Vacated		Other	
		#	%	#	%	#	%	#	%	#	%	#	%	#	%
COMPENSABILITY	10	8	80.0	0	0.0	0	0.0	0	0.0	2	20.0	0	0.0	0	0.0
DEP BEN FATAL	1	1	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
OP NON-MED	1	0	0.0	0	0.0	1	100.0	0	0.0	0	0.0	0	0.0	0	0.0
OPBD	2	2	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
PPD	9	8	88.9	0	0.0	1	11.1	0	0.0	0	0.0	0	0.0	0	0.0
REOPENING	3	3	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
TRMT/EQUIP CL	2	2	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
TTD	3	3	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Totals	31	27	87.1	0	0.0	2	6.5	0	0.0	2	6.5	0	0.0	0	0.0

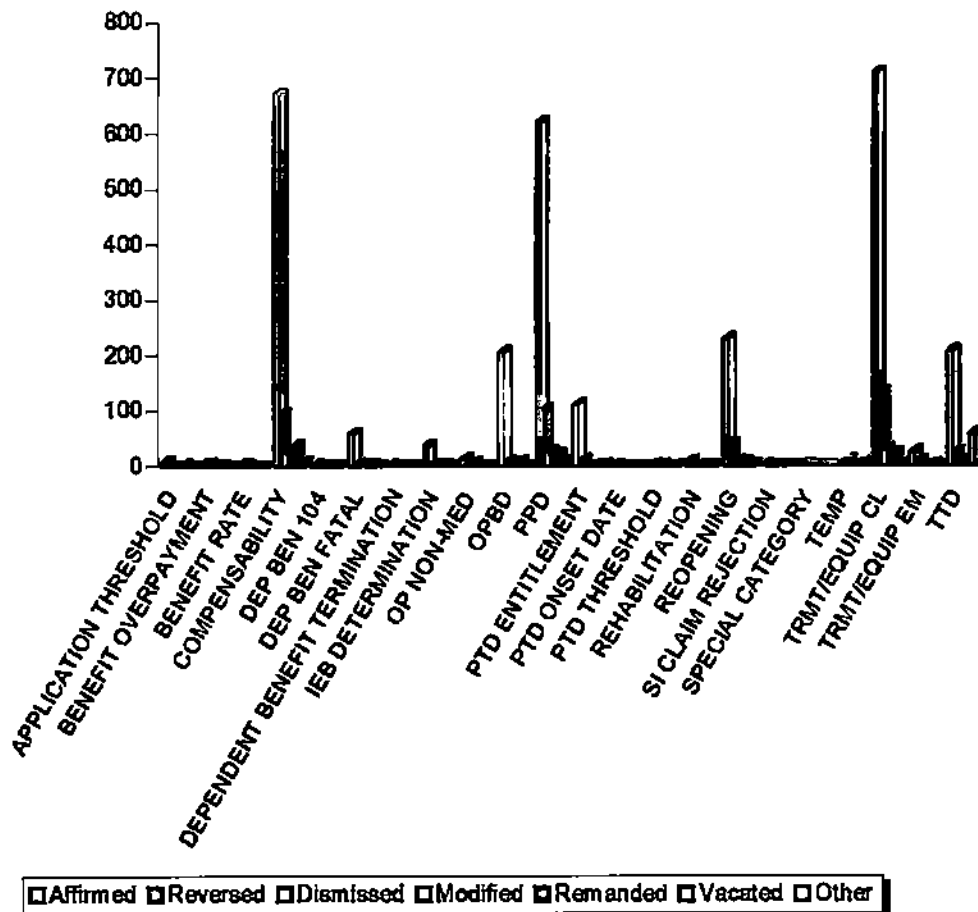
Dispositions By Issues
BOR Orders Mailed From May 1, 2010 Thru May 31, 2010



Yearly Dispositions By Issues
BOR Orders Mailed From June 1, 2008 Thru May 31, 2010

Type of Issue	Issues	Affirmed		Reversed		Dismissed		Modified		Remanded		Vacated		Other	
		#	%	#	%	#	%	#	%	#	%	#	%	#	%
APPLICATION THRESHOLD	9	8	88.9	0	0.0	0	0.0	0	0.0	1	11.1	0	0.0	0	0.0
BENEFIT OVERPAYMENT	10	4	40.0	3	30.0	1	10.0	0	0.0	2	20.0	0	0.0	0	0.0
BENEFIT RATE	5	2	40.0	3	60.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
COMPENSABILITY	847	672	79.3	93	11.0	25	3.0	7	0.8	37	4.4	1	0.1	8	0.9
DEP BEN 104	2	2	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
DEP BEN FATAL	66	59	89.4	3	4.5	2	3.0	0	0.0	2	3.0	0	0.0	0	0.0
DEPENDENT BENEFIT TERMINA	1	1	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
IEB DETERMINATION	41	37	90.2	2	4.9	1	2.4	0	0.0	1	2.4	0	0.0	0	0.0
OP NON-MED	20	13	65.0	2	10.0	5	25.0	0	0.0	0	0.0	0	0.0	0	0.0
OPBD	225	205	91.1	8	3.6	5	2.2	0	0.0	7	3.1	0	0.0	0	0.0
PPD	781	620	79.4	102	13.1	26	3.3	2	0.3	21	2.7	1	0.1	9	1.2
PTD ENTITLEMENT	123	111	90.2	10	8.1	0	0.0	0	0.0	1	0.8	0	0.0	1	0.8
PTD ONSET DATE	1	1	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
PTD THRESHOLD	2	0	0.0	1	50.0	1	50.0	0	0.0	0	0.0	0	0.0	0	0.0
REHABILITATION	8	8	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
REOPENING	286	229	80.1	38	13.3	8	2.8	3	1.0	6	2.1	0	0.0	2	0.7
SI CLAIM REJECTION	1	1	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
SPECIAL CATEGORY	3	1	33.3	2	66.7	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
TEMP	17	0	0.0	2	11.8	9	52.9	0	0.0	1	5.9	1	5.9	4	23.5
TRMT/EQUIP CL	897	709	79.0	132	14.7	29	3.2	0	0.0	22	2.5	0	0.0	3	0.3
TRMT/EQUIP EM	35	25	71.4	8	22.9	0	0.0	0	0.0	2	5.7	0	0.0	0	0.0
TTD	311	208	66.9	24	7.7	7	2.3	1	0.3	10	3.2	58	18.6	2	0.6
Totals	3891	2916	79.0	433	11.7	119	3.2	13	0.4	113	3.1	61	1.7	29	0.8

Yearly Dispositions By Issues
BOR Orders Mailed From June 1, 2008 Thru May 31, 2010



WV Offices of the Insurance Commissioner
 Worker's Compensation Revenue Recovery

Revenue Recovery Activity	April 2010
COLLECTION ACTIVITY	
Receipts - Old Fund (Employer out of business)	\$ 9,612.80
Receipts - PC & NU (Private Carrier Cancellation & Rogue Employees)	\$ 101,118.88
Receipts - Payment Agreements	\$ 18,319.42
Receipts - Collection Agency	\$ -
# of active accounts uninsured (cumulative)	764
\$ of active accounts uninsured (cumulative)	\$ 2,791,747.99
Telephone contacts	1,998
Walk-ins	11
LIENS	
Liens sent to county clerks for recordation	101
Liens sent to county clerks for release	38
Intent to lien letters sent to employer/owner/officer/member	176
INJUNCTIONS	
Affidavits for Injunction submitted to legal	21
Hearings attended	4
# of Injunction complaints filed	3
# of Injunctions granted	3
# of agreed orders entered	3
PAYMENT AGREEMENTS	
# of repayment agreements applications	4
Agreements set up	4
Total # of agreements on system (cumulative)	98
Intent to void letters mailed	12
Agreements voided	1
MISCELLANEOUS	
Terminations Processed	78
Rule 11 Letters Mailed	275
Rule 11 hearings	2
Uninsured Policies Resolved	310
All Cash Receipts from WC accounts	\$ 129,047.88

Workers' Compensation Rules Update

On June 3, 2010, The OIC Legal Division presented Title 5, Series 32 to the INDC for initial consideration and a vote authorizing the OIC to publish the rule for public comment. Summary of Rule: Rule 32 is a rule addressing procedures and processes applicable to the obligation of other WV state agencies to revoke licenses, permits, certificates, etc., of businesses who are in default status regarding workers' compensation.

Summary of changes being made: This amendment is being made in section 7 of the draft to create a process whereby state agencies may make a request to the OIC for a determination of the exempt status of any employer regarding workers' compensation. The changes are being made due to the pending elimination of the employer exemption letter process in Title 85, series 8, a process whereby any employer can make a request to the Commissioner for a letter of exemption from WV's workers' compensation requirement. In light of the elimination of this process, it was determined that there still needed to be a process for state agencies to confirm an employer's compliance status, and that the appropriate place to create this process is Rule 32.



COPY

JOE MANCHIN III
GOVERNOR

STATE OF WEST VIRGINIA
DEPARTMENT OF ADMINISTRATION
OFFICE OF THE CABINET SECRETARY

ROBERT W. FERGUSON, JR.
CABINET SECRETARY

May 28, 2010

The Honorable Earl Ray Tomblin
President, West Virginia Senate
Building 1, Room M227 – Capitol Complex
1900 Kanawha Blvd., East
Charleston, WV 25305

The Honorable Richard Thompson
Speaker, House of Delegates
Building 1, Room 228M – Capitol Complex
1900 Kanawha Blvd., East
Charleston, WV 25305

Dear Honorable President Tomblin and Speaker Thompson:

On behalf of Cabinet Secretary Robert Ferguson, I am providing you with the attached Agreement of Sale and Purchase between the West Virginia State Lottery Commission ("Lottery Commission") and General Corporation in anticipation of the sale to the Lottery Commission of the property known as City Center West, and attached "Report" in compliance with the requirements of W.Va. Code Section 5-6-4a.

Please let me know if you have any questions regarding this transaction, or if I can be of any further assistance.

Sincerely,

Robert P. Paulson
General Counsel

RPP:jkj

Attachment

Cc: ✓ Aaron Allred, Legislative Auditor
John C. Musgrave, Director – WV State Lottery Commission
John Melton, Managing General Counsel - West Virginia Lottery
Jonathan Deem, General Counsel to the Governor

**REPORT OF PENDING REAL ESTATE TRANSACTION
VALUED IN EXCESS OF \$1 MILLION**

Report date May 28, 2010

John C. Musgrave, Director of the State Lottery Office, reported his negotiation and agreement with General Corporation President Edward H. Maier to sell his corporation's office tower at 900 Pennsylvania Avenue in the City of Charleston to the State Lottery Commission for the base consideration of \$21,500,000 plus closing costs.

The State Lottery Commission voted on May 27, 2010 to authorize Director Musgrave to sign the Real Estate Sales Agreement. The Commission has the power, pursuant to W.Va. Code §29-22-5(a)(10), to purchase real property for its headquarters, such as the office tower at 900 Pennsylvania Avenue, so long as the property is within the city limits of Charleston. The Legislature has appropriated sufficient funds in account number 7209 in the Fiscal Year 2010 Budget Bill to pay the amounts specified in the agreement. The stockholders of General Corporation have voted to approve the sale.

The form of the agreement is being reviewed by the Attorney General pursuant to W.Va. Code §5A-3-13. Closing is scheduled for the last of June.

AGREEMENT OF SALE AND PURCHASE

THIS AGREEMENT OF SALE AND PURCHASE (this "Agreement") is made and entered into as of the Effective Date (defined below), by and between General Corporation (the "Seller"), and the West Virginia State Lottery Commission ("Purchaser"), based upon the following recitals:

A. Seller is the owner of a tract of real property located in the City of Charleston, Charleston West District, Kanawha County, West Virginia, known as the City Center West Building, which consists of a 146,782 square foot building (approximate), and associated parking areas located on approximately 2.91 acres of land in the aggregate, which tract is more particularly shown on the "Plat Showing a 2.91 Acre Tract of Land Being Owned by General Corporation to be Conveyed to State of West Virginia Situate in the City of Charleston, Kanawha County, West Virginia, dated May 25, 2010, Surveyed by E. L. Robinson Engineering", of record or to be recorded in the Office of the Clerk of the County Commission of Kanawha County, West Virginia (the "Plat"), and described in the legal description marked **Exhibit "A"**, which is attached hereto and made a part hereof by this reference, together with all buildings, fixtures and structures thereon (if any), all improvements thereto, and any and all rights of way, roadways, easements, rights, water rights, mineral rights, privileges, tenements and appurtenances upon, belonging, or in any way appertaining to such tracts, and all rights in and to any and all development fees, impact fees, water, sewer or other utility tap, connection, meter or service fees or amounts which have been paid to any governmental authority (collectively, the "Property"). Unless otherwise agreed to by Seller and Purchaser in a separate agreement to be signed and delivered at Closing, Property shall not include any tangible personal property or any intangible personal property other than that enumerated above.

B. Seller desires to sell and convey the Property to Purchaser, and Purchaser desires to acquire and purchase the Property from Seller, subject to the terms and conditions hereinafter set forth.

NOW, THEREFORE, for and in consideration of the foregoing, the mutual covenants contained herein and the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, hereby agree as follows:

1. **Agreement of Sale and Purchase.** Seller agrees to sell the Property to Purchaser, and Purchaser agrees to purchase the Property from Seller, upon and subject to the terms and conditions set forth in this Agreement.

2. **Effective Date.** The "Effective Date" of this Agreement shall be deemed to be the latest of the dates that this Agreement is executed by both Purchaser and Seller.

3. **Purchase Price.** The purchase price for the Property shall be the sum of Twenty-One Million Six Hundred Five Thousand and 00/100 Dollars (\$21,605,000.00), subject to adjustment as provided in this Agreement (the "Purchase Price"). The entire Purchase Price, subject to all credits, adjustments and pro-rations that are provided for in this Agreement, shall be paid by Purchaser to Seller at closing, by means of (at Seller's option) federal wire funds transfer, state warrant, bank check, certified check, or cashier's check.

4. **Condition of Title.** Seller shall convey to Purchaser good, marketable and insurable fee simple title to all of the Property, free and clear of all liens, exceptions, or other encumbrances whatsoever, other than those exceptions of record that Purchaser is willing to accept and the matters referenced herein (the "Permitted Exceptions"). Title to the Property shall be insured in such condition by the law firm handling title preparation for Purchaser, at closing. Seller shall provide the law firm handling title preparation, with such information and shall execute such documents as may be reasonably required by the law firm handling title preparation. Purchaser acknowledges that Seller for itself and successors and assigns shall reserve in the deed for the Property certain easements for ingress and egress to other real estate of Seller not being acquired by Purchaser, which easements are as follows: (i) a sixty (60) foot easement for ingress and egress through the area designated on the Plat as the "Provisional Easement", and (ii) a forty (40) foot easement for ingress and egress through the area designated on the Plat as "Right of Way to be Reserved for Ingress and Egress to 5.66 Acre Residue Tract". In the event Seller sells the 5.66 acre residue tract to the east of the Property to Charleston Area Memorial Center, it will execute and deliver a release relinquishing its rights to the Provisional Easement.

5. **Representations and Warranties of Seller.** Seller represents and warrants to Purchaser that:

(a) Seller is the owner of the fee simple interest in the Property subject to matters and exceptions of record and the matters referenced herein.

(b) Seller has all necessary power and authority to enter into this Agreement, to convey title to the Property, and to perform its other obligations under this Agreement.

(c) The execution and delivery by Seller of this Agreement and the other documents and instruments required under this Agreement, and the performance by Seller of all of its obligations hereunder and thereunder, do not and will not (A) result in a breach or violation of, or default under, any law, rule, code, statute, regulation, agreement, commitment, order, judgment or decree to which the Property or Seller is subject or bound, or (B) require Seller or Purchaser to obtain any consent, approval and/or permit from any person, entity or other governmental authority, or to comply with or perform any special requirements, procedures, approvals, or actions.

(d) This Agreement and the other documents and instruments to be executed by Seller pursuant to this Agreement are binding upon, and enforceable against, Seller in accordance with their respective terms, subject to any bankruptcy, insolvency, or similar laws affecting the enforcement of creditor's rights.

(e) To the best of Seller's knowledge, there are no suits, actions, claims, condemnations, zoning proceedings or other proceedings, litigation, or investigations pending or threatened that would affect or pertain to the Property and/or Seller's ability to convey the Property to Purchaser pursuant to this Agreement.

(f) Seller has no knowledge of any threatened or intended assessments nor of any public improvements which have been ordered but which have not been completed, assessed and paid for.

(g) To the best of Seller's knowledge and except as provided in Section 5(h) below, there are no claims, demands, damages, actions, causes of action or claims of third parties which would be a charge or encumbrance against the Property (or Purchaser as the

new owner thereof) after closing; no person or entity has any possessory interest in the Property, other than Seller; and no person or entity has any option or right to acquire the Property or any interest therein, and there are no outstanding option rights, rights of first refusal, rights of reverter, rights of first offer, or other similar rights relating to the Property (or any interest therein).

(h) Seller has entered into multiple lease agreements with those tenants listed on Exhibit "B" (the "Leases") for the right to occupy enumerated real property located in the City Center West Building. Seller shall provide copies of the Leases to the Purchaser within forty-eight (48) hours of the execution of this Agreement. Seller shall provide the original Leases to the Purchaser on the Closing Date. Seller shall provide written notice to such tenants of the sale of the Property within twenty-four (24) hours of the Closing Date.

(i) To the best of Seller's knowledge, no Hazardous Substance (as defined below) has been generated, treated, stored, disposed of, released, used in construction, or otherwise deposited in, under or on, or is located in, under or on, the Property. Furthermore, to the best of Seller's knowledge, (a) no activity has ever been undertaken on the Property which would cause the Property or any portion thereof to become a hazardous waste treatment, storage or disposal facility within the meaning of the Resource Conservation and Recovery Act, 42 U.S.C. 6901 *et seq.*, as amended ("RCRA"), (b) there has never been a release or threatened release of any Hazardous Substance in, on, at, from or to the Property, (c) except as shown on Exhibit "C", there are no and never have been any aboveground or underground storage tanks located at, in or on the Property, and (d) neither the Property nor any portion thereof constitutes a "wetland" under any Law. As used herein, (x) the term "Law" means any applicable federal, state, or local law, rule, regulation, statute, code, ordinance or order, including, without limitation, RCRA, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601 *et seq.*, as amended ("CERCLA"), and all regulations under any of them, (y) the term "Hazardous Substance" means asbestos, polychlorinated biphenyls, petroleum, petroleum products, radon gas and any other material, waste, vapor or substance which is now or hereafter identified as a hazardous or toxic material, waste, vapor, or substance under any Law, and (z) the terms "release" and "threatened release" shall have the meanings ascribed to them in CERCLA.

(j) Seller is not a "foreign person" which would subject Purchaser to the withholding tax provisions of Section 1445 of the Internal Revenue Code of 1986, as amended.

Each and every warranty and representation of Seller set forth above shall be true as of the date of this Agreement and as of the Closing Date.

6. **Representations and Warranties of Purchaser.** Purchaser represents and warrants to Seller that:

(a) Purchaser has all necessary power and authority to enter into this Agreement and to perform its other obligations under this Agreement and has obtained all the necessary approvals of its commissioners and any other governmental bodies to enter into this Agreement and to perform its other obligations under this Agreement.

(b) Purchaser will provide written notice to tenants on the Closing Date of Purchaser's address to send all rental payments under the Leases payable after the Closing Date.

(c) The execution and delivery by Purchaser of this Agreement and the other documents and instruments required by this Agreement, and the performance by Purchaser of all of its obligations under this Agreement and such other documents and instruments will not (A) result in a breach or violation of or default under any other agreement, commitment, order, judgment or decree to which Purchaser is bound, or (B) violate any statute, regulation, order or other law to which Purchaser is subject.

Each and every warranty and representation of Purchaser set forth above shall be true as of the date of this Agreement and as of the Closing Date.

7. **Place and Time of Closing.** If title can be conveyed in the condition required hereunder, and if all of the conditions and contingencies to closing are either satisfied or waived (as provided herein), the closing of this transaction shall take place at the offices of the law firm handling title preparation, or at any other mutually convenient place, or through escrow with the law firm handling title preparation, acting as escrow agent, at a mutually convenient time on a mutually convenient date (the "Closing Date"); provided, however, that the parties shall make all reasonable efforts to hold the closing on or by June 3, 2010 and, in any event, the Closing Date must occur on or before June 30, 2010. Unless Seller waives the June 30, 2010 condition, it shall have no further obligation to sell the Property to Purchaser hereunder or any further liability to Purchaser hereunder.

8. **Lease Agreement.** At Closing, Seller and Purchaser shall enter into a lease agreement whereby Seller shall lease from Purchaser the entire top floor of the City Center West Building for a period of six (6) months from the Closing Date for an aggregate payment of \$1.00 (the "Seller Lease"). The Seller Lease shall contain such other normal and customary lease terms as are reasonably acceptable to Seller and Purchaser.

9. **Storage Tanks.** Purchaser shall have the right to test for soil contamination from the underground storage tanks (USTs) for a period of six months following closing. Should any soil contaminant exceed the guideline target clean-up levels listed in Section 4.1.3 of the West Virginia Guidance Document for Leaking Underground Storage Tank (LUST), Site Assessments and Corrective Actions prepared by the West Virginia Department of Environmental Protection and dated August 2001, Seller will have the option of remediating the soil at its cost to meet those target levels or applying to enter the site in the West Virginia Voluntary Remediation Program pursuant to W. Va. Code § 22-22-1, *et seq.* In the event that the later alternative is chosen, the Purchaser will cooperate with Seller and will execute all documents necessary for the site to participate in the Voluntary Remediation Program and to obtain a certificate of completion pursuant to W. Va. Code § 22-22-13. Seller shall be responsible for all administrative and other expenses of participating in the Voluntary Remediation Program.

10. **Closing Documents.**

(a) The following documents shall be executed by Seller and/or delivered to Purchaser at the closing:

(i) A General Warranty Deed, conveying the Property from Seller to Purchaser free and clear of all liens and encumbrances except the Permitted Exceptions;

(ii) All documents required under West Virginia state laws, in form and substance sufficient to enable the General Warranty Deed to be recorded in the appropriate land records, together with any and all other county transfer declarations that are required to be signed by Seller,

(iii) A closing statement or settlement statement setting forth the amounts paid by or on behalf of and/or credited to each of Purchaser and Seller pursuant to this Agreement;

(iv) Any and all other documents required under this Agreement or otherwise reasonably requested by Purchaser, its attorneys, or the law firm handling title preparation, in order to close this transaction and to cause the title policy described in Paragraph 4 above to be issued to Purchaser;

(v) An Assignment and Assumption Agreement whereby Seller assigns to Purchaser its rights under the Leases as well as any manufacturer's or maintenance warranties for the roof, HVAC or the like and the maintenance contracts listed on Exhibit "D", and Purchaser assumes the liabilities of Seller arising thereunder on and after the Closing Date (the "Assumption Agreement"); and

(vi) The Seller Lease.

(b) The following documents shall be executed and/or delivered by Purchaser at the closing:

(i) The Seller Lease;

(ii) The Assumption Agreement; and

(iii) Any and all other documents required under this Agreement or otherwise reasonably requested by Seller, its attorneys or law firm handling title preparation, in order to close this transaction.

(c) At closing, Purchaser shall also pay the Purchase Price (subject to all credits, abatements, closing adjustments and pro-rations that are provided for in this Agreement).

(d) Prior to or at closing, each party shall provide to the law firm handling title preparation, all information required to be reported by the law firm handling title preparation.

11. Taxes and Closing Costs.

(a) At or prior to closing, Seller shall pay (or provide Purchaser with a credit for) all past due taxes and assessments, any and all rollback or deferred taxes, any special assessments that have become a lien upon the Property (regardless of whether installments thereof are payable after closing), and all other taxes and assessments that have been or will be billed, assessed, imposed, or relate to a time period prior to the Closing Date. Real estate taxes which will be assessed for the year in which closing occurs (although billed or payable after the Closing Date) shall be paid by Seller on or

before the due date. In addition, rents due under the Leases and accrued utility and maintenance fees and charges will be prorated at Closing. Security deposits held by Seller pursuant to the Leases shall be credited against the Purchase Price at Closing.

(b) Seller shall pay (i) all state and local transfer, revenue or similar taxes that will be payable upon the transfer of title from Seller to Purchaser, if any, (ii) any deed preparation fees by the law firm handling title preparation, (iii) all other costs and expenses that are allocated to Seller pursuant to this Agreement, and (v) their own attorneys' fees.

(c) Purchaser shall pay (i) the cost of recording the General Warranty Deed being delivered by Seller to Purchaser hereunder, (ii) all consultants and other professionals that Purchaser engages or retains to perform investigations and assessments of the Property, (iii) the cost of title examination, any title commitment or title insurance policy, and (iv) all other costs and expenses that are allocated to Purchaser pursuant to this Agreement.

(d) Each party shall pay one-half of any settlement or closing fees assessed by the law firm handling title preparation.

12. **No Assumption of Liabilities.** In acquiring the Property, Purchaser shall not assume any obligations, liabilities, claims, demands, judgments, indebtedness or accounts payable of Seller of any kind, nature or description whatsoever, whether accrued, absolute or contingent, known or unknown, direct or indirect, except as otherwise provided herein.

13. **Real Estate Brokerage Commissions.** Each party warrants that it has not engaged or utilized the services of a broker in connection with this transaction.

14. **Possession.** Seller shall deliver possession of the Property to Purchaser on the Closing Date, subject to the rights of the current tenants under the Leases and the rights of Seller under the Seller Lease.

15. **Use of Words.** The pronouns and relative words used in this Agreement shall be read interchangeably in masculine, feminine or neuter, singular or plural, as the respective case may be. The words "hereunder," "herein," "hereof," and other similar words refer to this entire Agreement.

16. **Entire Agreement.** This Agreement constitutes the entire agreement between the parties hereto relating to the subject matter hereof. All prior agreements or undertakings, including, without limitation, any letter of intent, and all negotiations are hereby merged herein. All exhibits attached hereto are incorporated in and made a part of this Agreement.

PURCHASER ACKNOWLEDGES THAT, EXCEPT AS EXPRESSLY CONTAINED IN THIS AGREEMENT, NEITHER SELLER NOR ANYONE ACTING FOR OR ON BEHALF OF SELLER HAS MADE ANY REPRESENTATION, STATEMENT, WARRANTY OR PROMISE TO PURCHASER, EXPRESS OR IMPLIED, ARISING BY LAW OR OTHERWISE CONCERNING THE CONVEYANCE OF THE PROPERTY, THE PHYSICAL ASPECTS AND CONDITION OF ANY OF THE PROPERTY (INCLUDING ENVIRONMENTAL CONDITION) WHICH IS THE SUBJECT OF THIS AGREEMENT, ANY DIMENSIONS OR SPECIFICATIONS OF ANY OF THE PROPERTY, THE FEASIBILITY, DESIRABILITY OR CONVERTIBILITY OF ANY OF THE PROPERTY INTO ANY PARTICULAR USE, OR THE

PROJECTED INCOME OR EXPENSES FOR THE PROPERTY; AND THAT IN ENTERING INTO THIS AGREEMENT, PURCHASER HAS NOT RELIED ON ANY REPRESENTATION, STATEMENT OR WARRANTY OF SELLER (EXCEPT THOSE CONTAINED IN SECTIONS 5 AND 9), OR ANYONE ACTING FOR OR ON BEHALF OF SELLER, ALL OF WHICH ARE TO BE INDEPENDENTLY VERIFIED BY PURCHASER; AND THAT PURCHASER IS PURCHASING THE PROPERTY ON ITS OWN INSPECTION AND EXAMINATION THEREOF AND OF ALL IMPROVEMENTS LOCATED THEREON OR USED IN CONNECTION THEREWITH; AND THAT PURCHASER IS PURCHASING SUCH PROPERTY ON THE CLOSING DATE IN ITS THEN "AS IS" AND "WHERE IS" PHYSICAL CONDITION (INCLUDING BUT NOT LIMITED TO ENVIRONMENTAL CONDITION) AND ITS THEN "AS IS" AND "WHERE IS" STATE OF REPAIR WITH ALL FAULTS AND WITHOUT RECOURSE AGAINST SELLER EXCEPT WITH RESPECT TO A BREACH OF ANY REPRESENTATION OR WARRANTY OF SELLER CONTAINED IN SECTIONS 5 AND 9; AND THAT PURCHASER DOES HEREBY WAIVE, AND SELLER DOES HEREBY DISCLAIM, ALL WARRANTIES OF ANY TYPE OR KIND WHATSOEVER WITH RESPECT TO THE PROPERTY (EXCEPT THOSE CONTAINED IN SECTIONS 5 AND 9), INCLUDING, BY WAY OF DESCRIPTION, BUT NOT LIMITATION, THOSE OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, TENANTABILITY, HABITABILITY AND USE. WITHOUT LIMITING THE FOREGOING, AND EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT, SELLER SHALL NOT BE LIABLE TO PURCHASER FOR ANY DAMAGE OR LOSS (INCLUDING, BUT NOT LIMITED TO LIABILITIES, COSTS AND EXPENSES) ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY, WHETHER IN CONTRACT OR IN TORT, OR BY REASON OF ANY LOCAL, STATE OR FEDERAL LAWS OR REGULATIONS (INCLUDING BUT NOT LIMITED TO THE PRESENCE ON, IN, OR UNDER THE PROPERTY OF HAZARDOUS SUBSTANCES, HAZARDOUS WASTES, POLLUTANTS, CONTAMINANTS, OR SOLID WASTES AS DEFINED BY FEDERAL, STATE OR LOCAL ENVIRONMENTAL LAWS AND REGULATIONS, INCLUDING BUT NOT LIMITED TO THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION AND LIABILITY ACT, 42 U.S.C. SECTION 9601, ET SEQ., AND THE RESOURCE CONSERVATION AND RECOVERY ACT, 42 U.S.C. SECTION 6901, ET SEQ., AND THE CLEAN WATER ACT, 33 U.S.C. SECTION 1251, AND ALL AMENDMENTS THERETO). IN NO EVENT SHALL SELLER BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES, EVEN IF SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

17. **Survival of Terms.** The terms and conditions of this Agreement, to the extent that the same are unfulfilled at the time of the closing of the subject transaction, all post-closing obligations and responsibilities, and all indemnification obligations, representations and warranties contained herein (and all related obligations), shall survive the closing for a period of two (2) years and shall not be merged or terminated upon the closing of this transaction.

18. **Binding Effect.** The terms and conditions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, representatives, successors and assigns.

19. **Captions.** The captions and paragraph numbers used in this Agreement are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of such paragraphs, nor in any way affect this Agreement.

20. **Construction.** Seller and Purchaser acknowledge that both parties participated equally in the negotiation of this Agreement and that, accordingly, no court construing this Agreement shall construe it more stringently against one party than against the other, regardless of which party's counsel drafted this Agreement.

21. **Amendment.** No amendments or modifications hereof shall be made or deemed to have been made unless in writing, executed by all of the parties to this Agreement.

22. **Further Assurances and Activities.** Following closing, each party agrees to execute and deliver such additional documents and instruments (not creating any obligations or imposing any expense in addition to those otherwise created hereunder) as the other party may reasonably request from time to time, in order to further effectuate the provisions of this Agreement.

23. **Time is of the Essence.** Time is of the essence with respect to this Agreement and the closing.

24. **No Partnership.** The relationship of the parties under this Agreement is that of Seller and Purchaser, and nothing contained in this Agreement is intended or shall be deemed to create a partnership or joint venture relationship between Seller and Purchaser.

25. **Severability.** This Agreement is intended to be performed in accordance with, and only to the extent permitted by, all applicable laws, ordinances, rules, and regulations. If any provision of this Agreement, or the application thereof to any person or circumstance, shall, for any reason and to any extent be invalid or unenforceable, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby but rather shall be enforced to the greatest extent permitted by law.

26. **Counterparts.** This Agreement may be executed in separate counterparts, each of which shall constitute an original although not fully executed, but all of which, when taken together, shall constitute but one agreement. The signature page(s) of any counterpart may be detached from a counterpart (without impairing the legal effect of the signature(s) thereon) and attached to any other counterpart identical thereto except for the signature page(s) attached to it. Any counterpart of this Agreement that is delivered by facsimile transmission shall be deemed to have been fully and properly executed and delivered, for all purposes hereof.

IN WITNESS WHEREOF, Seller and Purchaser have executed this Agreement as of the dates set forth below (the last of which dates being the Effective Date of this Agreement) with the intent to be legally bound.

[SIGNATURES ON FOLLOWING PAGE]

**SELLER,
GENERAL CORPORATION**

By: Edward H. Maier
Its: President

Date: _____

**PURCHASER,
WEST VIRGINIA STATE LOTTERY
COMMISSION**

By: John C. Musgrave
Its: Director

Date: _____

Approved as to Form:

Darrell V. McGraw, Jr.
Attorney General

By: _____
Deputy/Assistant Attorney General

EXHIBIT "A"

**LEGAL DESCRIPTION
2.91 ACRE PARCEL OF LAND
OWNED BY GENERAL CORPORATION
TO BE CONVEYED TO
STATE OF WEST VIRGINIA
SITUATE IN THE CITY OF CHARLESTON
KANAWHA COUNTY, WEST VIRGINIA**

Beginning at a 5/8 inch diameter capped rebar, 30 inches long, set at the intersection of the easterly right of way line of Glen Street and the southerly right of way line of Pennsylvania Avenue, said point being the northwesterly corner of a tract of land conveyed to General Corporation by confirmatory deed dated June 30, 1973, said deed recorded in the Office of the Clerk of the County Commission of Kanawha County, West Virginia in Deed Book 1697, at Page 191;

thence leaving Glen Street and with the southerly right of way line of Pennsylvania Avenue, S.88°24'00"E. ~ 257.52 feet to a survey nail and steel washer set in existing concrete paving;

thence leaving Pennsylvania Avenue and running through the land of General Corporation, S.01°36'00"W., at 441.30 feet passing a 5/8 inch diameter capped rebar, 30 inches long, set on line, and continuing on this bearing for a total distance of 489.6 feet, more or less, to the edge of Elk River;

thence running with and binding on the meanders of the edge of Elk River in a downstream and westerly direction for a distance of 259 feet, more or less to the point where the easterly right of way line of the aforementioned Glen Street intersects the edge of Elk River;

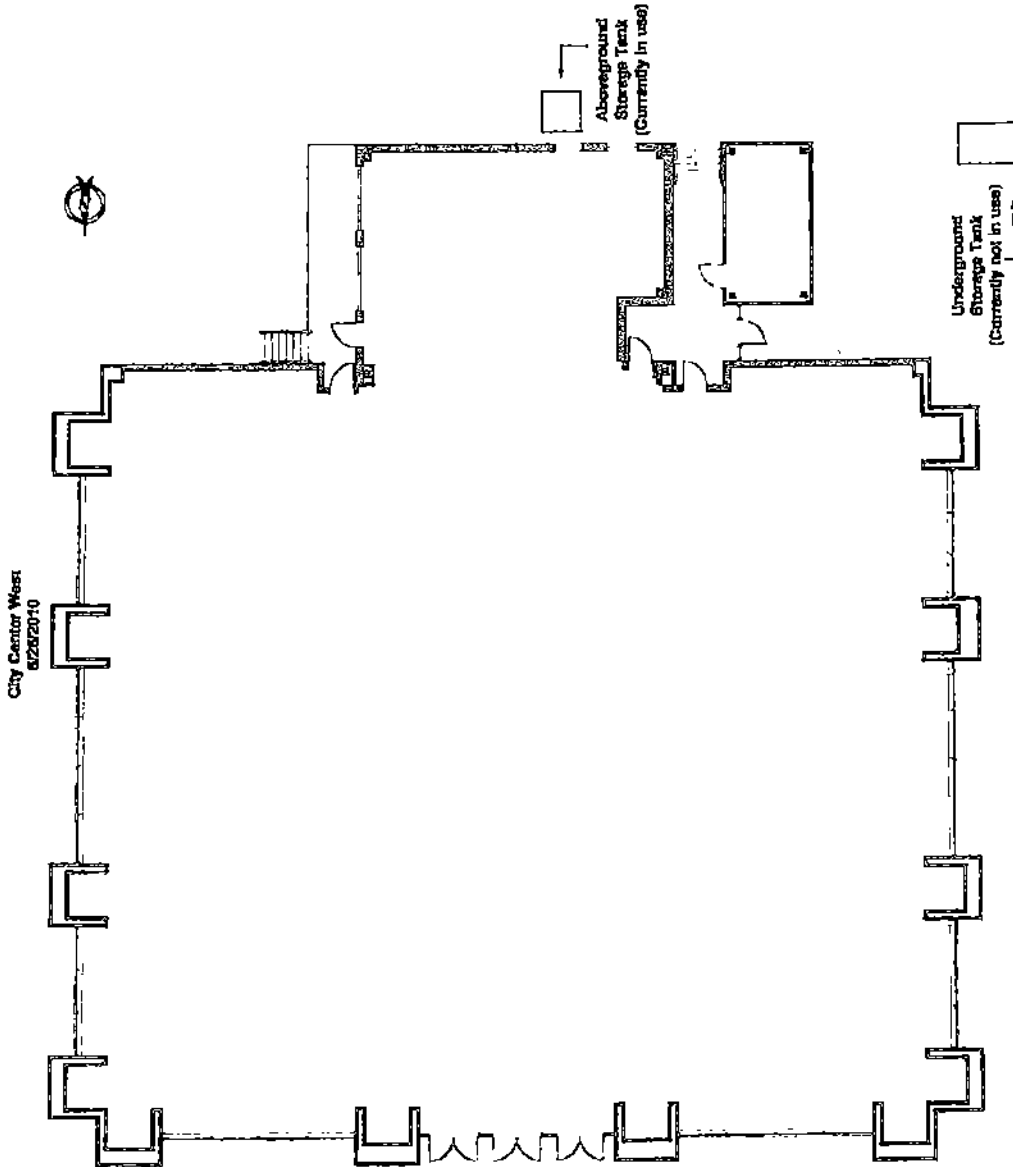
thence leaving Elk River and with the easterly right of way line of Glen Street, N.01°36'00"E., at 40.35 feet passing a 5/8 inch diameter capped rebar, 30 inches long, set on line, and continuing on this bearing for a total distance of 481.7 feet to the point of beginning, containing 2.91 acres, more or less.

EXHIBIT "B"

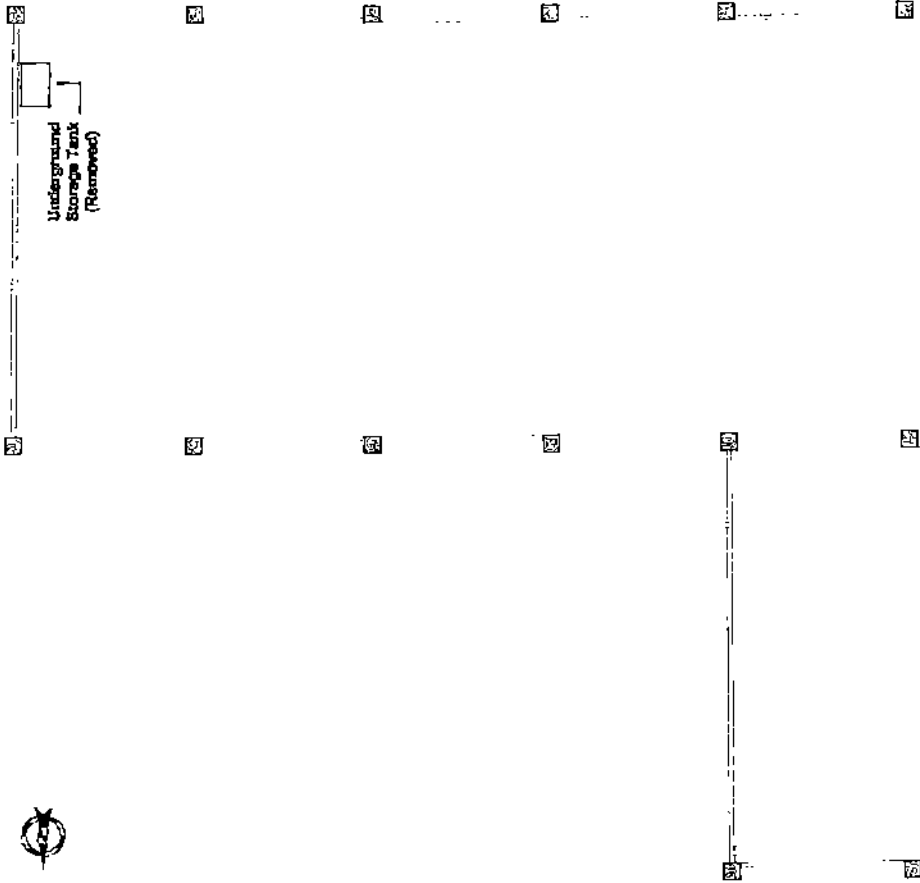
LEASES

<u>Tenant</u>	<u>Floor</u>
A T & T Wireless	Roof
CAMC, Inc.	Parking
CFW (nTelos)	Roof
Constructors' Labor Council of WV, Inc.	1
GEICO	1
General Corporation	Penthouse
Mountain State BC and BS, Inc.	1, 2, 7, 8 & 9
R J R	5
S H & B	6
Verizon Wireless	Roof

EXHIBIT "C"
STORAGE TANKS



City Center West Parking Garage
5/25/2010



City Center West Service Contracts

5/25/2010

Service	Provider	Contact	Date of Contract	Rate	Term/Cancellation
Elevator Maintenance	ThyssenKrupp	Edo Harkney 304-342-8115	9/21/2009	\$2,080/month	5 years starting 9/1/2009. Cancellation clause is unclear.
HVAC	Rock Branch Mechanical	Sheldon Taylor 304-755-0373	6/28/2005	\$3,000/month	Renews yearly effective June 1. Cancellation 30 days prior to June 1 renewal date.
Janitorial/Cleaning Service	Charleston Janitor Service	Roger Lawrence 304-343-9531	5/1/1991	\$0.07711/occupied sq. ft. per month	Renews month to month. Cancellation with 90 days notice.
Landscaping	TerraCare	George Bohach 304-925-4751	Unknown	\$700/month (includes grass cutting, mulch, inside flowers)	Unknown
Security Guard Services	U.S. Security Associates	John Bellamy 304-768-5886	9/27/1996	\$10.70/hour	Contract is with predecessor company (Advance Security). Cancellation with 30 day notice.
Trash Disposal	Waste Management	David Campbell 304-720-7604	4/14/2010	\$145.54/per pickup	No term (charged per pickup). Contract can be terminated immediately upon sale of building.
Rug/Walk off mat Cleaning	Aramark	800-876-1118	4/4/2003	\$122.25/month	Renews yearly effective April 4. Cancellation 60 days prior to renewal date. Early termination calls for liquidated damages.

MAINTENANCE CONTRACTS

EXHIBIT "D"

Tape: June 9, 2010

Speaker: Call the meeting to order. Clerk takes silent roll. President moves the approval of the May 26, 2010 minutes, all in favor say I.

Committee: I

Speaker: Oppose? I's appear to have it, I's do have it they are approved. Next we have a committee report from Parks, Recreation...who is presenting the...

Homburg: Parks, Recreation and Natural Resources Subcommittee requests expense reimbursement for site visitations to North Bend Reosrt Park, North Bend Rail Trail and Blennerhassett Island Historical State Park on July 11, 12 and 13.

President: So move.

Speaker: President moves, all in favor say I.

Committee: I

Speaker: Oppose? I's appear to have it, I's do have it motion is adopted. Monthly/quarterly report distribution in your file. We have reports from Secretary Ferguson.

Donna Lipscomb: Hello, Donna Lipscomb, Department of Administration. Secretary Ferguson gives his apologies he is on a family vacation that has been scheduled for an extended period of time. There has not been a lot of change since the last interim. BRIM still continues to have improved in their investment income since last year. They still have no unfunded liability. CHIP's enrollment is holding steady around 25,000 members. PEIA is running 8% higher than last year in medical claims and 11% higher in prescriptions and the Leasing report, there is 11 new leases and 17 renewals. The Directors are here is anybody has any questions about any of those agencies.

Speaker: Questions? Senator Chafin.

Chafin: Mr. Chairman, I would move, where is Secretary Ferguson?

Donna: He is in New York City with his family on vacation.

Chafin: Is the real estate person here?

Donna: Yes, yes he is.

Chafin: I would move that the lease or the buying of the new building that has been publicized that we have Mr. Ferguson wait to take axe on that or discuss that till he is here personally. Could you have him bring his counsel with him?

Donna: Sure, or general counsel is who is here today as well.

Chafin: Ok. But I think all three of them need to be here. I don't understand they said they didn't know about the statutes that they had to give the sale or purchase of the building give us (inaudible).

Donna: That is what I read in the paper. I'd like to let him speak to it though.

Chafin: He answer personally that is alright.

Speaker: Is there any other questions we could pursue other questions then also you could ask questions next time?

Chafin: Yeah that is what I'd like to do.

Speaker: Senator Deem.

Deem: Mr. Musgrave is here, he might want to respond to that request, I don't know if he does or not but I think he should be given the opportunity if he desires to.

Musgrave: Thank you Senator, John Musgrave, Director of the Lottery. We have post-poned after we found out the statute required a 30-day notice we were notified by the Department of Administration at the Lottery. We worked with the Department of Administration to then notify the legislator we talked to Mr. Allred that notice was sent, it was sent on the 28th which means we set a closing for the 28th of this month and that is part of our agreement. We have a signed agreement with the folks from General Corporation to close on that particular time. So we would like to encourage that we go forward. As a matter of fact we would like to insist that we be allowed to go forward with this and I think under the statute is says we were to give notice and that is all was required. Now I am not speaking for the Department of Administration, there is people here to do that. It would put us in a very bad situation.

Speaker: Senator Chafin.

Chafin: Mr. Musgrave, you understand that and I was one of the original authors of that legislation, when I first proposed the legislation for members of the committee I think other administrations they were buying and leasing property all over West Virginia as they now do and they were paying tremendous amounts for square footage at one spot and not paying much at the other and we didn't know who was leasing, who was buying and from administration to administration it got in to the millions and if you will look through your lease reports you will still see each month that we are paying tremendous amounts of money for real estate. The people have no way to know what the executive branch of government is doing for any administration unless they are required somehow to come to us and tell what we are doing, we have to appropriate the money. It was out of hand and I suggested maybe we ought again. This particular building just what I know is just what I read about. But lets think for example you all go through with this purchase for \$20 million dollars, is that what the building is gonna be going

for?

Musgrave: It is \$21.5.....\$21.6 with closing.

Chafin: \$21.6 which is a lot of money and they said they are going to spend \$8.5 million according to the press reports to fix it up so now we are almost up to \$30 million dollars. They didn't give us any notice even though that statute says that they shall give the Joint Committee on Government and Finance notice. I wanted it back when they had to approve (inaudible) we had to approve but they said it was a violation of separation of powers and what have you. So we backed down and said that they shall give us notice so they are up to \$30 million dollars now, lets say they go forward with this and they didn't give us notice on this or some other leases or what have you and you have a building Delegate Caputo that you would like to sell for \$15 million that you think is more square footage and better suitable, then you have a 10 year statute of limitations under contract law to turn around and maybe sue the administration or sue somebody because they didn't follow statute. I don't know if I am reading the accounts right the people said Mr. Musgrave that they didn't know there was a statute.

Musgrave: Well I can't speak for the Department of Administration.

Chafin: Didn't you say that you gave them notice that they had to give us notice about this?

Musgrave: No, Mr. Allred is the one that notified I think the Department of Administration and then they notified us and then we worked with the Department of Administration and jointly we felt that notice should be given and we gave notice...or they gave notice, we didn't....

Chafin: We get notice every month, I and the committee members can see we have a section here on real estate, leases, purchases what have you, why didn't they give us notice on this huge deal.

Musgrave: Uh they will have to speak to that but Senator let me say that probably there hasn't been a property transaction in the state that has had more publicity or been more open than this Lottery purchase, we have been doing this for nine years, almost ten years. It has been in the papers for I don't know how many weeks now and we apologize and I am sure along with the Department of Administration that notice wasn't given but they....

Chafin: I am just telling you there can be some legal ramifications beyond of not giving notice following statute. Somebody's got a building they wanna sell you for half that price.

Musgrave: Right, we have given notice back on the 28th of May.

Chafin: People have no way of knowing unless you give us notice and can disseminate it. I will grant it has been in the paper some but sounds to me like you want \$30 million dollars for a lottery building is a pretty high price. Can't you build something cheaper than that?

Musgrave: I am prepared to explain the purchase and go over it, I can do it now Mr. Chairman if you....

Chafin: How many square feet are you buying?

Musgrave: The usable space, ...it is 150 thousand gross....130 is the usable.....

Chafin: How much do you need?

Musgrave: The Lottery requirements are about 70.....now of course as you know and I am sure read that some of that is leased space and of course we have said that we would honor those leases until such time that they were vacated then what we would do is bring in state agencies. I think more particularly probably revenue agencies that have joint functions as what the lottery has such as abc and racing and some of those so we can....

Chafin: Are you in charge of the search committee that bought the building or did you all look at other buildings or is somebody else doing that part?

Musgrave: Oh Senator we have looked at sights all over Charleston and had been asked to look at sights outside of Kanawha County which we did. I think it was in the paper explaining how many sights we have looked at. But we have looked at about every available sight in Charleston. We have looked at building right where we are, matter of fact I can go over that with you.

Chafin: You find \$30 million dollars to be a reasonable purchase?

Musgrave: We found that we were planning and had architects to check to see if we built on the facility where we are now which is the old carpet warehouse that state has put quite a bit of money in. We have rented it for over 24 years. We have looked at building out there and a matter of fact we were working on that to build a new facility there with 20...uh...with 70 thousand....72 thousand square feet would have cost about \$27.5 million and of course we got twice that over at the General Corporation...twice that square footage for \$21.5 we think that is a very good buy for the state.

Chafin: Thank you.

Speaker: Could I ask a question? How much is in the account that you have to purchase this building with?

Musgrave: Mr. Speaker we have approximately \$70 million dollars the legislature allowed us to accumulate. We have transferred \$29.944 to the lottery account which leaves an even \$40 million that will be available for the legislature and the governor to direct those dollars, we will drop those to surplus at the end of the month. If we can go through with this building and to allow them that money to be appropriated.

Speaker: Mr. President.

President: Mr. Musgrave how much, how many appraisals did you have done on this particular building?

Musgrave: Mr. President we had four appraisals, the lottery paid for two of them, Mr. Mayor had his appraisal and then we had an internal appraisal that we asked the real estate division to perform with their expertise and in negotiation of this we ...our logic was we through out the high appraisal and the low one and we concentrated on the middle and this building we agreed to purchase it within the appraised values which is state policy.

President: So what were the appraisals?

Musgrave: The appraisal, the high appraisal which was Mr. Mayor's was \$25 million, we had an appraisal at 22 that was one of the lottery appraisals there was appraisal that was internal by the real estate division that was 18.8 or right at 19 and there was one for 16 and we threw out the low and we threw out the high. We concentrated between the 19 and the 22 and negotiated the price of 21.5.

Speaker: Thank you. Senator Chafin.

Chafin: That is a lot of money why are you going to spend 8 1/2 million dollars to fix it up?

Musgrave: I am glad you asked me Senator. The building of course state requirements are a little bit different than the private sector so we will have to make that ADA compliant, all the bathrooms in there will have to be changed. There will be such things as the door handles for example to be ADA compliant, can't be round knobs, they are going to have to be the other type knobs. We need to change the elevators, the elevators are in great shape but we need to change it from DC to HC because we understand that is a state requirement. We need to make this building as energy efficient as possible. We would like to meet the requirements to make it a green building. I think that is the state's goal with their buildings, to do that we have some lighting in there that is approximately 20 years old. We have to go in the ceilings to put in the fiber optic cable that we are going to need for the lottery, so while we are up there we will put in new lighting and we also need to take a look....we have had structural engineers look at this building, we have had mechanical engineers and we have had electrical engineers and they have all given an excellent report on this facility. It also has a 450 car parking facility that is there and available.

Chafin: Now let me get this straight...the elevators and door knobs and heating is going to cost 8 1/2 million dollars more?

Musgrave: With the heating, with the air exchangers, with the....and I have my architect here he can speak to that Tom Potts is here from and I can have him give you a better run down but there is a number of costs that we need to do to make this building.

Chafin: There is a state building down Logan county, the whole kit and kaboodle I think for \$10 million I read....

Musgrave: How many square feet?

Chafin: Brand new. 50,000 square feet...

Musgrave: Yeah and we are getting 150,000.

Chafin: You could triple it there and still be under what you are paying for this thing.

Musgrave: We think it is a good buy. Now Mr. Chuck Lawrence is here from the real estate division, I am sure he will be glad to speak to it but we feel we have really...we have been looking for sometime. We have been involved with a number of buildings. We are very confident that we have done our due diligence on this and we feel very good about the transaction.

Chafin: Mr. Speaker I will say just one other thing, you know the Senior Citizens are now renting a place at the food court at the Town Center Mall for \$1 million a year and they think that is a good....

Speaker: Senator Deem.

Deem: Mr. Speaker it seems to me like we should review the statement that Mr. Musgrave made about the commitment to close this deal by a certain date and if they don't close on that thing what is going to happen? Is there a penalty involved? I am not sure what the Senator from Mingo's motion wasdid you request that they hold up any action on purchasing this building until we have been officially notified by them of the purchase?

Chafin: Correct.

Deem: So that if we adopt your motion you would not be permitted to go ahead and close the deal on the date you have agreed to close on, is that correct?

Musgrave: Well you know I am a little confused because I think as we read the statute, the statute just requires notice...it doesn't require any action from the legislature.

Deem: Yes, but the motion that Senator from Mingo has made I think would require you to hold up the purchase until some further action is taken.

Musgrave: They said it would affect our closing because our agreement that this has to be closed by the 30th and besides that it is the end of the year and the funds that we

Deem: I am not sure about that either Mr. Musgrave that is why I asked him. I want to be sure of what we are doing here.

Speaker: The way the chair understood the motion was to hold up questions on it until Mr. Ferguson could be here and that is why we went ahead and did some questions. That is the way I understood the motion.

Deem: Is there a penalty involved if you don't close on the agreed date.

Musgrave: My understanding that the agreement is only good if we close, after that we do not have an agreement...we would renegotiate. Ellen is the attorney here, I don't know whether she can speak to that she represents Mr. Mayor...if you would like her expression but my understanding is that the agreement is to close on the 28th and if we don't close it by the end of the month we don't have an agreement.

Speaker: Senator Kessler.

Kessler: You know, I know John you have been looking for a building for about a decade it seems like as long as I can remember and you were going to go down to my good friend Senator Hall's place for a while down in Putnam County and Supreme Court said that wasn't such a good idea if I remember right. I know you have got a commitment and an agreement but obviously there has been a snafu in the paper work in giving the proper notice....having done a bit of real estate work in the past I am assuming there would be a provision in there that would permit you to have an extension for another couple of weeks or a month if necessary in order to provide the appropriate notice to maybe alleviate the Senator's concern that somebody may collaterally attack the sale down the road. Is there any reason why it could not be extended for another few weeks till we are back in town in the middle of July?

Musgrave: We would certainly rather that it not be extended on this....I have attorneys here that I guess can speak to that but we have certainly be against an extension.

Kessler: Alright.

Speaker: Senator Hall.

Hall: Thank you. I just want to get back to the value place....it is just simple math it is \$30 million total, am I correct in that?

Musgrave: Well the purchase of the building it 21.5 and over a period of time we are going to upgrade the building and we are just saying up front that we are reserving this amount of money...now we may not use it all...if we don't use it ...it goes to the bottom line and the legislature re-appropriates it.

Hall: I was just doing a little simple math ... if it is 30 million it is \$200 a square foot and what was the square footage you all were looking at in terms of your evaluation...cost per square foot? That is usually.....

Musgrave: I think for a new building it was \$285 square foot for new construction.

Hall: Ok the point I am saying is that if you contracted with somebody to build a building it would be \$280 square foot....150,000 which would take you far above where this number is.

Musgrave: See we were looking at building a building and matter of fact we were we had priced it out and the cost of a new building to get 72,000 square feet was about 27 million dollars and so it is a much better buy for the lottery. We are getting twice as much square footage for the state as we would if we would build out under today's square foot values.

Hall: That was my sense of the evaluation that is why I

Musgrave: Yes, thank you...we have evaluated...we think it is the way the state ought to go. Mr. Chairman, could I, there is people here from the Department of Administration I think could speak if the majority leader has

Speaker: I think the questions that he has proposed so far has been answered, have they not Senator Chafin?

Chafin: They have.

Speaker: Thank you. Delegate Armstead.

Armstead: Thank you Mr. Speaker. Mr. Musgrave just going back to the majority leaders questions about the 8 ½ million dollars would be spent on the renovations...have you entered into any contracts with regards to those renovations yet?

Musgrave: No, all those renovations would be...our architects would draw up the plans and the specs, they would go through purchasing, they would be bid and it would probably be four months or more before we would...four or five months before we would be able to start and we want to do it...those floors that the Lottery will occupy are vacant because Chesapeake has moved out so they are vacant. We would like to go in and upgrade that work while they are vacant. It is just cost effective to do that.

Armstead: Who developed the paperwork or proposal or whatever you would call it to come up with the \$8 million dollar number. Was that done in.....

Musgrave: Our architects and the chief architect is here if you would like for him to speak to that.....you know they have looked at the building they have been through it. They are compiling things...we didn't want to go too far because we still got to close on this building but we have put a lot of preliminary work in this sale.

Armstead: Is there any kind of summary of those...that breakdown that you could provide us, the committee in terms of where you came up with the \$8 million and how much of it is for what?

Musgrave: Yeah, my architects tell me we can do that. No problem, we will show you exactly where the figures are...as a matter of fact we might be able, if we have that today we could leave it with the clerk and you could receive that.

Armstead: Alright, thank you.

Musgrave: Tom Pox is our architect from the ceiling so...is that right Tom?

Tom: That is correct. It isn't just door knobs, it really is upgrading the building to code so that is HVAC it is lighting, it is upgrading meads of egeresk components so it is a total renovation from a code stand point as well as making interior build out that fits the lottery's purpose and I have got detailed cost estimate here that we can go ahead and provide to you.

Armstead: Are these requirements that would have to be done to make this in legal compliance or are we just want this to be updated? What is the motivation for doing all these different.....

Tom: Fundamentally it is a have to. The code official considers this building as a new building so you are having to design to a current code versus the way the building was built in 1981.

Armstead: And they are considering it a new building now just because a new tenant or???

Tom: Because it is no longer an office building for private use, it is an office building for state use it becomes under the jurisdiction of the West Virginia Fire Marshal's Office. Therefore, it brings a whole set of codes in to play that wouldn't have been applicable or even subject to their review by just use by regular business occupancy.

Armstead: If you could provide, we could get the breakdown...I think that would be helpful to have that.

Speaker: Mr. President.

President: Mr. Musgrave just one other question. Have you all done a cost analysis of what it is going to take to maintain this building as compared to I guess you are leasing the building now, most of the maintenance and so forth, heating and cooling and all that maybe included but it is a substantially bigger building than you are in now.

Musgrave: It is a larger building. Of course the building we are in now we have put a lot of money into it....I can't give you an exact figure but it was an old warehouse and we have turned it into offices. It doesn't have an elevator....the second floor is not accessible except by stairs. We have got one employee that worked up there that had a heart transplant and of course we had to move him, and if we have people come in to the office we have got to move, we have got to go downstairs if they have some sort of handicapped to deal with them. But as far as the maintenance and the expenses...about a little bit more than 50,000 square feet that is leased....\$6,000 is leased and those are pretty good rinks on that and we feel, now we are looking over the leases right now and I can't divulge some of that information because it is just information that we have agreed not to release. But, we feel that the rents off of that will go a long way to pay for the expenses of that building.

President: Which would be other state agencies eventually.

Musgrave: Which will be the tenants that are in there now that are private and then as state

agencies come in it will be like the other office buildings each one of them will pay their portion per square foot for the upkeep of the building.

President: The reason I asked that, obviously it is going to take cost more to maintain and to heat and cool this building than what your paying now and that is just that much less money than the legislature has to.....

Musgrave: We think with what the improvements will make for this building in making it energy efficient it may end up costing maybe not less but maybe close to the same that we are doing because we are going to make this building energy efficient...that is our goal.

Speaker: You put back money each year for this fund, you have been doing that for several years in order to purchase this building and I assume that you have quit putting that money back also?

Musgrave: Yes, that money has accumulated into surplus and then at the end of the year it drops to the bottom line and then we give that money back to the legislature for appropriation so the money we have been setting aside for the future we hope will create a little bit of surplus dollars for the state.

Speaker: So this year the revenue estimates there will be \$20 million dollars extra coming by virtue of you spending the value of this building, is that...in addition to the \$40 million will there be another \$20.....

Musgrave: I think we stopped atthe monies that we have this year will just drop down to surplus...the money we have left over at the end of this year. We are not adding anymore to that fund because we only planned to use approximately \$30 million dollars out of the 70 so we didn't think we should put anymore money in it.

Speaker: Thank you.

Chafin: How many square feet are you occupying now?

Musgrave: We occupy now it is close to 45,000 square feet.

Chafin: Is that what you need, 50,000?

Musgrave: We need a little bit more than that...I have got people working...we lease the old Steak and Ale facility that is still built like a restaurant...we are just trying to get by temporarily.

Chafin: You can ...50,000

Musgrave: So it is close to...here is what I am getting ready to say Senator is that we asked our vendor could we have co-located with us and we have rented space to them in the past, they have paid rent and we had them to move in the last year and a half to a location because we needed the space...we had to get in to their space...we plan down the road to bring that vendor back...they

operate one of our systems and so we planned to bring those folks back in to the lottery. We need some extra space if we co-locate with racing which would now we are supplying our commission room for the purposes of racing commission holding their public meetings. We have need for a bigger room for public meetings that we have. We are required to have one every month. We have people fly in here from other states to attend those and we need those type of things we are going to add a few employees with Charles Town coming on, with the Greenbrier coming on this next month and so we need some extra space. What we don't use in space if there is...if we don't use 60 of the 70 and that 10 will be available for another state agency. So we are not just going to sit on 70,000 square feet if we don't need it.

Speaker: Any questions by members of the Committee? You still want Secretary Ferguson here next month Senator Chafin?

Chafin: I guess I do sir.

Speaker: Have him come back next month.

President: I don't have anything else for Mr. Musgrave. I would like for Chuck Lawrence to come up.

Musgrave: I was reminded just to make sure that everybody realizes that we did give notice for the Department of Administration did give notice in May 28 and you know the 30 days is running and we can close this after the 30 day period and we got a closing set for the 28th.

Speaker: The notice is in the back in the booklets.

Musgrave: You have, we sent copies yes.

Speaker: That is why I clarified the request did we want Secretary Ferguson to be here next month to continue to answer questions on this issue.

Musgrave: Could I clarify one other thing of course the Lottery doesn't receive an appropriation from the legislature. We are a non-appropriated agency. We sell a product to raise the money we been setting this aside and I would encourage to approve our request.

Chuck: Chuck Lawrence, Real Estate Director.

President: I just have a question...did the administration just recently purchase a Holiday Inn in Fairmont too? Parkersburg I mean.

Chuck: Yes we did, Parkersburg Holiday Inn, the old Holiday Inn. We actually purchased that just a couple weeks ago.

President: And what did you pay for that?

Chuck: It was appraised at \$8.some odd million we paid \$2.2.

President: Did you give notice to this Committee?

Chuck: I believe, excuse me a second....no we did not.

President: You knew that was the law didn't you?

Chuck: No sir I did not. Soon as we became aware of this section of code we stopped the transaction with City Center West and gave you the notice, the letter of notice and added it to our check list of building purchases and I personally was not aware of the code, my fault.

President: Greenbrooke building, you came before this committee and talked about it and talked about price was that just a courtesy or....

Chuck: When we did that it wasn't with this code in mind because when I read the code it said that we should have given you documentation, we should have done a lot more than we did other than verbally explain it to you. Having said that again until I was aware of the code which Mr. Allred informed us a couple weeks ago that is when I became aware of this and we changed our process.

President: That was about the time you bought the Parkersburg hotel?

Chuck: No actually that was before sir.

President: I guess you'll know in the future if....

Chuck: I won't forget again...course to forget you have to know so now we know.

Speaker: Further questions from the Committee? Thank you. Next we have Quarterly Reports from Department of Health and Human Resources, Secretary Hardy. Is Secretary Hardy here? DHHR....

Cindy Beane: I am Cindy Beane from the Deputy at the Bureau for Medical Services for Policy. John Law and Commissioner Adkins extend their apologies that they can not be here before the Committee today as they are away for emergency Medical leave. The Committee has the medicaid report. The June report based on the March 2010 data. Are there any questions?

Speaker: Are there questions from members of the Committee?

Cindy: The Secretary was unavailable today, I am sorry. Mr. Law is on Medical Leave and Commissioner Adkins is on Medical Leave today as well.

Speaker: It is not her fault....thank you. Mr. Slaughter is here for the Investment Management Board but there is no report, is that correct?

Slaughter: Yeah, I apologize we normally would have April's numbers ready for you but we have changed consultants and whenever we change a vendor very few people understand how complicated our systems are so it takes a little bit of time to get them up to speed and that consultant is the one that actually, they have the software that produces the report but anyway we finally got the final numbers for April. We were fiscal year to date through April 30 we were up 22... a little over 22% uh of course you know May was down. I think if I just get... making estimates about numbers we are probably at about up about 15 or 16% for the fiscal year to date as of last week so we got another 3 more weeks to go in the fiscal year and that is a critical 3 weeks as you all well know.

Speaker: Any questions by members of the Committee? Thank you Mr. Slaughter. Next we have Workers' Compensation, Jane Cline. I guess is there any other business to come before the Committee? Anybody here to answer questions on BRIM, Senator Deem has questions.

Robert: I am Robert Fisher, Deputy Director of the Board of Risk.

Deem: Mr. Fisher I talked to you today I believe I believe on the phone about the... we talked our meeting last interim that the Brickstreet has substantially increased the premiums for Volunteer Firemen... since they look over for Workers' Comp. But I have been told that a bigger problem or at least as big a problem is fact when they change from Workers' Comp to Brickstreet that they also lost some liability coverage and that is what I talked to you about and earlier to one of the other people about possibility of Volunteer Fire Department members being covered under your agency.

Robert: The only involvement our agency has with Workers' Compensation has to do with the employer liability. We provide no benefits to the injured worker but rather we protect the insured under spot coverage if they are sued for a deliberate intent type injury. In an old Workers' Comp policy that was what they called section 2 of that policy. That is the employer protection. The old madalitts....

Deem: Who are the employers for Volunteer Fire Department?

Robert: Our insured would be the Volunteer Fire Department if an action was brought against them, they are the insured under our policy. So if you had someone say that worked for the state we wouldn't provide any protection for the state we would provide it for the volunteer fire department who was our insured.

Deem: Are they individual entities incorporated and so forth so that they are a viable entity... the Volunteer Fire Department...?

Robert: That I can't answer for you, I don't know.

Deem: If they are all volunteers who would be the person to look to as the employer?

Robert: Well if they are volunteers are they actually an employer?

Deem: Well that is my question to you....I don't know who the employer might be...except I could just tell you that this has been brought to my attention that one of the real problems they have since the switch from Workers' Comp to Brickstreet is loss of coverage, liability coverage.

Robert: Well my expertise says Workers' Comp and to be honest with you it is what I have read it seems to be the problem is that when they go to pay someone who is injured who is a volunteer fireman they look to what their daytime job is and base their pay based on what they make. So if you for instance had an attorney who volunteered for a fire department and they were injured, my understanding is the workers' comp would pay up to whatever their maximum is based upon what their pay is. But we don't have any involvement with that and our agency never has. That was Workers' Compensation before it went to Brickstreet.

Deem: That is why the premiums changed substantially because they were paying under minimum wage but when Brickstreet took over they changed that category from whatever they were earning as you say that is what they are paying on and we were told by the commissioner last week that the pay out is now seven times what the premiums they collect on.

Robert: We have never had any involvement what so ever with Workers' Comp.

Deem: That is not what I am asking you about, I am asking you and you have told me to the best of your knowledge what you know about th liability coverage that BRIM doesn't offer coverage to volunteer firemen.

Robert: To the firemen no sir. Let me re-phrase that. If the volunteer firemen while acting within the scope of his duties as a volunteer firemen causes damage to a third party we provide liability coverage to that third party who is injured but we don't provide any coverage to the fireman if he is injured.

Deem: Well that is what I think we are talking about, that is what they are concerned about is that liability coverage that make take place to the third party, you do cover that? For all Volunteer fire departments?

Robert: Yes sir. For the ones that take part in our program but right now there are only five who are part of our program.

Deem: That might be the answer to the problem, could there be other? Could all volunteer fire departments subscribe to your program under BRIM for a third party injuries?

Robert: If they would subscribe to our program they would have liability coverage and we used to have a great deal more of them but right now the market is fairly open and there is a lot of competition for that. So a lot of them we have had in the past have now chosen to go to other carriers such as Travelers or the county pool or whomever might offer that coverage. We are just merely, we are available if they want to make use of us and right now five do.

Deem: But the ones who don't, don't have coverage don't have coverage...

Robert: My guess is that they buy their liability coverage through another carrier so they would have protection if the volunteer firemen are sued through the liability policy with whomever they purchase it from....just isn't us.

Deem: Thank you very much. There is Jane.

Speaker: Senator Hall.

Hall: I don't want to labor the point but there was an article in the paper this morning Putnam County where it appeared that Travelers was able to undercut you 60 to 70 thousand dollars in an annual premium. Are you that out of line with the overall? Are you that non-competitive?

Robert: Well we are not really trying to compete. We are there to provide a service for those that need it.

Hall: So that would be and really that doesn't trouble me that, that is the case but I would just probably for another time want to know how you set rates, obviously we don't want you to lose money but at the same time there is the reality that maybe the public needs to know is what Volunteer Firemen have apparently discovered that there are other competitive markets that can provide the same coverage for maybe substantially lower costs.

Robert: Our rates and they are and that may be why we only have five left. Our rates are based on actuarial projections for losses based up on the data we have and we have data that goes all the way back into the 70's so they have got a lot to work with. Our experiences shown that right now the market is good there is a lot of players who want the business and will offer good deals and as things harden up some, some of those players will raise their rates or leave and.....

Hall: That is always the insurance challenge.

Robert: Yes.

Hall: Alright thank you.

Speaker: Thank you. I think we have a number of questions regarding, we now have the Insurance Commissioner here, Ms. Cline.

Jane: We apologize for being late, it was on our calendar for 3.

Deem: Shoot the messenger.

Jane: I'll shoot the messenger. I assume you want us to talk about the Volunteer Fire.

Speaker: It seems like there is a number of questions regarding the Volunteer Fire Department. I guess it is my understanding they are not required after July 1st to stay with Brickstreet. It is not required to insure them or they are not required to stay with Brickstreet? Which one is it?

Jane: The individual fire departments can actually shop their coverage beginning July of this year so they could be shopping right now for their policies that would be effective July 1. Brickstreet no longer has to insure them by July 1st of next year so they can non-renew them with a 60 day notice.

Speaker: So we have a one year period here approximately where Brickstreet is required to insure them but they can obtain insurance through another company if they want to shop for it.

Jane: That is correct.

Speaker: So questions by members of the committee regarding the volunteer fire department is insurance premiums.

Jane: We did pull some information together relative to that and if you like I can have Tonia Gillespie who is our director of rates and forms kind of walk you through that very briefly but it just kind of outlines how much has been paid out for the last couple of years in claims versus the amount of premium therefore the challenge we have had with the rates.

Speaker: That would be fine.

Tonia: Good afternoon. I think you have all been provided a handout and since we had some confusion on our schedule I will go through this pretty fast and try to hit the highlights. The general issue with the VFD's and the Workers' Comp premium is that the rates have been inadequate for a number of years and we are to the point where we need to try to get adequacy in the rates and I think one of the most telling signs of the rates being inadequate is on side 2 of your handout. If you notice the second bullet point there. The VFD class is running a loss ratio of around 700 percent and what that means is for every dollar that the insurance carrier receives, right now that is Brickstreet, they are paying out \$7 in losses for just the VFD class. So what we have been working with Brickstreet and Mr. Lewis and trying to do is to get the rates to an adequate point. You have probably heard from some of the VFD's in the respective areas that they are seeing a rate increase that will be effective July 1st. What I want to do is kind of walk you through what the rate increase is intelling. I am kind of out of breath because we walked up a lot of steps. On page three we provided a chart that shows a historical rate for this class and how they were suppressed through the years. Then to get to the current point on page four. Since the privatization took place in January 2006 Brickstreet has used a methodology where they take the total hours worked for a VFD member and they multiply that by the minimum wage, which they have been using \$7.25. Then they multiply that by the class rate to come up with a premium for each volunteer fire department. Effective July 1 Brickstreet has changed that methodology and they are using the same hours worked only instead of using the minimum wage they will be going to a wage of a person that is a paid position or doing similar work, which in this case is a paid fire fighter. Based on information from the US Department of Labor that rate is \$14.54. So for premiums that are being calculated effective July 1 of this year they will be changing the wage component of this methodology from \$7.25 to \$14.54. That is the only change that Brickstreet is making in the methodology. Now one thing that is very, very important to point out at this point is that this is just a methodology. What we have to do for the VFD class is we

need to fund the premium required for their Workers' Compensation premium. We can use any allocation method we want to use. We found that at least based on information from our rating and statistical agent in CCI that most of the surrounding states use hours worked to determine the premium so we have to get funding. Right now we are using hours worked, if we changed the methodology we would still have to come up and split the amount of premium we need for the VFD's. Just to give you an idea of the premium and the losses that we are seeing for the VFD class, on page five we received some data from Brickstreet for the last three fiscal years and you will notice the premium they are receiving is around half a million dollars. The most fiscal year 2009 they received 607,000 dollars in premium. However, they paid out losses or have losses of 4.6 million dollars. So there is an underwriting shortage or an underwriting loss of about 4 million dollars, which is resulting in a loss ratio of 761%. Just to give you an idea and put this into perspective our market as a whole when you look at all 500 and some classes for all thirty some thousand employers in a voluntary market, the loss ratio is running about 103% so we are looking at 103% for the whole market and when you just take out the VFD alone their losses are running over 700%. Now you may be wondering 400 million dollars in losses is a pretty substantial number, what is driving those losses? Unfortunately, we don't have detailed claim information and in our discussions with Brickstreet they have indicated to us that the losses are more severity driven than frequency driven. If you look at the data they are reporting that a lot of VFD's have no losses at all, no claims. Some VFD's have claims that aren't of a material amount. But what is driving it is the severity. When I say severity, in FY 2009 alone they had one fire department that had two fatalities. Two members of a VFD were killed in activities fighting a structural fire. They had another VFD which resulted in responding to a call in which there were three serious injuries because a fire truck was involved in a rollover on the interstate. There was another fire department that had a VFD that was engaged in fire fighting activities that suffered severe burns and I am sure that you know a burn injury can result in a lot of medical expenses. A lot of times they have to be transported to a certain facility and state sometimes out of state. A lot of times with burn injuries you run into infection, so those claims can be very high dollar when medical involved. So that is just a sample of the claims that is driving these losses. I think it is important to point out too that the change in methodology that we mentioned in going from the minimum wage to the \$14.52 rate, that is only going to result in additional premium of about 400,000 to Brickstreet so we are projecting that for the next fiscal year they could receive around a million dollars in premium for just this class alone, but if you looked at the losses for the last three years, the lowest amount we have is in 2008 of about 2.5 million so there is still a severe gap there between a premium they are receiving and losses that are being incurred by this class. On page 6 of your handout we have provided you an example of how premiums are calculated using the number of hours worked and the new rate that will be used for wages of \$14.52 to come up with a payroll and then you simply divide the payroll by 100 and multiply it by the loss cost. Now we want to take a minute to talk about the Assigned Risk Market which is noted on page 7 of your handout. The assigned risk market is a market of last resort for employers in our state that can not obtain Workers' Comp. coverage in a voluntary market. Our market is administered through our plan administrator which is NCCL. We have provided you a comparison that currently the rates in our residual market is \$17.18 for the VFD classification which is 7711 and a minimum premium of \$1000. Currently with Brickstreet the rate is \$4.96 and there is a \$750 minimum policy amount they must pay. So we are looking at potentially a 45% increase if VFD's can not obtain coverage in the voluntary market and they have to obtain

coverage in the residual market. This is based on data that we have available today and we don't know how the losses are going to trend out for the current fiscal year. That will be re-evaluated in the next few months. There is a couple of other points that we want to mention as you debate the VFD situation and one is on page 8 and that is the benefits. When a VFD incurs a claim and the indemnity portion of the Workers' Comp claim is calculated, their benefits are calculated using the wages from their day job. What I mean by that is for example if you have a coal miner that makes lets say \$75,000 a year. They volunteer as a firefighter, they are injured in VFD services, then their claim benefits would be based on the \$75,000 they earn as a coal miner. These people when they volunteer they are used to a certain lifestyle they became accustomed to living on the day job wages so the Workers' Comp. Benefits would therefore be established on their day job benefits. One more component of this discussion that we want to make you aware of is the impact on homeowners rates. We want to make sure that you understand that if VFD's are forced to cease their operations then that can impact the citizens of our state through their homeowners insurance and what happens when homeowners rates are determined is that there is a rating organization called ISO which is the Insurance Services Organization that evaluates each municipality and each community and assigns what we call a protection class code to the fire services in each of those areas. It is a scale of 1 to 10, 1...protection class 1 is a superior level of fire services within a city or a community. Unfortunately in WV we don't have any city or community that has a ranking of 1. We have two cities, Charleston and Huntington that have a protection class code rating of 2 and it goes all the way to 10 which 10 is the worse level, that means basically there is no fire services available to that municipality or that community. So, what we have done is we have made some assumptions that most of our current existing communities and cities are in a ranking of a 6 or an 8 for their homeowners calculation purposes and we have assumed that if fire services were discontinued for some communities they would move from a protection class code of class of 6 to a 10 which would be the worst, that they could potentially see a rate increase of 172% in their homeowner premium. So another component to this discussion is to address the VFD issue because it could impact the homeowner premiums for our citizens. On page 10 we have kind of summarized the issues as we see them as it relates to the inadequate premium for this classes or this class. The first one is how we fund the premiums that are needed to make sure they maintain their Workers' Compensation coverage. We need to work with Mr. Lewis and we have been working with him the last couple of years and identifying ways to reduce the losses that we are seeing for this class code. We also need to work on defining who is covered. Right now for Workers' Comp coverage about anybody that is involved with the VFD is covered, meaning the people that work in the auxiliary, the people that do the bake sales, the hotdog sales, they are covered, honorary members who may not engage in actual firefighting services but they may report to the scene and help roll the hoses up after the fire has taken place as well as those people that engage in firefighting activities directly. Also, they are currently covering if there is boot drives, if there is training sessions....anything like that is being covered, which ties into the last bullet that we have listed is defining a compensable injury. Right now if you are injured in the activity of standing in the middle of the street with a boot collecting funds and somebody runs in to you, you could possible be covered for that injury. So one way of identifying um compensable injuries would impact the amount of premium that would be required for this classification. The last thing we mentioned and think Commissioner Cline just responded to a question on this topic is the key dates involved right now Brickstreet is required to cover VFD's as well as all government agencies. They can shop their coverage for

policies that would be effective next month July 1. But, if they can't obtain coverage anywhere else Brickstreet does have to cover them for another year. However, July 1, 2011, Brickstreet is no longer by statute required to cover VFD's or any other government agency.

Speaker: Thank you.

Senator Deem: Do professional firefighters have the same problem that Volunteer Fire Departments have with rate increases and so forth?

Tonia: Well we do evaluate the rates every year and they do have a separate class code. Currently they do have the same loss cost. However, the majority of paid fire department in our state are self insured.

Deem: While the volunteer fire department we are paying based on the minimum wage, professional fire fighters probably were based on what their actual pay was.

Tonia: Well no, it is always if you are talking about the identity benefits, they are both paid on their day wages.

Jane: I think that the confusion was that the minimum wage was used originally because the rates have been suppressed going back as far as we have data and for the last several years we have been working with the fire marshal and others and in 2008 you required us to do a report outlining some of the issues that related to the cost of Workers' Comp. And that was submitted to this group in December of 2008.

President: Would you say that paid fire departments are paid for (inaudible) not their actual salary but if it is volunteer it is based on their day job?

Tonia: Well the day job would be the same for the VFD, they both get paid on their day job.
President: Paid firemen have (inaudible)

Tonia: Right so that would be their indemnity portion is based on.

President: If you had to (inaudible)

Hall: Um, now that they are going out to the market place are each of these volunteer fire departments being individually underwritten, which would mean some of them are going to do it they have had no claims, are they going to face a rate based upon the entire word industry or whatever, the entire activity but what I am hearing you say is if they are going to be individually underwritten then their rates could potentially be less if they have no bad experience, is that correct?

Tonia: Yes what happens is if they were to shop their coverage you still take the hours worked times the rate and come up with what they call the manual premium and then from that point the

carrier has the discretion to use what we call scheduled rating and based on certain criteria safety being one of the criteria they can make adjustments to the final premium.

Hall: But I guess I am getting at the point that I don't know the numbers but you said there was a severity of claims in other words as I listened to that you got a few places where you have some really high numbers that is skewed them for everybody else so those folks are going to have a real problem getting coverage for any rate they can deal with. But, for the remainder of them they should be able or will they be able I guess, I am not going to speculate I will just ask you, do you think they will be able get good coverage at a rate they can handle if their experience has been good?

Tonia: Well just by the nature of the class the type of activities I think it will be difficult for them to take coverage.

Hall: If we and then to follow up on that. This thing about covering, you know you basically have a disability environment here and I am interested in to know as to when the claims starts, how you determine partial disability and all the types of things that should be inside this type of thing where nobody usually gets better this day and they are 100% back to work so that I can see that inside this "product" you got all sorts of complications that probably drive up the price and the fact that you have a moving target as to what the benefit is based upon what the day job salary is would seem to me that if we corrected that, or if we did something about stabilizing the risk that ought to be able to bring the premium down, wouldn't you agree? You put it in your bullet points that it is one of the problems. How big of a problem is that to the rate? That thing about you know the salaries, the benefit being based upon the day job.

Tonia: I don't think that is the driver because you can adjust for that in the rates. I mean you have no way of projecting whether somebody that gets hurt is going to be somebody that is working a job where they make minimum wage or they are a coal miner making \$75,000.

Hall: I am just talking about if I am the underwriter do I need to see....if I am the underwriter underwriting the case are you going to send to me the salaries of whose there?

Tonia: No

Hall: So you could have potentially I am underwriting a risk that I don't understand, I've got to speculate on so I then got to probably project everybody that works that volunteer fire department makes \$100,000 a year. I have got to come up with some number that is realistic based upon what the out lay may be. I can see why the rates are high cause there is so much mystery in the underwriting that we probably need to clarify for the underwriters of these companies so we can get these rates down and keep our volunteer fire departments active.

Tonia: I don't think that the wage of the fire fighter is a driver but I think it is more the losses that they are incurring.

Hall: Well I want to go back to the point, I am underwriting a volunteer fire department that has

never had a claim. You basically are telling me that they are probably going to still get a pretty high rate because of the class.

Tonia: And the losses for the entire class.

Hall: And the losses are created partially because of this moving target salary thing that nobody knows what it is. I just think it is a very hard risk to underwrite. Commissioner is shaking her head yes, agreeing with me and I would think that we would need to work with you and your agency to try to make this the type of environment that an underwriter would have more predictability and get the rates lower so we can keep these volunteer fire departments solvent and operating. I think it is a strong public interest that you already designated that the better the number of the volunteer fire department the less the homeowners cost. Anyways this is something to take a long detailed look at but I'd like to be involved in helping solve the problem.

Speaker: Senator Helmick

Helmick: Thank you Mr. Chairman. The ISO rating you mentioned was rated from 1-10 with the best being 1 and so we had nobody rated 1 but two cities rated with a 2 rating that being Charleston and Huntington. For discussion assume there would be no volunteer fire company in the area or in WV the 433 of them now. What increase would there be in the premium, do you have some indication of how much more it would cost?

Deem: You got 172% in this report.

Tonia: Right, on page 9 we are projecting 172% and the way that we came up with that assumption is we are taking a protection class code 6 which is kinda middle of the range and we are saying that if a frame structure was involved in a fire in a 6 and all of a sudden there were no fire services for a community and they were re-classified into protection class 10 which is the worst code class you could have we are projecting an impact of 172%. Cause 10 is basically no fire services in an area.

Helmick: So 1% of our casualty and premium policy represents 17,250,000 dollars. So what would be the 172% real dollar increase? You have any idea?

Tonia: I don't know an exact dollar impact.

Helmick: Somebody had to have the real dollar to come up with 172%.

Tonia: Well what we did was they took ... each class has a factor that is used and it is based on whether it is a frame structure or a masonry structure and they took the difference between the factor that is used in the premium development and the factor difference was 172%.

Helmick: So it would be almost impossible to come up with how many millions and millions of dollars that it would be increased. It would be an increase in premiums, is that right?

Tonia: Yes, it would be tough.

Jane: But we could provide you with the amount of dollars that have been paid in premium for homeowners and other fire policies for the basic HO3 policy and the other fire policies.

Helmick: I'd like to have that to see what our investment really amounts to. We are putting \$17 million dollars of the people of WV tax payers putting \$17,250,000 in to service for volunteer fire companies, what does that represent in savings.

Jane: And for further information we did provide you the amount of money that was deposited from our revenue streams into volunteer fire departments in the last two years and that was \$18 million dollars we also found some information on federal grant programs that our volunteer fire departments have qualified for over the last several years and you also had asked about different funding sources so we had contacted the fire marshal to see if he had any of that information and at this point he did not.

Speaker: There are several listed here that are un-insured...could that be a danger for the premiums (inaudible)? They just chose not to buy insurance?

Jane: Well it is statutorily required that they purchase the insurance so what happens is when a business entity that is required to have workers' comp and becomes uninsured we work with that company to get them coverage so we have been working with the state fire marshal to work with these volunteer fire departments to get coverage for them...to get them covered. I mean cause it is a violation of the law.

Speaker: Delegate Caputo.

Caputo: That was my question Mr. Speaker.

Speaker: Senator Kessler.

Kessler: Thank you Mr. Speaker. Just looking at your figures on page five they range between 2...2 ½ to nearly 6 million dollars in losses based upon inadequate premiums, is that right? It is what we are looking at and you said Jane \$18 million is what we are getting now through the surcharge?

Jane: Yes

Kessler: And so how much would we have to raise the surcharge to make up the additional 4 - 4 ½ million in order to...

Jane: Um we would have....I can go back and have that calculated to get an estimate on what that would be and I also will point out that in WV uh WV citizens currently pay over 5% in premium tax surcharges which is twice the national average. We are like the second or third highest in the country already.

Kessler: I share some of the same concerns as the Senator from Pocahontas that in fact those reduced OES ratings or ISO ratings but anyway those ratings actually decreased and represent a significant premium savings for the homeowners of this state and multi hundred of millions of dollars I suspect potentially and a couple of 4 million dollars additional paid on one side to guarantee a savings of several hundred million dollars or a hundred million or 50 million or whatever it may be but I'd like to know what those numbers are

Jane: We can certainly do some calculations with respect to that. If you recall several years ago you actually lowered it slightly during the 2005 session.

Kessler: Because we look at there have been savings from other things on the homeowners in the past but this would be a significant increase if in fact these folks would lose their coverage and lose their ability to obtain coverage.

Jane: Yeh it could for some yes.

Kessler: Senator Hall mentioned to me he doesn't anyone we can cover on the standard market anybody is rated as a 10 and then you go into a high risk pool or some type but your even paying higher premiums for less coverage.

Jane: You end up with a fire policy something through one of the farm mutuals or you could be in the sign risk plan, the fair plan.

Kessler: With limited benefits sometimes as well but it only covers hail damage or fire but not hail and you know it doesn't give the comprehensive package.

Speaker: Delegate Armstead.

Armstead: Page 6 in your handout in the premium calculation ... one question I have is you mentioned that you have a number of different categories of people that work in (inaudible) some that are just there that don't go out on calls but maybe work in the fire department volunteering in the fundraising or other activities. Are there under this new process that will kick in that has resulted in these increases are there any categories within those calculations ...categories within those people are they all now going to be basically categorized as if they were a paid volunteer not volunteer but paid fire department.

Jane: I think that what we have been trying to point out and work with the state fire marshal's office is educating the fire chiefs uh with respect to what type of claims they should really be turning in under their workers' comp policy that this should really be for the fire fighter that is actually fighting the fire and hurt on the job or something very closely related to that not...I mean when we went back through the old fund claims and mined that data to do the report for 2008 you would find that the person that got burned fixing hot dogs or making candied apples.

Armstead: Well I mean along those lines you are looking, you are talking about the payouts I guess what I am talking about is when you actually categorize and you actually say to a fire

department you have 20 volunteers according to your example, you say 20 volunteers who each work five hours a week, you are not looking at what they do you are just saying "x" number of people and then you are applying the basically paid fire fighters rate for them?

Tonia: Alright what you are asking is if they can have multiple policies on their multiple classes on their policy. They can but in order to have multiple class codes they have to keep track of the hours separately. It is my understanding that most of the VFD's do not track the hours separately so therefore they have to go in the high traded class code which is the

Armstead: If they did do that would you be able to classify...I mean wouldn't that likely result in a reduction in their premium? I am not suggesting they do that but I am just trying to understand if they did that would the end result...seems to me like you are now categorizing everybody as if they are all going out and fighting fires, right?

Tonia: I honestly don't think it would have much of an impact because you could break out maybe the person that takes care of the books and put them in a clerical class code but the people that are engaging in support of the fire house would by definition go under this class code so the auxillary members, the bake sale people I think they would be under this class code because they wouldn't fall under other class codes.

Jane: I think that the challenge is, is the premium needed is the premium needed. However you want to slice and dice.

Armstead: Overall

Jane: The overall premium needed is the overall number that we have got to get to and if we don't get to an adequate premium then carriers are not going to accept their risk and we are going to end up with more people in the residual market place which is even higher rate and so the challenge we have even with the rate increase we allowed it is still not an adequate rate.

Armstead: Do you know how much with the rate increase you allowed how much your total, I mean you were looking at those numbers a moment ago I think it was roughly 607,000 in 2009, do you know how much you anticipate receiving under the new rates overall?

Jane: It was 416,000...it is at the bottom of that sheet.

Armstead: Ok that is the new...that is the additional amount with the rate increase.

Jane: We are still significantly short on what the actual premium collection needs to get to.

Armstead: We asked last time if you had any if you had reviewed what other states are doing, I am sure this is not a problem unique to WV. Have you looked at what other states are doing to try to address this?

Jane: Um we have looked in the past at what some other states are doing and actually some states

use higher hours standards for higher reported hours which actually gets you at a higher rate but different states have different funding mechanisms. That was one of the things we asked the state fire marshal if he had any information relative to that through the state fire marshal's association and um during our initial conversation he did not um we will certainly work with you to explore whatever we can to work with him to get additional information but I think some of this conversation we need to be having with the state fire marshal needs to be actively involved and we have engaged him and I think you will be ... our deputy commissioner and tons will be meeting with fire commission folks tomorrow in huntington.

Armstead: Alright, thank you.

Speaker: Senator Deem

Deem: Jane you mentioned that we pay now 2 1/2 to 3 times percent more in premium taxes than the average throughout the country. However, most of that money doesn't go to volunteer fire departments. I wonder where the money in those other states go? It seems reasonable if we are wanting to save the volunteer fire departments that we are going to look to an increase in the premiums that they will get part of to help cover their costs? That seems to me where it should go but what are other states even tho we are higher where is their premium money going?

Jane: Well in our state on a regular premium tax on your regular pnc and life and annuity products 105 million of that goes to general revenue 17 million or so goes to teachers retirement.

Deem: How much to teachers? Well just roughly.

Jane: Roughly we take in 170 million through the premium tax collection, not the workers' comp surcharge collection but the regular premium and surcharge collection. About 105 of that goes to general revenue, 18 to the volunteer, there is a portion that goes to teachers retirement, a portion that goes to municipal retirement funds, there is 1 million 500 thousand that goes to the state fire marshal ... so it gets sliced and diced in a variety of different ways.

Helmeick: Only 17 million goes to volunteer fire company's ...

Jane: 18 million

Helmeick: well 17 million

Jane: 18 million the last two years. Teachers retirement comes from two different pieces of that so in my budget presentation we have always given you that I will just bring you the updated allocation of where all of our collection goes for the next meeting. That was roughly in the ballpark what I just outlined.

Helmeick: Since the acceptance of that one bill through the municipalities for their retirement programs have received 243 million dollars from the state of WV. That is what it paid. 243 million dollars for paid fire departments from premium tax that is why it is one of the highest in

the country.

Speaker: Thank you, further questions for Commissioner? Any other business to come before the Committee? All in favor?

Committee: I

Speaker: I's have it we are adjourned.

Joint Committee on Government and Finance Meeting Checklist

Items for 27 Booklets:

- Minutes (MAKE SURE THEY ARE APPROVED BY HOMBURG & AARON)
- Reports Summary
- Lottery
- General Revenue
- Unemployment Compensation
- PEIA
- BRIM
- CHIP
- Real Estate Report
- Medicaid Report
- NO Investment Management Board
- Workers' Comp
- NO Board of Treasury Investments Report
- Check Page Numbers in Each Tab
- Detailed Agenda for President, Speaker, Aaron, Homburg and File Copy (Blue)
- Shortened Agenda for Members 22 Copies (Green)
- Shortened Agenda for Public 30 Copies (Green)
- Requests from other committees (make sure motion is in detailed agenda and a copy of the request on colored paper is in all booklets)
- Call committee staff to check on reports or requests
- Call offices that distribute monthly reports to determine who will be presenting the report.
- Take pictures of members to Joint Committee meeting.
- After meeting give Brenda, Donna, Randy, Barbara Daniel (Senate) and Carolyn Epling (House) a copy of the approved minutes.

Geordina: 10 Joint Comm Agenda
June 10

WEST VIRGINIA LEGISLATURE
Parks, Recreation and Natural Resources Subcommittee

Building 1, Room E-132
1900 Kanawha Boulevard, East
Charleston, WV 25305-0610
(304) 347-4800
(304) 347-4819 FAX



John Pat Fanning, Chair
State Senate

Jeff Eldridge, Chair
House of Delegates

DATE: JUNE 8, 2010

TO: JOINT COMMITTEE ON GOVERNMENT AND FINANCE

FROM: PARKS, RECREATION AND NATURAL RESOURCES SUBCOMMITTEE

RE: SITE VISITATION EXPENSE REIMBURSEMENT

The Parks, Recreation and Natural Resources Subcommittee requests expense reimbursement for site visitations to North Bend Resort State Park, North Bend Rail Trail and Blennerhassett Island Historical State Park on July 11, 12 and 13, 2010.

(Speaker Thompson presides)

AGENDA
JOINT COMMITTEE ON GOVERNMENT AND FINANCE
June 9, 2010

2:00 - 3:00 p.m.

Senate Finance Room

1. Approval of May 26, 2010, minutes

2. Committee Reports/Requests:

Parks, Recreation and Natural Resources Subcommittee (Senator Fanning, Chair; Delegate Eldridge, Chair) *Requests expense reimbursement for site visitations to North Bend Reosrt Park, North Bend Rail Trail and Blennerhassett Island Historical State Park on July 11, 12 and 13. - John Homburg*

MOVE that expense reimbursement be approved for site visitations for the Parks, Recreation and Natural Resources Subcommittee members.

3. Monthly/Quarterly Reports Distribution:

Status Reports on the Lottery Commission, Unemployment Compensation Trust Fund, and General Revenue Fund

4. Monthly/Quarterly Reports Distribution: *Robert Ferguson, Jr., Secretary, Dept. of Administration*

PEIA
BRIM
CHIP
Real Estate Report

5. Monthly/Quarterly Report Distribution from Department of Health and Human Resources: *Patsy Hardy, Cabinet Secretary, DHIR*

Medicaid Report

6. Investment Management Board: *Craig Slaughter, Executive Director (No Report)*

7. Workers' Compensation: *Jane Cline, Insurance Commissioner*

8. Lottery Commission Distribution: *Agreement of Sale and Purchase*

9. Other Business

10. Scheduled Interim Dates: July 19-21 (Monday, Tuesday and Wednesday)
August 9-11 (Monday, Tuesday and Wednesday)

September 13-15 (Monday, Tuesday and Wednesday)
October 11-13 (Monday, Tuesday and Wednesday)
November 15-17 (Monday, Tuesday and Wednesday)
December 13-15 (Monday, Tuesday and Wednesday)
January 9-11 (Sunday, Monday and Tuesday)

11. Adjournment



**THE WEST VIRGINIA OFFICES OF
THE INSURANCE COMMISSIONER**

**Volunteer Fire Departments
Joint Standing Committee on
Government and Finance**

June 9, 2010

Issue

Current workers' compensation premiums are inadequate to cover losses

- Premium rates have been suppressed for numerous years
- Currently the VFD class has a loss ratio above 700%. This means for every \$1.00 in premium the insurance carrier is receiving, they are paying out \$7.00 in losses
- Must work together to reduce claims and provide adequate premium so VFDs can obtain workers' compensation coverage

Historical Rate / Loss Cost

Effective Dates	Base Rate	Comments
July 1999 - June 2003	\$ 2.54	Frozen base rate.
July 2003 - June 2004	\$ 2.92	Increase capped at 15%. Indicated rate was \$9.18
July 2004 - June 2005	\$ 2.92	Frozen base rate. Indicated rate was \$10.04
July 2005 - Dec 2005	\$ 2.92	Frozen base rate. Indicated rate was \$9.24
Jan 2006 - June 2006	\$ 2.63	BSI LCM = 1.288
July 2006 - June 2007	\$ 5.10	BSI LCM = 1.104
July 2007 - June 2008	\$ 4.98	NCCI National Class Change to 7711. BSI LCM = 1.170
July 2008 - Oct. 2009	\$ 4.96	BSI LCM = 1.170
Nov. 2009 - Nov. 2010	\$ 4.96	BSI LCM = 1.170



Rating Process

- BrickStreet Mutual Insurance calculated manual premium using the following formula:

Total Number of Hours Worked x Minimum Wage x Class Rate
where current minimum wage is \$7.25

- Effective July 1, 2010 BrickStreet Mutual Insurance will begin calculating manual premium using the following formula:

Total Number of Hours Worked x Wage of Similar Position x Class Rate
where current paid FF wage is \$14.54
based on US DOL data using WV data

This method is a means of allocation, the loss ratio issue will still be the same with any other methodology.

Underwriting Results

VFD Results				
Fiscal Year	Premium Received	Losses	Underwriting Loss / Shortage	Loss Ratio
2007	\$592,000	\$5,817,000	\$5,225,000	983%
2008	\$622,000	\$2,484,000	\$1,862,000	399%
2009	\$607,000	\$4,616,000	\$4,010,000	761%

Note: The projected additional premium resulting from the wage change is \$416,000.



Premium Example

Premium calculation for an annual policy

A VFD has 20 volunteers who each work 5 hours per week

Total Number of Hours = $(20 \times 5) \times 52 = 5,200$

Payroll = $5,200 \times \$14.54 = \$75,608$

Rate = Loss Cost x Loss Cost Multiplier = $\$4.24 \times 1.17 = \4.96

Premium = Payroll / 100 x rate =

$\$75,608 / 100 \times \$4.96 = \mathbf{\$3,750}$

Assigned Risk Market

- Currently the WV assigned risk rate for class 7711 is \$7.18 with a \$1,000 minimum premium per policy.
- The BrickStreet rate is \$4.96 with a \$750 minimum premium per policy.
- The assigned risk rate is approximately 45% higher than BrickStreet.

Benefits

- A volunteer firefighter who is injured during a fire call would receive benefits based on their “day job” wages.

Homeowners Insurance

- VFDs contribute a valuable service to a community. This service is considered in insurance pricing for homeowners. Without VFD protective services, homeowners premiums could increase by as much as 172%.

Issue

Current Workers' Compensation Premiums are Inadequate to Cover Losses

- Secure new funding
- Reduce losses
- Define who is covered
- Define compensable injury

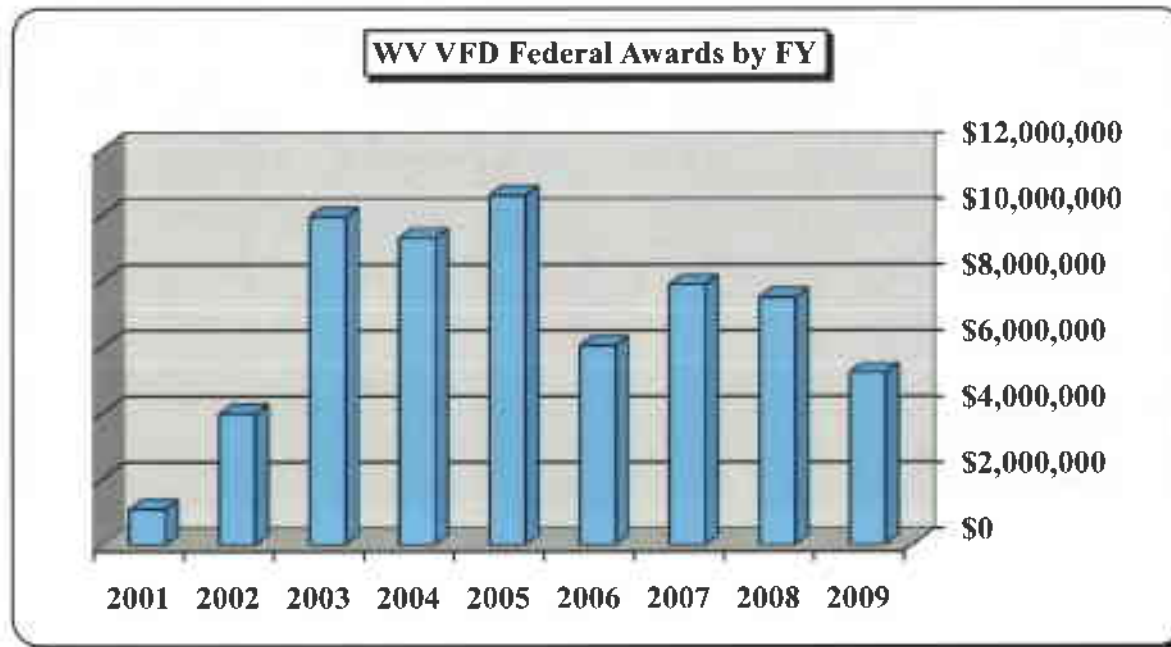
Key Dates

- July 1, 2010 – VFDs may obtain workers' compensation coverage with a carrier other than BrickStreet Mutual Insurance
- July 1, 2011 – BrickStreet Mutual Insurance is no longer required by WV Code to offer insurance to any governmental entity

Fiscal Years

2009	\$5,214,245
2008	\$7,486,516
2007	\$7,886,184
2006	\$6,025,000
2005	\$10,590,415
2004	\$9,295,759
2003	\$9,942,713
2002	\$3,966,831
2001	\$1,067,941

Average \$6,830,623



In addition to the Federal Grants shown above, VFD's also received the funds indicated below from surcharges and premium tax assessed on Property and Casualty insurance policies.

FY 2008 - \$18.3 million

FY 2009 - \$18.3 million

West Virginia Offices of the Insurance Commissioner
VFD Premium Summary

Name	Policy Number	Current Premium	Estimated Renewal Premium	Difference
ADRIAN VFD	10001353	\$ 971.20	\$ 1,566.40	61.3%
ALBRIGHT VFD	10001861	\$ 827.40	\$ 1,268.80	53.3%
ALDERSON VFD	10001622	\$ 2,249.00	\$ 2,621.00	16.5%
ALMA VFD	10001790	\$ 921.01	\$ 1,515.02	64.5%
ALUM CREEK VFD	10025462	\$ 1,277.00	\$ 2,176.00	70.4%
ANAWALT VFD	10215813	N/A	N/A	N/A
ANMOORE VFD	10001082	\$ 4,255.63	\$ 4,255.63	0.0%
ANSTED VFD	10001565	\$ 1,214.75	\$ 2,051.50	68.9%
ANTHONY CREEK VFD	10001463	\$ 502.20	\$ 548.40	9.2%
ARMSTRONG CREEK VFD	10015511	\$ 1,146.80	\$ 1,915.60	67.0%
ARNOLDSBURG VFD	10001813	\$ 2,015.24	\$ 3,597.48	78.5%
ATHENS VFD	10001187	\$ 1,148.20	\$ 1,867.40	62.6%
AUGUSTA VFD	10202337	\$ 1,343.17	\$ 2,308.33	71.9%
AURORA VFD	10205030	\$ 751.88	\$ 775.76	3.2%
BACK CREEK VALLEY VFD	10001479	\$ 1,476.66	\$ 2,739.23	85.5%
BAIDEN VFD	10001844	\$ 873.40	\$ 1,319.80	51.1%
BAKER HEIGHTS VFD	10001533	\$ 2,887.23	\$ 5,286.60	83.1%
BAKERTON VFD	10200106	\$ 752.12	\$ 765.24	1.7%
BALLARD VOL. FIRE & RESCUE	10001860	\$ 502.08	\$ 527.16	5.0%
BANCROFT VFD	10001350	\$ 1,145.31	\$ 1,912.62	67.0%
BANCS VFD	10001884	\$ 826.56	\$ 1,167.12	41.2%
BANKS DISTRICT VFD	10216494	\$ 1,076.91	\$ 1,640.81	52.4%
BARBOURSVILLE VFD	10001572	\$ 1,097.48	\$ 1,856.36	69.1%
BARRACKVILLE VFD	10038623	\$ 502.86	\$ 954.71	89.9%
BARTOW-FRANK-DURBIN VFD	10001465	\$ 936.40	\$ 1,496.80	59.8%
BAXTER VFD	10001340	\$ 2,212.26	\$ 4,089.52	84.9%
BAYARD VFD	10001566	\$ 826.60	\$ 1,022.20	23.7%
BEAVER VFD	10204740	\$ 4,960.84	\$ 7,985.10	61.0%
BECKLEY FD	10000861	N/A	N/A	N/A
BEDINGTON VFD	10001283	\$ 2,541.60	\$ 4,699.20	84.9%
BEECH BOTTOM VFD	10001562	\$ 1,353.63	\$ 2,329.26	72.1%
BEECH CREEK VFD	10014482	\$ 501.60	\$ 697.20	39.0%
BELINGTON VFD	10001333	\$ 1,458.80	\$ 2,537.60	74.0%
BELLE VFD	10001339	\$ 1,152.22	\$ 1,926.44	67.2%
BELMONT VFD	10001433	\$ 912.51	\$ 1,410.91	54.6%
BENWOOD VFD	10210967	\$ 2,405.40	\$ 4,426.81	84.0%
BERKELEY SPRINGS VFD	10203319	\$ 2,837.28	\$ 5,363.55	89.0%
BERWIND VFD	10001847	\$ 501.86	\$ 669.58	33.4%
BETHANY PIKE VFD	10201864	\$ 752.20	\$ 752.40	0.0%
BETHANY VFD	10001774	\$ 826.72	\$ 992.44	20.0%
BETHLEHEM VFD	10001471	\$ 2,411.56	\$ 3,202.68	32.8%
BEVERLY VFD	10001474	\$ 1,966.05	\$ 3,873.09	97.0%
BIG OTTER VFD	10015179	\$ 1,091.30	\$ 1,804.60	65.4%
BIG WHEELING CREEK VFD	10214745	\$ 1,076.78	\$ 1,224.56	13.7%
BIRCH RIVER VFD	10001633	\$ 501.98	\$ 772.96	54.0%
BLACKSVILLE VFD	10208598	\$ 1,706.20	\$ 3,355.40	96.7%
BLENNERHASSETT VFD	10001512	\$ 1,305.73	\$ 2,182.46	67.1%
BLUE RIDGE MOUNTAIN VFD	10001443	\$ 1,375.62	\$ 2,087.63	51.8%
BLUEFIELD FD	10000924	\$ 136,640.26	\$ 136,640.26	0.0%

West Virginia Offices of the Insurance Commissioner
VFD Premium Summary

Name	Policy Number	Current Premium	Estimated Renewal Premium	Difference
BLUESTONE VALLEY VFD	10001898	\$ 502.48	\$ 637.97	27.0%
BLUEWELL VFD	10001164	\$ 988.40	\$ 1,600.80	62.0%
BOGGS RUN VFD	10001139	\$ 824.61	\$ 825.22	0.1%
BOOMER VFD	10001483	\$ 963.51	\$ 1,551.02	61.0%
BOOTHSVILLE VFD	10213371	\$ 1,639.48	\$ 3,115.54	90.0%
BRADLEY-PROSPERITY VFD	10001655	\$ 7,000.00	\$ 11,449.60	63.6%
BRADSHAW VFD	10013967	\$ 890.81	\$ 1,354.62	52.1%
BRAMWELL VFD	10001793	\$ 1,348.92	\$ 2,319.84	72.0%
BRENTON VFD	10001825	\$ 827.04	\$ 1,064.23	28.7%
BRIDGEPORT VFD	10001408	\$ 501.86	\$ 766.73	52.8%
BROOKHAVEN VFD	10001355	\$ 695.72	\$ 1,387.44	99.4%
BRUCETON-BRANDONVILLE VFD	10001481	\$ 965.66	\$ 1,555.31	61.1%
BUCKHANNON VFD	10001224	\$ 946.80	\$ 1,517.59	60.3%
BUFFALO CREEK VFD	10211006	\$ 1,322.38	\$ 2,589.76	95.8%
BUFFALO VFD	10001606	\$ 826.76	\$ 1,179.52	42.7%
BUNNERS RIDGE VFD	10001439	\$ 826.96	\$ 881.92	6.6%
BURLINGTON VFD	10001391	\$ 1,483.99	\$ 2,861.97	92.9%
BURNSVILLE VFD	10001460	\$ 828.38	\$ 1,280.75	54.6%
CABIN CREEK VFD	10001619	\$ 828.76	\$ 1,230.52	48.5%
CAIRO VFD	10001613	\$ 1,102.56	\$ 1,827.11	65.7%
CAMERON VFD	10001478	\$ 1,751.00	\$ 3,071.01	75.4%
CANAAN VALLEY VFD	10001827	\$ 1,070.13	\$ 1,711.26	59.9%
CAPON BRIDGE VFD	10211157	\$ 1,567.55	\$ 2,752.93	75.6%
CAPON SPRINGS VFD	10001447	\$ 1,520.80	\$ 2,661.60	75.0%
CAPON VALLEY VFD	10001382	\$ 847.20	\$ 1,690.40	99.5%
CASS VFD	10001846	\$ 874.62	\$ 1,373.24	57.0%
CEDAR GROVE VFD	10203441	\$ 6,203.97	\$ 6,601.91	6.4%
CEREDO VFD	10001385	\$ 1,366.59	\$ 2,428.18	77.7%
CHAPEL VFD	10016481	\$ 826.72	\$ 941.44	13.9%
CHAPMANVILLE VFD*	10207400	\$ 4,684.82	\$ 9,369.64	100.0%
CHARLESTON FD	Self Insured	\$ -	\$ -	0.0%
CHATTAROY VFD	10001345	\$ 586.68	\$ 1,122.36	91.3%
CHEAT LAKE VFD	10001219	\$ 1,514.55	\$ 2,649.10	74.9%
CHESAPEAKE VFD	Uninsured	\$ -	\$ -	0.0%
CHESTER VFD	10001505	\$ 1,281.43	\$ 2,133.85	66.5%
CIRCLEVILLE VFD	10001800	\$ 826.98	\$ 889.96	7.6%
CITIZENS FIRE CO	10202987	\$ 3,198.99	\$ 6,030.99	88.5%
CLARKSBURG FD	10000996	N/A	N/A	N/A
CLAY VFD	10001334	\$ 500.33	\$ 499.66	(0.1%)
CLEAR CREEK VFD	10001630	\$ 1,144.46	\$ 1,985.93	73.5%
CLEARVIEW VFD	10204294	\$ 1,076.75	\$ 1,645.90	52.9%
CLENDENIN VFD	10214058	\$ 1,076.80	\$ 1,368.60	27.1%
CLINTON DISTRICT VFD	10014585	\$ 826.64	\$ 1,209.28	46.3%
CLINTONVILLE VFD	10001520	\$ 1,090.31	\$ 1,802.61	65.3%
CLOVER-ROANE VFD	10032402	\$ 1,312.45	\$ 2,235.31	70.3%
COAL CITY VFD	10215298	\$ 1,075.48	\$ 1,074.96	(0.0%)
COAL MOUNTAIN VFD	10213564	\$ 1,076.84	\$ 1,076.68	(0.0%)
COAL RIVER VFD	10200897	\$ 1,076.62	\$ 1,251.24	16.2%
COALTON VFD	10001373	\$ 827.08	\$ 852.16	3.0%

West Virginia Offices of the Insurance Commissioner
VFD Premium Summary

Name	Policy Number	Current Premium	Estimated Renewal Premium	Difference
COALWOOD/CARETTA VFD	10001834	\$ 824 55	\$ 825 10	0 1%
COLLIERS VFD	10001351	\$ 605 54	\$ 1,109 08	83 2%
COOL SPRINGS VFD	10001848	\$ 1,325 36	\$ 2,272 72	71 5%
CORA VFD*	10207400	\$ 4,684 82	\$ 9,369 64	100 0%
COTTAGEVILLE VFD	10203475	\$ 1,077 20	\$ 1,566 40	45 4%
COWEN VFD	10001492	\$ 1,439 43	\$ 2,498 87	73 6%
CRAIGSVILLE-BEAVER-COTTLE VFD	10203711	\$ 2,675 13	\$ 4,916 27	83 8%
CULLODEN VFD	10001593	\$ 1,173 24	\$ 2,008 11	71 2%
CYCLONE VFD	10012933	\$ 764 26	\$ 1,475 53	93 1%
DALLAS VFD	10001590	\$ 1,509 80	\$ 2,207 43	46 2%
DANESE VFD	10001437	\$ 876 17	\$ 1,376 33	57 1%
DANVILLE VFD	10001462	\$ 2,253 52	\$ 4,123 05	83 0%
DAVIS CREEK-RUTHDALE VFD	10001425	\$ 1,148 20	\$ 1,867 40	62 6%
DAVIS VFD	10001292	\$ 909 61	\$ 1,392 22	53 1%
DAVY VFD	10001133	N/A	N/A	N/A
DEERWALK VFD	10001579	\$ 1,458 80	\$ 2,537 60	74 0%
DELBARTON VFD	10001407	\$ 827 47	\$ 1,141 93	38 0%
DIANA VFD	10001684	\$ 1,088 57	\$ 1,799 14	65 3%
DUNBAR VFD	10000887	\$ 72,713 95	\$ 72,713 95	0 0%
DUNLOW VFD	10204061	\$ 4,437 12	\$ 4,616 48	4 0%
DUVAL DISTRICT VFD	10001461	\$ 826 60	\$ 971 20	17 5%
EAST BANK VFD	10203920	\$ 1,371 40	\$ 2,313 80	68 7%
EAST FORK VFD	10001917	\$ 499 75	\$ 499 87	0 0%
EAST LYNN VFD	10001822	\$ 502 19	\$ 603 77	20 2%
EAST RIVER VFD	10102941	\$ 1,122 00	\$ 1,122 00	0 0%
EAST WOOD VFD	10001293	\$ 2,282 69	\$ 4,181 38	83 2%
ELEANOR VFD	10001652	\$ 1,125 19	\$ 1,821 37	61 9%
ELIZABETH-WIRT VFD	10001517	\$ 1,856 50	\$ 3,406 01	83 5%
ELK DISTRICT VFD	10001552	\$ 806 92	\$ 1,312 84	62 7%
ELKINS VFD	10001221	\$ 1,540 64	\$ 2,701 28	75 3%
ELLAMORE VFD	10001666	\$ 1,097 20	\$ 1,816 40	65 5%
ELLENBORO VFD	10212985	\$ 1,188 82	\$ 1,969 20	65 6%
ERBACON VFD	10001747	\$ 502 32	\$ 518 64	3 2%
FAIRLEA VFD	10016876	\$ 1,276 26	\$ 2,174 51	70 4%
FAIRMONT FD	Self Insured	\$ -	\$ -	0 0%
FAIRVIEW VFD	10001472	\$ 1,714 97	\$ 3,050 55	77 9%
FARMINGTON VFD	10001845	\$ 827 24	\$ 1,060 48	28 2%
FAYETTEVILLE VFD	10001320	\$ 1,304 92	\$ 2,554 84	95 8%
FELLOWSVILLE VFD	10001503	\$ 502 30	\$ 856 06	70 4%
FISH CREEK VFD	10001742	\$ 824 83	\$ 824 65	(0 0%)
FLATROCK VFD	10001731	\$ 501 58	\$ 558 54	11 4%
FLATWOODS COMMUNITY VFD	10212555	\$ 1,006 58	\$ 1,960 15	94 7%
FLEMINGTON VFD	10211216	\$ 1,077 12	\$ 1,090 24	1 2%
FOLLANSBEE VFD	10000854	\$ 53,100 07	\$ 53,307 60	0 4%
FOLSOM VFD	10001672	\$ 826 82	\$ 1,107 52	33 9%
FOREST HILL VFD	10013805	\$ 1,004 34	\$ 1,581 69	57 5%
FORK RIDGE VFD	10038962	\$ 824 80	\$ 824 60	(0 0%)
FORT ASHBY VFD	10001365	\$ 626 92	\$ 1,194 93	90 6%
FORT GAY VFD	10216386	\$ 6,549 63	\$ 12,969 25	98 0%

West Virginia Offices of the Insurance Commissioner
VFD Premium Summary

Name	Policy Number	Current Premium	Estimated Renewal Premium	Difference
FOUNTAIN VFD	10001444	\$ 1,020.20	\$ 1,987.40	94.8%
FRAME VFD	10001687	\$ 827.27	\$ 878.55	6.2%
FRAMETOWN VFD	10001806	\$ 1,129.39	\$ 1,880.78	66.5%
FRANKFORD VFD	10200417	\$ 1,764.19	\$ 3,148.37	78.5%
FRANKLIN COMMUNITY VFD	10018753	\$ 1,610.08	\$ 2,840.16	76.4%
FRANKLIN VFD	10001398	\$ 1,162.28	\$ 1,995.56	71.7%
FRIENDSHIP VFD	10001281	\$ 2,507.27	\$ 3,236.54	29.1%
FROST VFD	10001796	\$ 827.20	\$ 827.40	0.0%
GANDEEVILLE-HARMONY VFD	10001889	\$ 727.01	\$ 1,401.03	92.7%
GARY VFD	10101628	\$ 1,015.58	\$ 1,653.16	62.8%
GASSAWAY VFD	10001576	\$ 1,150.42	\$ 1,922.84	67.1%
GAULEY BRIDGE VFD	10001249	\$ 501.88	\$ 875.76	74.5%
GAULEY RIVER VFD	10001331	\$ 827.31	\$ 1,152.58	39.3%
GHENT AREA VFD	10001539	\$ 22,061.52	\$ 24,705.82	12.0%
GILBERT VFD	10001031	\$ 2,616.90	\$ 2,616.90	0.0%
GILMER VFD	10032973	\$ 1,928.63	\$ 3,475.25	80.2%
GLASGOW VFD	10213777	\$ 812.34	\$ 1,520.68	87.2%
GLEN DALE VFD	10000954	\$ 18,779.97	\$ 19,229.89	2.4%
GRAFTON VFD	10000871	\$ 44,635.73	\$ 44,635.73	0.0%
GRANDVIEW VFD	10001532	\$ 826.52	\$ 1,239.04	49.9%
GRANT TOWN VFD	10032911	\$ 502.03	\$ 502.23	0.0%
GRANTSVILLE VFD	10015848	\$ 1,097.20	\$ 1,816.40	65.5%
GRANVILLE VFD	10001548	\$ 4,050.15	\$ 7,822.30	93.1%
GREAT CACAPON VFD	10001357	\$ 1,098.60	\$ 1,768.20	61.0%
GREEN SULPHUR DIST. VFD	10001650	\$ 1,241.04	\$ 2,104.08	69.5%
GREEN VALLEY VFD	10001556	\$ 777.16	\$ 1,253.32	61.3%
GREEN VALLEY/GLENWOOD VFD	10001122	\$ 2,042.16	\$ 3,696.32	81.0%
GREENBRIER VALLEY RURAL VFD	10032913	\$ 1,246.40	\$ 2,114.79	69.7%
GREENWOOD VFD	10001783	\$ 502.46	\$ 791.92	57.6%
GUYAN RIVER VFD	10001794	\$ 1,185.54	\$ 1,993.08	68.1%
HACKER VALLEY VFD	10001658	\$ 826.84	\$ 911.68	10.3%
HAMLIN VFD	10001547	\$ 1,411.61	\$ 2,278.42	61.4%
HANDLEY VFD	10001563	\$ 1,824.41	\$ 3,217.83	76.4%
HANOVER VFD	10209204	\$ 1,077.44	\$ 1,433.88	33.1%
HARMAN VFD	10032920	\$ 752.32	\$ 767.64	2.0%
HARRISVILLE VFD	10025100	\$ 783.51	\$ 1,266.02	61.6%
HARTS VFD	10001473	\$ 752.20	\$ 798.40	6.1%
HEDGESVILLE VFD	10032907	\$ 8,865.57	\$ 16,837.95	89.9%
HENLAWSON VFD*	10207400	\$ 4,684.82	\$ 9,369.64	100.0%
HILLSBORO VFD	10001538	\$ 1,031.03	\$ 1,684.07	63.3%
HINTON VFD	10000855	\$ 22,724.80	\$ 23,978.11	5.5%
HOOKERSVILLE-MUDDLETY VFD	10015085	\$ 839.96	\$ 1,303.92	55.2%
HOOVERSON HEIGHTS VFD	10001525	\$ 1,206.02	\$ 2,034.04	68.7%
HUNDRED VFD	10001380	\$ 502.13	\$ 522.77	4.1%
HUNTINGTON FD	Self Insured	\$ -	\$ -	0.0%
HURRICANE VFD	10001740	\$ 2,502.12	\$ 4,620.24	84.7%
HUTTONSVILLE-MILL CREEK VFD	10032917	\$ 1,238.12	\$ 2,047.25	65.4%
IAEGER VFD	10033614	\$ 259.91	\$ 518.42	99.5%
INDEPENDENT FIRE CO.	10001369	\$ 5,386.13	\$ 9,646.12	79.1%

West Virginia Offices of the Insurance Commissioner
VFD Premium Summary

Name	Policy Number	Current Premium	Estimated Renewal Premium	Difference
INSTITUTE VFD	10001784	\$ 2,255.31	\$ 4,126.62	83.0%
JACKSONBURG VFD	10215642	\$ 1,077.40	\$ 1,454.80	35.0%
JACKSON'S MILL VFD	10001551	\$ 1,076.28	\$ 1,723.56	60.1%
JANE LEW VFD	10000966	\$ 3,533.43	\$ 3,533.43	0.0%
JEFFERSON VFD	10032921	\$ 1,707.28	\$ 3,034.57	77.7%
JOHNSTOWN VFD	10015509	\$ 825.44	\$ 824.88	(0.1%)
JUMPING BRANCH-NIMITZ VFD	10001660	\$ 825.44	\$ 824.88	(0.1%)
JUNIOR VFD	10001495	\$ 1,372.68	\$ 2,367.36	72.5%
KENOVA VFD	10205100	\$ 7,563.49	\$ 8,335.71	10.2%
KENOVA FD	10000868	\$ 27,078.24	\$ 27,078.24	10.2%
KERMIT VFD	10001451	\$ 500.00	\$ 500.00	0.0%
KESLERS-CROSS LANES VFD	10001913	\$ 827.40	\$ 870.81	5.2%
KEYSER VFD	10001344	\$ 2,525.27	\$ 4,333.53	71.6%
KEYSTONE VFD	10214257	N/A	N/A	N/A
KIMBALL VFD	10001685	\$ 502.20	\$ 745.40	48.4%
KINGWOOD VFD	10032959	\$ 1,579.72	\$ 3,102.44	96.4%
LAKE VFD*	10207400	\$ 4,684.82	\$ 9,369.64	100.0%
LAKEWOOD VFD	10001227	\$ 1,541.79	\$ 2,652.58	72.0%
LAVALETTE VFD	10001284	\$ 3,120.94	\$ 6,092.98	95.2%
LAWRENCEVILLE VFD	10001493	\$ 826.71	\$ 833.41	0.8%
LEADING CREEK VFD	10001661	\$ 2,051.20	\$ 3,669.40	78.9%
LENORE VFD	10213953	\$ 751.84	\$ 785.68	4.5%
LEON VFD	10014626	\$ 880.88	\$ 1,385.76	57.3%
LESTER VFD	10001555	\$ 2,270.53	\$ 3,721.33	63.9%
LEVELS VFD	10001387	\$ 1,548.70	\$ 2,717.40	75.5%
LEWISBURG VFD	10000918	\$ 38,477.59	\$ 41,637.59	8.2%
LIMESTONE VFD	10001438	\$ 827.21	\$ 1,166.43	41.0%
LINDSIDE VFD	10001778	\$ 501.97	\$ 605.94	20.7%
LIZEMORE VFD	10017463	\$ 155.00	\$ 310.00	100.0%
LOGAN COUNTY VFD	10207400	\$ 6,753.82	\$ 13,337.64	97.5%
LOGAN FD	10000869	\$ 48,147.16	\$ 48,147.16	0.0%
LOST CREEK VFD	10215553	\$ 1,076.74	\$ 1,199.48	11.4%
LOUDENDALE VFD	10032922	\$ 1,138.27	\$ 1,898.54	66.8%
LOUP CREEK VFD	10001624	\$ 501.96	\$ 556.92	10.9%
LUBECK VFD	10001251	\$ 1,482.30	\$ 2,858.60	92.8%
LUMBERPORT VFD	10001417	\$ 1,850.49	\$ 3,692.98	99.6%
MABSCOTT VFD	10001146	\$ 5,797.60	\$ 6,006.80	3.6%
MADISON FIRE AND RESCUE	10001782	\$ 1,277.50	\$ 2,176.99	70.4%
MAIN HARTS CREEK VFD*	10207400	\$ 4,684.82	\$ 9,369.64	100.0%
MAIN ISLAND CREEK VFD*	10207400	\$ 4,684.82	\$ 9,369.64	100.0%
MALDEN VFD	10001069	\$ 1,638.60	\$ 2,897.20	76.8%
MANNINGTON VFD	10000877	\$ 11,375.00	\$ 11,822.00	3.9%
MARLINTON VFD	10001282	\$ 1,994.76	\$ 2,720.46	36.4%
MARMET VFD	10001141	\$ 1,967.21	\$ 3,627.42	84.4%
MARTINSBURG FD	10000853	N/A	N/A	0.0%
MASON VFD	10001720	\$ 1,184.16	\$ 1,939.32	63.8%
MASONTOWN VFD	10001501	\$ 502.43	\$ 861.86	71.5%
MATEWAN VFD	10001022	\$ 2,162.91	\$ 2,976.35	37.6%
MATHIAS BAKER VFD	10001592	\$ 1,041.99	\$ 1,711.59	64.3%

West Virginia Offices of the Insurance Commissioner
VFD Premium Summary

Name	Policy Number	Current Premium	Estimated Renewal Premium	Difference
MATOAKA VFD	10001625	\$ 501.96	\$ 556.92	10.9%
MAYSVILLE VFD	10209016	\$ 3,015.60	\$ 5,917.20	96.2%
MCCLELLAN DISTRICT VFD	10001761	\$ 501.84	\$ 637.68	27.1%
MCKINLEYVILLE VFD	10015510	\$ 958.32	\$ 1,489.63	55.4%
MCMECHEN VFD	10001932	\$ 16,447.93	\$ 16,491.23	0.3%
MEADOW BRIDGE VFD	10001480	\$ 1,097.20	\$ 1,816.40	65.5%
MIDDLEBOURNE/TYLER VFD	10001371	\$ 901.76	\$ 1,427.52	58.3%
MIDDLEWAY VFD	10210890	\$ 1,097.20	\$ 1,816.40	65.5%
MIDWAY VFD	10001799	\$ 826.60	\$ 1,022.20	23.7%
MILTON VFD	10001570	\$ 3,516.59	\$ 6,693.17	90.3%
MINERAL WELLS VFD	10001265	\$ 2,030.06	\$ 3,678.12	81.2%
MONONGAH VFD	10001518	\$ 2,026.75	\$ 3,620.49	78.6%
MONTCALM VFD	10001688	\$ 915.05	\$ 1,454.11	58.9%
MONTGOMERY VFD	10000881	\$ 24,826.69	\$ 27,021.36	8.8%
MOOREFIELD VFD	10001464	\$ 2,276.24	\$ 4,168.48	83.1%
MORGANTOWN FD	10000842	N/A	N/A	0.0%
MORRISVALE VFD	10001710	\$ 827.00	\$ 1,171.00	41.6%
MOUNDSVILLE CITY FD	10000863	N/A	N/A	N/A
MOUNDSVILLE VFD	10001544	\$ 1,754.76	\$ 3,129.53	78.3%
MOUNT GROVE VFD	10001749	\$ 1,356.11	\$ 2,334.22	72.1%
MOUNT HOPE VFD	10000880	\$ 14,634.49	\$ 14,634.49	0.0%
MOUNT OLIVET VFD	10032914	\$ 500.33	\$ 499.66	(0.1%)
MOUNT STORM VFD	10001411	\$ 2,375.39	\$ 4,689.77	97.4%
MOZART VFD	10213374	\$ 1,076.66	\$ 1,318.31	22.4%
MT. CLARE VFD	10001528	\$ 826.56	\$ 948.52	14.8%
MUD RIVER VFD	10203775	\$ 1,148.20	\$ 1,867.40	62.6%
MULLENS VFD	10000873	\$ 12,972.04	\$ 13,331.24	2.8%
NETTIE VFD	10001509	\$ 1,638.60	\$ 2,897.20	76.8%
NEW CREEK VFD	10001402	\$ 913.10	\$ 1,516.93	66.1%
NEW CUMBERLAND VFD	10032946	\$ 1,243.92	\$ 2,109.83	69.6%
NEW HAVEN AND COMMUNITY VFD	10001733	\$ 761.39	\$ 1,221.77	60.5%
NEW MANCHESTER VFD	10001559	\$ 2,000.20	\$ 3,618.40	80.9%
NEW MARTINSVILLE VFD	10001430	\$ 1,187.47	\$ 2,071.93	74.5%
NEWBURG VFD	10001522	\$ 2,786.75	\$ 5,141.50	84.5%
NEWELL VFD	10001412	\$ 1,797.48	\$ 3,163.96	76.0%
NEWTON VFD	Uninsured	\$ -	\$ -	0.0%
NITRO VFD	10001744	\$ 516.05	\$ 925.83	79.4%
NORTH RIVER VALLEY VFD	10200601	\$ 1,467.38	\$ 2,554.76	74.1%
NORTHFORK VFD	10001423	\$ 501.50	\$ 918.01	83.1%
NUTTALL VFD	10001838	\$ 1,277.51	\$ 2,126.01	66.4%
NUTTER FORT VFD	10001404	\$ 1,252.91	\$ 2,127.81	69.8%
OAK HILL VFD	10032411	\$ 2,285.37	\$ 4,186.73	83.2%
OAKLAND DISTRICT VFD	Uninsured	\$ -	\$ -	0.0%
OAKVALE VFD	10200460	\$ 760.64	\$ 1,468.29	93.0%
OCEANA VFD	10014560	\$ 646.20	\$ 1,241.40	92.1%
OHIO RIVER ROAD VFD	10001571	\$ 1,445.80	\$ 2,586.60	78.9%
ONA VFD	10001770	\$ 1,282.11	\$ 2,186.22	70.5%
PADEN CITY VFD	10032989	\$ 1,602.64	\$ 2,825.28	76.3%
PANTHER VFD	10033614	\$ 501.61	\$ 624.52	24.5%

West Virginia Offices of the Insurance Commissioner
VFD Premium Summary

Name	Policy Number	Current Premium	Estimated Renewal Premium	Difference
PARKERSBURG FD	Self Insured	\$ -	\$ -	0.0%
PARSONS VFD	10001370	\$ 1,429.88	\$ 2,479.77	73.4%
PATTERSON CREEK VFD	10001378	\$ 502.35	\$ 598.95	19.2%
PAW PAW VFD	10001348	\$ 2,549.84	\$ 3,598.78	41.1%
PAX VFD	10001422	\$ 921.60	\$ 1,467.20	59.2%
PENNSBORO VFD	10014668	\$ 792.04	\$ 1,283.08	62.0%
PETERSBURG VFD	10032912	\$ 1,464.95	\$ 2,549.90	74.1%
PETERSTOWN VOL FIRE & RESCUE	10001287	\$ 3,091.50	\$ 6,067.50	96.3%
PHILIPPI VFD	10001485	\$ 705.84	\$ 1,301.04	84.3%
PICKENS VFD	10001416	\$ 826.64	\$ 1,209.28	46.3%
PINCH VFD	10001250	\$ 1,257.52	\$ 2,086.04	65.9%
PINE GROVE VFD	10001764	\$ 827.34	\$ 1,220.69	47.5%
PINEVILLE VFD	10000990	N/A	N/A	N/A
PIPESTEM VFD	10001578	\$ 1,021.36	\$ 1,664.72	63.0%
POCA VFD	10001634	\$ 984.69	\$ 1,593.38	61.8%
POINT PLEASANT VFD	10001693	\$ 1,893.69	\$ 3,730.38	97.0%
POND CREEK VFD	10001291	\$ 2,180.00	\$ 3,978.00	82.5%
PRATT VFD	10201054	\$ 751.84	\$ 958.68	27.5%
PRICETOWN VFD	10001390	\$ 1,133.16	\$ 1,888.32	66.6%
PRICHARD VFD	10001523	\$ 2,914.80	\$ 5,766.60	97.8%
PRINCETON VFD	10000856	\$ 99,713.09	\$ 99,832.29	0.1%
QUINWOOD VFD	10001262	\$ 1,260.83	\$ 2,143.66	70.0%
RACINE VFD	10001228	\$ 896.20	\$ 1,491.40	66.4%
RAINELLE VFD	10001252	\$ 1,589.05	\$ 2,798.10	76.1%
RAND VFD	10001381	\$ 1,097.20	\$ 1,816.40	65.5%
RAVENSWOOD VFD	10001361	\$ 1,474.61	\$ 2,827.16	91.7%
RAYSAL VFD	10001620	\$ 825.14	\$ 825.28	0.0%
READER VFD	10001797	\$ 826.52	\$ 1,239.04	49.9%
REEDSVILLE VFD	10001855	\$ 1,609.48	\$ 2,838.97	76.4%
REEDY VFD	10001405	\$ 694.28	\$ 1,335.56	92.4%
RENICK VFD	10001543	\$ 1,429.24	\$ 2,478.48	73.4%
REYNOLDSVILLE VFD	10001455	\$ 652.56	\$ 1,203.12	84.4%
RHODELL VFD	10207679	\$ 1,076.60	\$ 1,467.20	36.3%
RICHWOOD VFD	10000921	\$ 12,715.65	\$ 12,715.65	0.0%
RIDGELEY VFD	Uninsured	\$ -	\$ -	0.0%
RIPLEY VFD	10201970	\$ 752.10	\$ 751.70	(0.1%)
RIVER ROAD VFD	10001557	\$ 1,581.72	\$ 2,732.44	72.8%
RIVESVILLE VFD	10202021	\$ 1,077.00	\$ 1,120.00	4.0%
ROBERTS RIDGE VFD	10214128	\$ 1,002.20	\$ 1,002.40	0.0%
RODERFIELD VFD	10043752	\$ 883.92	\$ 1,706.29	93.0%
ROMNEY VFD	10032918	\$ 1,746.48	\$ 3,112.96	78.2%
RONCEVERTE VFD	10001442	\$ 1,893.60	\$ 3,679.20	94.3%
ROWLESBURG VFD	10001641	\$ 500.33	\$ 499.66	(0.1%)
RT 34 VFD	10001285	\$ 968.14	\$ 1,509.27	55.9%
RUPERT VFD	10001248	\$ 825.49	\$ 824.98	(0.1%)
SAINT ALBANS VFD	10000848	\$ 131,336.41	\$ 131,560.27	0.2%
SAINT JOSEPH VFD	10001646	\$ 6,033.67	\$ 11,988.33	98.7%
SAINT MARYS VFD	10001360	\$ 1,639.24	\$ 3,221.48	96.5%
SALEM VFD	10000865	\$ 20,949.48	\$ 20,949.48	0.0%

West Virginia Offices of the Insurance Commissioner
VFD Premium Summary

Name	Policy Number	Current Premium	Estimated Renewal Premium	Difference
SALT ROCK VFD	10001427	\$ 827.35	\$ 1,094.70	32.3%
SCOTTS RUN VFD	10001553	\$ 827.40	\$ 1,268.80	53.3%
SELBYVILLE VFD	10103712	\$ 1,320.40	\$ 2,262.80	71.4%
SENECA ROCKS VFD	10001865	\$ 827.36	\$ 1,195.73	44.5%
SERVIA VFD	10015037	\$ 826.60	\$ 971.20	17.5%
SHARPLES VFD*	10207400	\$ 4,684.82	\$ 9,369.64	100.0%
SHAVERS FORK FIRE RESCUE	10210835	\$ 19,328.12	\$ 20,305.56	5.1%
SHEPHERDSTOWN VFD	10001454	\$ 5,760.80	\$ 8,897.60	54.5%
SHERRARD VFD	10001531	\$ 825.27	\$ 824.54	(0.1%)
SHINNSTON VFD	10001366	\$ 1,153.16	\$ 1,877.32	62.8%
SHIRLEY VFD	10001773	\$ 827.08	\$ 995.17	20.3%
SHORT GAP VFD	10001431	\$ 3,504.20	\$ 5,478.61	56.3%
SILVER HILL VFD	10001745	\$ 501.53	\$ 505.51	0.8%
SILVERTON VFD	10001626	\$ 1,520.65	\$ 2,661.30	75.0%
SISSONVILLE VFD	10001349	\$ 2,055.21	\$ 3,728.41	81.4%
SISTERSVILLE VFD	10001319	\$ 751.72	\$ 866.44	15.3%
SLANESVILLE VFD	10001384	\$ 1,841.99	\$ 2,611.54	41.8%
SMITHBURG VFD	10033821	\$ 1,285.24	\$ 2,241.48	74.4%
SMITHERS VFD	10202580	\$ 752.36	\$ 751.72	(0.1%)
SMITHFIELD VFD	10001600	\$ 826.64	\$ 1,023.28	23.8%
SMITHVILLE VFD	10205206	\$ 751.72	\$ 752.44	0.1%
SMOOT VFD	10001452	\$ 828.66	\$ 1,230.32	48.5%
SO. JACKSON CO. VFD	10012642	\$ 372.00	\$ 744.00	100.0%
SOPHIA AREA VFD	10001705	\$ 2,077.39	\$ 3,721.78	79.2%
SOUTH BERKELEY VFD	10001335	\$ 3,273.07	\$ 6,181.14	88.8%
SOUTH CHARLESTON FD	10000882	N/A	N/A	N/A
SOUTH FORK VFD	10001415	\$ 1,057.67	\$ 1,737.34	64.3%
SOUTH MORGAN VFD	10001636	\$ 1,854.68	\$ 3,351.36	80.7%
SPELTER VFD	10001413	\$ 806.92	\$ 1,312.84	62.7%
SPENCER-ROANE VFD	10007719	\$ 797.00	\$ 1,541.00	93.4%
SPRINGFIELD VALLEY VFD	10202317	\$ 2,866.00	\$ 5,355.00	86.8%
SPRUCE RIVER VFD	10001644	\$ 1,027.76	\$ 1,677.52	63.2%
STAR CITY VFD	10001582	\$ 1,746.48	\$ 3,112.96	78.2%
STONE CHURCH VFD	10001545	\$ 1,286.37	\$ 2,516.94	95.7%
STONEWOOD VFD	10214159	\$ 2,051.59	\$ 4,093.17	99.5%
SUMMERS CO. VFD	10001729	\$ 502.12	\$ 765.24	52.4%
SUMMERSVILLE VFD	10000961	\$ 37,135.45	\$ 37,135.45	0.0%
SUMMIT PARK VFD	10211533	\$ 752.01	\$ 752.01	0.0%
SUTTON VFD	10001376	\$ 1,417.79	\$ 2,780.59	96.1%
TEAYS VALLEY VFD	10001322	\$ 1,927.54	\$ 3,597.07	86.6%
TERRA ALTA VFD	10001466	\$ 827.25	\$ 1,095.51	32.4%
THOMAS VFD	10000878	\$ 3,363.91	\$ 3,363.91	0.0%
THORNTON VFD	10001841	\$ 824.92	\$ 825.09	0.0%
TORNADO VFD	10001524	\$ 1,471.80	\$ 2,563.59	74.2%
TOWN OF MAN VFD	10001758	\$ 825.44	\$ 824.88	(0.1%)
TOWN OF SOPHIA VFD	10214716	\$ 2,113.44	\$ 3,844.87	81.9%
TRAP HILL VFD	10203119	\$ 752.37	\$ 951.74	26.5%
TRIADELPHIA VFD	10001490	\$ 2,068.74	\$ 3,686.94	78.2%
TRI-COUNTY VFD	10001256	\$ 1,076.70	\$ 1,775.41	64.9%

West Virginia Offices of the Insurance Commissioner
VFD Premium Summary

Name	Policy Number	Current Premium	Estimated Renewal Premium	Difference
TRI-TOWNS VFD	10216458	\$ 751 80	\$ 1,143 60	52.1%
TRIUNE-HALLECK VFD	10001928	\$ 827 41	\$ 1,080 82	30.6%
TUNNELTON VFD	10001388	\$ 2,000 20	\$ 3,618 40	80.9%
TYGART VALLEY VFD	10001432	\$ 890 28	\$ 1,400 77	57.3%
TYLER MOUNTAIN VFD	10001128	\$ 1,852 26	\$ 3,236 75	74.7%
UNION VFD	10032915	\$ 1,447 77	\$ 2,840 54	96.2%
UPPER LAUREL FIRE & AMBULANCE	Uninsured	\$ -	\$ -	0.0%
UPPER TRACT VFD	10203012	\$ 752 20	\$ 1,241 40	65.0%
UPPER WEST FORK VFD	10001659	\$ 1,091 09	\$ 1,804 17	65.4%
VALLEY GROVE VFD	10202558	\$ 1,324 82	\$ 1,845 62	39.3%
VALLEY HEAD VFD	10001445	\$ 827 40	\$ 1,268 80	53.3%
VALLEY VFD	10001354	\$ 1,348 92	\$ 2,319 84	72.0%
VALLEY VOLUNTEER FD	10207071	\$ 1,894 20	\$ 3,481 40	83.8%
VAN VFD	10001789	\$ 1,277 00	\$ 2,176 00	70.4%
VERDUNVILLE VFD*	10207400	\$ 4,684 82	\$ 9,369 64	100.0%
VIENNA VFD	10001286	\$ 2,273 34	\$ 4,162 68	83.1%
WADESTOWN COMMUNITY VFD	10001808	\$ 502 40	\$ 943 80	87.9%
WALKERSVILLE VFD	10001496	\$ 1,638 60	\$ 2,897 20	76.8%
WALLACE VFD	10025459	\$ 1,328 00	\$ 2,227 00	67.7%
WALTON VFD	10001521	\$ 866 51	\$ 1,670 99	92.8%
WAR VFD	10017206	\$ 827 24	\$ 1,111 48	34.4%
WARREN DISTRICT VFD	10001671	\$ 970 02	\$ 1,513 04	56.0%
WASHINGTON BOTTOM VFD	10001336	\$ 1,124 53	\$ 1,871 06	66.4%
WASHINGTON DISTRICT VFD	10001399	\$ 1,264 15	\$ 2,150 31	70.1%
WASHINGTON LANDS VFD	10001470	\$ 986 08	\$ 1,596 16	61.9%
WAVERLY VFD	10001429	\$ 2,596 26	\$ 4,808 52	85.2%
WAYNE VFD	10001289	\$ 24,260 99	\$ 48,349 18	99.3%
WEBSTER SPRINGS VFD	10001458	\$ 501 83	\$ 898 13	79.0%
WEIRTON CITY FD	10033062	\$ 116,970 74	\$ 116,970 74	0.0%
WELCH VFD	10001812	\$ 574 43	\$ 1,097 86	91.1%
WELLSBURG VFD	10001457	\$ 2,175 88	\$ 3,937 58	81.0%
WEST HAMLIN VFD	10001440	\$ 1,503 74	\$ 2,627 48	74.7%
WEST LIBERTY VFD	10001487	\$ 643 19	\$ 1,184 37	84.1%
WEST MILFORD VFD	10001469	\$ 826 65	\$ 910 30	10.1%
WEST SIDE VFD	10001640	\$ 1,008 46	\$ 1,633 67	62.0%
WEST UNION VFD	10017317	\$ 1,416 73	\$ 2,404 47	69.7%
WESTON VFD	10200433	\$ 36,759 04	\$ 36,759 04	0.0%
WESTOVER VFD	10203466	\$ 1,076 85	\$ 1,271 45	18.1%
WHARNCLIFFE VFD	10210925	\$ 1,076 98	\$ 1,095 95	1.8%
WHARTON-BARRETT VFD	10001787	\$ 827 48	\$ 1,051 96	27.1%
WHEELING FD	Self Insured	\$ -	\$ -	0.0%
WHITE SULPHUR SPRINGS VFD	10001456	\$ 867 04	\$ 1,358 08	56.6%
WHITESVILLE VFD	10001118	\$ 20,053 90	\$ 21,026 72	4.9%
WHITMER VFD	10001358	\$ 751 73	\$ 1,160 47	54.4%
WILDERNESS VFD	10001916	\$ 1,197 20	\$ 2,288 40	91.1%
WILEY FORD FC, INC	10001436	\$ 1,674 56	\$ 3,044 11	81.8%
WILEYVILLE VFD	10015506	\$ 1,277 00	\$ 2,176 00	70.4%
WILLIAMSBURG VFD	Uninsured	N/A	N/A	N/A
WILLIAMSON VFD	10001150	\$ 21,081 11	\$ 21,573 06	2.3%

West Virginia Offices of the Insurance Commissioner
VFD Premium Summary

Name	Policy Number	Current Premium	Estimated Renewal Premium	Difference
WILLIAMSTOWN VFD	10001321	\$ 1,127.05	\$ 1,876.09	66.5%
WINDSOR HEIGHTS VFD	10001558	\$ 1,017.00	\$ 1,655.99	62.8%
WINFIELD DISTRICT VFD	10001173	\$ 1,458.80	\$ 2,537.60	74.0%
WINFIELD VFD	10001756	\$ 1,603.78	\$ 2,827.56	76.3%
WORTHINGTON VFD	10203484	\$ 9,234.36	\$ 10,316.31	11.7%

* Covered under the same policy

N/A = assumed to be listed under city/town policy but no corresponding VFD/FD wages reported

(Speaker Thompson presides)

AGENDA
JOINT COMMITTEE ON GOVERNMENT AND FINANCE
June 9, 2010

2:00 - 3:00 p.m.

Senate Finance Room

1. Approval of May 26, 2010, minutes

2. Committee Reports/Requests:

Parks, Recreation and Natural Resources Subcommittee (Senator Fanning, Chair; Delegate Eldridge, Chair) *Requests expense reimbursement for site visitations to North Bend Reosrt Park, North Bend Rail Trail and Blennerhassett Island Historical State Park on July 11, 12 and 13. - John Homburg*

MOVE that expense reimbursement be approved for site visitations for the Parks, Recreation and Natural Resources Subcommittee members.

3. Monthly/Quarterly Reports Distribution:

Status Reports on the Lottery Commission, Unemployment Compensation Trust Fund, and General Revenue Fund

4. Monthly/Quarterly Reports Distribution: *Robert Ferguson, Jr., Secretary, Dept. of Administration*

PEIA
BRIM
CHIP
Real Estate Report

5. Monthly/Quarterly Report Distribution from Department of Health and Human Resources: *Patsy Hardy, Cabinet Secretary, DHHR*

Medicaid Report

6. Investment Management Board: *Craig Slaughter, Executive Director (No Report)*

7. Workers' Compensation: *Jane Cline, Insurance Commissioner*

8. Lottery Commission Distribution: *Agreement of Sale and Purchase*

9. Other Business

10. Scheduled Interim Dates: July 19-21 (Monday, Tuesday and Wednesday)
August 9-11 (Monday, Tuesday and Wednesday)

September 13-15 (Monday, Tuesday and Wednesday)
October 11-13 (Monday, Tuesday and Wednesday)
November 15-17 (Monday, Tuesday and Wednesday)
December 13-15 (Monday, Tuesday and Wednesday)
January 9-11 (Sunday, Monday and Tuesday)

11. **Adjournment**