

FILE COPY

**JOINT COMMITTEE ON
GOVERNMENT AND FINANCE**

Materials Distributed

May 26, 2010

April 14, 2010

2:00 - 3:00 p.m.

Joint Committee on Government and Finance

Senate

Tomblin, Chair
Chafin
Helmick
Kessler
Plymale
Caruth (absent)
Deem (absent)

House

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

Speaker Thompson, Cochair, presided.

1. **Approval of Minutes**

Upon motion by President Tomblin, properly adopted, the minutes of the January 12, 2010, meeting were approved.

2. **2010 Interim Studies**

Upon motion by President Tomblin, properly adopted, the President and Speaker were authorized to establish interim committees as they deem appropriate and to appoint as many members as desired to any committee other than statutory committees.

Upon motion by President Tomblin, properly adopted, the committee co-chairs were authorized to establish subcommittees with the approval of the President and the Speaker, study additional issues approved by the President and Speaker and assign studies to appropriate subcommittees with approval to the President and Speaker.

Upon motion by President Tomblin, properly adopted, the following committees were authorized to meet during the 2010 Interim Period:

Statutory Committees:

Commission on Interstate Cooperation
Commission on Special Investigations
Council of Finance and Administration
Employee Suggestion Award Board
Equal Pay Commission
Joint Commission on Economic Development
Joint Committee on Government Operations
Joint Committee on Government and Finance
Joint Legislative Oversight Commission on State Water Resources
Legislative Oversight Commission on Education Accountability
Legislative Oversight Commission on Health and Human Resources Accountability
Legislative Oversight Committee on Regional Jail and Correctional Facility Authority

Legislative Oversight Commission on Workforce Investment for Economic Development
Legislative Rule-Making Review Committee
Forest Management Review Commission
WV Law Institute

Standing Committees:

Joint Standing Committee on Education
Joint Standing Committee on Finance
Joint Standing Committee on Government Organization
Joint Standing Committee on the Judiciary

Upon motion by President Tomblin, properly adopted, the following committees were created and authorized to meet during the 2010 Interim Period:

Agriculture and Agri-business Committee
Joint Committee on Technology
Joint Select Committee on Health Emergency Preparedness
Legislative Intern Committee
Parks, Recreation and Natural Resources Subcommittee
Post Audits Subcommittee
Select Committee on Children, Juveniles and Other Issues
Select Committee on Higher Education Personnel
Select Committee on Health
Select Committee on Infrastructure
Select Committee on Minority Issues
Select Committee on Seniors and Long Term Care
Select Committee on Veterans' Issues

Upon motion by President Tomblin, properly adopted, the study resolutions were assigned to interim committees as outlined in the handout given to all the Committee Members in their booklets.

Upon motion by President Tomblin, properly adopted, all committees, subcommittees and commissions for which there are an unequal number of Delegates and Senators, all motions considered must be adopted by a separate majority vote of the committee members from each legislative body.

Upon motion by President Tomblin, properly adopted, the following dates were approved for 2010 Interim Meetings:

May 24-26 (Monday, Tuesday and Wednesday)
June 7-9 (Monday, Tuesday and Wednesday)
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, 2011 (Sunday, Monday and Tuesday)

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 February 28, 2010; General Revenue Fund report for the month ended March 31, 2010; and the Unemployment Compensation Trust Fund report as of February 28, 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 February 28, 2010. Robert Ferguson, Jr., Cabinet Secretary, Department of Administration, reported BRIM has no overall unfunded liabilities.

The following reports from CHIP were distributed: A report of enrollment for March 2010 and financial statements for period ending February 28, 2010.

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

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

A real estate report for March 1, 2010 through March 31, 2010, was distributed.

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

A Medicaid report dated April 2010 was distributed.

7. **Investment Management Board**

A Investment Management Board report dated February 28, 2010, was distributed. Craig Slaughter, Executive Director, said we are up 16.6% for fiscal year.

8. **Workers' Compensation**

A Workers' Compensation report dated April 2, 2010, was distributed.

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

A Board of Treasury Investments Report dated February 2010 was distributed.

10. **Notice of Proposed Energy Savings Contract Distribution**

A notice of proposed energy savings contract was distributed.

11. **WV Division of Highways Annual Audit - Contract**

Upon motion by President Tomblin, properly adopted, the Committee approved the option under the current contract to renew for a second year its contract with Gibbons and Kawash for the state road audit for year ending June 30, 2010.

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
May 17, 2010



. 304-347-4870

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

Lottery Commission as of March 31, 2010 :

Appears to be in good condition. Gross profit for fiscal year 2010 was 9.43% lower than for fiscal year 2009.

General Revenue Fund as of April 30, 2010:

Collections were at 97.99% of the yearly estimate as of April 30, 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 April 30, 2010

Fund collections were at 98.64 % of the yearly estimate. (FY 2009-2010)

Unemployment Compensation Trust as of March 31, 2010:

Regular benefits paid in fiscal year 2010 were \$ 103.2 million more than in fiscal year 2009.
Total revenues for 2010 were \$ 217 million more than in 2009. Trust fund ending balance on March 31, 2010 was \$60,906,505.30. *

Note:

*Senate Bill 246 passed on April 11, 2009 addressed this declining balance in the Unemployment Trust Fund. The bill authorized one time transfer of \$ 40 million dollars from Workers' Compensation Debt Reduction Fund to the Bureau of Employment Program's Commissioner for deposit to the Federal Unemployment Trust Fund. The bill also raised the wage threshold on which premiums are calculated from \$8,000.00 per year to \$ 12,000.00 per year when the balance of the Unemployment Trust Fund is below \$ 220 million on February 15, of each fiscal year. The balance continues to decline as unemployment in March was 10.1%. At the end of the first calendar quarter the employer payments account for almost fifty percent of the yearly revenue, this will be reflected in the April cash flow statement. In case of insolvency unemployed workers will continue to receive benefits as benefits are legally mandated; the federal program will loan the money to the state program. It is not known at this time if West Virginia will need to borrow from the federal program.

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 *EC*
Director Budget Division
Legislative Auditor's Office

Date: May 17, 2010

Re: Review of West Virginia Lottery Financial Information
As of March 31, 2010 (FY 2010)

We performed an analysis of the Statement of Revenues, Expenses and Retained Earnings for July - March 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 \$ 1,011,666,000.00 for July - March of fiscal year 2010. Table games accounted for \$23.8 million of this total. Historic Resort Hotel video lottery and table games enacted in 2009 accounted for \$1 million of total gross receipts. These gross receipts were \$ 1,113,472,000.00 for the same months of the preceding fiscal year, 2008-2009. Gross lottery revenue is down by 9.14% 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 - March 2010 was \$444,266,000.00; for the previous fiscal year it was \$490,513,000.00. Expressed as a percentage, gross profit is 9.43% lower for fiscal year 2010 than for fiscal year 2009.

Operating Income:

Operating income was \$ 426,766,000.00 for July - March 2010. For the preceding July- March it was \$ 472,716,000.00. This was a decrease of 9.72%. After additions and subtractions of non-operating income and expenses, distributions to the state were \$414,702,000.00 for July- March 2010.

Operating Transfers to the State of West Virginia:

A total of \$414,702,000.00 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	\$2,000,000.00
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	\$ 16,200,000.00
SUBTOTAL BUDGETARY TRANSFERS	\$161,210,000.00

Excess Lottery Fund

General Purpose Fund	65,000,000.00
Economic Development Fund	17,100,000.00
Excess Lottery Surplus	-0-
Education Improvement Fund	9,000,000.00
WV Infrastructure Council Fund	38,302,000.00
Higher Education Improvement Fund	29,000,000.00
State Park Improvement Fund	4,788,000.00
Refundable Credit	4,053,000.00
School Building Authority	17,331,000.00
TOTAL EXCESS LOTTERY FUND	\$184,574,000.00

Historic Resort Hotel Distributions:

State General Revenue Fund	216,000.00
State Debt Reduction Fund	64,000.00
Tourism Promotion Fund	10,000.00
Total Historic Hotel	290,000.00

Veterans Instant Ticket Fund 362,000.00

Lottery

Lottery continued

Table Games State Debt Reduction Fund

12,578,000.00

RACETRACK VIDEO LOTTERY TRANSFERS:	
Tourism Promotion Fund 1.375%	\$7,128,000.00
Development Office Promo Fund	\$1,944,000.00
Research Challenge Fund .5%	\$2,592,000.00
Capitol Renovation and Improvement Fund .6875%	\$3,564,000.00
Parking Garage Fund .0625%	\$324,000.00
Parking Garage Fund 1%	\$500,000.00
Cultural Facilities and Cap. Resources Fund .5%	\$1,500,000.00
Capitol Dome & Cap. Improvements Fund .5%	\$3,184,000.00
Workers Compensation Debt Reduction Fund 7%	\$11,000,000.00
SUBTOTAL VIDEO LOTTERY TRANSFERS:	\$31,736,000.00
TOTAL TRANSFERS	*\$390,750,000.00

* CASH BASIS

Total Accrued last FY 2009:	202,184,000.00
Total Cash Distributions July-March:	390,750,000.00
Applied to FY 2009:	202,184,000.00
Total Applied to FY 2010	188,566,000.00
Accrued for FY 2009 as of March	-0-
Accrued for FY 2010 as of March 31	226,136,000.00

Lottery



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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 March 31, 2010

DATE: April 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 March 31, 2010 are attached. Lottery revenue, which includes on-line, instant, video lottery sales and table games, was \$124,444,640 for the month of March.

Transfers of lottery revenue totaling \$35,709,416 made for the month of March 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 March 31, 2010 was 1,572 and 1,633 respectively.

A listing of the names and amounts of prize winners has been provided to the Clerk of the Senate, 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-**

March 31, 2010

WEST VIRGINIA LOTTERY

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

ASSETS	March 31, 2010	June 30, 2009
Current Assets:		
Cash and cash equivalents	\$ 247,168	\$ 228,355
Accounts receivable	30,361	33,311
Inventory	442	649
Current portion of investments held in trust	-	-
Other assets	2,362	2,555
Total Current Assets	<u>280,333</u>	<u>264,870</u>
Noncurrent Assets:		
Restricted cash and cash equivalents	69,935	69,870
Investments held in trust, less current portion	-	-
Capital assets	17,916	17,641
Less accumulated depreciation and amortization	<u>(15,745)</u>	<u>(14,335)</u>
Net Capital Assets	<u>2,171</u>	<u>3,306</u>
Total Noncurrent Assets	<u>72,106</u>	<u>73,176</u>
Total Assets	<u>\$ 352,439</u>	<u>\$ 338,046</u>
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accrued nonoperating distributions to the State of West Virginia	\$ 226,136	\$ 202,184
Estimated prize claims	13,130	12,939
Accounts payable	2,201	1,716
Other accrued liabilities	27,719	35,019
Current portion of deferred jackpot prize obligations	-	-
Total Current Liabilities	<u>269,186</u>	<u>251,858</u>
Deferred jackpot prize obligations, less current portion	-	-
Total Liabilities	<u>269,186</u>	<u>251,858</u>
Net Assets:		
Invested in capital assets	2,171	3,306
Unrestricted assets (deficit)	(1,671)	(2,806)
Unrestricted assets- Committed (see note 12)	12,818	12,818
Restricted assets (see note 11)	69,935	69,870
Total Net Assets	<u>83,253</u>	<u>83,188</u>
Total Liabilities and Net Assets	<u>\$ 352,439</u>	<u>\$ 338,046</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 NINE MONTH PERIOD ENDED MARCH 31, 2010
(In Thousands)
-Unaudited-

	CURRENT MONTH		YEAR TO DATE	
	2010	2009	2010	2009
Lottery revenues				
On-line games	\$ 7,412	\$ 6,608	\$ 61,679	\$ 62,219
Instant games	9,536	11,164	71,464	87,788
Racetrack video lottery	68,006	76,077	536,583	628,899
Limited video lottery	36,591	37,835	297,083	308,876
Table games	2,614	3,291	23,827	25,690
Historic resort	286	-	1,026	-
	<u>124,443</u>	<u>134,993</u>	<u>1,011,666</u>	<u>1,113,472</u>
Less commissions				
On-line games	518	463	4,317	4,336
Instant games	667	781	5,002	6,143
Racetrack video lottery	37,407	39,754	316,452	354,720
Limited video lottery	17,930	18,549	143,572	151,349
Table games	1,028	1,294	9,368	10,105
Historic resort	162	-	530	-
	<u>57,712</u>	<u>60,841</u>	<u>481,241</u>	<u>526,673</u>
Less on-line prizes	3,797	3,277	30,774	31,374
Less instant prizes	6,489	7,624	48,489	59,318
Less ticket costs	163	173	1,077	1,200
Less vendor fees and costs	799	504	5,819	4,392
	<u>11,248</u>	<u>11,580</u>	<u>86,159</u>	<u>96,284</u>
Gross profit	<u>55,483</u>	<u>62,574</u>	<u>444,266</u>	<u>490,513</u>
Administrative expenses				
Advertising and promotions	176	499	5,150	4,933
Wages and related benefits	884	754	8,084	6,633
Telecommunications	27	25	477	1,504
Contractual and professional	479	496	3,706	4,153
Rental	70	59	524	549
Depreciation and amortization	143	166	1,410	1,489
Other administrative expenses	76	75	772	723
	<u>1,855</u>	<u>2,074</u>	<u>20,123</u>	<u>26,010</u>
Other Operating Income	<u>394</u>	<u>119</u>	<u>2,623</u>	<u>2,213</u>
Operating Income	<u>54,224</u>	<u>60,619</u>	<u>426,766</u>	<u>472,716</u>
Nonoperating income (expense)				
Investment income	28	60	272	2,519
Nonoperating income - OPEB	-	-	-	-
Interest expense	-	-	-	(1)
Distributions to municipalities and counties	(717)	(742)	(3,823)	(6,034)
Distributions - capital reinvestment	(1,458)	(2,150)	(6,448)	(8,336)
Distributions to the State of West Virginia	(32,070)	(37,773)	(414,702)	(460,320)
	<u>(34,217)</u>	<u>(60,605)</u>	<u>(426,701)</u>	<u>(472,192)</u>
Net income	<u>7</u>	<u>14</u>	<u>65</u>	<u>524</u>
Net assets, beginning of period	<u>83,246</u>	<u>64,993</u>	<u>83,188</u>	<u>64,485</u>
Net assets, end of period	<u>\$ 83,253</u>	<u>\$ 65,009</u>	<u>\$ 83,253</u>	<u>\$ 65,009</u>

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

**WEST VIRGINIA LOTTERY
STATEMENTS OF CASH FLOWS
FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2010**

(In Thousands)

-Unaudited-

	2010	2009
Cash flows from operating activities:		
Cash received from customers and other sources	\$ 1,017,239	\$ 1,112,244
Cash payments for:		
Personnel costs	(8,084)	(6,633)
Suppliers	(9,462)	(16,104)
Other operating costs	(563,500)	(620,811)
Cash provided by operating activities	<u>434,193</u>	<u>468,696</u>
Cash flows from noncapital financing activities:		
Nonoperating distributions to the State of West Virginia	(390,730)	(412,123)
Distributions to municipalities and counties	(3,740)	(3,970)
Distributions to racetrack from racetrack cap. reinv. fund	(13,822)	(15,369)
Deferred jackpot prize obligations and related interest paid		(1)
Cash used in noncapital financing activities	<u>(412,312)</u>	<u>(433,463)</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	272	2,528
Cash provided by investing activities	<u>272</u>	<u>2,665</u>
Increase (decrease) in cash and cash equivalents	21,878	37,645
Cash and cash equivalents - beginning of period	295,225	238,949
Cash and cash equivalents - end of period	<u>\$ 317,103</u>	<u>\$ 276,594</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 426,766	\$ 472,716
Adjustments to reconcile operating income to cash provided by operating activities:		
Depreciation and amortization	1,410	1,489
Changes in operating assets and liabilities:		
(Increase) decrease in accounts receivable	2,950	(3,440)
(Increase) decrease in inventory	207	(64)
(Increase) decrease in other assets	194	(17)
Increase (decrease) in estimated prize claims	191	(224)
Increase (decrease) in accounts payable	484	(1,439)
Increase (decrease) in other accrued liabilities	1,991	(325)
Cash provided by operating activities	<u>\$ 434,193</u>	<u>\$ 468,696</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 March 31, 2010 and March 31, 2009 approximated \$524,348 and \$548,621, 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 March 31, 2010 the carrying amounts of deposits (overdraft) with financial institutions were (\$16) thousand with a bank balance (overdraft) of \$23 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.

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

	March 31, 2010	: June 30, 2009
Amount on deposit with the BTI	\$ 317,119	\$ 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 March 31, 2010 is as follows (in thousands):

Capital Assets:

	Historical Cost At June 30, 2009	Additions	Deletions	Historical Cost At March 31, 2010
Construction in Progress	\$ -	\$ -	\$ -	\$ -
Improvements	1,170	-	-	1,170
Equipment	16,471	275	-	16,746
	\$ 17,641	\$ 275	\$ -	\$ 17,916
Accumulated Depreciation:	Historical Cost At June 30, 2009	Additions	Deletions	Historical Cost At March 31, 2010
Improvements	\$ 1,080	\$ 49	\$ -	\$ 1,129
Equipment	13,255	1,361	-	14,616
	\$ 14,335	\$ 1,410	\$ -	\$ 15,745

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
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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 March 31, 2010 were \$4,095,141 and \$35,983,889 while related prize costs for the same periods were \$2,055,378 and \$18,078,199. Revenues derived from the Lottery's participation in the HOT LOTTO® game for the month and year-to-date periods ended March 31, 2010 were \$498,149 and \$4,962,349 while related prize costs for the same periods were \$249,675 and \$2,496,506. Revenues derived from the Lottery's participation in the MEGA MILLIONS® jackpot game for the month and year-to-date periods ended March 31, 2010 were \$513,663 and \$954,266 while related prize costs for the same periods were \$265,104 and \$474,434.

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 March 31, 2010 the POWERBALL® prize reserve fund had a balance of \$111,156,575 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 March 31, 2010 and year-to-date follows (in thousands):

	Current Month		Year-to-Date	
	2010	2009	2010	2009
Total credits played	\$ 773,197	\$ 782,048	\$ 6,058,488	\$ 6,453,478
Credits (prizes) won	(696,179)	(705,594)	(5,456,293)	(5,821,274)
Promotional credits played	(8,721)	-	(42,737)	-
MWAP Contributions	(291)	(377)	(2,873)	(3,305)
Gross terminal income	68,006	76,077	556,585	628,899
Administrative costs	(1,286)	(910)	(15,733)	(16,595)
Net Terminal Income	66,720	75,167	540,852	612,304
Less distribution to agents	(37,407)	(39,754)	(316,452)	(354,720)
Racetrack video lottery revenues	<u>\$ 29,313</u>	<u>\$ 35,413</u>	<u>\$ 224,400</u>	<u>\$ 257,584</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):

	<u>March 31, 2010</u>	<u>Year-to-Date</u>
State Lottery Fund	\$ 9,255	\$ 114,477
State Excess Lottery Revenue Fund	16,139	71,748
Capital Reinvestment Fund	1,446	6,415
Tourism Promotion Fund 1.375%	850	7,137
Development Office Promotion Fund .375 %	232	1,946
Research Challenge Fund .5 %	309	2,595
Capitol Renovation & Improvement Fund .6875 %	425	3,568
Parking Garage Fund .0625 %	39	324
Parking Garage Fund 1 %	-	590
Cultural Facilities & Capitol Resources Fund .5 %	-	1,500
Capitol Dome & Capitol Improvements Fund .5 %	618	3,190
Worker's Compensation Debt Reduction Fund 7 %	-	11,000
Total nonoperating distributions	<u>\$ 29,313</u>	<u>\$ 224,460</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 March 31, 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	\$ 429,644	\$ 440,708	\$ 3,486,184	\$ 3,707,484
Credits (prizes) won	(393,053)	(402,853)	(3,189,099)	(3,398,608)
Gross terminal income	\$ 36,591	\$ 37,835	\$ 297,085	\$ 308,876
Administrative costs	(732)	(757)	(5,941)	(6,178)
Gross Profit	35,859	37,098	291,144	302,698
Commissions	(17,930)	(18,549)	(145,572)	(151,349)
Municipalities and Counties	(717)	(742)	(5,833)	(6,054)
Limited video lottery revenues	<u>\$ 17,212</u>	<u>\$ 17,807</u>	<u>\$ 139,749</u>	<u>\$ 145,295</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 March 31, 2010 were \$7,469,550 and \$68,077,503, 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	\$ 2,614	\$ 3,291	\$ 23,827	\$ 25,690
Interest on Table Games Fund	-	1	2	21
Administrative costs	(223)	(282)	(2,042)	(2,202)
Total Available for Distribution	2,391	3,010	21,787	23,509
<u>Less Distributions:</u>				
Racetrack Purse Funds	187	235	1,702	1,835
Thoroughbred & Greyhound Development Funds	149	188	1,361	1,468
Racing Association Pension Plan	72	90	634	705
Municipalities/ Counties	620	781	5,651	6,097
Total Distributions	1,028	1,294	9,368	10,105
State Debt Reduction Fund	\$ 1,363	\$ 1,716	\$ 12,419	\$ 13,404

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 March 31, 2010 and year-to-date follows (in thousands):

	<u>Current Month</u>	<u>Year-to-Date</u>
Total credits played	\$ 2,288	\$ 6,938
Credits (prizes) won	(2,053)	(6,225)
Promotional credits played	-	-
Gross terminal income	235	713
Capital reinvestment	(11)	(34)
Administrative costs	(13)	(38)
Commissions	(99)	(302)
Net terminal income	112	339
Historic Resort Hotel Fund	72	218
Human Resource Benefit Fund	40	121

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 March 31, 2010 were \$145,310 and \$894,147, 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	\$ 51	\$ 313
Administrative Costs	(7)	(40)
Total Available for Distribution	44	273
Historic Resort Hotel Fund	37	228
Human Resource Benefit Fund	7	45

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	\$ 72	\$ 218
Historic Resort Table Games	37	228
Interest on Historic Resort Hotel Fund	-	-
Historic Resort Hotel Fund Net Income	<u>109</u>	<u>446</u>
Municipalities/ Counties	15	62
State General Revenue Fund	70	286
State Debt Reduction Fund	21	85
State Tourism Promotion Fund	3	13
Total Distributions	<u>\$ 109</u>	<u>\$ 446</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 March 31, 2010 the Lottery made such distributions and accrued additional distributions of \$48,140,508. 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 March 31, 2010 the Lottery accrued additional distributions relating to racetrack video lottery operations of \$792,339.

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>March 31, 2010</u>	<u>Year-to-Date</u>
<u>State Lottery Fund:</u>		
Community and Technical College	\$ 500	\$ 2,000
Bureau of Senior Services	600	57,187
Department of Education	361	34,343
Library Commission	118	11,195
Higher Education-Policy Commission	146	13,916
Tourism	80	7,606
Natural Resources	36	3,450
Division of Culture & History	62	5,881
Department of Education & Arts	12	1,192
Building Commission	240	8,240
School Building Authority	1,800	16,200
Total State Lottery Fund	<u>\$ 3,955</u>	<u>\$ 161,210</u>

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
-Unaudited-

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

State Excess Lottery Revenue Fund:

Economic Development Fund	\$ 1,900	\$ 17,100
Higher Education Improvement Fund	1,000	9,000
General Purpose Account	-	65,000
Higher Education Improvement Fund	-	29,000
State Park Improvement Fund	2,082	4,788
School Building Authority	4,372	17,331
Refundable Credit	2,018	4,053
Excess Lottery Surplus	-	-
West Va. Infrastructure Council	16,659	38,302
Total State Excess Lottery Revenue Fund	\$ 28,031	\$ 184,574

Total Budgetary distributions:	\$ 31,986	\$ 345,784
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Veterans Instant Ticket Fund	\$ 32	\$ 362
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Other Racetrack Video Lottery distributions:

Tourism Promotion Fund 1.375%	\$ 789	\$ 7,128
Development Office Promotion Fund .375%	215	1,944
Research Challenge Fund .3%	287	2,592
Capital Renovation & Improvement Fund .6875%	394	3,564
Parking Garage Fund .0625 %	36	324
Parking Garage Fund 1 %	-	500
Cultural Facilities & Cap. Resources Fund .5%	-	1,500
Capitol Dome & Cap. Improvements Fund .5%	574	3,184
Workers Compensation Debt Reduction Fund 7%	-	11,000
Total	\$ 2,295	\$ 31,736

Table Games State Debt Reduction Fund	\$ 1,324	\$ 12,578
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Historic Resort Hotel distributions:

State General Revenue Fund	\$ 54	\$ 216
State Debt Reduction Fund	16	64
Tourism Promotion Fund	2	10
Total	\$ 72	\$ 290

Total nonoperating distributions to the State of West Virginia (cash basis)	\$ 35,709	\$ 390,750
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Accrued nonoperating distributions, beginning	(209,775)	(202,184)
Accrued nonoperating distributions, end	226,136	226,136
	\$ 52,070	\$ 414,702

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 10.5% 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 March 31, 2010 are as follows (in thousands):

	March 31, 2010	Year-to-Date
Lottery contributions	\$ 62	\$ 571
Employee contributions	26	233
Total contributions	\$ 88	\$ 804

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 retirees 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: May 15, 2010

Re: Status of General Revenue Fund April 30, 2010

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

The net collections were **97.99%** of the estimate for the fiscal year as of April 30, 2010. **The amount BELOW estimate was \$62.8 million for the year.**

Personal Income Tax collections were \$ 70.3 million under the estimate for the fiscal year.

Consumer sales and use tax collections were \$31.1 million under the estimate for the fiscal year.

Severance tax collections were \$ 93.8 million over the estimate for the fiscal year.

Corporate income and business franchise collections were \$ 4 million below the estimate for the year.

Joint Committee on Government and Finance

State Road Fund

The state road fund was collected at 98.64% of the estimate for the months of July - April 2010. Privilege tax collections were \$ 10.6 million under the estimate. Gasoline tax was \$ 5.2 million above the estimate. The entire fund was \$ 7 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 \$ \$275,406,185.84 as of April 30, 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	27,718,672.45
Balance April 30, 2010	275,406,185.84

Revenue Shortfall Reserve Fund B (Tobacco Settlement Monies) had a cash balance of \$ 284,196,955.82 as of April 30, 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	46,635,931.17
Balance April 30, 2010	284,196,955.82

The Special Income Tax Reserve Fund had a cash balance of \$45,019,319.21 as of April 30, 2010.

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

Monthly Revenue Estimates
as of April 30, 2010 WV FIMS

	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	249,600,000	215,129,761	-34,470,239	1,247,300,000	1,176,925,798	-70,374,202
Consumer Sales Tax & Use Tax	92,200,000	96,980,401	4,780,401	953,200,000	922,065,400	-31,134,600
Severance Tax	25,400,000	33,931,141	8,531,141	238,500,000	332,320,800	93,820,800
Corp Income /Business Franchise	31,500,000	32,528,615	1,028,615	181,400,000	177,378,797	-4,021,203
HB 102 - Lottery Transfers	35,500,000	25,123,111	-10,376,889	117,100,000	90,123,111	-26,976,889
Business and Occupation Insurance Tax	10,800,000	12,152,122	1,352,122	112,400,000	110,820,229	-1,579,771
Cigarette Tax	20,500,000	18,962,281	-1,537,719	103,100,000	97,110,728	-5,989,274
Interest Income	8,700,000	9,020,480	320,480	90,100,000	90,763,334	663,334
Liquor Profit Transfers	2,100,000	-289,500	-2,389,500	20,800,000	10,073,153	-10,726,847
Departmental Collections	1,000,000	394,000	-606,000	12,720,000	10,153,825	-2,566,175
Property Transfer Tax	800,000	987,888	187,888	12,400,000	12,756,682	358,682
Refundable Credit Relm LTY	700,000	571,507	-128,493	8,600,000	6,557,168	-2,042,832
Beer Tax and Licenses	2,910,000	2,760,469	-149,531	8,030,000	6,813,980	-1,216,020
Property Tax	660,000	786,579	126,579	6,550,000	6,486,774	-63,226
Miscellaneous Receipts	600,000	663,465	63,465	5,400,000	5,465,469	65,469
Smokeless Tobacco Tax	100,000	4,132,732	4,032,732	4,950,000	5,426,789	476,789
Business Franchise Fees	500,000	191,275	-308,725	4,900,000	3,181,801	-1,718,199
Racing Fees	20,000	24,445	4,445	790,000	683,681	-106,319
Miscellaneous Transfers	140,000	25,857	-114,143	730,000	293,559	-436,441
Charter Tax	0	0	0	500,000	239,287	-260,713
Telecommunications Tax	0	6,674	6,674	0	143,600	143,600
Estate and Inheritance Tax	0	42,485	42,485	0	58,573	58,573
Video Lottery Transfers	0	55,530	55,530	0	81,676	81,676
Special Revenue Transfer	0	211,273	211,273	0	696,162	696,162
Cash Flow Transfer	0	0	0	0	0	0
TOTALS	483,730,000	454,392,592	-29,337,408	3,129,470,000	3,066,620,374	-62,849,626
Minus Cash Flow Transfer	0	0	0	0	0	0
Percent of Estimates		93.94%				
TOTALS	483,730,000	454,392,592	-29,337,408	3,129,470,000	3,066,620,374	-62,849,626
Percent of Estimates		93.94%			97.99%	
Collections this day		51,181,652				

Prepared by Legislative Auditor's Office, Budget Division

STATE ROAD FUND FY 2009-2010
 Monthly Revenue Estimates July 2009
 as of April 30, 2010 WVFIMS

FINAL

	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	33,700,000	35,692,442	1,992,442	318,400,000	323,677,190	5,277,190
Privilege Tax	14,432,000	15,631,797	1,199,797	130,991,000	120,360,935	-10,630,065
Licenses & Registration	6,876,000	7,563,199	687,199	65,461,000	63,815,690	-1,645,310
Highway Litter Control	130,000	101,568	-28,433	1,238,000	1,206,666	-31,334
TOTALS	55,138,000	58,989,005	3,851,005	516,090,000	509,060,481	-7,029,519
Percent of Estimates		106.98%			98.64%	
Collections this day		25,079,856				

REVENUE SHORTFALL RESERVE FUND 7005, Part A AS OF April 1, 2010 : \$273,939,647.95

REVENUE SHORTFALL RESERVE FUND 7006, Part B AS OF April 1, 2010 : \$275,488,610.81

PERSONAL INCOME TAX REFUND RESERVE FUND AS OF April 1, 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: May 17, 2010

Re: West Virginia Unemployment Compensation Trust Fund

We have reviewed the March 2010 monthly report of the Unemployment Compensation Trust Fund we received from WorkForce West Virginia. March is the ninth 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	\$337,384,685.24
Disbursements July 1, 2009 thru June 30, 2010	\$469,643,268.16
Balance March 31, 2010	\$60,906,505.30

ITEMS OF NOTE:

Regular benefits paid for July - March 2010 (fiscal year 2010) were \$103.2 million more than for July - March of fiscal year 2009.

Joint Committee on Government and Finance
Unemployment

Federal emergency benefits totaled \$ 144 million for the fiscal year 2010; for last fiscal year federal emergency benefits totaled \$ 34.8 million during the same period.

Total disbursements were \$ 269 million more than the same months of the preceding fiscal year.

Receipts in July - March 2010 were \$ 217 million more than in July - March of fiscal year 2009. Overall ending trust fund balance was \$ 110.6 million less on March 31, 2010 than on March 31, 2009.

West Virginia's unemployment rate for the month of March 2010 was 10.1 percent. National unadjusted employment rate was 10.2 percent.

Seasonally adjusted unemployment rates were 9.5 percent for West Virginia and 9.7 percent nationally.

Since March 2009 employment has decreased by 14,500. The declines were: 4,600 in construction; 3,900 in mining and logging; 2,700 in leisure and hospitality; 2,200 in trade, transportation and utilities; 1,500 in manufacturing; 1,500 in professional and business services; 900 in financial activities; 600 in information; and 100 in other services. Employment gains included 2,000 in educational and health services and 1,500 in government.

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

	<u>JANUARY 09</u>	<u>FEBRUARY 09</u>	<u>MARCH 09</u>	<u>JANUARY 2010</u>	<u>FEBRUARY 2010</u>	<u>MARCH 2010</u>	<u>THREE MONTH TOTAL VARIANCE *</u>
Balance Forward	<u>\$231,768,020.62</u>	<u>\$215,071,499.24</u>	<u>\$200,935,622.93</u>	<u>\$123,608,132.93</u>	<u>\$97,497,176.63</u>	<u>\$85,916,762.90</u>	<u>(\$340,754,970.33)</u>
Add Receipts:							
1. Bond Assessment	\$0 00	\$0 00	\$0 00	\$0 00	\$0.00	\$0.00	\$0 00
2. Regular Contributions:	\$5,768,787.65	\$12,545,573.50	\$484,967.61	\$8,628,345.68	\$16,276,982.26	\$1,403,368.11	\$7,509,367.29
3. Federal Emergency Benefits (EUC08)	\$5,450,130.00	\$3,539,930.00	\$4,219,602.00	\$19,672,549.12	\$21,057,309.18	\$26,060,716.96	\$53,580,913.26
4. Federal Share Extended Benefits (EB)	\$0 00	\$0 00	\$0 00	\$1,426,647.86	\$726,980.36	\$332,375.99	\$2,486,004.23
5. Temp Federal Additional Comp (FAC)	\$0 00	\$0 00	\$0 00	\$4,856,728.00	\$4,829,018.00	\$5,661,837.00	\$15,347,583.00
6. UC FE (Federal Agencies)	\$98,200.00	\$100,000.00	\$115,000.00	\$243,696.16	\$230,031.31	\$227,720.89	\$368,248.36
7. Special Administrative Transfer **	\$0 00	\$2,369,759.00	\$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	\$0 00	\$2,418,724.72	\$0 00	\$0 00	\$1,055,895.47	(\$1,362,829.25)
11. UCX (Military Agencies)	\$280,700.00	\$260,000.00	\$298,000.00	\$290,791.34	\$275,783.33	\$372,296.95	\$100,171.62
12. WV Insurance Committee-Senate Bill 246	\$0 00	\$0 00	\$0 00	\$0 00	\$0 00	\$0 00	\$0 00
13. CMIA Receipts	\$0 00	\$0 00	\$0 00	\$0 00	\$0 00	\$0 00	\$0 00
Total Monthly Receipts	<u>\$11,597,817.65</u>	<u>\$18,815,262.50</u>	<u>\$7,555,294.33</u>	<u>\$35,118,758.16</u>	<u>\$43,396,104.46</u>	<u>\$36,114,211.37</u>	<u>\$75,679,699.51</u>
Less Disbursements:							
Debt Bond Repayment	(Retired)	(Retired)	(Retired)	(Retired)	(Retired)	(Retired)	(Retired)
Regular Benefits:	\$22,614,243.49	\$27,998,167.51	\$32,127,949.05	\$31,578,293.85	\$27,799,021.77	\$30,188,246.04	\$6,825,201.61
Federal Emergency Benefits (EUC08)	\$5,279,814.00	\$3,517,405.00	\$4,286,205.00	\$22,258,109.12	\$21,060,285.25	\$23,463,540.84	\$53,698,511.21
Federal Share Extended Benefits (EB)	\$0 00	\$0 00	\$0 00	\$1,405,169.79	\$695,477.66	\$326,900.77	\$2,427,548.22
Emergency Benefits (TEUC)	(\$958.45)	(\$325.00)	(\$317.58)	(\$264.00)	(\$315.00)	(\$360.00)	\$662.03
Temp Federal Additional Comp (FAC)	\$0 00	\$0 00	\$0 00	\$5,310,196.00	\$4,827,662.00	\$5,154,555.00	\$15,292,413.00
UC FE (Federal Workers) Benefits	\$102,351.86	\$108,128.53	\$126,933.06	\$328,181.91	\$268,004.47	\$250,157.66	\$508,930.59
UCX (Military Workers) Benefits	\$298,689.13	\$283,042.19	\$335,087.49	\$348,028.79	\$326,381.04	\$406,485.09	\$163,876.11
Reed Act Funds	\$0 00	\$1,044,819.58	\$0 00	\$0 00	\$0 00	\$328,395.86	(\$716,423.72)
Special Administrative Transfer**	\$0 00	\$0 00	\$0 00	\$0 00	\$0 00	\$6,547.71	\$6,547.71
Total Monthly Disbursements	<u>\$28,294,340.03</u>	<u>\$32,951,237.81</u>	<u>\$36,875,857.02</u>	<u>\$61,227,715.46</u>	<u>\$54,976,517.19</u>	<u>\$60,124,468.97</u>	<u>\$78,207,266.78</u>
Trust Fund Balance	<u>\$215,071,499.24</u>	<u>200,935,622.93</u>	<u>\$171,585,960.24</u>	<u>\$97,487,176.63</u>	<u>\$85,918,762.90</u>	<u>\$60,806,505.30</u>	<u>(\$343,282,637.58)</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 25, 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 March 2010

*West Virginia Legislative Interims
May 2010*

WV PEIA - Monthly Trend

Plan Demographics	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09
Total Drug Cost	\$12,458,444	\$13,266,749	\$13,669,107	\$14,763,064	\$13,822,366	\$14,826,868
Amount Paid By Plan Sponsor	\$7,708,568	\$10,130,235	\$11,048,281	\$11,871,910	\$11,408,838	\$12,397,518
Amount Paid By Members	\$4,761,876	\$3,129,514	\$2,622,845	\$2,881,143	\$2,513,528	\$2,629,370
Total Claims	198,475	204,570	217,158	235,632	220,188	230,717
Average Eligible Member	162,225	162,451	163,415	164,742	165,228	165,874
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	\$67.60	\$72.08	\$69.05	\$74.83
Average Eligible Enrollees	74,581	74,887	75,147	78,821	78,108	78,323
Average # of Rx's Per Enrollee Per Month	2.63	2.74	2.89	3.11	2.89	3.02
Plan Paid Per Enrollee Per Month (PEPM)	\$103.32	\$135.67	\$147.00	\$158.68	\$149.90	\$162.43
Rx Cost Share						
Avg. Claim Cost to Plan	\$39.22	\$49.52	\$50.87	\$60.38	\$51.81	\$53.73
Avg. Member Cost/Claim	\$24.19	\$16.28	\$13.00	\$12.23	\$11.42	\$10.98
Percent member Cost Share	38.1%	23.6%	20.4%	19.5%	18.1%	18.8%
Average Ingredient Costs						
Single Source (no generics available)	\$189.43	\$191.88	\$191.45	\$181.12	\$188.88	\$197.09
Multi-Source Brand (generics available)	\$63.19	\$85.88	\$79.49	\$79.04	\$88.78	\$73.33
Generic Drugs	\$19.42	\$19.51	\$19.28	\$19.08	\$19.58	\$20.34
Brand/Generic Dispensing Rates						
Single Source (no generics)	24.84%	25.18%	24.73%	25.7%	24.92%	24.07%
Multi-Source Brand % (generics available)	0.88%	0.88%	0.99%	0.9%	0.88%	0.97%
Generic Drug	74.21%	73.83%	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%	78.26%	77.77%
Retail Pharmacy Program						
Avg. Day Supply	33.1	33.8	32.9	31.9	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	\$38.83	\$49.07	\$50.37	\$49.88	\$31.39	\$33.24
Avg. Member Cost / Claim	\$24.03	\$16.15	\$12.89	\$12.16	\$11.35	\$10.90
Percent Member Cost Share	38.23%	23.89%	20.38%	19.6%	18.09%	18.89%
Special Maint Nebul (% of claims filed)	11.89%	12.49%	12.25%	11.5%	11.89%	12.53%
Other Maint (% of claims filed)	0.88%	0.72%	0.73%	0.7%	0.87%	0.77%
Avg. Days Supply for Maint. Nebul	87.3	87.3	87.4	87.3	87.3	87.4
Total # Claims Fills 1-34 Days Supply	168,168	173,340	184,679	202,509	188,266	195,620
Total # Claims Fills 35-60 Day Supply	1,545	1,655	1,737	1,813	1,738	1,861
Total # Claims Fills 61-90 Day Supply	24,688	27,440	28,716	29,197	28,184	31,228
Total # Claims Fills 91+ Day Supply	37	81	63	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	\$1.35	\$1.42	\$1.54
Avg. Cost to Plan	\$78.91	\$93.71	\$105.43	\$98.09	\$99.36	\$109.28
Avg. Member Cost/Claim	\$39.84	\$28.79	\$24.55	\$19.87	\$18.39	\$18.39
Percent Member Cost Share	33.85%	23.50%	18.89%	17.1%	15.62%	14.41%
Total # Claims Fill 1-34 Days Supply	603	616	594	626	638	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	1,308	1,411
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%	19.98%
S/S Non-Formulary Drugs (% by claim)	4.61%	4.57%	4.39%	4.2%	4.21%	4.08%
M/S Drugs (% by claim)	0.88%	0.88%	0.99%	0.9%	0.88%	0.97%
Generic Drugs (% by claim)	74.21%	73.83%	74.28%	73.4%	74.10%	74.96%
S/S Formulary Drugs (% by \$)	78.27%	72.29%	70.62%	70.6%	69.61%	68.97%
s/s non-Formulary Drugs (% by \$)	9.13%	9.14%	9.28%	8.7%	8.74%	8.78%
M/S Drugs (% by \$)	0.52%	0.73%	1.02%	1.0%	1.12%	0.82%
Generic Drugs (% by \$)	14.08%	17.84%	19.11%	19.8%	20.62%	21.41%
Specialty Drugs						
Total Drug Cost	\$1,474,493	\$1,623,264	\$1,628,720	\$1,631,102	\$1,630,893	\$1,713,210
Amount Paid by Plan Sponsor	\$1,408,968	\$1,483,872	\$1,589,620	\$1,582,606	\$1,494,862	\$1,673,842
Amount Paid by Members	\$65,525	\$39,392	\$39,000	\$39,537	\$36,031	\$39,668
Total Claims	749	719	765	780	725	800
Avg # of Rx's per Member per Month	0.00	0.00	0.00	0.008	0.004	0.008
Plan Paid Per Member Per Month (PMPM)	\$9.69	\$9.13	\$9.73	\$9.87	\$9.08	\$10.10
Avg Claim Cost to Plan	\$1,881.13	\$2,063.80	\$2,105.72	\$2,041.80	\$2,061.68	\$2,092.05
Avg Claim Cost to Member	\$87.48	\$54.78	\$51.52	\$49.47	\$49.70	\$49.45
Percent of Member Cost Share	4.44%	2.69%	2.39%	2.37%	2.36%	2.31%
Percent of Overall Drug Spend	11.84%	11.49%	11.74%	11.06%	11.00%	11.48%

WV PEIA - Monthly Trend

Plan Demographics	Jan-10	Feb-10	Mar-10	2009-2010 Fiscal	2008 - 2009 Fiscal	% Change
Total Drug Cost	\$14,314,242	\$14,126,254	\$17,264,166	\$128,891,264	\$118,148,418	9.09%
Amount Paid By Plan Sponsor	\$11,911,846	\$11,825,048	\$14,823,704	\$102,821,724	\$92,708,063	10.91%
Amount Paid By Members	\$2,402,697	\$2,301,206	\$2,740,490	\$26,069,569	\$25,439,465	2.48%
Total Claims	221,174	212,741	252,225	1,990,878	1,883,271	5.71%
Average Eligible Member	166,893	168,234	168,388	164,705	168,713	3.13%
Average # of Rx's Per Member Per Month	1.33	1.28	1.52	1.34	1.31	2.51%
Plan Paid Per Member Per Month (PMPM)	\$71.78	\$71.13	\$87.28	\$69.38	\$84.50	7.85%
Average Eligible Enrollees	78,467	76,624	76,600	75,839	73,637	3.13%
Average # of Rx's Per Enrollee Per Month	2.89	2.78	3.28	2.92	2.85	2.51%
Plan Paid Per Enrollee Per Month (PEPM)	\$155.77	\$154.33	\$189.11	\$150.84	\$140.08	7.84%
Rx Cost Share						
Avg. Claim Cost to Plan	\$63.88	\$66.58	\$67.58	\$51.85	\$49.23	4.91%
Avg. Member Cost/Claim	\$10.68	\$10.82	\$10.87	\$13.09	\$13.51	-3.06%
Percent member Cost Share	16.8%	16.3%	15.9%	20.2%	21.5%	-5.06%
Average Ingredient Costs						
Single Source (no generics available)	\$200.32	\$208.04	\$210.89	\$194.87	\$178.03	10.78%
Multi-Source Brand (generics available)	\$77.46	\$82.77	\$77.53	\$75.34	\$48.04	58.81%
Generic Drugs	\$20.09	\$20.63	\$22.32	\$20.10	\$18.88	6.59%
Brand/Generic Dispensing Rates						
Single Source (no generics)	23.7%	23.81%	23.63%	24.46%	26.75%	-8.56%
Multi-Source Brand (generics available)	0.9%	0.90%	0.90%	0.95%	0.96%	-1.06%
Generic Drug	75.3%	75.49%	75.58%	74.59%	72.29%	3.18%
Generics Dispensed when available	98.6%	98.62%	98.63%	98.75%	99.68%	0.05%
Percent of Plan Cost for Single Source	77.9%	77.44%	78.37%	78.92%	80.43%	-1.88%
Retail Pharmacy Program						
Avg. Day Supply	33.3	33.0	33.1	32.9	32.4	1.52%
Avg. Plan Cost/Day Supply	\$1.60	\$1.67	\$1.73	\$1.58	\$1.51	3.27%
Avg. Claim Cost to Plan	\$63.38	\$65.11	\$67.12	\$61.19	\$48.89	4.84%
Avg. Member Cost / Claim	\$10.79	\$10.74	\$10.80	\$13.00	\$13.42	-3.11%
Percent Member Cost Share	16.8%	16.32%	15.90%	20.26%	21.56%	-8.06%
Special Maint Netw (% of claims filled)	12.5%	12.40%	12.47%	12.18%	11.54%	6.61%
Other Maint (% of claims filled)	0.7%	0.70%	0.77%	0.72%	0.60%	19.67%
Avg. Days Supply for Maint. Netw's	87.2	87.4	87.2	87.3	87.5	-0.22%
Total # Claims Fills 1-34 Days Supply	187,278	180,618	218,672	1,894,025	1,822,760	4.39%
Total # Claims Fills 35-60 Day Supply	1,905	1,675	2,261	16,180	13,282	22.17%
Total # Claims Fills 61-90 Day Supply	29,737	28,518	34,089	261,773	230,888	13.38%
Total # Claims Fills 91+ Day Supply	49	58	83	487	83	488.75%
Mail Service Program						
Avg. Days Supply	71.8	71.8	72.0	71.3	72.2	-1.28%
Avg. Plan Cost/Days Supply	\$1.48	\$1.52	\$1.56	\$1.41	\$1.32	7.01%
Avg. Cost to Plan	\$104.66	\$108.78	\$111.60	\$100.47	\$95.10	5.84%
Avg. Member Cost/Claim	\$18.11	\$18.97	\$18.21	\$22.89	\$23.28	-2.54%
Percent Member Cost Share	14.8%	14.85%	14.03%	18.43%	19.67%	-8.32%
Total # Claims Fill 1-34 Days Supply	647	663	614	6,530	4,658	18.77%
Total # Claims Fills 35-60 Days Supply	10	8	8	88	62	66.56%
Total # Claims Fills 61-90 Days Supply	1,660	1,314	1,498	12,765	11,590	10.31%
Total # Claims Fills 91+ Day Supply	0	0	0	-	-	-
Formulary Program						
S/S Formulary Drugs (% by claim)	19.3%	19.21%	18.93%	20.08%	21.91%	-8.37%
S/S Non-Formulary Drugs (% by claim)	4.4%	4.40%	4.60%	4.39%	4.53%	-0.42%
M/S Drugs (% by claim)	0.9%	0.90%	0.90%	0.95%	0.96%	-1.06%
Generic Drugs (% by Claim)	76.3%	76.49%	76.58%	74.69%	72.29%	3.18%
S/S Formulary Drugs (% by \$)	69.0%	68.16%	67.00%	69.89%	72.24%	-3.25%
s/s non-Formulary Drugs (% by \$)	8.9%	9.25%	9.37%	9.03%	8.19%	10.24%
M/S Drugs (% by \$)	0.9%	0.87%	0.74%	0.86%	0.41%	109.62%
Generic Drugs (% by \$)	21.3%	21.69%	22.69%	20.22%	19.16%	5.64%
Specialty Drugs						
Total Drug Cost	\$1,551,158	\$1,647,978	\$2,201,510	\$14,802,408	\$12,379,348	20.44%
Amount Paid by Plan Sponsor	\$1,517,051	\$1,612,849	\$2,153,782	\$14,627,251	\$12,027,904	20.78%
Amount Paid by Members	\$34,107	\$35,330	\$47,718	\$378,158	\$345,442	8.60%
Total Claims	691	712	974	6,906	6,349	8.76%
Avg # of Rx's per Member per Month	0.00	0.00	0.01	0.008	0.004	6.46%
Plan Paid Per Member Per Month (PMPM)	\$9.14	\$9.70	\$12.94	\$9.80	\$9.37	17.12%
Avg Claim Cost to Plan	\$2,186.44	\$2,264.96	\$2,211.29	\$2,103.67	\$1,994.45	11.05%
Avg Claim Cost to Member	\$49.38	\$49.62	\$48.99	\$54.33	\$54.41	-0.14%
Percent of Member Cost Share	2.20%	2.14%	2.17%	2.52%	2.79%	-8.83%
Percent of Overall Drug Spend	10.84%	11.57%	12.76%	11.56%	10.47%	10.40%



Key Performance Indicators

Comprehensive Indicators

WVA - WV Public Employees Ins

Current Period: 03/2010 - 03/2010

Previous Period: 03/2009 - 03/2009

	Current Period	Previous Period	% Change
Overall Performance			
Plan Cost PMPM	\$87.29	\$73.23	19.2 %
Average Mbrs/Month	166,388	161,568	3.0 %
Average Subs/Month	76,800	74,578	3.0 %
% Utilizing Members	48.3 %	48.8 %	-1.0 %
% Retail Utilizing Members	48.0 %	48.6 %	-1.1 %
% Mail Utilizing Members	0.6 %	0.6 %	6.6 %
Rx Measures			
Rxs PMPM	1.52	1.46	4.0 %
Retail Rxs PMPM	1.50	1.44	4.0 %
Mail Rxs PMPM	0.01	0.01	3.2 %
Average Admin Fee/Rx	\$0.00	\$0.00	-94.2 %
Avg Retail Admin Fee/Rx	\$0.00	\$0.00	-94.2 %
Avg Mail Admin Fee/Rx	\$0.00	\$0.00	0.0 %
Average Plan Cost/Rx	\$57.58	\$50.25	14.6 %
Avg Retail Plan Cost/Rx	\$57.12	\$49.80	14.7 %
Avg Mail Plan Cost/Rx	\$111.60	\$102.97	8.4 %
Average Mbr Contrib/Rx	\$10.87	\$11.14	-2.5 %
Avg Retail Mbr Contrib/Rx	\$10.80	\$11.07	-2.4 %
Avg Mail Mbr Contrib/Rx	\$18.21	\$19.31	-5.7 %
Average Ing Cost/Rx	\$67.18	\$59.88	12.2 %
Avg Retail Ing Cost/Rx	\$66.65	\$59.35	12.3 %
Avg Mail Ing Cost/Rx	\$129.80	\$122.27	6.2 %
Average AWP/Rx	\$120.70	\$112.24	7.5 %
Avg Retail AWP/Rx	\$119.69	\$111.24	7.6 %
Avg Mail AWP/Rx	\$240.24	\$228.87	5.0 %
Average Days Supply/Rx	33.4	32.1	3.9 %
Avg Retail Days/Rx	33.1	31.8	3.9 %
Avg Mail Days/Rx	72.0	71.6	0.6 %
Average Plan Cost/Day	\$1.72	\$1.56	10.3 %
Avg Retail Plan Cost/Day	\$1.73	\$1.57	10.4 %
Avg Mail Plan Cost/Day	\$1.55	\$1.44	7.8 %
% Plan Cost	84.1 %	81.9 %	2.8 %
% Member Contribution	15.9 %	18.1 %	-12.5 %
% Retail Plan Cost	84.1 %	81.8 %	2.8 %
% Retail Mbr Contrib	15.9 %	18.2 %	-12.6 %
% Mail Plan Cost	86.0 %	84.2 %	2.1 %
% Mail Member Contrib	14.0 %	15.8 %	-11.2 %



Key Performance Indicators

Comprehensive Indicators

WVA - WV Public Employees Ins

Current Period: 03/2010 - 03/2010

Previous Period: 03/2009 - 03/2009

	Current Period	Previous Period	% Change
Rx Sources			
% Mail Rx's	0.8 %	0.8 %	-0.8 %
% Retail Rx's	99.2 %	99.1 %	0.0 %
% Member Submit Rx's	0.0 %	0.0 %	-87.6 %
Rx Types			
Avg SSB Plan Cost/Rx	\$186.92	\$155.55	20.2 %
Avg Retail SSB Plan Cost/Rx	\$185.93	\$154.59	20.3 %
Avg Mail SSB Plan Cost/Rx	\$284.89	\$241.29	18.1 %
Avg MSB Plan Cost/Rx	\$47.53	\$26.72	77.9 %
Avg Retail MSB Plan Cost/Rx	\$47.55	\$26.94	76.5 %
Avg Mail MSB Plan Cost/Rx	\$45.13	\$2.66	1598.8 %
Avg GEN Plan Cost/Rx	\$17.44	\$13.06	33.6 %
Avg Retail GEN Plan Cost/Rx	\$17.23	\$12.91	33.4 %
Avg Mail GEN Plan Cost/Rx	\$44.44	\$31.97	39.0 %
% Single-Source Brand Rx's	23.5 %	26.0 %	-9.6 %
% Multi-Source Brand Rx's	0.9 %	0.9 %	0.4 %
% Generic Rx's	75.6 %	73.1 %	3.4 %
% Retail Single-Source Brand	23.5 %	25.9 %	-9.5 %
% Retail Multi-Source Brand	0.9 %	0.9 %	0.5 %
% Retail Generic	75.6 %	73.2 %	3.4 %
% Mail Single-Source Brand	27.9 %	34.1 %	-18.0 %
% Mail Multi-Source Brand	0.9 %	1.0 %	-5.9 %
% Mail Generic	71.2 %	65.0 %	9.5 %
% Formulary Rx's	93.8 %	93.9 %	-0.1 %
% Retail Formulary Rx's	93.8 %	93.9 %	-0.1 %
% Mail Formulary Rx's	92.3 %	92.5 %	-0.2 %
% DAW Rx's	0.5 %	0.5 %	9.1 %
% Retail DAW Rx's	0.5 %	0.5 %	8.5 %
% Mail DAW Rx's	1.0 %	0.6 %	64.6 %
% Generic Conversion	98.8 %	98.8 %	0.0 %
% Retail GEN Conversion	98.8 %	98.8 %	0.0 %
% Mail GEN Conversion	98.8 %	98.6 %	0.2 %
Period Totals			
Total Plan Cost	\$14,523,365.69	\$11,831,206.87	22.8 %
Retail Plan Cost	\$14,286,783.70	\$11,625,892.99	22.9 %
Mail Plan Cost	\$236,581.99	\$205,313.88	15.2 %
Total Member Contribution	\$2,740,370.45	\$2,622,929.15	4.5 %



Key Performance Indicators

Comprehensive Indicators

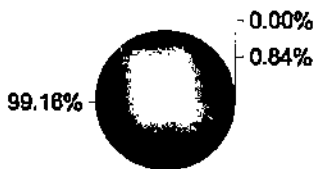
WVA - WV Public Employees Ins

Current Period: 03/2010 - 03/2010
 Previous Period: 03/2009 - 03/2009

	Current Period	Previous Period	
Retail Member Contrib	\$2,701,770.36	\$2,584,432.84	4.5 %
Mall Member Contrib	\$38,600.09	\$38,496.31	0.3 %
Total Rx Count	252,219	235,441	7.1 %
Retail Rx Count	250,089	233,372	7.2 %
Member Submit Rxs	10	75	-86.7 %
Mall Rx Count	2,120	1,994	6.3 %
Total Admin Fee	\$25.00	\$402.50	-93.8 %
Total UC Savings	\$11,911,698.33	\$9,406,245.95	26.6 %
Total Lost Savings	\$28,700.82	\$19,289.40	48.8 %
Demographics			
Average Age	38.9	39.0	-0.2 %
% Male Members	46.6 %	46.5 %	0.2 %
% Female Members	53.4 %	53.5 %	-0.2 %

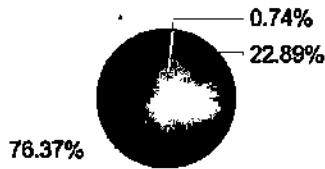
Graphs based on Current Period: 03/2010 - 03/2010

Claim Source by Rx Count



■ Mall □ Mem... ■ Retail

Drug Type by Plan Cost



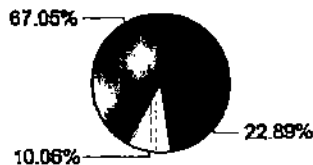
■ Gen... □ MS ... ■ SS ...

Formulary Status by Rx Count



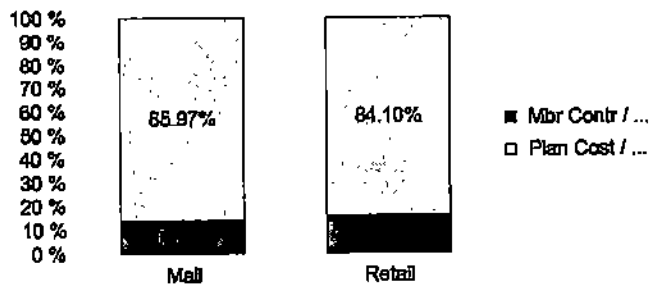
■ For... □ Non...

Drug Formulary Status by Plan Cost



■ Bra... □ Bra... ■ Gen...

Cost Share Distribution by Claim Source



■ Mbr Contr / ... □ Plan Cost / ...

Utilization Report by Population Level

WVA - WV Public Employees Ins

Prescriptions Filled From 03/2010 - 03/2010



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)	364	209	788	\$71,021	\$10.73	\$80.13	4.2 %	76.4 %	94.7 %	99.5 %	\$195.11
NON STATE AGENCIES (02)	19,027	8,866	27,543	\$1,468,115	\$10.44	\$53.30	0.8 %	76.7 %	84.1 %	99.1 %	\$77.16
NON STATE AGENCIES PLAN B (02B)	3,787	1,599	4,488	\$220,838	\$12.51	\$49.21	2.9 %	79.4 %	93.9 %	99.6 %	\$58.31
NON STATE RETIREES (08)	1,376	926	3,851	\$240,311	\$10.69	\$60.82	1.0 %	74.4 %	93.8 %	99.0 %	\$174.04
NON STATE RETIREES 80 (0860)	15	11	47	\$1,975	\$3.73	\$42.02	0.0 %	80.6 %	97.9 %	97.4 %	\$131.66
STATE AGENCIES (01)	122,325	57,271	173,539	\$8,978,576	\$10.77	\$57.50	0.7 %	76.7 %	93.7 %	98.8 %	\$81.67
STATE AGENCIES (01B)	4,705	1,430	3,350	\$126,761	\$13.84	\$37.84	1.3 %	76.6 %	93.0 %	99.6 %	\$26.94
STATE RETIREES (07)	14,725	10,010	38,257	\$2,402,108	\$11.21	\$62.79	1.2 %	73.7 %	93.8 %	98.6 %	\$163.13
STATE RETIREES ASST 60 (0760)	62	49	256	\$13,681	\$2.82	\$53.36	0.0 %	81.3 %	95.3 %	100.0 %	\$220.34
Grand Total	166,388		252,219	\$14,823,366	\$10.87	\$57.58	0.8 %	76.6 %	93.8 %	99.5 %	\$87.29



**Monthly Management Report
Total Claims
March 2010**

*West Virginia Legislative Interims
May 2010*

WEST VIRGINIA PUBLIC EMPLOYERS INSURANCE AGENCY
 MONTHLY MANAGEMENT REPORT - TOTAL CLAIMS
 MARCH 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	233,900.50	217,762.41	226,646.63	174,889.27	2,013,631.75	1,733,297.60
	MATERNITY	168,321.87	170,515.54	176,825.80	153,318.94	1,419,405.01	1,354,561.86
	MEDICAL AND SURGICAL	7,770,334.02	6,701,750.30	7,136,607.39	6,209,463.22	59,609,825.51	53,805,308.71
	NEONATAL COMPLICATIONS	70,844.91	26,918.34	30,603.99	46,510.16	285,125.72	411,600.90
***** sum		8,243,401.30	7,116,946.59	7,570,683.81	6,584,181.59	63,327,987.99	57,304,769.07
OUTPATIENT HOSPITAL FACILITY	BEHAVIORAL	49,345.55	46,490.54	46,642.59	42,221.73	405,037.26	365,291.17
	DIALYSIS	114,624.57	145,498.88	191,212.86	122,485.56	1,202,397.59	1,022,801.17
	EMERGENCY ROOM	707,607.41	569,097.01	554,912.26	478,477.10	4,928,753.85	4,121,718.81
	MATERNITY	65,717.52	42,915.52	39,384.06	45,661.08	400,134.68	387,582.91
	MEDICAL AND SURGICAL	9,406,049.69	8,520,812.12	8,297,754.78	7,653,425.29	71,947,618.18	65,435,739.10
***** sum		10,343,344.74	9,324,814.07	9,129,906.55	8,342,270.75	78,883,941.56	71,333,133.16
PHARMACY	PRESCRIPTION DRUGS	11,604,754.68	10,926,780.92	10,295,559.74	10,021,389.91	99,059,898.94	89,723,407.29
***** sum		11,604,754.68	10,926,780.92	10,295,559.74	10,021,389.91	99,059,898.94	89,723,407.29
PROFESSIONAL SERVICES	ADVANCED IMAGING	402,567.49	424,835.12	488,909.03	548,850.05	3,410,603.39	4,535,495.00
	AMBULANCE	191,098.98	227,045.58	153,865.50	188,354.55	2,048,392.43	1,618,357.20
	ANESTHESIA	703,034.18	702,181.90	830,323.86	649,125.60	6,022,793.94	5,934,710.13
	BEHAVIORAL	366,195.79	336,985.03	339,096.49	319,958.18	2,903,950.80	2,661,637.37
	CARDIOVASCULAR MEDICINE	358,729.12	343,092.60	423,258.88	364,654.95	2,750,819.11	3,066,766.37
	CERVICAL CANCER SCREENING	17,789.78	17,934.65	15,364.09	18,865.99	166,354.10	161,568.00
	DIALYSIS	17,010.39	14,492.35	13,894.80	4,846.11	129,703.77	49,165.03
	DME	463,874.58	419,547.05	491,657.53	399,210.46	3,529,440.00	3,562,659.62

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 - TOTAL CLAIMS
 MARCH 2010

Page: 2

Reporting Category	Type of Service	Current	Current	12 Months Prior	12 Months Prior	Current Fiscal Yr	Previous Fiscal Yr
		Current Period PEIA Payments	Rolling Avg PEIA Payments	12 Months Prior PEIA Payments	Rolling Avg PEIA Payments	Current Fiscal Yr PEIA Payments	Previous Fiscal Yr PEIA Payments
PROFESSIONAL SERVICES	EVALUATION AND MANAGEMENT	4,981,908.16	4,925,398.85	5,217,292.39	4,473,450.13	43,101,360.90	39,428,581.43
	IMMUNIZATION	262,647.17	311,410.46	337,053.14	294,999.49	2,894,753.21	2,889,558.30
	INJECTION	884,172.43	711,045.47	796,892.23	753,762.82	6,284,424.20	6,715,602.14
	LAB AND PATHOLOGY	759,278.66	753,524.74	790,762.50	666,011.59	6,224,485.68	5,623,016.69
	MAMMOGRAPHY	114,619.75	144,489.63	125,705.88	140,620.81	1,304,204.05	1,283,571.22
	OTHER	367,850.85	391,103.45	461,985.18	350,340.63	3,340,097.31	3,276,123.38
	OTHER IMAGING	670,926.01	791,998.43	1,015,592.49	721,027.22	6,327,378.36	6,241,600.04
	OTHER MEDICINE	481,318.00	712,859.27	659,312.07	694,319.97	5,747,503.91	5,904,456.34
	PHYSICAL MEDICINE	653,503.61	638,389.47	676,651.89	589,179.63	5,290,832.99	5,080,040.21
	PROSTATE CANCER SCREENING	10,831.01	12,929.95	13,943.23	15,466.88	91,819.54	129,044.87
	SURGICAL	2,295,322.78	2,502,433.91	2,648,805.61	2,430,866.73	21,072,237.92	20,844,241.53

SUM		14,002,678.74	14,381,697.89	15,500,366.79	13,623,911.80	122,641,155.61	119,006,194.87
SUM		44,194,179.46	41,750,239.47	42,496,516.89	38,571,754.04	363,912,984.10	337,367,504.39

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
March 2010**

*West Virginia Legislative Interims
May 2010*

WEST VIRGINIA PUBLIC EMPLOYERS INSURANCE AGENCY
 MONTHLY MANAGEMENT REPORT - PER CAPITA CLAIMS
 MARCH 2010

Page: 1

Reporting Category	Type of Service	Current Period PEIA Payments	Current Rolling Avg PEIA Payments	12 Months Prior PEIA Payments	12 Months Prior Rolling Avg PEIA Payments	Current Fiscal Yr PEIA Payments	Previous Fiscal Yr PEIA Payments
INPATIENT HOSPITAL FACILITY	BEHAVIORAL	1.4356	1.4310	1.4564	1.1921	12.5117	11.2824
	MATERNITY	1.0331	1.1235	1.1362	1.0474	8.8195	8.8171
	MEDICAL AND SURGICAL	47.6921	44.1054	45.8580	42.4302	370.3865	350.2289
	NEONATAL COMPLICATIONS	.4348	.1767	.1967	.3179	1.7716	2.6792
***** sum		50.5957	46.8365	48.6473	44.9877	393.4894	373.0075
OUTPATIENT HOSPITAL FACILITY	BEHAVIORAL	.3029	.3061	.2997	.2884	2.5167	2.3777
	DIALYSIS	.7035	.9582	1.2287	.8380	7.4711	6.6576
	EMERGENCY ROOM	4.3431	3.7467	3.5657	3.2678	30.6249	26.8290
	MATERNITY	.4034	.2823	.2531	.3117	2.4862	2.5228
	MEDICAL AND SURGICAL	57.7317	56.1214	53.3192	52.2875	447.0476	425.9335
***** sum		63.4845	61.4147	58.6664	56.9934	490.1466	464.3208
PHARMACY	PRESCRIPTION DRUGS	71.2267	71.8916	66.1566	68.3963	615.5102	584.0265
***** sum		71.2267	71.8916	66.1566	68.3963	615.5102	584.0265
PROFESSIONAL SERVICES	ADVANCED IMAGING	2.4708	2.8003	3.1416	3.7507	21.1918	29.5224
	AMBULANCE	1.1729	1.4921	.9887	1.2864	12.7277	10.5342
	ANESTHESIA	4.3150	4.6254	5.3354	4.4333	37.4227	38.6301
	BEHAVIORAL	2.2476	2.2185	2.1789	2.1859	18.0437	17.3251
	CARDIOVASCULAR MEDICINE	2.2018	2.2623	2.7198	2.4929	17.0923	19.9622
	CERVICAL CANCER SCREENING	.1092	.1180	.0987	.1289	1.0336	1.0517
	DIALYSIS	.1044	.0954	.0893	.0331	.8059	.3200
	DME	2.8471	2.7640	3.1593	2.7262	21.9302	23.1900

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
 MARCH 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	30.5775	32.4301	33.5250	30.5544	267.8110	256.6480
	IMMUNIZATION	1.6121	2.0473	2.1658	2.0109	17.9866	18.8087
	INJECTION	5.4268	4.6801	5.1206	5.1453	39.0484	43.7131
	LAB AND PATHOLOGY	4.6602	4.9645	5.0812	4.5508	38.6759	36.6013
	MAMMOGRAPHY	.7035	.9510	.8078	.9601	8.1037	8.3550
	OTHER	2.2578	2.5758	2.9686	2.3925	20.7537	21.3249
	OTHER IMAGING	4.1180	5.2196	6.5259	4.9279	39.3153	40.6277
	OTHER MEDICINE	2.9542	4.6959	4.2366	4.7433	35.7122	38.4332
	PHYSICAL MEDICINE	4.0110	4.2055	4.3480	4.0240	32.8747	33.0669
	PROSTATE CANCER SCREENING	.0665	.0854	.0896	.1057	.5705	.8400
	SURGICAL	14.0880	16.4836	17.0205	16.6101	130.9327	135.6791
***** sum		85.9445	94.7148	99.6014	93.0624	762.0327	774.6337
sum		271.2514	274.8577	273.0717	263.4398	2,261.1788	2,195.9884

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
March 2010**

*West Virginia Legislative Interims
May 2010*

WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY
 MONTHLY MANAGEMENT REPORT - PER CAPITA UTILIZATION
 MARCH 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	.0010	.0005	.0067	.0051
	MATERNITY	.0009	.0010	.0071	.0072
	MEDICAL AND SURGICAL	.0088	.0099	.0728	.0745
	NEONATAL COMPLICATIONS	.0002	.0002	.0008	.0021
	***** SUM	.0109	.0115	.0874	.0888
OUTPATIENT HOSPITAL FACILITY	BEHAVIORAL	.0031	.0026	.0291	.0242
	DIALYSIS	.0043	.0040	.0385	.0263
	EMERGENCY ROOM	.0257	.0242	.2135	.2042
	MATERNITY	.0029	.0020	.0194	.0183
	MEDICAL AND SURGICAL	.2101	.2131	1.7782	1.7775
***** SUM	.2460	.2458	2.0787	2.0506	
PHARMACY	PRESCRIPTION DRUGS	.8908	.9174	8.4042	8.1972
***** SUM		.8908	.9174	8.4042	8.1972
PROFESSIONAL SERVICES	ADVANCED IMAGING	.0210	.0232	.1876	.2036
	AMBULANCE	.0045	.0034	.0331	.0331
	ANESTHESIA	.0191	.0235	.1676	.1719
	BEHAVIORAL	.0390	.0361	.3480	.3332
	CARDIOVASCULAR MEDICINE	.0324	.0441	.2756	.2987
	CERVICAL CANCER SCREENING	.0044	.0040	.0411	.0434
	DIALYSIS	.0006	.0007	.0055	.0028
	DME	.0242	.0278	.2031	.2147
	EVALUATION AND MANAGEMENT	.4689	.5365	4.2532	4.2969
	IMMUNIZATION	.0223	.0237	.3707	.3806

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
 MARCH 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	.0260	.0322	.2354	.2392
	LAB AND PATHOLOGY	.1497	.1637	1.4457	1.4096
	MAMMOGRAPHY	.0133	.0154	.1499	.1571
	OTHER	.0287	.0336	.2763	.2818
	OTHER IMAGING	.0914	.1245	.8253	.8225
	OTHER MEDICINE	.0695	.0850	.6554	.6708
	PHYSICAL MEDICINE	.0906	.1006	.8517	.8988
	PROSTATE CANCER SCREENING	.0042	.0050	.0412	.0541
	SURGICAL	.0726	.0809	.6702	.7028
***** sum		1.1824	1.3637	11.0367	11.2156
sum		2.3301	2.5384	21.6070	21.5522

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

	March 31	
	2010	2009
	(In thousands)	
ASSETS		
Short Term Assets		
Cash and Equivalents	\$ 26,678	\$ 25,151
Advance Deposit with Carrier/Trustee	179,328	183,861
Receivables - Net	983	611
Prepaid Insurance	1,564	1,534
Total Short Term Assets	208,552	211,157
Long Term Assets		
Investments	121,374	93,994
Total Long Term Assets	121,374	93,994
TOTAL ASSETS	329,926	305,151
LIABILITIES		
Short Term Liabilities		
Accounts payable	1,323	1,032
Claims Payable	207	297
OPEB Liability	-	35
Agents Commissions Payable	945	1,216
Unearned Revenue	7,474	8,043
Current Estimated Claim Reserve	42,204	51,697
Total Short Term Liabilities	52,153	62,220
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	155,829	176,312
Prior Year Net Assets	150,958	127,630
Current Year Earnings/Prior Year Earnings (Loss)	23,139	1,209
TOTAL NET ASSETS	174,097	128,839
TOTAL LIABILITIES AND RETAINED EARNINGS	\$ 329,926	\$ 305,151

DRAFT - Unaudited - Management Purposes Only

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

DRAFT

	March 31	
	2010	2009
	(In thousands)	
Operating Revenues		
Premium Revenues	\$ 43,814	\$ 47,195
Less - Excess Insurance	(4,692)	(4,602)
Total Operating Revenues	39,122	42,593
Operating Expenses		
Claims Expense	27,656	30,754
Property & MS Claims Expense	5,557	4,717
Personal Services	951	970
General & Administrative Expense	1,958	2,220
Total Operating Expenses	36,122	38,661
Operating Income (Loss)	3,000	3,932
Nonoperating Revenues		
Court Fees	26	23
Investment Income	20,113	(2,746)
Total Nonoperating Revenues	20,139	(2,723)
Net Income (Loss)	23,139	1,209

DRAFT - Unaudited - Management Purposes Only

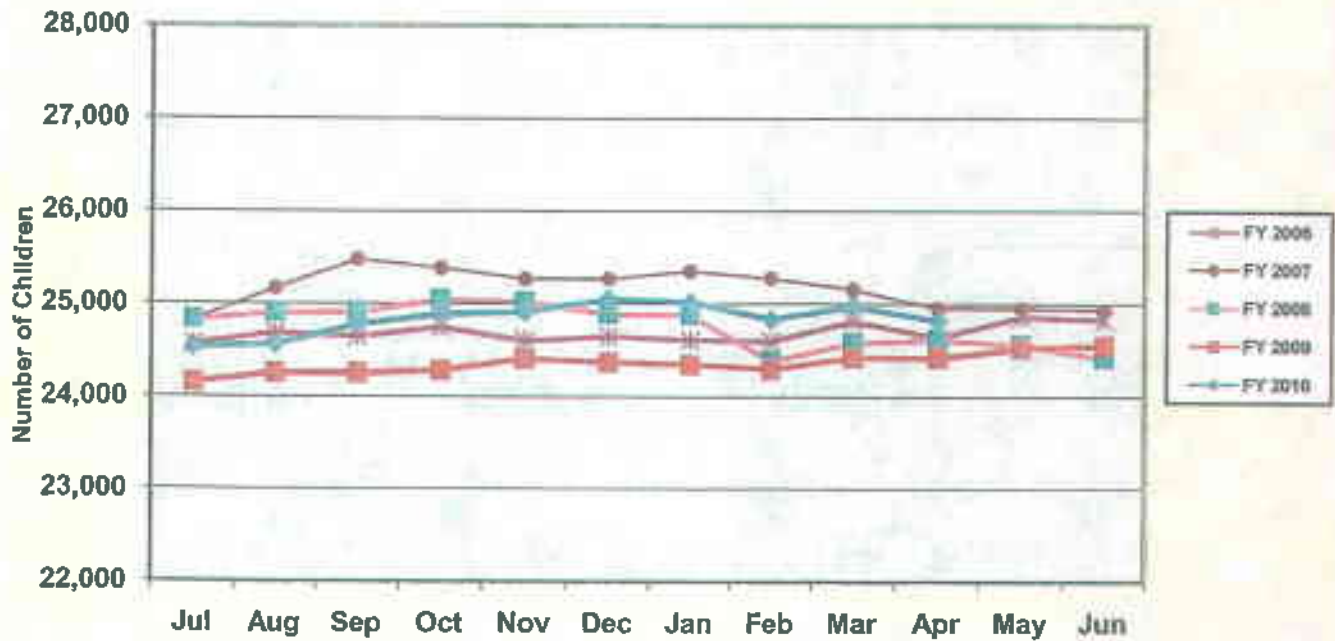


**West Virginia
Children's Health Insurance Program
1018 Kanawha Boulevard East
Suite 209
Charleston, WV 25301
Phone: 304-558-2732
Toll-Free: 1-877-WVA CHIP
Fax: 304-558-2741
www.wvchip.org**

**Joint Committee on
Government and Finance
Report**

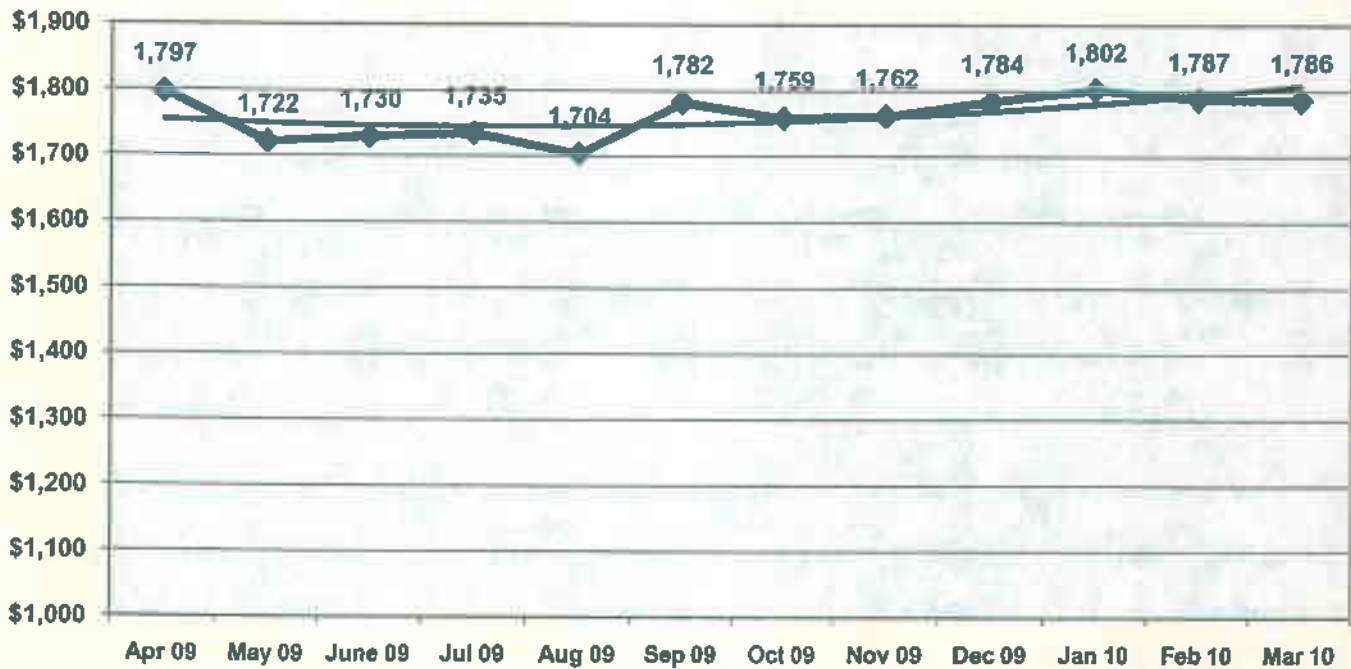
May 2010

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
March 2010 and 2009
(Accrual Basis)**

	March 31, 2010	March 31, 2009	Variance	
Assets:				
Cash & Cash Equivalents	\$11,945,024	\$9,686,396	\$2,258,628	23%
Due From Federal Government	\$3,153,577	\$2,969,064	\$184,513	6%
Due From Other Funds	\$700,238	\$669,049	\$31,189	5%
Accrued Interest Receivable	\$14,803	\$2,237	\$12,566	562%
Fixed Assets, at Historical Cost	<u>\$69,738</u>	<u>\$70,282</u>	<u>(\$544)</u>	-1%
Total Assets	<u>\$15,883,381</u>	<u>\$13,397,028</u>	<u>\$2,486,353</u>	<u>19%</u>
Liabilities:				
Due to Other Funds	\$113,815	\$118,113	(\$4,298)	-4%
Deferred Revenue	\$2,771,089	\$3,419,760	(\$648,671)	-19%
Unpaid Insurance Claims Liability	<u>\$3,740,000</u>	<u>\$3,520,000</u>	<u>\$220,000</u>	6%
Total Liabilities	<u>\$6,624,904</u>	<u>\$7,057,873</u>	<u>(\$432,969)</u>	<u>-6%</u>
Fund Equity	<u>\$9,258,476</u>	<u>\$6,339,155</u>	<u>\$2,919,321</u>	<u>46%</u>
Total Liabilities and Fund Equity	<u>\$15,883,381</u>	<u>\$13,397,028</u>	<u>\$2,486,353</u>	<u>19%</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 Nine Months Ending March 31 2010 and March 31, 2009
(Modified Accrual Basis)

	March 31, 2010	March 31, 2009	Variance	
Revenues:				
Federal Grants	28,866,618	27,156,582	1,710,036	6%
State Appropriations	7,351,715	7,351,031	684	0%
Premium Revenues	249,625	95,967	153,658	160%
Investment Earnings	75,234	98,105	(22,871)	-23%
Unrealized Gain on Investments**	<u>48,043</u>	<u>0</u>	<u>48,043</u>	100%
Total Operating Revenues	<u>36,591,234</u>	<u>34,701,685</u>	<u>1,889,549</u>	<u>5%</u>
Operating Expenditures:				
Claims:				
Outpatient Services	8,987,284	8,460,553	526,731	6%
Physicians & Surgical	7,184,298	7,001,268	183,030	3%
Prescribed Drugs	6,535,956	6,339,071	196,885	3%
Dental	3,882,384	3,616,952	265,432	7%
Inpatient Hospital Services	2,541,270	2,750,808	(209,538)	-8%
Durable & Disposable Med. Equip.	924,027	885,592	38,435	4%
Outpatient Mental Health	908,008	907,759	249	0%
Inpatient Mental Health	624,785	448,582	176,203	39%
Vision	533,979	452,573	81,406	18%
Therapy	349,530	317,624	31,906	10%
Medical Transportation	233,030	237,341	(4,311)	-2%
Other Services	56,387	74,669	(18,282)	-24%
Less: Collections*	<u>(380,083)</u>	<u>(578,919)</u>	<u>198,836</u>	<u>-34%</u>
Total Claims	<u>32,380,855</u>	<u>30,913,873</u>	<u>1,466,982</u>	<u>5%</u>
General and Admin Expenses:				
Salaries and Benefits	372,208	369,747	2,461	1%
Program Administration	2,223,467	1,622,801	600,666	37%
Eligibility	301,478	236,674	64,804	27%
Outreach & Health Promotion	214,966	92,546	122,420	132%
Current	<u>93,812</u>	<u>104,255</u>	<u>(10,443)</u>	<u>-10%</u>
Total Administrative	<u>3,205,931</u>	<u>2,426,023</u>	<u>779,908</u>	<u>32%</u>
Total Expenditures	<u>35,586,786</u>	<u>33,339,896</u>	<u>2,246,890</u>	<u>7%</u>
Excess of Revenues				
Over (Under) Expenditures	1,004,448	1,361,789	(357,341)	-26%
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>9,258,476</u>	<u>6,339,155</u>	<u>2,919,321</u>	<u>46%</u>

* Collections are primarily drug rebates and subrogation

** Short Term Bond Fund Investment began in November 2009

PRELIMINARY FINANCIAL STATEMENTS

Unaudited - For Management Purposes Only - Unaudited

For the Nine Months Ended March 31, 2010

	Budgeted for Year	Year to Date Budgeted Amt	Year to Date Actual Amt	Year to Date Variance*		Monthly Budgeted Amt	Mar-10	Feb-10	Jan-10
Projected Cost	\$48,693,584	\$36,520,188	\$32,747,113	\$3,773,075	10%	\$4,057,799	\$3,915,442	\$3,472,968	\$4,197,599
Premiums	305,826	229,370	249,625	(\$20,256)	9%	25,486	36,576	28,543	31,998
Subrogation & Rebates	<u>623,650</u>	<u>467,738</u>	<u>377,759</u>	<u>89,979</u>	-19%	<u>51,971</u>	<u>69,939</u>	<u>9,898</u>	<u>754</u>
Net Benefit Cost	47,764,108	\$35,823,081	\$32,119,729	\$3,703,352	10%	3,980,342	3,808,927	3,434,526	4,184,847
Salaries & Benefits	\$581,411	\$436,058	\$372,207	\$63,851	15%	\$48,451	\$40,111	\$40,111	\$40,882
Program Administration	2,865,833	1,999,375	2,312,461	(313,086)	-16%	222,153	230,448	448,812	226,304
Eligibility	295,243	221,432	315,667	(94,235)	-43%	24,604	71,619	13,640	17,322
Outreach	300,000	225,000	217,784	7,216	3%	25,000	9,154	6,657	12,946
Current Expense	<u>352,772</u>	<u>284,579</u>	<u>130,631</u>	<u>133,948</u>	51%	<u>29,398</u>	<u>10,552</u>	<u>10,598</u>	<u>8,690</u>
Total Admin Cost	\$4,195,259	\$3,146,444	\$3,348,750	(\$202,306)	-6%	\$349,605	\$361,864	\$519,818	\$306,344
Total Program Cost	<u>\$51,959,387</u>	<u>\$38,969,525</u>	<u>\$35,468,479</u>	<u>\$3,501,046</u>	9%	<u>\$4,329,947</u>	<u>\$4,170,811</u>	<u>\$3,954,344</u>	<u>\$4,471,191</u>
Federal Share 81.83%	42,489,772	\$31,867,329	\$28,988,340	2,868,989	9%	3,540,814	3,412,975	3,235,840	3,658,776
State Share 18.17%	<u>9,469,615</u>	<u>\$7,102,196</u>	<u>\$6,470,139</u>	<u>632,057</u>	9%	<u>789,133</u>	<u>757,836</u>	<u>718,504</u>	<u>812,415</u>
Total Program Cost **	<u>\$51,959,387</u>	<u>\$38,969,525</u>	<u>\$35,468,479</u>	<u>\$3,501,046</u>	9%	<u>\$4,329,947</u>	<u>\$4,170,811</u>	<u>\$3,954,344</u>	<u>\$4,471,191</u>

* Positive percentages indicate favorable variances

** Budgeted Year Based on CCRC Actuary 8/30/2009 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 Scenario 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

April 2010

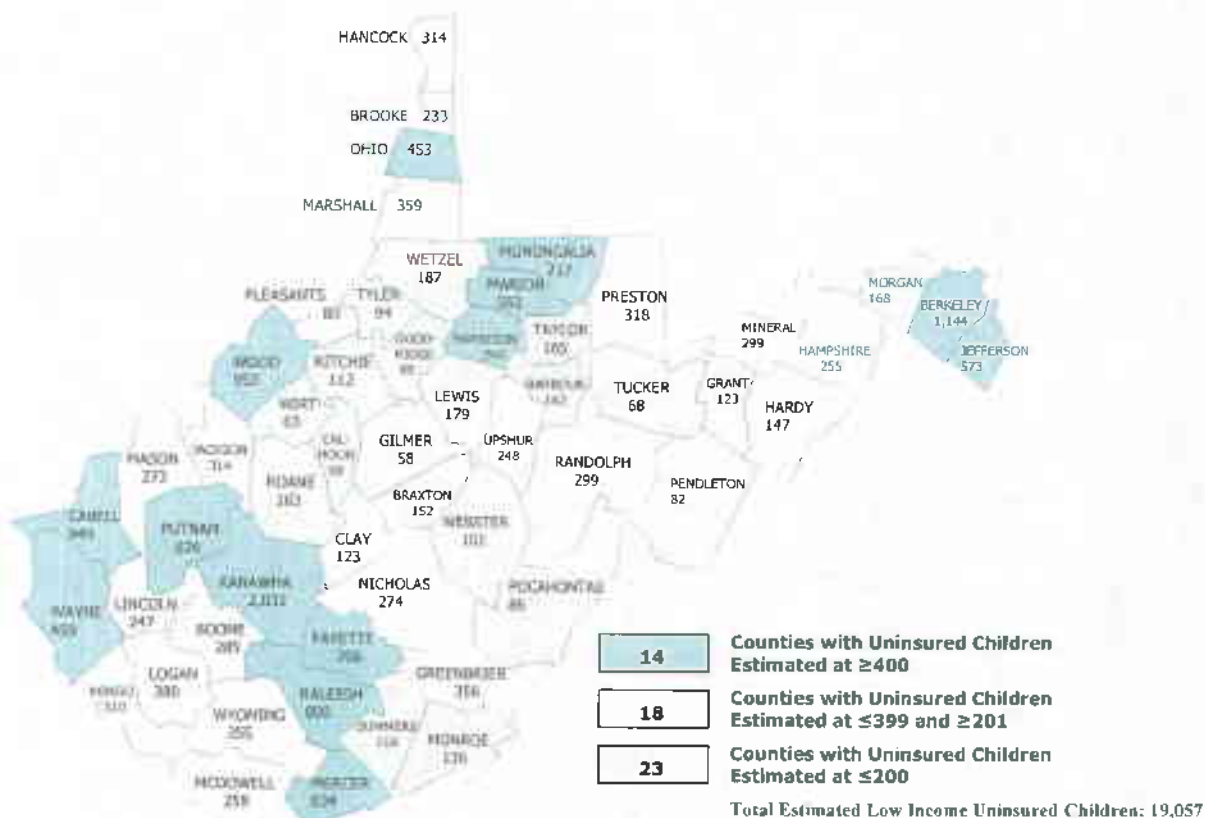
County	County Pop 2005 Est (0-18 Yrs)	Total CHIP Enrollment Apr-10	Total Medicaid Enrollment Apr-10	Total CHIP/Medicaid Enrollment	CHIP/Medicaid Enrollment % of Population	2009 Est Uninsured 5%	2009 # Children Uninsured Ranking*
Barbour	3,248	261	1,632	1,893	58.3%	162	38
Berkeley	22,882	1,306	7,425	8,731	38.2%	1,144	2
Boone	5,706	301	2,714	3,015	52.8%	285	24
Braxton	3,044	232	1,575	1,807	59.4%	152	39
Brooke	4,658	309	1,542	1,851	39.7%	233	32
Cabell	18,900	1,034	8,454	9,488	50.2%	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	860	4,784	5,644	58.2%	485	12
Gilmer	1,154	87	605	692	60.0%	58	55
Grant	2,463	174	989	1,163	47.2%	123	42
Greenbrier	7,110	611	2,922	3,533	49.7%	356	17
Hampshire	5,110	296	2,169	2,465	48.2%	255	28
Hancock	6,270	341	2,413	2,754	43.9%	314	20
Hardy	2,950	173	1,258	1,431	48.5%	147	40
Harrison	14,973	947	5,995	6,942	46.4%	749	6
Jackson	6,277	391	2,737	3,128	49.8%	314	19
Jefferson	11,465	436	2,704	3,140	27.4%	573	10
Kanawha	40,647	2,304	17,299	19,603	48.2%	2,032	1
Lewis	3,577	306	1,822	2,128	59.5%	179	34
Lincoln	4,945	417	2,689	3,106	62.8%	247	31
Logan	7,610	595	4,024	4,619	60.7%	380	15
Marion	11,245	732	4,388	5,120	45.5%	562	11
Marshall	7,176	360	2,853	3,213	44.8%	359	16
Mason	5,461	301	2,662	2,963	54.3%	273	26
McDowell	5,170	333	3,442	3,775	73.0%	259	27
Mercer	12,687	1,131	6,831	7,962	62.8%	634	8
Mineral	5,973	303	2,057	2,360	39.5%	299	22
Mingo	6,204	399	3,341	3,740	60.3%	310	21
Monongalia	14,346	724	4,302	5,026	35.0%	717	7
Monroe	2,728	207	1,140	1,347	49.4%	136	41
Morgan	3,365	253	1,187	1,440	42.8%	168	35
Nicholas	5,478	408	2,710	3,118	56.9%	274	25
Ohio	9,068	527	3,041	3,568	39.3%	453	14
Pendleton	1,632	104	513	617	37.8%	82	49
Pleasants	1,593	96	558	654	41.0%	80	51
Pocahontas	1,717	137	705	842	49.0%	86	48
Preston	6,354	470	2,478	2,948	46.4%	318	18
Putnam	12,522	719	3,367	4,086	32.6%	626	9
Raleigh	15,992	1,308	7,403	8,711	54.5%	800	5
Randolph	5,971	418	2,649	3,067	51.4%	299	23
Ritchie	2,234	151	976	1,127	50.4%	112	45
Roane	3,266	291	1,722	2,013	61.6%	163	37
Summers	2,322	221	1,210	1,431	61.6%	116	44
Taylor	3,307	216	1,419	1,635	49.4%	165	36
Tucker	1,354	135	513	648	47.9%	68	53
Tyler	1,887	122	816	938	49.7%	94	47

WVCHIP Enrollment Report

ATTACHMENT 1

April 2010

County	County Pop 2005 Est (0-18 Yrs)	Total CHIP Enrollment Apr-10	Total Medicaid Enrollment Apr-10	Total CHIP/Medicaid Enrollment	CHIP/Medicaid Enrollment % of Population	2009	2009
						Est Uninsured 5%	# Children Uninsured Ranking*
Upshur	4,956	391	2,397	2,788	56.3%	248	30
Wayne	9,176	590	4,129	4,719	51.4%	459	13
Webster	2,020	147	1,236	1,383	68.5%	101	46
Wetzel	3,732	177	1,736	1,913	51.3%	187	33
Wirt	1,268	109	567	676	53.3%	63	54
Wood	19,063	1,120	8,408	9,528	50.0%	953	3
Wyoming	5,092	414	2,742	3,156	62.0%	255	29
Totals	382,490	24,823	162,343	187,166	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

MAY 2010

Department of Administration

State Children's Health Insurance Program
UPDATE



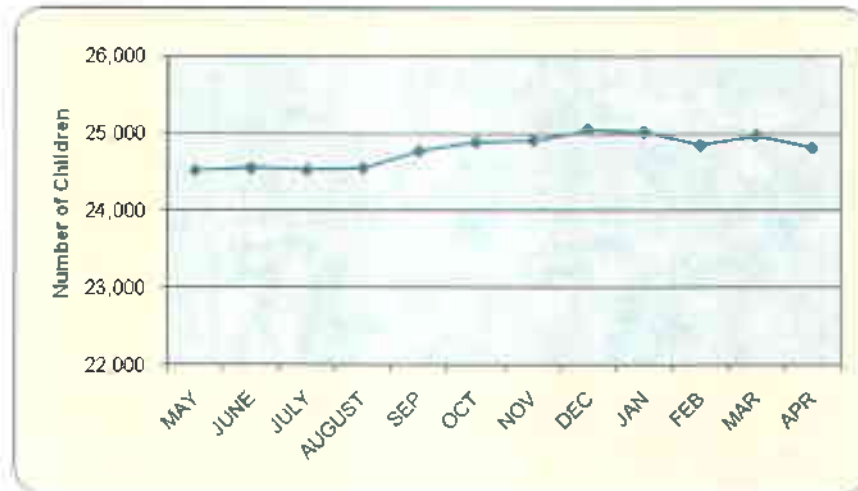
WV CHILDREN'S HEALTH INSURANCE AGENCY

REPORT FOR APRIL 2010

I. Enrollment on April 2010: 24,823

See Attachment 1 for enrollment by county.

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



Enrollee Totals: February 2010 to April 2010

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

II. Re-enrollment for 3 Month Period: January 2010 to March 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%

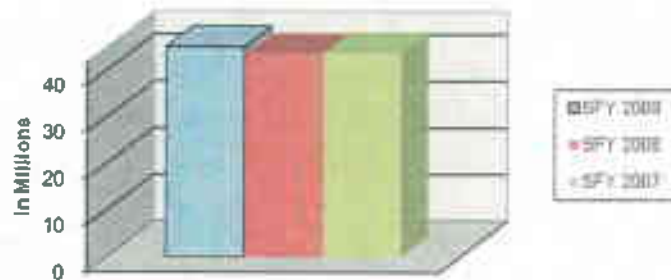
III. Financial Activity

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

The average annualized claims cost per child for the month ended March 2010 was \$1,946.

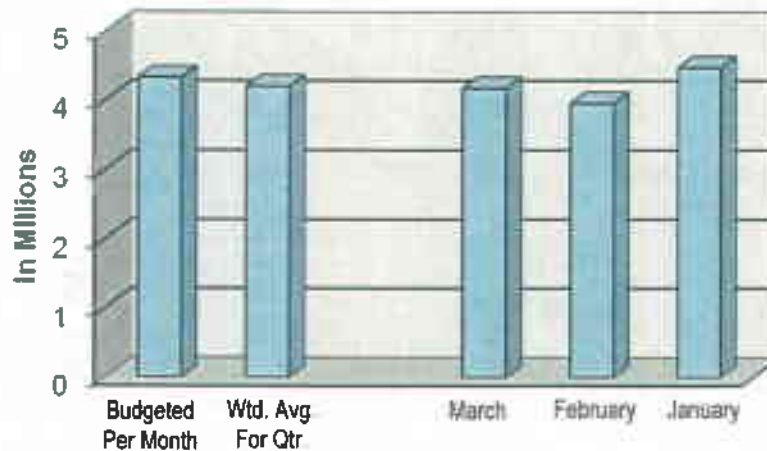
Annual Expenditures for a 3 Year Period: SFY 2007 – SFY 2009

	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: January 2010 – March 2010

	Budgeted Per Month	Wtd. Avg. For Qtr.	Actual		
			March 2010	February 2010	January 2010
Federal	3,540,814	3,435,864	3,412,975	3,235,840	3,658,776
State	789,133	762,918	757,836	718,504	812,415
Total	4,329,947	4,198,782	4,170,811	3,954,344	4,471,191



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

April 2010

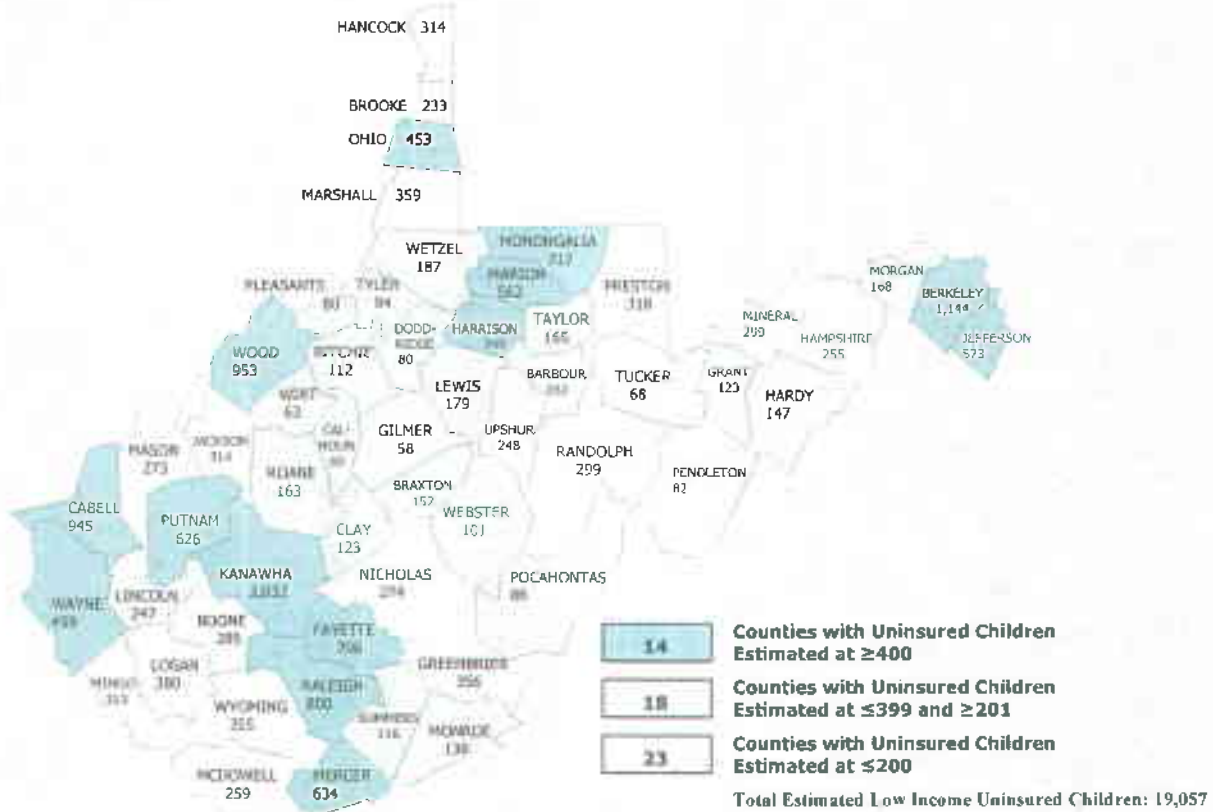
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WVCHIP Enrollment Report

ATTACHMENT 1

April 2010

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West Virginia Children's Health Insurance Program
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Nine Months Ending March 31 2010 and March 31, 2009
(Modified Accrual Basis)

	March 31, 2010	March 31, 2009	Variance	
Revenues:				
Federal G	28,866,618	27,156,582	1,710,036	6%
State App	7,351,715	7,351,031	684	0%
Premium	249,625	95,967	153,658	160%
Investment	75,234	98,105	(22,871)	-23%
Unrealized	<u>48,043</u>	<u>0</u>	<u>48,043</u>	100%
Total Revenues	<u>36,591,234</u>	<u>34,701,685</u>	<u>1,889,549</u>	<u>5%</u>
Expenditures:				
Claims:				
Outpatient	8,987,284	8,460,553	526,731	6%
Physician	7,184,298	7,001,268	183,030	3%
Prescription	6,535,956	6,339,071	196,885	3%
Dental	3,882,384	3,616,952	265,432	7%
Inpatient	2,541,270	2,750,808	(209,538)	-8%
Durable	924,027	885,592	38,435	4%
Outpatient	908,008	907,759	249	0%
Inpatient	624,785	448,582	176,203	39%
Vision	533,979	452,573	81,406	18%
Therapy	349,530	317,624	31,906	10%
Medical	233,030	237,341	(4,311)	-2%
Other Services	56,387	74,669	(18,282)	-24%
Less: Collections	<u>(380,083)</u>	<u>(578,919)</u>	<u>198,836</u>	<u>-34%</u>
Total Claims	<u>32,380,855</u>	<u>30,913,873</u>	<u>1,466,982</u>	<u>5%</u>
General and Admin Expenses:				
Salaries	372,208	369,747	2,461	1%
Program	2,223,467	1,622,801	600,666	37%
Eligibility	301,478	236,674	64,804	27%
Outreach	214,966	92,546	122,420	132%
Current	<u>93,812</u>	<u>104,255</u>	<u>(10,443)</u>	<u>-10%</u>
Total Admin	<u>3,205,931</u>	<u>2,426,023</u>	<u>779,908</u>	<u>32%</u>
Total Expenditures	<u>35,586,786</u>	<u>33,339,896</u>	<u>2,246,890</u>	<u>7%</u>
Excess of Revenues				
Over (Under)	1,004,448	1,361,789	(357,341)	-26%
Fund Equity	<u>8,254,028</u>	<u>4,977,366</u>	<u>3,276,662</u>	<u>66%</u>
Fund Equity	<u>9,258,476</u>	<u>6,339,155</u>	<u>2,919,321</u>	<u>46%</u>

* Collections are primarily drug rebates and subrogation

** Short Term Bond Fund Investment began in November 2009

PRELIMINARY FINANCIAL STATEMENTS

Unaudited - For Management Purposes Only - Unaudited

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

	March 31, 2010	March 31, 2009	Variance	
Assets:				
Cash & Cash Equivalents	\$11,945,024	\$9,686,396	\$2,258,628	23%
Due From Federal Government	\$3,153,577	\$2,969,064	\$184,513	6%
Due From Other Funds	\$700,238	\$669,049	\$31,189	5%
Accrued Interest Receivable	\$14,803	\$2,237	\$12,566	562%
Fixed Assets, at Historical Cost	<u>\$69,738</u>	<u>\$70,282</u>	<u>(\$544)</u>	-1%
Total Assets	<u>\$15,883,381</u>	<u>\$13,397,028</u>	<u>\$2,486,353</u>	19%
Liabilities:				
Due to Other Funds	\$113,815	\$118,113	(\$4,298)	-4%
Deferred Revenue	\$2,771,089	\$3,419,760	(\$648,671)	-19%
Unpaid Insurance Claims Liability	<u>\$3,740,000</u>	<u>\$3,520,000</u>	<u>\$220,000</u>	6%
Total Liabilities	<u>\$6,624,904</u>	<u>\$7,057,873</u>	<u>(\$432,969)</u>	-6%
Fund Equity	<u>\$9,258,476</u>	<u>\$6,339,155</u>	<u>\$2,919,321</u>	46%
Total Liabilities and Fund Equity	<u>\$15,883,381</u>	<u>\$13,397,028</u>	<u>\$2,486,353</u>	19%

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	\$11,759,133
Interest Earned	<u>75,234</u>
Total	<u>\$11,834,367</u>

Unaudited - For Management Purposes Only - Unaudited

Department of Administration Real Estate Division Leasing Report
For the period of April 1, 2010 through April 30, 2010

NEW CONTRACT OF LEASE

DIVISION OF FORESTRY

FOR-084 New contract of lease for 5 years consisting of 200 square feet of storage space at the monthly rate of \$65.00, electric only, in the City of Farmington, Marion County, West Virginia.

DIVISION OF VETERANS AFFAIRS

VET-035 New contract of lease for 5 years consisting of 720 square feet of office space at the per square foot rate of \$4.83, full service, in the City of Henlawson, Logan County, West Virginia.

NURSING HOME ADMINISTRATORS LICENSING BOARD

NLB-001 New contract of lease for 3 years consisting of 500 square feet of office space at the per square foot rate of \$12.00, parking and snow removal, in the City of Winfield, Putnam County, West Virginia.

WEST VIRGINIA INTELLIGENCE FUSION CENTER

IFC-001 New contract of lease for 3 years consisting of 5,100 square feet of office space at the per square foot rate of \$9.80, full service, in the City of Charleston, Kanawha County, West Virginia.

STRAIGHT RENEWAL - DOA OWNED

STATE TAX DEPARTMENT

TAX-025 Renewal for 1 year consisting of 2,120 square feet of office space at the current annual PSF rate of \$15.50, full service, in the City of Parkersburg, Wood County, West Virginia.

TAX-054 Renewal for 1 year consisting of 17,503 square feet of office space at the current annual PSF rate of \$14.50, full service, in the City of Charleston, Kanawha County, West Virginia.

STRAIGHT RENEWAL

DEPARTMENT OF ENVIRONMENTAL PROTECTION

DEP-130 Renewal for 5 years consisting of a 30' by 40' area for an air monitoring tower, at the current annual rate of \$1.00, in the City of Weirton, Hancock County, West Virginia.

PUBLIC EMPLOYEES INSURANCE AGENCY

PEI-002 Renewal for 1 year consisting of 4,000 square feet of storage space at the current monthly rate of \$400.00, in the City of Charleston, Kanawha County, West Virginia.

NEW RIVER COMMUNITY AND TECHNICAL COLLEGE

NRC-013 Renewal for 1 year consisting of 5,400 square feet of classroom space at the current annual PSF rate of \$6.42, in the City of Lewisburg, Greenbrier County, West Virginia.

STRAIGHT RENEWAL CONTINUED

DEPARTMENT OF EDUCATION

EDU-016 Renewal for 1 year consisting of 3,412 square feet of office space at the current annual PSF rate of \$10.50, full service, in the City of Charleston, Kanawha County, West Virginia.

PUBLIC LAND CORPORATION

PLC-001 Renewal of land/airport runway for 10 years at Yeager Airport, in the City of Charleston, Kanawha County, West Virginia.

DEPARTMENT OF HEALTH AND HUMAN RESOURCES

HHR-179 Renewal for 2 years consisting of 1,518 square feet of office space at the current annual PSF rate of \$3.93, in the City of Logan, Logan County, West Virginia.

HHR-185 Renewal for 2 years consisting of 14,385 square feet of office space at the current annual PSF rate of \$6.30, including parking, in the City of Logan, Logan County, West Virginia.

HHR-189 Renewal for 1 year consisting of 12,000 square feet of office space at the current annual PSF rate of \$7.00, in the City of Wayne, Wayne County, West Virginia.

OFFICES OF THE INSURANCE COMMISSIONER

INS-028 Renewal for 1 year consisting of 43,926 square feet of office space at the current annual PSF rate of \$14.50, full service, in the City of Charleston, Kanawha County, West Virginia.

INS-029 Renewal for 1 year consisting of 3,369 square feet of office space at the current annual PSF rate of \$14.50, full service, in the City of Charleston, Kanawha County, West Virginia.

DIVISION OF VETERANS AFFAIRS

VET-031 Renewal for 1 year consisting of 900 square feet of storage space at the current annual PSF rate of \$4.80, in the City of Clarksburg, Harrison County, West Virginia.

STRAIGHT RENEWAL – SUBLEASE

LOTTERY COMMISSION

LOT-009 Renewal for 1 year consisting of 3,346 square feet of office space at the current annual PSF rate of \$13.00, full service including parking and snow removal, in the City of Weirton, Hancock County, West Virginia.

INCREASE IN RENT

WEST VIRGINIA STATE POLICE

PSA-117 Renewal for 1 year consisting of 1 acre of land used as a radio repeater site with an increase in rent from monthly rate of \$250.00 to monthly rate of \$300.00, in the Henry District of Clay County, West Virginia.

ALCOHOL AND BEVERAGE CONTROL COMMISSION

ABC-400 Renewal for 3 years consisting of 15,000 square feet of office space with an increase in rent in the 2nd year from \$11.44 psf rate to \$11.61 psf rate, then increase again in the 3rd year to \$11.79 psf rate, parking and snow removal, in the City of Charleston, Kanawha County, West Virginia.

INCREASED SQUARE FOOTAGE

WORKFORCE WEST VIRGINIA

WWV-009 Increase in square footage from 21,954 square feet to 27,398 square feet of office space at the current annual PSF rate of \$10.40, parking and snow removal, in the City of Charleston, Kanawha County, West Virginia.

Joint Committee on Government and Finance

May 2010

Department of Health and Human Resources

MEDICAID REPORT

February 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 types, 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 FEBRUARY 2010	ACTUALS	TOTAL	ACTUALS	ESTIMATED	ACTUALS	PROJECTED
	SFY2009	SFY2010	Current Month Feb-10	Current Month Feb-10	Year To-Date Thru 2/28/10	3/1/10 Thru 06/30/10
EXPENDITURES:						
Inpatient Hospital - Reg. Payments	260,846,891	127,698,826	10,978,856	10,645,000	134,764,978	(7,166,052)
Inpatient Hospital - DSH	64,463,945	88,411,879	9,383,866	17,691,000	38,762,665	18,649,014
Inpatient Hospital - Supplemental Payments	-	114,140,000	-	-	15,905,775	68,234,226
Inpatient Hospital - GME Payments	-	4,073,000	1,267,905	1,018,000	3,661,438	411,562
Mental Health Facilities	47,960,442	89,718,940	8,388,679	4,647,000	48,614,411	9,104,630
Mental Health Facilities - DSH Adjustment Payments	18,788,469	19,066,784	4,721,781	4,722,000	14,185,284	4,890,470
Nursing Facility Services - Regular Payments	484,023,240	481,237,886	42,635,341	40,930,000	314,749,930	176,487,667
Nursing Facility Services - Supplemental Payments	-	-	-	-	-	-
Intermediate Care Facilities - Public Providers	-	-	-	-	-	-
Intermediate Care Facilities - Private Providers	63,246,071	63,402,719	6,464,619	6,284,000	42,856,430	20,648,289
Intermediate Care Facilities - Supplemental Payments	-	-	-	-	-	-
Physicians Services - Regular Payments	143,420,126	125,926,808	9,072,952	1,078,000	62,437,978	43,468,632
Physicians Services - Supplemental Payments ***	-	22,786,000	-	-	34,060,678	(11,308,678)
Outpatient Hospital Services - Regular Payments	120,824,371	118,181,864	7,666,894	6,864,000	63,609,968	64,691,698
Outpatient Hospital Services - Supplemental Payments	-	-	-	-	-	-
Prescribed Drugs	341,693,652	367,693,428	24,319,055	30,678,000	219,862,114	147,641,316
Drug Rebate Offset - National Agreement	(130,951,220)	(128,794,804)	(3,773,624)	(1,058,000)	(100,389,619)	(26,404,285)
Drug Rebate Offset - State Sidebar Agreement	(30,810,728)	(30,393,662)	(140,192)	(2,628,000)	(18,699,618)	(14,334,133)
Dental Services	40,360,098	48,900,678	3,430,494	4,062,000	28,436,232	19,464,344
Other Practitioners Services - Regular Payments	22,381,183	7,816,682	778,658	698,000	7,912,623	(96,971)
Other Practitioners Services - Supplemental Payments ***	-	-	-	-	-	-
Clinic Services	39,855,469	14,637,984	376,668	1,247,000	3,267,620	11,570,364
Lab & Radiological Services	10,177,238	10,836,738	811,028	923,000	7,682,400	3,164,338
Home Health Services	32,651,694	35,989,618	3,840,344	3,036,000	28,329,621	9,669,697
Hysterectomies/Sterilizations	816,268	674,094	18,179	48,000	169,926	418,128
Pregnancy Terminations	-	-	-	-	-	-
EPSDT Services	2,247,631	2,699,669	124,064	217,000	1,282,970	1,317,269
Rural Health Clinic Services	7,793,508	8,637,239	1,438,651	716,000	6,586,699	2,951,840
Medicare Health Insurance Payments - Part A Premiums	14,821,458	19,088,436	1,472,154	1,691,000	11,479,465	7,614,871
Medicare Health Insurance Payments - Part B Premiums	70,371,344	77,248,842	8,886,649	6,424,000	48,863,283	28,383,569
120% - 134% Of Poverty	4,405,674	5,101,770	406,309	432,000	3,428,667	1,673,213
135% - 175% Of Poverty	-	-	-	-	-	-
Coinurance And Deductibles	-	-	622,652	-	4,318,688	(4,318,688)
Medicaid Health Insurance Payments: Managed Care Organizations (MCO)	294,697,012	285,089,331	28,637,767	22,088,000	222,034,789	43,024,643
Medicaid Health Insurance Payments: Prepaid Ambulatory Health Plan	-	-	-	-	-	-
Medicaid Health Insurance Payments: Prepaid Inpatient Health Plan	-	-	-	-	-	-
Medicaid Health Insurance Payments: Group Health Plan Payments	393,790	416,852	38,691	38,000	262,640	122,912
Medicaid Health Insurance Payments: Coinsurance	-	-	-	-	-	-
Medicaid Health Insurance Payments: Other	-	-	-	-	-	-
Home & Community-Based Services (MR/DD)	233,466,663	269,920,094	19,667,572	23,121,009	163,908,332	93,011,762
Home & Community-Based Services (Aged/Disabled)	60,634,343	88,794,000	7,478,211	7,463,000	62,748,801	27,049,398

MONTH OF FEBRUARY 2010	ACTUALS	TOTAL	ACTUALS	ESTIMATED	ACTUALS	PROJECTED
	SFY2009	SFY2010	Current Month Feb-10	Current Month Feb-10	Year To-Date Thru 2/28/10	3/1/10 Thru 03/30/10
Home & Community-Based Services (State Plan 1915(i) Only)	-	-	-	-	-	-
Home & Community-Based Services (State Plan 1915(j) Only)	-	-	-	-	-	-
Community Supported Living Services	-	-	-	-	-	-
Programs Of All-Inclusive Care Elderly	-	-	-	-	-	-
Personal Care Services - Regular Payments	37,878,888	42,677,777	3,427,632	3,650,000	27,444,884	16,133,162
Personal Care Services - SPS 1915(j)	-	-	-	-	-	-
Targeted Case Management Services - Com. Case Management	-	0	-	-	-	0
Targeted Case Management Services - Institutional Transitioning	-	-	-	-	-	-
Targeted Case Management Services - State Wide	4,309,098	8,611,539	308,200	472,000	2,578,783	3,031,788
Primary Care Case Management Services	609,744	691,427	26,226	58,000	267,172	404,255
Hospice Benefits	14,489,070	15,246,730	1,526,483	1,271,000	10,522,991	4,723,739
Emergency Services Undocumented Aliens	89,318	-	4,898	-	87,681	(87,681)
Federally Qualified Health Center	16,781,540	20,208,125	1,673,488	1,689,000	12,785,775	7,460,360
Non-Emergency Medical Transportation	-	4,602,000	397,815	378,000	3,390,709	1,111,291
Physical Therapy	-	2,078,000	143,662	173,000	1,217,065	868,915
Occupational Therapy	-	688,000	23,643	55,000	135,588	520,402
Services for Speech, Hearing & Language	-	504,000	16,768	42,000	187,088	306,904
Prosthetic Devices, Dentures, Eyeglasses	-	680,000	134,277	57,000	1,282,316	(812,316)
Diagnostic Screening & Preventive Services	-	-	27,189	-	233,684	(233,684)
Nurse Mid-Wife	-	-	27,894	-	281,357	(281,357)
Emergency Hospital Services	-	-	754,056	-	8,040,898	(8,040,898)
Critical Access Hospitals	-	8,607,000	6,919,873	489,000	21,570,232	(18,083,232)
Nurse Practitioner Services	-	1,560,000	89,851	128,000	877,538	872,462
School Based Services	-	44,066,000	6,883,468	3,974,000	33,310,803	10,784,197
Rehabilitative Services (Non-School Based)	-	84,782,000	6,768,235	6,399,000	48,042,169	10,749,831
Private Duty Nursing	-	3,118,000	304,911	260,000	2,083,427	1,038,573
Other Care Services	128,150,832	61,022,801	2,888,623	4,362,000	26,286,618	28,728,083
Less: Recoupments	-	-	(104,184)	-	(307,548)	307,548
NET EXPENDITURES:	2,410,186,904	2,514,532,515	224,322,690	217,342,009	1,688,690,743	826,841,772
Collections: Third Party Liability (line 8A on CMS-84)	(6,038,342)	-	-	-	(2,811,695)	2,811,685
Collections: Probate (line 8B on CMS-84)	(122,220)	-	-	-	(62,904)	62,904
Collections: Identified through Fraud & Abuse Effort (line 8C on CMS-84)	(13,789)	-	-	-	(528)	528
Collections: Other (line 8D on CMS-84)	(5,609,009)	-	-	-	(1,389,919)	1,389,919
NET EXPENDITURES and CMS-84 ADJUSTMENTS:	2,398,812,984	2,514,532,515	224,322,690	217,342,009	1,684,388,697	830,176,618
Plus: Medicaid Part D Expenditures	27,747,632	31,899,237	2,648,229	2,461,480	23,938,817	8,082,420
Plus: State Only Medicaid Expenditures ***	4,683,431	3,846,891	428,216	289,548	3,320,492	529,398
TOTAL MEDICAID EXPENDITURES	2,430,844,047	\$2,550,378,643	\$227,399,135	\$220,093,037	\$1,711,613,008	\$838,788,837
Plus: Reimbursables (1)	4,328,892	4,787,584	410,844	335,696	3,626,800	1,181,783
TOTAL EXPENDITURES	\$2,435,173,630	\$2,555,166,207	\$227,810,079	\$220,428,702	\$1,715,239,808	\$839,970,620

(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

8 Months Actuals 4 Months Remaining

MONTH OF FEBRUARY 2010

	ACTUALS SFY2009	ACTUALS Current Month Ended 2/28/10	ACTUALS Year-To-Date Thru 2/28/10	PROJECTED 3/1/2010 Thru 8/30/10	TOTAL SFY2010
REVENUE SOURCES					
Beg. Bal. (5084/1020 prior mth)	34,933,055	97,245,263	\$116,583,948		\$116,583,948
MATCHING FUNDS					
General Revenue (0403/189)	363,705,687	21,964,933	137,701,470	129,814,098	267,315,568
MRDD Waiver (0403/466)	-	6,698,124	47,140,711	33,212,772	80,353,483
Rural Hospitals Under 150 Beds (0403/940)	2,598,000	216,333	1,730,667	865,333	2,598,000
Tertiary Funding (0403/547)	4,868,000	529,687	4,237,334	2,118,668	6,356,000
Lottery Waiver (Less 550,000) (5405/539)	23,272,578	6,822,578	20,272,578	3,000,000	23,272,578
Lottery Transfer (5405/871)	10,300,000	2,500,000	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	16,046,995	105,640,983	59,017,307	164,658,290
Certified Match	19,399,722	1,708,588	9,085,168	8,785,172	15,830,340
Reimbursables - Amount Reimbursed	4,348,908	203,142	2,566,107	2,221,456	4,787,564
Other Revenue (MWIN, Escheated Warrants, etc.) 5084/4010 & 40	428,344	47,269	(683,054)	863,054	0
CMS - 64 Adjustments	1,088,680		(319,118)	319,118	0
TOTAL MATCHING FUNDS	680,123,202	\$153,978,901	\$451,458,795	\$268,523,570	\$720,980,365
FEDERAL FUNDS	1,874,489,891	181,209,454	1,371,293,502	\$718,498,468	\$2,089,781,970
TOTAL REVENUE SOURCES	2,554,812,893	\$336,188,355	\$1,822,750,298	\$988,022,039	\$2,810,772,335
TOTAL EXPENDITURES:					
Provider Payments	2,435,173,930	\$227,810,078	\$1,715,238,808	\$838,927,400	\$2,555,168,207
TOTAL	119,438,964	\$107,378,276	\$107,611,490		\$255,606,128

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.



West Virginia Investment Management Board
Monthly Performance Report
March 31, 2010

West Virginia Investment Management Board

Participant Plans Allocation & Performance

As of March 31, 2010

	Asset \$	%	Performance %							
			1 Month	3 Month	FYTD	1 Year	3 Year	5 Year	10 Year	
WVIMB Fund Assets	10,933,649,651	100.0								
Pension Assets	8,759,088,509	80.1								
Public Employees' Retirement System	3,862,350,563	35.3	3.9	3.5	21.1	39.8	-0.3	4.8	4.7	
Teachers' Retirement System	4,172,390,583	38.2	3.8	3.4	20.3	37.7	-1.1	4.3	4.4	
Teachers' Employers Cont. Collection A/C	27,693,166	0.3	0.0	0.0	0.1	0.2	2.1			
EMS Retirement System	23,539,190	0.2	4.0	3.6	21.1	39.5				
Public Safety Retirement System	418,479,709	3.8	3.9	3.5	21.1	39.7	-0.4	4.6	4.7	
Judges' Retirement System	106,346,853	1.0	3.9	3.5	21.0	39.4	-0.4	4.7	4.7	
State Police Retirement System	53,212,669	0.5	3.8	3.5	20.9	39.3	-0.2	4.8	4.8	
Deputy Sheriffs' Retirement System	95,072,350	0.9	3.9	3.5	21.0	39.6	-0.3	4.7	4.7	
Municipal Police & Firefighter Retirement System	3,425	0.0								
Insurance Assets	1,598,400,987	14.6								
Workers' Compensation Old Fund	852,213,681	7.8	1.3	2.3	14.1	28.0	1.2			
Workers' Comp. Self-Insured Guaranty Risk Pool	7,780,867	0.1	0.0	0.0	0.1	0.2	2.3			
Workers' Comp. Uninsured Employers Fund	8,765,115	0.1	0.0	0.0	0.1	0.2	2.3			
Pnuemoconiosis	248,941,084	2.3	2.0	2.7	14.6	27.6	2.3			
Board of Risk & Insurance Mgmt.	121,373,907	1.1	2.0	2.8	15.1	28.6	3.7	5.6		
Public Employees' Insurance Agency	131,418,660	1.2	1.7	2.7	14.2	27.0	2.9			
WV Retiree Health Benefit Trust Fund	225,836,866	2.1	1.0	2.4	12.6	24.6				
ACCESSWV	2,070,807	0.0								
Endowment Assets	576,160,154	5.3								
Wildlife Fund	37,535,716	0.3	3.8	3.5	21.0	39.6	-0.3	4.7	6.2	
Prepaid Tuition Trust	80,627,296	0.7	3.5	3.0	22.3	44.6	1.0	5.5	5.2	
Revenue Shortfall Reserve Fund	175,355,209	1.6	0.8	2.3	16.3	34.0	-2.2			
Revenue Shortfall Reserve Fund - Part B	282,641,934	2.6	2.6	3.1	18.8	36.5	-1.8			

West Virginia Investment Management Board

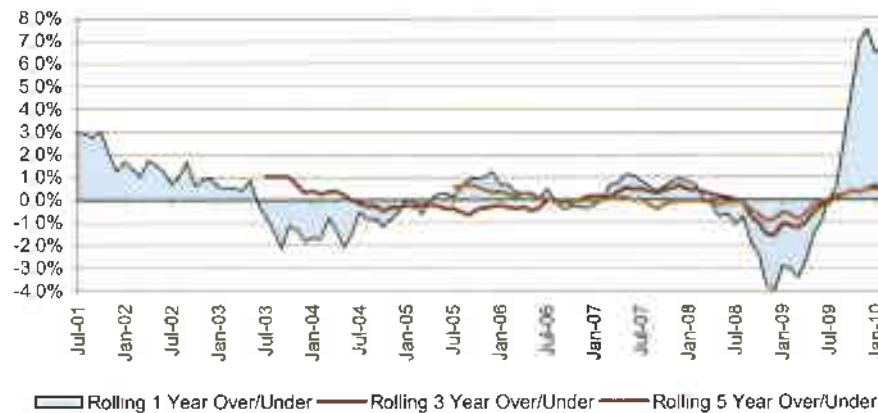
PERS Performance Impact
As of March 31, 2010

Strategy Impact



	<u>Policy Benchmark</u>	<u>Strategy Impact</u>	<u>Allocation Impact</u>	<u>Implementation Impact</u>	<u>Actual Results</u>
One Month	4.00%	-0.35%	0.03%	0.18%	3.87%
Three Months	3.18%	-0.09%	-0.06%	0.46%	3.50%
One Year	37.00%	-5.17%	0.22%	7.75%	39.81%
Three Years	0.38%	-1.10%	0.28%	0.14%	-0.30%
Five Years	4.65%	-0.34%	0.19%	0.26%	4.77%
Ten Years	3.45%	0.72%	N/A	0.50%	4.67%
Since March 31, 2004	4.93%	-0.16%	0.18%	0.09%	5.05%

Implementation Impact *



* Chart of Implementation Impact includes Allocation Impact.

West Virginia Investment Management Board

Composite Asset Allocation & Performance Net of Fees

As of March 31, 2010

	Asset \$	%	Performance %							
			1 Month	3 Month	FYTD	1 Year	3 Year	5 Year	10 Year	
Investment Pools Composite	10,938,533,216	100.00								
Total Equity Composite	4,890,951,097	44.71	6.41	4.54	30.43	59.91	-3.52	4.42	2.99	
<i>Total Equity Policy Index</i>			<i>6.58</i>	<i>3.80</i>	<i>28.46</i>	<i>57.17</i>	<i>-4.69</i>	<i>3.36</i>	<i>1.79</i>	
Excess Return			-0.17	0.74	1.97	2.74	1.17	1.06	1.20	
US Equity Composite	2,456,060,059	22.45	6.38	6.05	30.25	50.29	-4.66	2.33	1.79	
<i>Russell 3000 Index</i>			<i>6.30</i>	<i>5.94</i>	<i>30.49</i>	<i>52.44</i>	<i>-3.99</i>	<i>2.39</i>	<i>-0.07</i>	
Excess Return			0.08	0.11	-0.24	-2.15	-0.67	-0.06	1.86	
Large Cap Composite	2,058,303,506	18.82	6.18	5.57	29.18	49.07	-4.66	1.83	-0.85	
<i>S&P 500</i>			<i>6.03</i>	<i>5.39</i>	<i>29.19</i>	<i>49.77</i>	<i>-4.17</i>	<i>1.92</i>	<i>-0.65</i>	
Excess Return			0.15	0.18	-0.01	-0.70	-0.49	-0.09	-0.20	
Non-Large Cap Composite	397,756,553	3.64	7.43	8.58	36.16	57.12	-3.73	3.71	6.57	
<i>Russell 2500 Index</i>			<i>7.64</i>	<i>9.21</i>	<i>37.78</i>	<i>65.71</i>	<i>-3.16</i>	<i>4.05</i>	<i>4.83</i>	
Excess Return			-0.21	-0.63	-1.62	-8.59	-0.57	-0.34	1.74	
International Equity Composite	2,434,891,038	22.26	6.45	3.08	30.00	68.76	-2.13	7.97	5.02	
<i>MSCI AC World ex USA</i>			<i>6.85</i>	<i>1.66</i>	<i>26.36</i>	<i>61.67</i>	<i>-3.72</i>	<i>6.59</i>	<i>3.21</i>	
Excess Return			-0.40	1.42	3.64	7.09	1.59	1.38	1.81	
Fixed Income Composite	3,140,093,418	28.71	0.76	2.35	12.63	25.45	4.72	5.25	6.84	
<i>Fixed Income Policy</i>			<i>0.13</i>	<i>2.04</i>	<i>7.23</i>	<i>10.38</i>	<i>6.31</i>	<i>5.54</i>	<i>6.34</i>	
Excess Return			0.63	0.31	5.40	15.07	-1.59	-0.29	0.50	
TRS Annuity	205,597,866	1.88	0.37	1.09	3.36	4.44				
Cash Composite	202,263,148	1.85	0.01	0.02	0.10	0.19	2.23	3.14	2.99	
<i>Citigroup 90 Day T-Bill + 15bps</i>			<i>0.02</i>	<i>0.05</i>	<i>0.18</i>	<i>0.27</i>	<i>1.96</i>	<i>2.92</i>	<i>2.92</i>	
Excess Return			-0.01	-0.03	-0.08	-0.08	0.27	0.22	0.07	
Private Equity Composite	849,983,999	7.77	2.83	4.03	13.88	12.62				
Private Real Estate Composite	477,529,119	4.37	0.04	0.14	2.05	2.63				
Hedge Funds Composite	1,172,114,568	10.72	1.59	2.51	10.75	17.84				

West Virginia Investment Management Board

Manager Asset Allocation & Performance Net of Fees

As of March 31, 2010

	Asset \$	%	Performance %							Inception Date
			1 Month	3 Month	FYTD	1 Year	3 Year	5 Year	Since Inception	
Large Cap Equity										
SSgA S&P 500 Index	1,033,562,496	9.45	6.02	5.48					11.95	Oct-2009
<i>S&P 500</i>			6.03	5.39					11.75	
Excess Return			-0.01	0.09					0.20	
INTECH	1,024,741,010	9.37	6.34	5.65	29.43	49.09	-3.97	2.32	2.75	Dec-2004
<i>S&P 500</i>			6.03	5.39	29.19	49.77	-4.17	1.92	2.02	
Excess Return			0.31	0.26	0.24	-0.68	0.20	0.40	0.73	
Non-Large Cap Equity										
Aronson + Johnson + Ortiz	195,919,340	1.79	6.78	7.23	32.66	54.51	-7.99	1.19	8.87	Feb-1999
<i>Russell 2500 Value Index</i>			7.35	9.57	40.77	67.17	-5.06	3.14	8.60	
Excess Return			-0.57	-2.34	-8.11	-12.66	-2.93	-1.95	0.27	
Westfield	201,827,077	1.85	8.06	9.90	39.65	59.68	3.17	9.29	13.20	Oct-2002
<i>Russell 2500 Growth Index</i>			7.99	8.81	34.59	63.92	-1.67	4.65	10.95	
Excess Return			0.07	1.09	5.06	-4.24	4.84	4.64	2.25	
International Equity										
Silchester	811,044,792	7.41	5.71	4.99	22.84	54.19	0.89	7.99	12.91	Oct-1998
<i>MSCI EAFE Index</i>			6.31	0.94	23.33	55.20	-6.55	4.24	5.32	
Excess Return			-0.60	4.05	-0.49	-1.01	7.44	3.75	7.59	
LSV	809,842,291	7.40	5.94	2.33	28.03	67.04	-4.52	6.86	9.55	Oct-2004
<i>MSCI AC World ex USA</i>			6.85	1.66	26.36	61.67	-3.72	6.59	8.83	
Excess Return			-0.91	0.67	1.67	5.37	-0.80	0.27	0.72	
Pictet	208,512,782	1.91	7.38	4.47	25.23	53.67			54.17	Mar-2009
<i>MSCI EAFE Small Cap</i>			7.35	4.82	26.79	70.59			73.62	
Excess Return			0.03	-0.35	-1.56	-16.92			-19.45	
Brandes	445,250,178	4.07	7.85	0.90	52.48	116.01	8.40		15.16	Dec-2005
<i>MSCI Emerging Markets (Net)</i>			8.07	2.41	34.40	81.08	5.16		12.48	
Excess Return			-0.22	-1.51	18.08	34.93	3.24		2.68	
SSgA Emerging Markets	160,240,995	1.46	7.71	1.96					10.99	Nov-2009
<i>MSCI Emerging Markets (Net)</i>			8.07	2.41					11.02	
Excess Return			-0.36	-0.45					-0.03	

West Virginia Investment Management Board

Manager Asset Allocation & Performance Net of Fees

As of March 31, 2010

Asset \$		Performance %								Inception Date
		1 Month	3 Month	FYTD	1 Year	3 Year	5 Year	Since Inception		
Fixed Income										
1,185,929,214	10.84	1.80	3.60	17.05	32.27	6.11	6.61	7.62	Jul-1996	
		<i>0.13</i>	<i>2.04</i>	<i>7.23</i>	<i>10.38</i>	<i>5.58</i>	<i>5.81</i>	<i>6.67</i>		
		1.67	1.56	9.82	21.89	0.53	0.80	0.95		
512,297,529	4.68	0.90						0.91	Feb-2010	
		<i>-0.12</i>						<i>0.25</i>		
		1.02						0.66		
866,246,451	7.92	-0.11	1.64	6.75	8.46			8.24	Mar-2009	
		<i>-0.12</i>	<i>1.78</i>	<i>5.81</i>	<i>7.69</i>			<i>8.45</i>		
		0.01	-0.14	0.94	0.77			-0.21		
575,620,225	5.26	-0.14	1.71					1.37	Nov-2009	
		<i>-0.12</i>	<i>1.78</i>					<i>1.49</i>		
		-0.02	-0.07					-0.12		
Cash										
202,263,148	1.85	0.01	0.02	0.10	0.19	2.23	3.14	3.84	Jul-1996	
		<i>0.02</i>	<i>0.05</i>	<i>0.18</i>	<i>0.27</i>	<i>1.96</i>	<i>2.92</i>	<i>3.59</i>		
		-0.01	-0.03	-0.08	-0.08	0.27	0.22	0.25		
Private Equity										
127,417,546	1.16	2.61	3.42	8.43	2.87			-7.20	Apr-2008	
722,566,453	6.61	2.87	4.14	14.83	14.48			-5.54	Apr-2008	
Real Estate										
36,909,283	0.34	0.09	-3.59	-1.46	-0.90			-12.77	Apr-2008	
435,371,254	3.98	-0.02	0.40					0.94	Nov-2009	
		<i>0.13</i>	<i>0.56</i>					<i>1.10</i>		
		-0.15	-0.16					-0.16		
2,624,773	0.02	4.99						4.99	Mar-2010	
		<i>9.42</i>						<i>9.42</i>		
		-4.43						-4.43		
2,623,808	0.02	4.95						4.95	Mar-2010	
		<i>9.42</i>						<i>9.42</i>		
		-4.47						-4.47		
Hedge Funds										
1,172,114,568	10.72	1.59	2.51	10.75	17.84			1.52	Jul-2008	

West Virginia Investment Management Board

Participant Plans Allocation vs. Targets

As of March 31, 2010

	Domestic Equity		Int'l Equity		Fixed Income		Private Equity		Real Estate		Hedge Funds		Cash	
	Actual %	Target %	Actual %	Target %	Actual %	Target %	Actual %	Target %	Actual %	Target %	Actual %	Target %	Actual %	Target %
Pension Assets														
Public Employees' Retirement System	26.0	25.0	25.9	25.0	22.6	24.0	9.7	10.0	5.4	6.0	9.8	10.0	0.5	0.0
Teachers' Retirement System	26.0	25.0	25.8	25.0	22.7	24.0	9.7	10.0	5.4	6.0	9.8	10.0	0.6	0.0
Teachers' Employers Cont. Collection A/C	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0
EMS Retirement System	26.0	25.0	26.9	25.0	20.6	24.0	9.6	10.0	5.5	6.0	9.9	10.0	1.5	0.0
Public Safety Retirement System	26.1	25.0	26.2	25.0	22.4	24.0	9.8	10.0	5.5	6.0	9.9	10.0	0.1	0.0
Judges' Retirement System	26.1	25.0	26.1	25.0	22.7	24.0	9.7	10.0	5.4	6.0	9.8	10.0	0.3	0.0
State Police Retirement System	25.8	25.0	25.4	25.0	23.2	24.0	9.4	10.0	5.3	6.0	9.6	10.0	1.2	0.0
Deputy Sheriffs' Retirement System	25.9	25.0	25.8	25.0	23.0	24.0	9.6	10.0	5.4	6.0	9.7	10.0	0.6	0.0
Municipal Police & Firefighter Retirement System	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0
Insurance Assets														
Workers' Compensation Old Fund	5.2	5.0	5.3	5.0	62.0	80.0	0.0	0.0	0.0	0.0	16.0	0.0	11.4	10.0
Workers' Comp. Self-Insured Guaranty Risk Pool	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0
Workers' Comp. Uninsured Employers Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0
Pnuemoconiosis	10.6	10.0	10.8	10.0	54.1	55.0	0.0	0.0	0.0	0.0	20.0	20.0	4.5	5.0
Board of Risk & Insurance Mgmt.	10.6	10.0	10.7	10.0	58.8	60.0	0.0	0.0	0.0	0.0	19.8	20.0	0.0	0.0
Public Employees' Insurance Agency	7.9	7.5	8.1	7.5	64.1	65.0	0.0	0.0	0.0	0.0	19.9	20.0	0.0	0.0
WV Retiree Health Benefit Trust Fund	2.7	2.5	2.8	2.5	94.5	95.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
ACCESSWV	25.7	25.0	25.7	25.0	48.6	50.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Endowment Assets														
Wildlife Fund	25.5	25.0	25.9	25.0	22.9	24.0	9.8	10.0	5.5	6.0	9.9	10.0	0.5	0.0
Prepaid Tuition Trust	37.0	30.0	20.5	30.0	41.3	40.0	0.0	0.0	0.0	0.0	0.0	0.0	1.2	0.0
Revenue Shortfall Reserve Fund	0.0	0.0	0.0	0.0	83.4	100.0	0.0	0.0	0.0	0.0	16.6	0.0	0.0	0.0
Revenue Shortfall Reserve Fund - Part B	15.7	15.0	16.6	15.0	51.6	70.0	0.0	0.0	0.0	0.0	16.2	0.0	0.0	0.0

Statutory Limitations

- Public Equity - 75%
- International Equity - 30%
- Real Estate - 25%
- Private Equity and Hedge Funds - 20% in aggregate

West Virginia Investment Management Board

Footnotes

As of March 31, 2010

PERS Policy is 30% Russell 3000, 30% MSCI ACW ex USA, and 40% Barclays Capital Universal as of 4/1/08. Prior periods, 42% Russell 3000, 18% MSCI ACW ex USA, and 40% Barclays Capital Aggregate.

Total Equity Policy is 50% Russell 3000 and 50% MSCI ACW ex USA as of April 2008. Prior periods were 40% S&P 500, 30% Russell 2500, and 30% MSCI ACW ex USA.

Fixed Income Policy is 100% Barclays Capital Universal as of April 2008. Prior periods were the Barclays Capital Aggregate.

Western Policy Index is 100% Barclays Capital Universal as of April 2008. Prior periods were a custom index.

Returns are net of manager fees. Returns shorter than one year are unannualized.

DISCLAIMER

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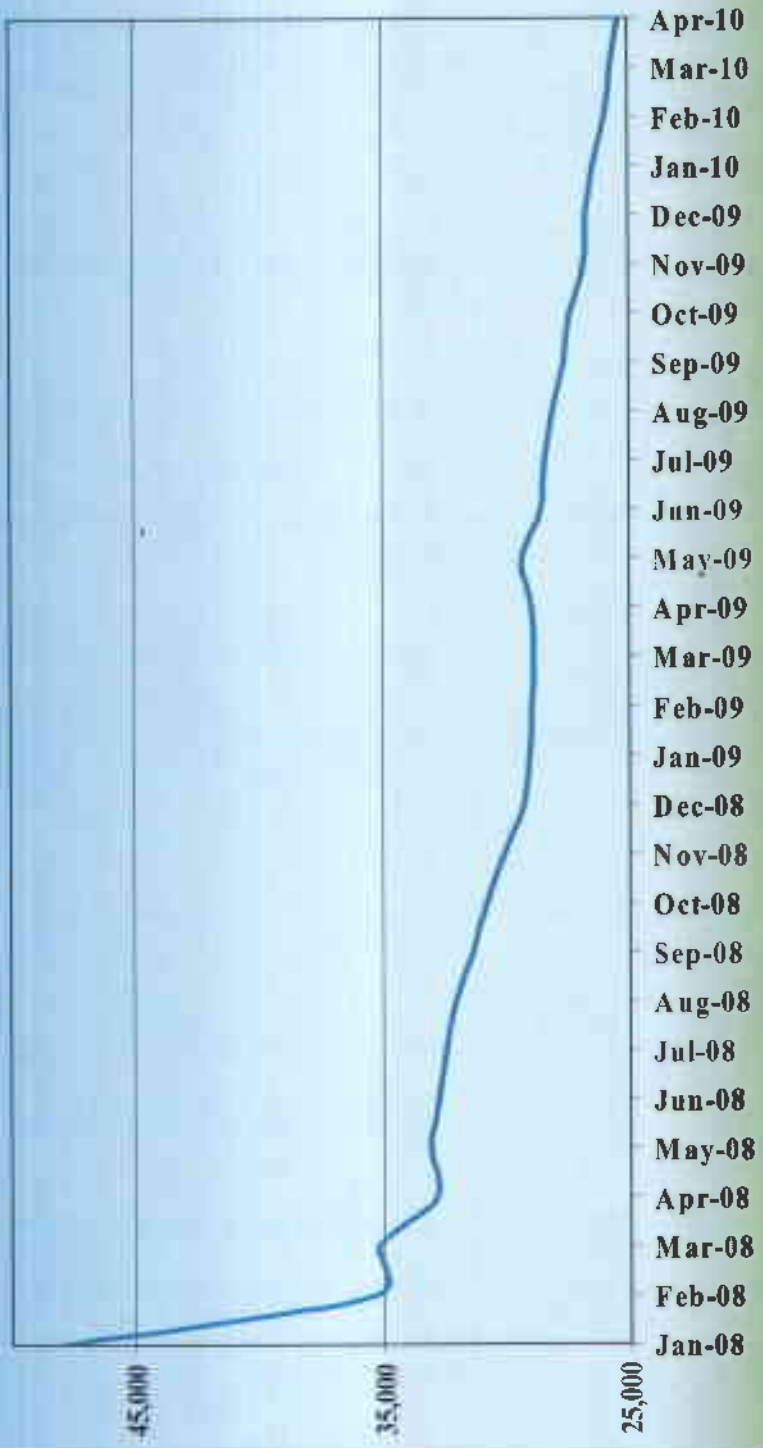
Status Report Workers' Compensation

Joint Committee on
Government & Finance

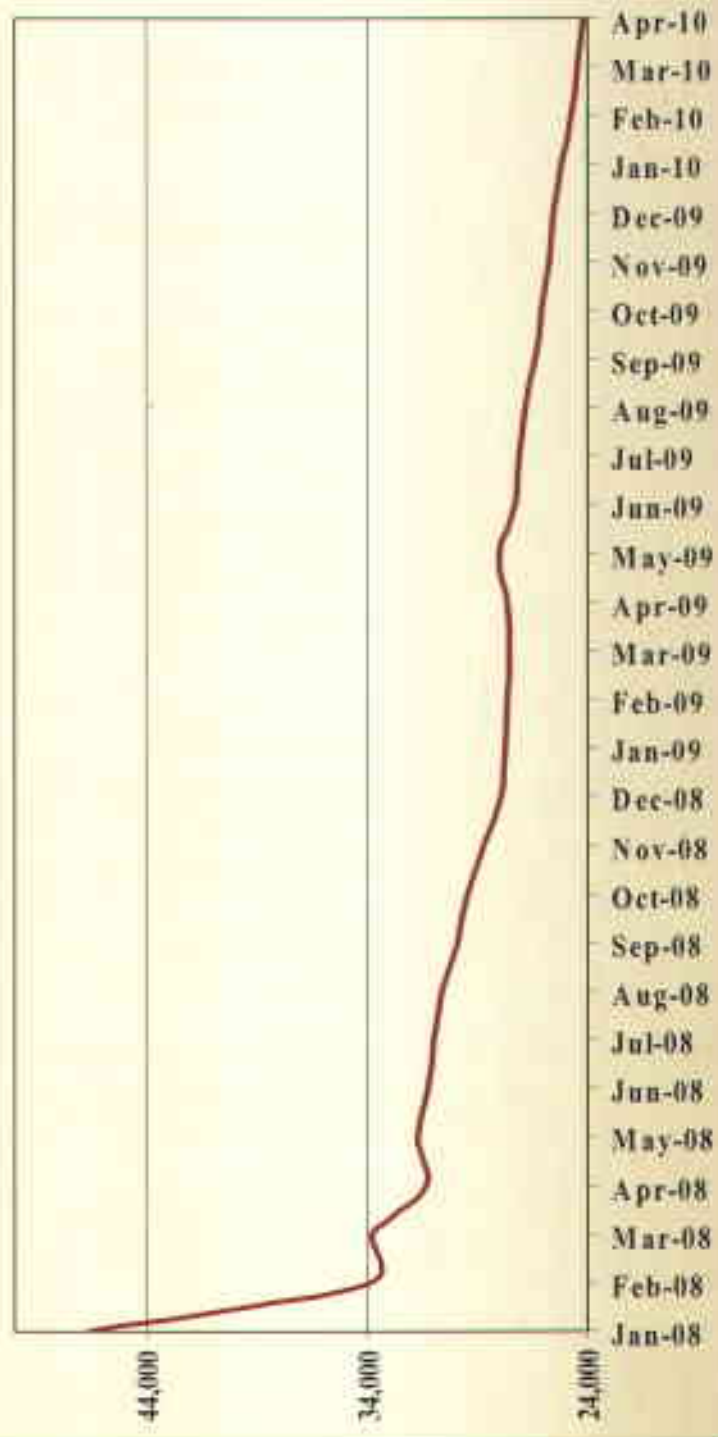
5/6/10



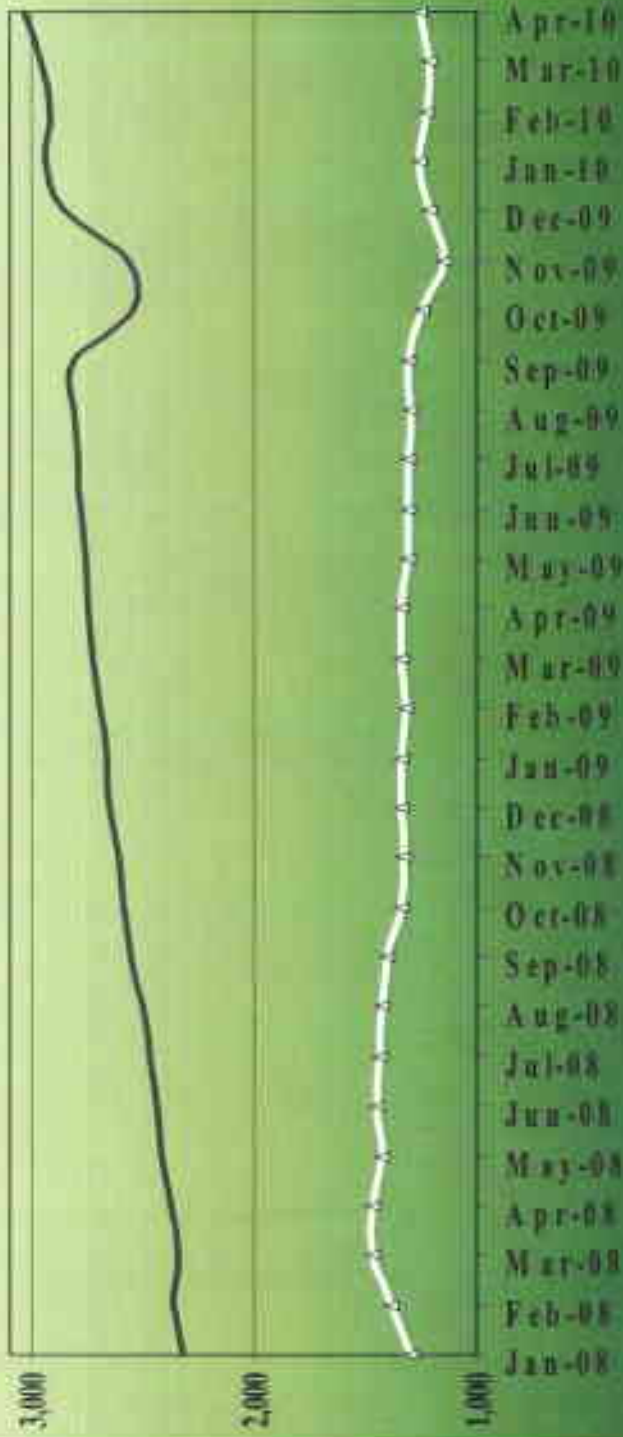
Total Active Claim counts



Non-FBL Active Claim counts

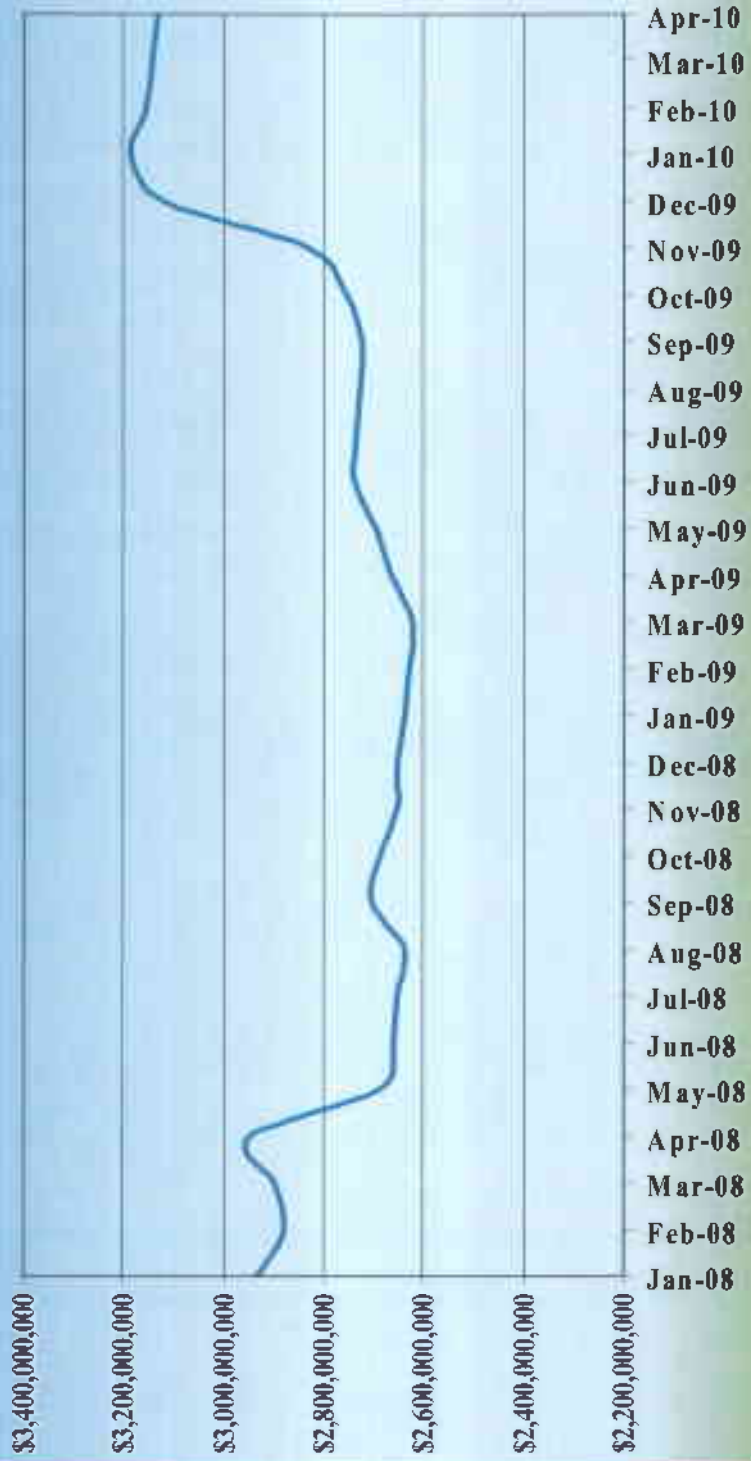


FBL Active Claim counts

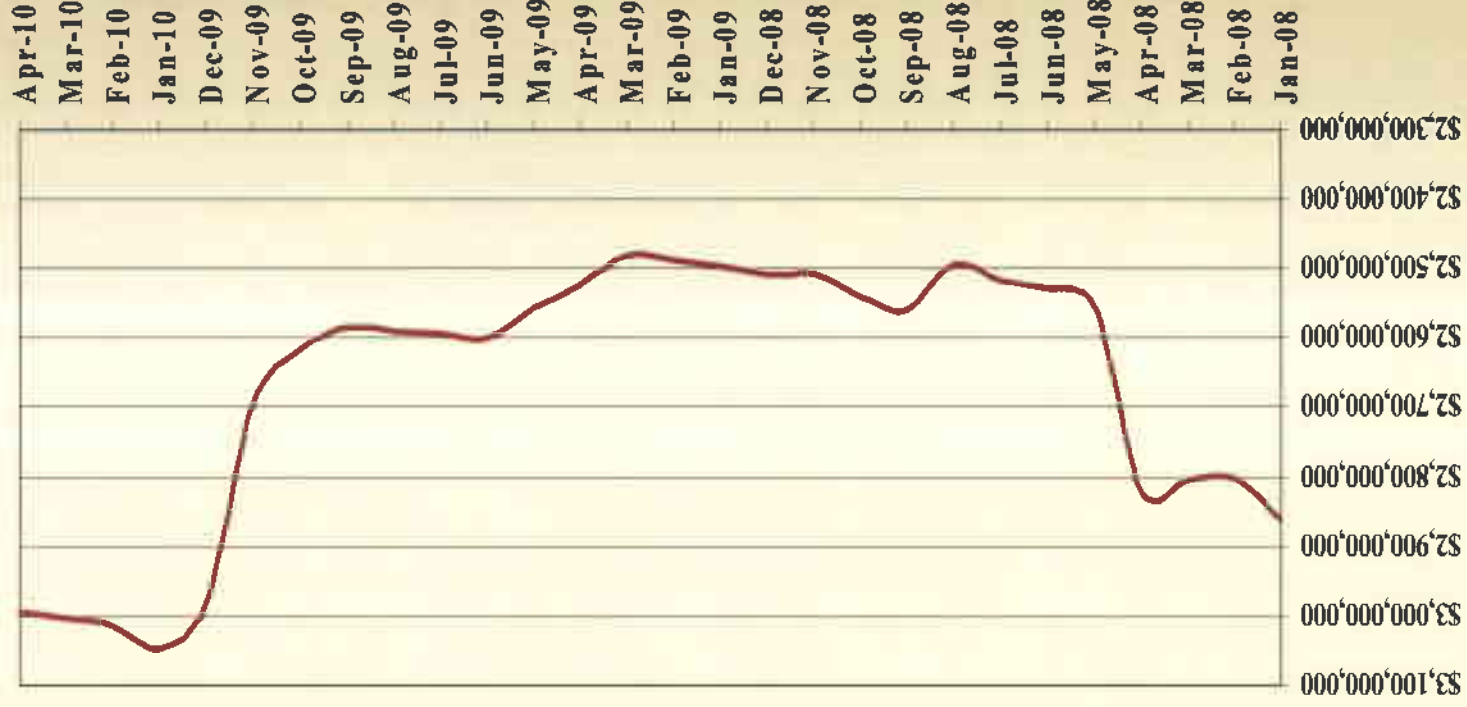


o Active FBL Claims — Total FBL Claims

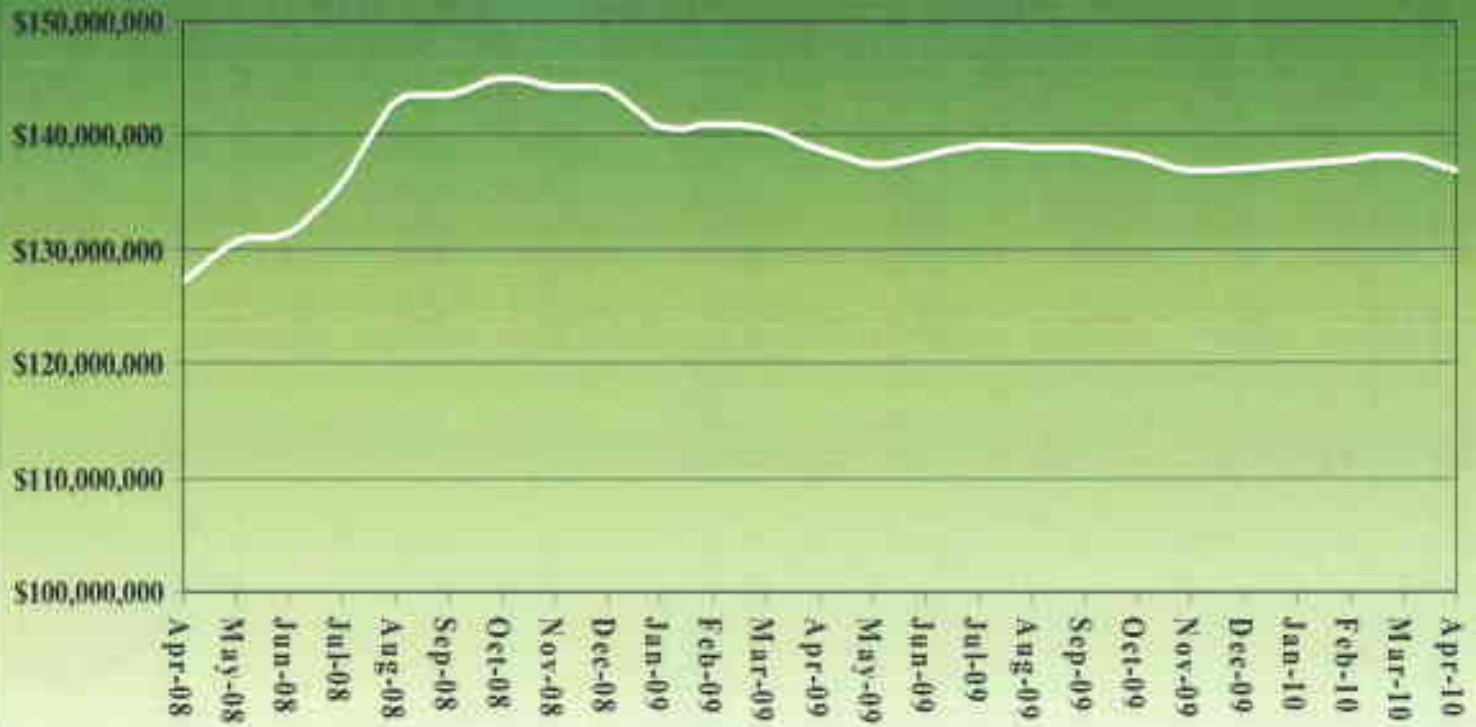
Total Case Reserves



Non-FBL Case Reserves



FBL Case Reserves



4/30/2010

	Sedgwick	Wells Fargo	American Mining	Totals
Total Claims	20,254	2,390	2,771	25,415
Non-FBL	20,254	2,250	1,653	24,157
FBL	0	140	1,118	1,258

FBL Inactive	FBL Total
1,781	3,039

	Sedgwick	Wells Fargo	American Mining	Totals
Total Reserves	2,556,464,137	282,197,756	294,094,793	\$3,132,756,686
Non-FBL Reserves	2,556,464,137	250,478,536	188,896,858	\$2,995,839,531
FBL Reserves	-	31,719,220	105,197,935	\$136,917,155

	Sedgwick	Wells Fargo	American Mining	Totals
Med Only	1,666	7	414	2,087
PTD	7,151	594	356	8,101
PPD	5,740	1,036	678	7,454
TTD	1,054	0	26	1,080
TPD	6	0	0	6
Settlement (payments)	0	16	10	26
Fatal	1,656	495	169	2,320
Partial Awd	20	102	0	122
OP/OD	2,961	2,038	976	2,961
Total NonFBL	20,254	2,250	1,653	24,157
Total FBL	0	140	1,118	1,258
Total	20,254	2,390	2,771	25,415

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

April FY2010

	June 30, 2009	April 30, 2010	Change
Assets:			
Cash and Cash Equivalents	800,819	906,790	105,971
Receivables, Net:	63,343	19,843	(43,500)
Total Assets	<u>864,162</u>	<u>926,633</u>	<u>62,471</u>
Liabilities:			
Estimated Liability for Unpaid Claims and Claim Adjustment Expense	2,163,500	2,019,047	(144,453)
Other Liabilities	244	244	0
Total Liabilities	<u>2,163,744</u>	<u>2,019,291</u>	<u>(144,453)</u>
Net Assets:			
Unrestricted	<u>(1,299,582)</u>	<u>(1,092,658)</u>	<u>206,924</u>
Total Net Assets	<u>(1,299,582)</u>	<u>(1,092,658)</u>	<u>206,924</u>

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

OFFICE OF JUDGES' REPORT April, 2010 & YTD Statistics

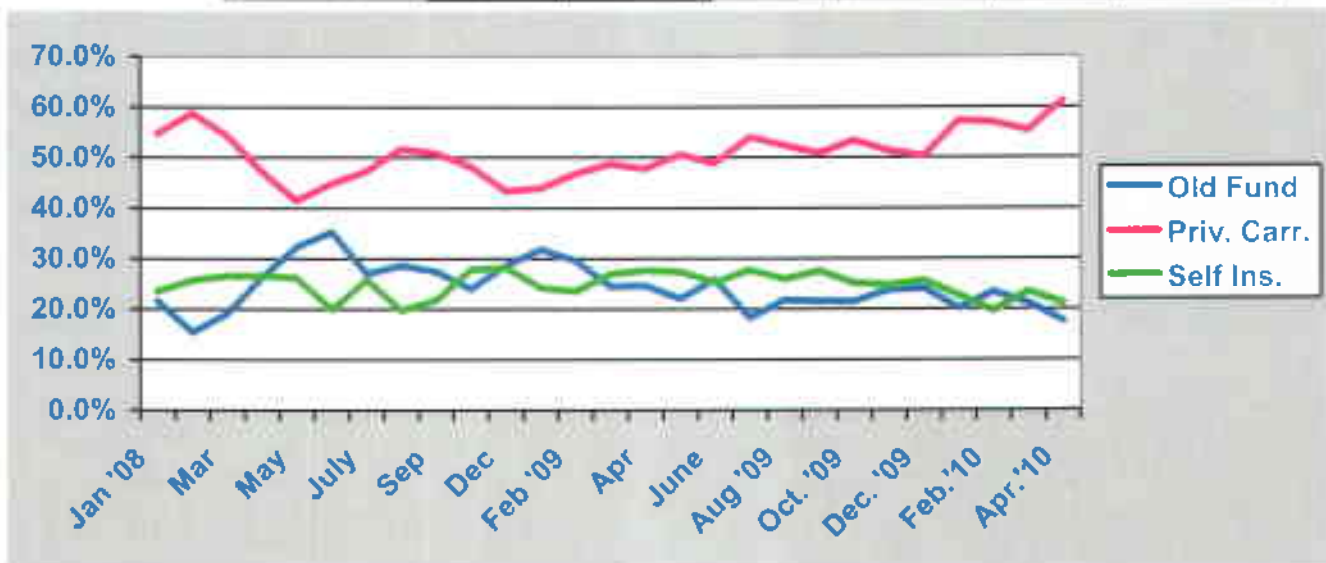
May 4, 2010

I. Statistical Analysis

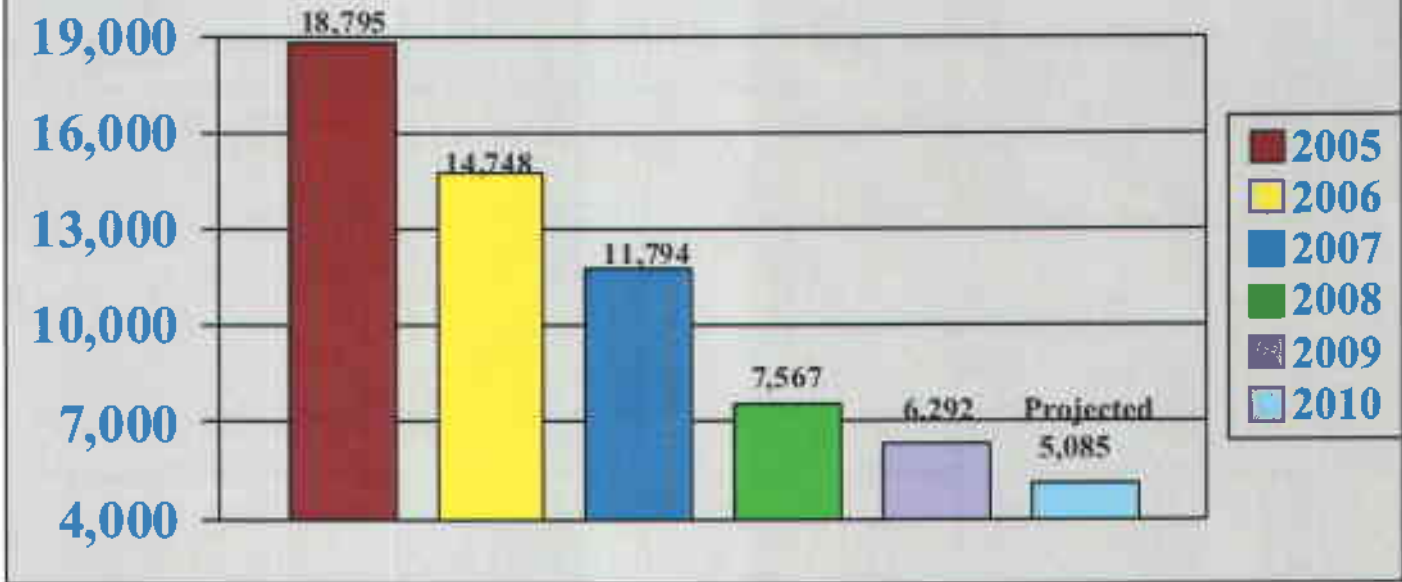
A. Protests Acknowledged: 2009
6292 Apr.
398 2010
1695

Fund Involved:

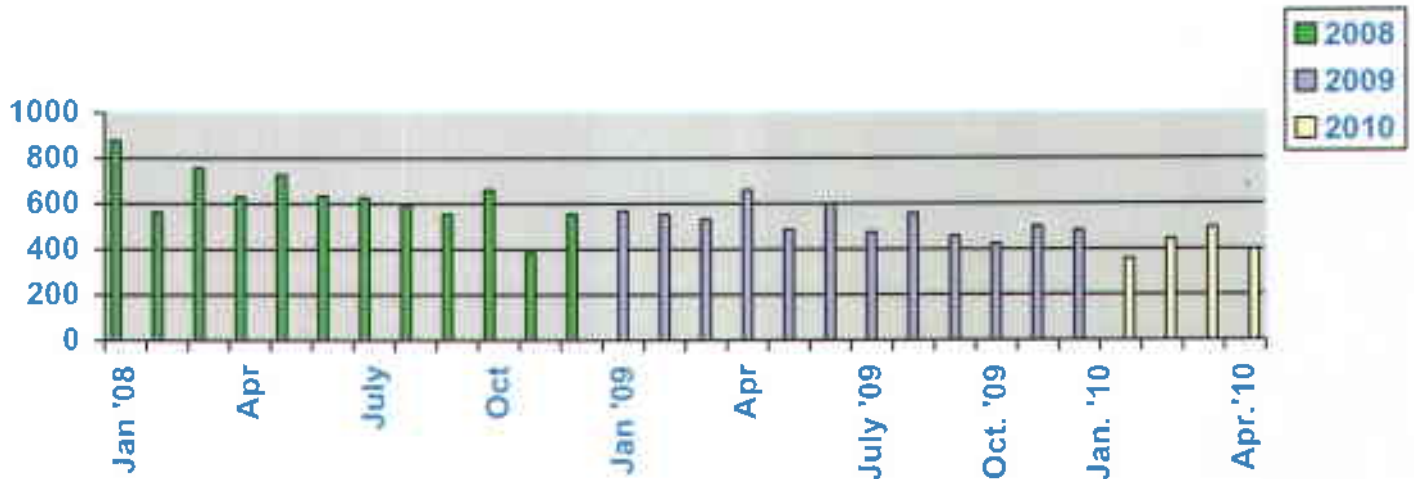
FUND	2009	% of protests	April '10	% of protests	2010	% of protests
Old Fund	1277	24.13%	70	17.59%	351	20.71%
Priv.Carrier	2661	50.28%	244	61.31%	976	57.58%
Self-Insured	1354	25.59%	84	21.10%	368	21.71%
Subtotal	5292		398		1695	
Temporary	1000		70		329	
Total	6292		468		2024	



PROTESTS PER CALENDAR YEAR



PROTESTS BY MONTH



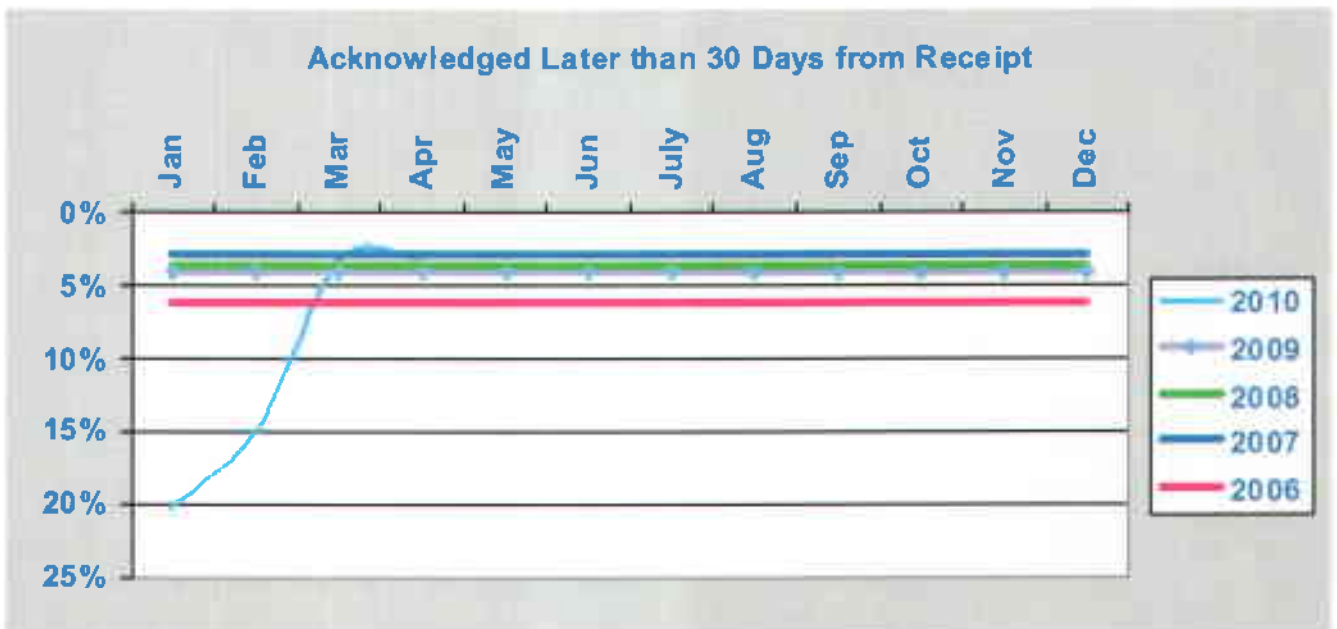
B. Issues Resolved: 2009 Apr. 2010
 5680 500 1969

C. Pending Caseload Report

PENDING END OF March, 2010	3,738
PENDING 1 MONTH BEFORE	3,839
PENDING 2 MONTHS BEFORE	3,866
PENDING 3 MONTHS BEFORE	3,897
PENDING 6 MONTHS BEFORE	4,021
PENDING 12 MONTHS BEFORE	4,122

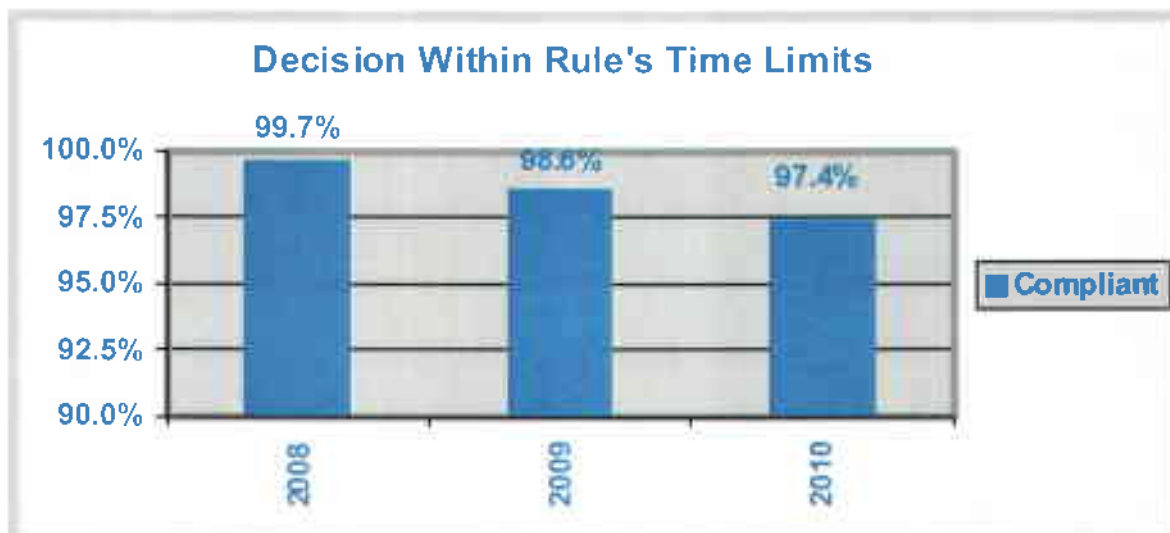
D. Acknowledgment Timeliness: 2009 Apr. YTD

1. Protest Ackn. >30 days	4.0%	3.0%	9.7%
2. Protest Ackn. 24-30 days	3.0%	1.8%	3.2%
3. Protest Ackn. 11-23 days	22.6%	25.6%	26.2%
4. Protest Ackn. <11 days	70.4%	69.6%	60.9%



	<u>Apr. '10</u>	<u>2010</u>
E. Protests Resolved:		
1. Protests decided:	316	1277
2. Withdrawals:	96	397
3. "No Evidence" Dismissals:	76	239

	<u>2009</u>	<u>Apr. '10</u>	<u>2010</u>
F. Final Decision Timeliness			
1. <30 days:	49.2%	43.7%	44.1%
2. 30-60 days:	29.3%	27.0%	30.4%
3. 60-90 days:	20.1%	25.8%	22.9%
4. +90 days:	1.4%	3.5%	2.6%



	<u>2009</u>	<u>Apr.</u>	<u>2010</u>
G. Time Standard Compliance			
	88.9%	92.4%	90.9%

Monday, May 03, 2010

Time Standard Compliance

Report Dates: From 4/1/2010 thru 4/30/2010

Time Standard	Total Closed	Timely		Late	
		Count	Percent	Count	Percent
COMPENSABILITY	22	21	95.5%	1	4.5%
PPD	56	56	100%	0	0%
REOPENING	8	7	87.5%	1	12.5%
TRMT/EQUIP CL	25	19	76%	6	24%
APPLICATION THRESHOLD	1	1	100%	0	0%
DEP BEN FATAL	1	1	100%	0	0%
SPECIAL CATEGORY	1	1	100%	0	0%
TTD	18	16	88.9%	2	11.1%
REHABILITATION	1	1	100%	0	0%
OPBD	10	9	90%	1	10%
BENEFIT OVERPAYMENT	1	1	100%	0	0%
Total	144	133	92.4%	11	7.6%

Final Decision Compliance

Report Dates: From 4/1/2010 thru 4/30/2010

Description	Issues Resolved	Days to Decision							
		< 30 Days		30 - 60		61 - 90		> 90	
		Count	%	Count	%	Count	%	Count	%
BP BEN FATAL	5	3	60.0%	0	0.0%	2	40.0%	0	0.0%
COMPENSABILITY	63	21	33.3%	16	25.4%	22	34.9%	4	6.3%
FD ENTITLEMENT	6	2	33.3%	2	33.3%	1	16.7%	1	16.7%
OPENING	26	11	42.3%	5	19.2%	10	38.5%	0	0.0%
APPLICATION THRESHOLD	1	1	100.0%	0	0.0%	0	0.0%	0	0.0%
FAILURE TO ACT 30 DAY	4	0	0.0%	3	75.0%	1	25.0%	0	0.0%
REHABILITATION	1	1	100.0%	0	0.0%	0	0.0%	0	0.0%
3MT/EQUIP CL	77	24	31.2%	35	45.5%	15	19.5%	3	3.9%
NON-MED	1	1	100.0%	0	0.0%	0	0.0%	0	0.0%
BD	17	13	76.5%	2	11.8%	2	11.8%	0	0.0%
PD	67	41	61.2%	10	14.9%	16	23.9%	0	0.0%
FAILURE TO ACT 15 DAY	3	0	0.0%	1	33.3%	2	66.7%	0	0.0%
3MT/EQUIP EM	1	0	0.0%	1	100.0%	0	0.0%	0	0.0%
FD	45	20	44.4%	11	24.4%	11	24.4%	3	6.7%
DISPENSATION/TERMINATION	1	1	100.0%	0	0.0%	0	0.0%	0	0.0%
Totals	318	139	43.7%	86	27.0%	82	25.8%	11	3.5

Monday, May 03, 2010

Motion Resolution Compliance

Report Dates: From 4/1/2010 thru 4/30/2010

Time Standard	Total Motions	Timely *		Late **	
		Count	Percent	Count	Percent
BENEFIT RATE	3	3	100%	0	0%
OPBD	54	49	90.7%	5	9.3%
PTD SUSPENSION/TERMINATION	1	1	100%	0	0%
FAILURE TO ACT 30 DAY	3	3	100%	0	0%
PPD	213	206	96.7%	7	3.3%
REOPENING	66	64	97%	2	3%
SPECIAL CATEGORY	1	1	100%	0	0%
APPLICATION THRESHOLD	2	1	50%	1	50%
DEP BEN FATAL	27	25	92.6%	2	7.4%
FAILURE TO ACT 15 DAY	1	0	0%	1	100%
OP NON-MED	8	7	87.5%	1	12.5%
IEB DETERMINATION	4	4	100%	0	0%
REHABILITATION	1	1	100%	0	0%
TTD	126	124	98.4%	2	1.6%
COMPENSABILITY	194	180	92.8%	14	7.2%
TRMT/EQUIP CL	185	174	94.1%	11	5.9%
PTD ENTITLEMENT	8	8	100%	0	0%
Total	897	851	94.9%	46	5.1%

* Action Date < Motion Date

** Action Date > Motion Date

Monday, May 03, 2010

Acknowledgement Goal

Report Dates: From 4/1/2010 thru 4/30/2010

Description	Protests Acknowledged	Days to Acknowledge Protests							
		> 30		30-24		23-11		< 11	
		Count	Percent	Count	Percent	Count	Percent	Count	Percent
BENEFIT RATE	Total: 1	0	0.0%	0	0.0%	0	0.0%	1	100.0%
CBR - CL PRSTS BEN RATE	1	0	0.0%	0	0.0%	0	0.0%	1	100.0%
COMPENSABILITY	Total: 92	7	7.6%	0	0.0%	37	40.2%	48	52.2%
CCS - CL SEC.CONDITION	15	0	0.0%	0	0.0%	3	20.0%	12	80.0%
CHC - CL COMPENSABILITY	2	1	50.0%	0	0.0%	0	0.0%	1	50.0%
CIM - CL SI COMPENSABLE	1	0	0.0%	0	0.0%	1	100.0%	0	0.0%
CIS - CL SI SEC.CONDITION	3	0	0.0%	0	0.0%	1	33.3%	2	66.7%
CPI - CL SI REJECT CLAIM	8	0	0.0%	0	0.0%	3	37.5%	5	62.5%
CPJ - CL REJECT CLAIM	55	5	9.1%	0	0.0%	28	50.9%	22	40.0%
CQR - CL SI REJ OCCDISEASE	3	0	0.0%	0	0.0%	0	0.0%	3	100.0%
CRZ - CL REJ OCC DISEASE	5	1	20.0%	0	0.0%	1	20.0%	3	60.0%
DEP BEN FATAL	Total: 9	2	22.2%	0	0.0%	3	33.3%	4	44.4%
CDF - CL DENY/GRNT	6	1	16.7%	0	0.0%	2	33.3%	3	50.0%
DTH BEN									
CIF - CL SI DY/GNT	3	1	33.3%	0	0.0%	1	33.3%	1	33.3%

Description	Protests Acknowledged	Days to Acknowledge Protests							
		> 30		30-24		23-11		< 11	
		Count	Percent	Count	Percent	Count	Percent	Count	Percent
DTH BEN									
FAILURE TO ACT 15 DAY	Total: 4	1	25.0%	1	25.0%	1	25.0%	1	25.0%
C01 - CL FTA INJ COMPENSAB	3	1	33.3%	1	33.3%	0	0.0%	1	33.3%
C03 - CL FTA TREATMENT	1	0	0.0%	0	0.0%	1	100.0%	0	0.0%
FAILURE TO ACT 30 DAY	Total: 1	0	0.0%	0	0.0%	1	100.0%	0	0.0%
C7D - CL FTA REF FOR EXAM	1	0	0.0%	0	0.0%	1	100.0%	0	0.0%
IEB DETERMINATION	Total: 1	0	0.0%	0	0.0%	1	100.0%	0	0.0%
CEB - CL IEB DETERMINATION	1	0	0.0%	0	0.0%	1	100.0%	0	0.0%
OP NON-MED	Total: 5	0	0.0%	0	0.0%	2	40.0%	3	60.0%
CIR - CL SI NON-MED ORDER	2	0	0.0%	0	0.0%	1	50.0%	1	50.0%
CNR - CL NON-MED ORDER	3	0	0.0%	0	0.0%	1	33.3%	2	66.7%
OPBD	Total: 23	0	0.0%	0	0.0%	6	26.1%	17	73.9%
CBF - CL % BOARD FINDING	14	0	0.0%	0	0.0%	5	35.7%	9	64.3%
CSF - CL% SI BOARD FINDING	1	0	0.0%	0	0.0%	0	0.0%	1	100.0%
CSO - CL SI AD.BRD FINDING	3	0	0.0%	0	0.0%	0	0.0%	3	100.0%
EAO - EM ADD BOARD FINDING	1	0	0.0%	0	0.0%	0	0.0%	1	100.0%
EBF - EM % BOARD FINDING	4	0	0.0%	0	0.0%	1	25.0%	3	75.0%

Description	Protests Acknowledged	Days to Acknowledge Protests							
		> 30		30-24		23-11		< 11	
		Count	Percent	Count	Percent	Count	Percent	Count	Percent
PPD	Total: 84	1	1.2%	1	1.2%	16	19.0%	66	78.6%
CAA - CL ADDL % AWARD D/G	11	0	0.0%	0	0.0%	2	18.2%	9	81.8%
CAD - CL % AWARD DENY/GRNT	56	1	1.8%	1	1.8%	10	17.9%	44	78.6%
CIE - CL SI ADD% AWARD D/G	4	0	0.0%	0	0.0%	0	0.0%	4	100.0%
CIG - CL SI %AWARD DNY/GNT	13	0	0.0%	0	0.0%	4	30.8%	9	69.2%
PTD ENTITLEMENT	Total: 1	0	0.0%	0	0.0%	0	0.0%	1	100.0%
CIT - CL SI DENY/GRANT PTD	1	0	0.0%	0	0.0%	0	0.0%	1	100.0%
REHABILITATION	Total: 2	0	0.0%	0	0.0%	1	50.0%	1	50.0%
CPV - CL DY/GRNT REHAB PLN	1	0	0.0%	0	0.0%	0	0.0%	1	100.0%
CTP - CL GRNT/DNY TP REHAB	1	0	0.0%	0	0.0%	1	100.0%	0	0.0%
REOPENING	Total: 22	0	0.0%	1	4.5%	6	27.3%	15	68.2%
CIQ - CL SI DY/GNT R/O PPD	4	0	0.0%	1	25.0%	1	25.0%	2	50.0%
CIY - CL SI DY/GNT R/O TTD	2	0	0.0%	0	0.0%	1	50.0%	1	50.0%
CJV - CL DNY/GRNT R/O PPD	4	0	0.0%	0	0.0%	0	0.0%	4	100.0%
CRD - CL DENY/GRNT R/O TTD	12	0	0.0%	0	0.0%	4	33.3%	8	66.7%
SPECIAL CATEGORY	Total: 2	0	0.0%	0	0.0%	1	50.0%	1	50.0%
CNW - CL SPL CATEGORY	2	0	0.0%	0	0.0%	1	50.0%	1	50.0%
TRMT/EQUIP CL	Total: 105	1	1.0%	2	1.9%	18	17.1%	84	80.0%

Description	Protests Acknowledged	Days to Acknowledge Protests							
		> 30		30-24		23-11		< 11	
		Count	Percent	Count	Percent	Count	Percent	Count	Percent
C1Y - CL SI TRMT GRANT	1	0	0.0%	0	0.0%	0	0.0%	1	100.0%
CBX - CL TRMT DENY	76	1	1.3%	2	2.6%	16	21.1%	57	75.0%
CKN - CL D/G PROV CHNG	1	0	0.0%	0	0.0%	0	0.0%	1	100.0%
CSX - CL SI TRMT DENY	24	0	0.0%	0	0.0%	2	8.3%	22	91.7%
CYY - CL TRMT GRANT	3	0	0.0%	0	0.0%	0	0.0%	3	100.0%
TTD	Total: 46	0	0.0%	2	4.3%	9	19.6%	35	76.1%
CCC - CL CLOSING THE CLAIM	29	0	0.0%	1	3.4%	5	17.2%	23	79.3%
CIC - CL SI CLSING THE CLM	7	0	0.0%	0	0.0%	0	0.0%	7	100.0%
CIJ - CL SI TTD	2	0	0.0%	0	0.0%	1	50.0%	1	50.0%
CJS - CL TTD	2	0	0.0%	1	50.0%	0	0.0%	1	50.0%
CPX - CL INITIAL TTD	4	0	0.0%	0	0.0%	2	50.0%	2	50.0%
CSG - CL SI INITIAL TTD	2	0	0.0%	0	0.0%	1	50.0%	1	50.0%
Totals: Claims 349	398	12	3.0%	7	1.8%	102	25.6%	277	69.6%

Monday, May 03, 2010

Resolution of Issues

Report Dates: Decision Date From 4/1/2010 thru 4/30/2010

Time Standard Categories	Decisions Issued	Reversed		Affirmed		Affirmed by Rule		Dismissed		Modified		Moot		Other		Remanded	
		Count	%	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%
DEP BEN FATAL	5	1	20	4	80	0	0	0	0	0	0	0	0	0	0	0	0
PPD	145	23	15.9	42	29	39	26.9	40	27.6	1	0.7	0	0	0	0	0	0
PTD SUSPENSION/TERMINATION	1	0	0	1	100	0	0	0	0	0	0	0	0	0	0	0	0
REOPENING	37	10	27	13	35.1	3	8.1	8	21.6	3	8.1	0	0	0	0	0	0
BENEFIT OVERPAYMENT	1	0	0	0	0	1	100	0	0	0	0	0	0	0	0	0	0
OP NON-MED	4	0	0	1	25	1	25	2	50	0	0	0	0	0	0	0	0
TRMT/EQUIP CL	96	29	30.2	42	43.8	11	11.5	8	8.3	5	5.2	1	1	0	0	0	0
TRMT/EQUIP EM	1	0	0	1	100	0	0	0	0	0	0	0	0	0	0	0	0
APPLICATION THRESHOLD	1	0	0	1	100	0	0	0	0	0	0	0	0	0	0	0	0
FAILURE TO ACT 30 DAY	1	0	0	0	0	0	0	1	100	0	0	0	0	0	0	0	0
TTD	83	9	10.8	32	38.7	9	10.8	30	36.1	2	2.4	1	1.2	0	0	0	0

BENEFIT RATE	1	0	8 0	0	6 0	0	8 0	1	1 0	0	4 0	0	2 0	0	0	0	0
COMPENSABILITY	83	22	26. 5	38	45. 8	8	9.6	14	16. 9	1	1. 2	0	0	0	0	0	
OPBD	32	5	15. 6	12	37. 5	3	9.4	12	37. 5	0	0	0	0	0	0	0	
REHABILITATION	1	1	10 0	0	0	0	0	0	0	0	0	0	0	0	0	0	
PTD ENTITLEMENT	7	3	42. 9	3	42. 9	0	0	1	14. 3	0	0	0	0	0	0	0	
SPECIAL CATEGORY	1	0	0	0	0	1	10 0	0	0	0	0	0	0	0	0	0	
Totals	500	103	20. 6	190	38	76	15. 2	117	23. 4	12	2. 4	2	0. 4	0	0	0	0

OOJ – Petition for Attorney Fees for Unreasonable Denial

Petitions received 9/1/2005 through 4/30/2010	39
Petitions denied on face:	14
Petitions denied by ALJ Decision:	16
Petitions granted:	4
Petitions withdrawn through settlement:	2
Petitions currently pending:	3

Failure to Timely Act Process

Petitions filed 9/1/05 through 4/30/10

Filed:	164
Denied/dismissed:	60
Withdrawn:	10
Reports to OIC:	66
Pending	28

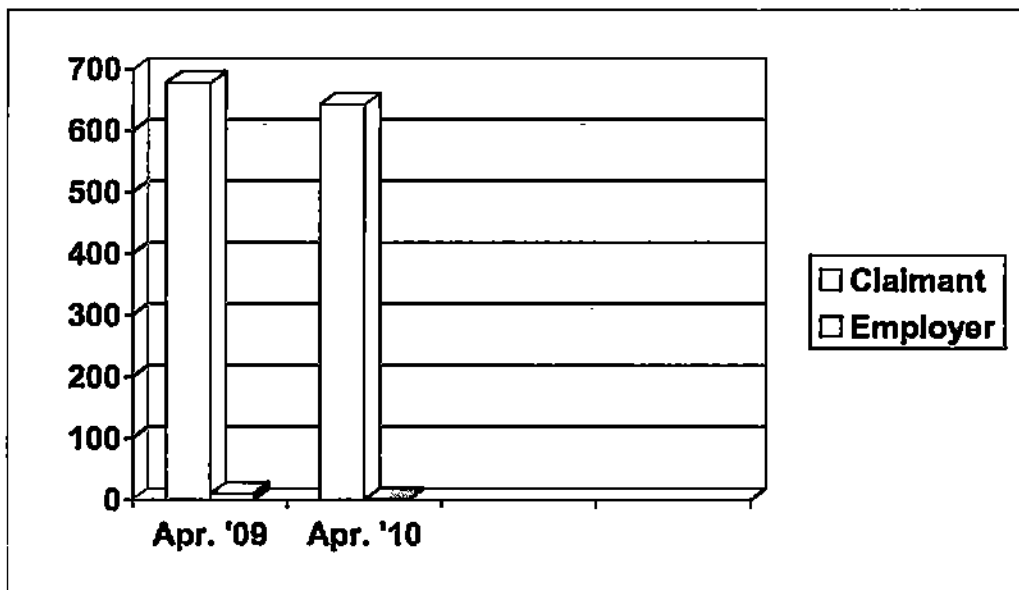
Expedited Hearings Scheduled

	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									30

OOJ – Pending Treatment Issues

Pending Treatment Issues			Comparison to Prior Mo/Year	
Party	Month Apr.'10	% Protests	Month Apr.'09	% Protests
Claimant	643	17.20%	678	16.49%
Employer	1	0.03%	10	0.20%
Total	644	17.23%	688	16.69%

Pending Treatment Issues



Pro Se Claimant Information

Pending Protests Involving Pro Se Claimants: 586

Pending Claims Involving Pro Se claimants: 536

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
Senator Don Caruth
Jim Dissen

From: W. Jack Stevens, Chairman

Date: May 3, 2010

Re: Workers' Compensation Board of Review Monthly Report

Attached, please find the Board of Review's April 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:

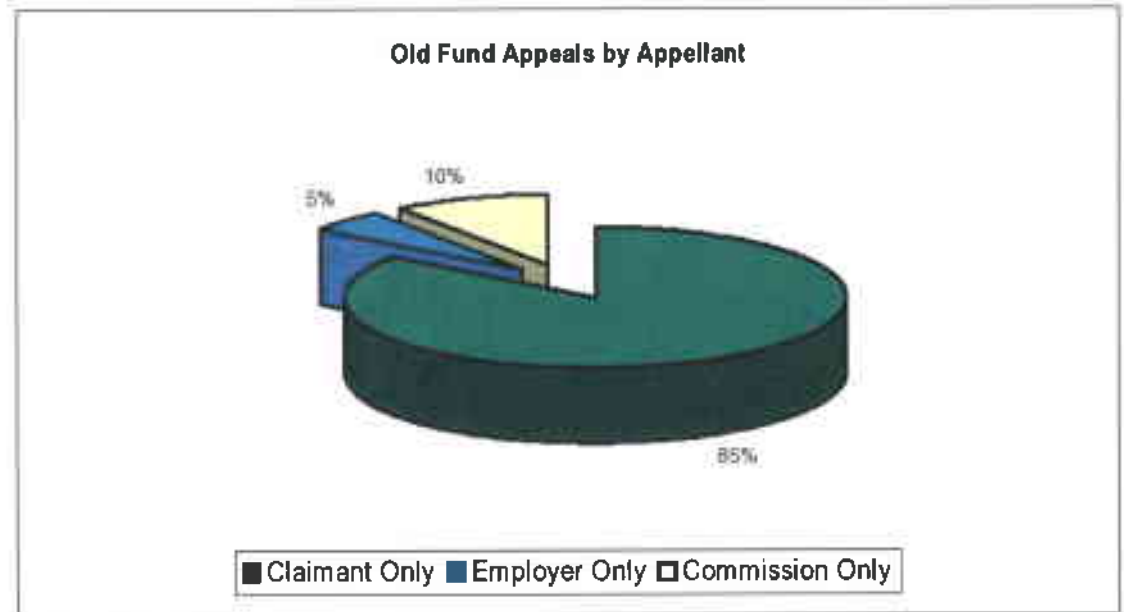
1. Monthly Report of Appeals Received
2. Yearly Report of Appeals Received
3. Monthly Report of Appeals Received by Issue
4. Yearly Report of Appeals Received by Issue
5. Monthly Appeals Received by Issue and Appellant
6. Monthly Summary of Dispositions by Party
7. Monthly Summary of Dispositions by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

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

Appeals Received
From April 1, 2010 Thru April 30, 2010

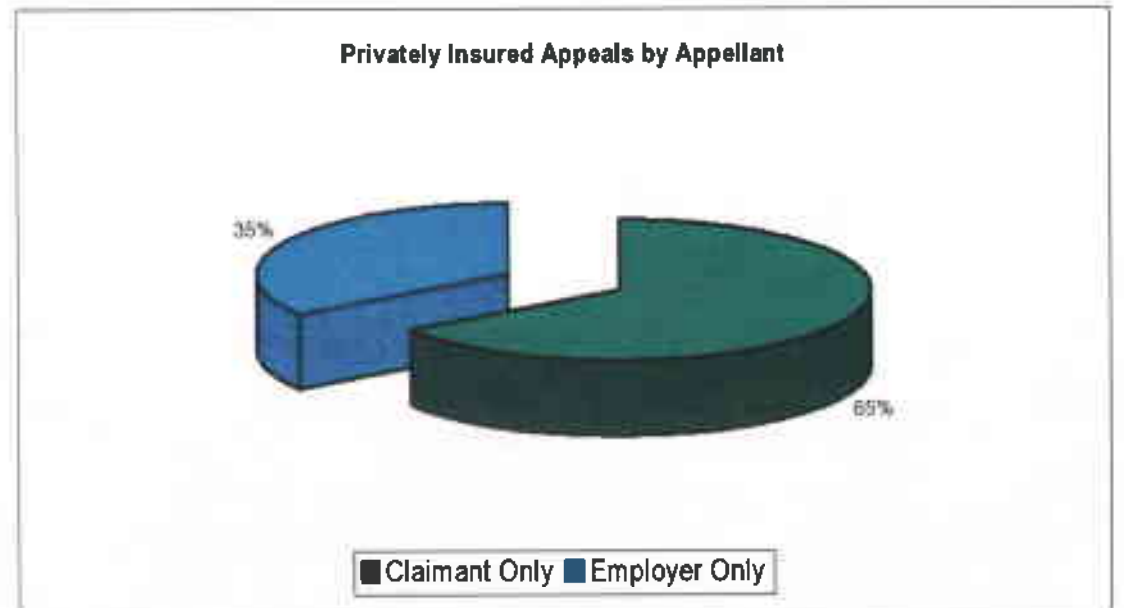
Old Fund Appeals (DOI < Jul-1-2005)

Appellant	Count
Claimant Only	34
Employer Only	2
Commission Only	4
Old Fund Total	40



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

Appellant	Count
Claimant Only	55
Employer Only	29
Privately Insured Total	84
Total Appeals	124

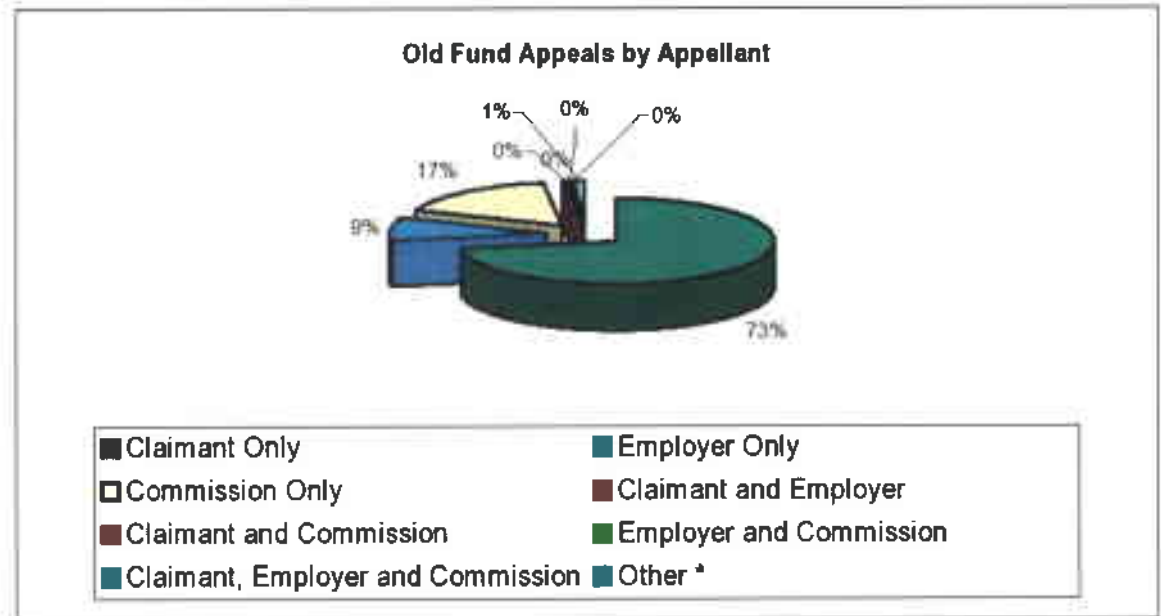


Appeals counted more than once:

Appeals Received
From June 1, 2008 Thru April 30, 2010

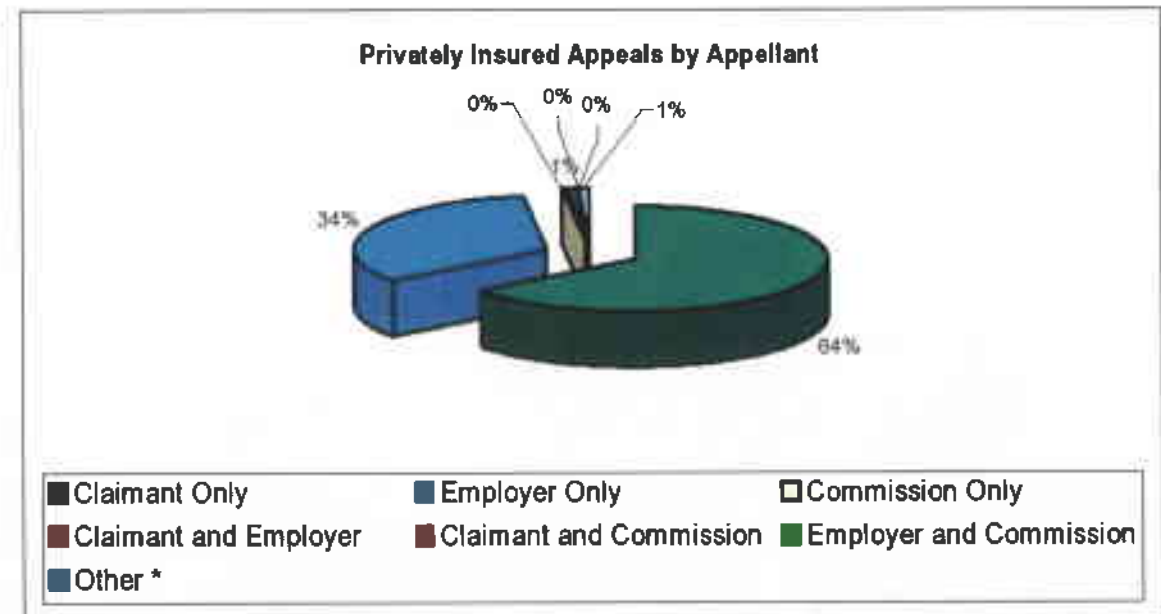
Old Fund Appeals (DOI < Jul-1-2005)

Appellant	Count
Claimant Only	1090
Employer Only	128
Commission Only	253
Claimant and Employer	6
Claimant and Commission	6
Employer and Commission	1
Claimant, Employer and Commission	1
Other *	17
Old Fund Total	1502



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

Appellant	Count
Claimant Only	1113
Employer Only	578
Commission Only	3
Claimant and Employer	14
Claimant and Commission	1
Employer and Commission	1
Other *	13
Privately Insured Total	1723
Total Appeals	3225

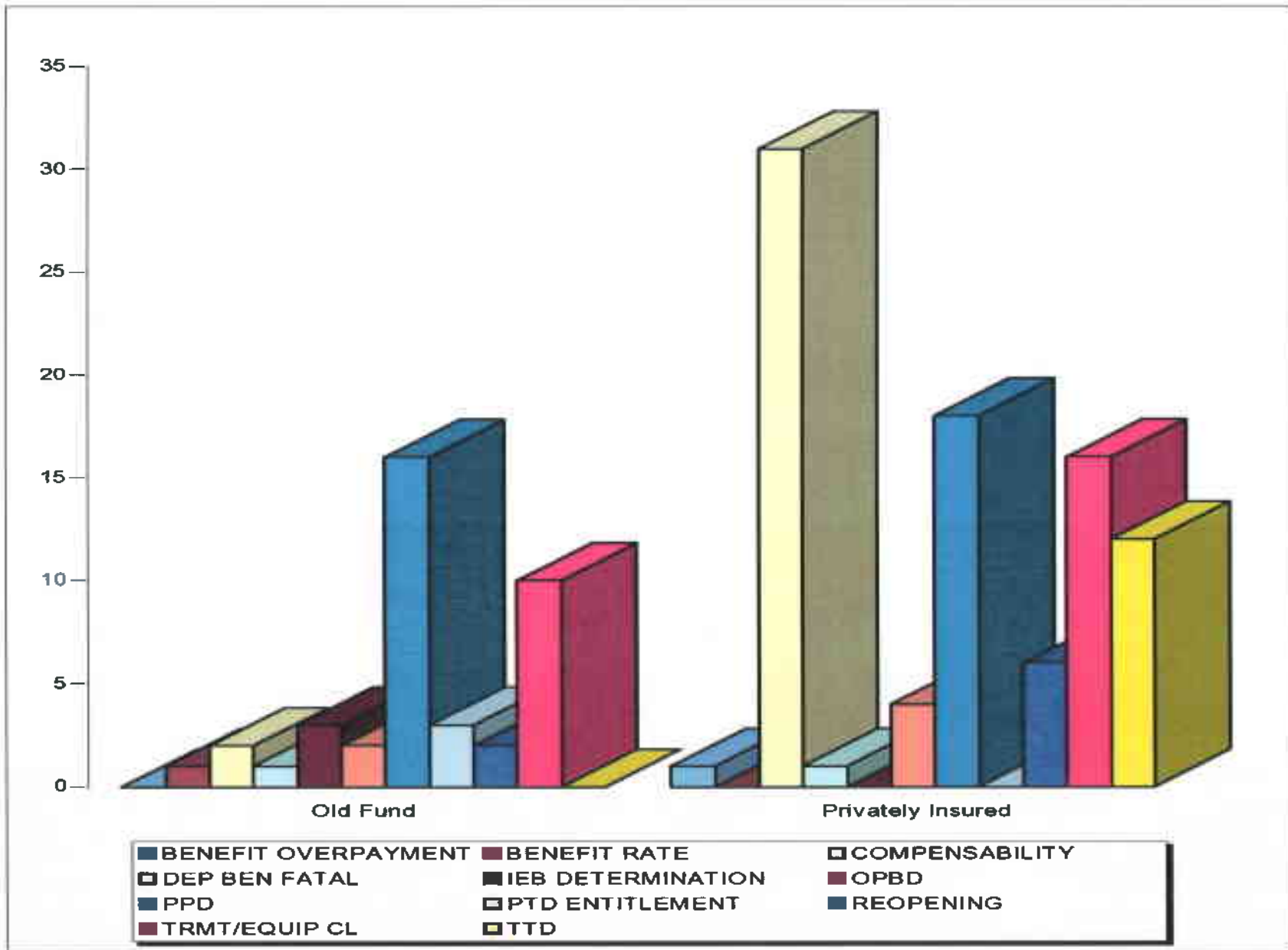


* Appeals requiring research

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

Type of Issue	Total Issues	Old Fund		Privately Insured	
		#	%	#	%
BENEFIT OVERPAYMENT	1	0	0.0	1	100.0
BENEFIT RATE	1	1	100.0	0	0.0
COMPENSABILITY	33	2	6.1	31	93.9
DEP BEN FATAL	2	1	50.0	1	50.0
IEB DETERMINATION	3	3	100.0	0	0.0
OPBD	6	2	33.3	4	66.7
PPD	34	16	47.1	18	52.9
PTD ENTITLEMENT	3	3	100.0	0	0.0
REOPENING	8	2	25.0	6	75.0
TRMT/EQUIP CL	26	10	38.5	16	61.5
TTD	12	0	0.0	12	100.0
Totals	129	40	31.0	89	69.0

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

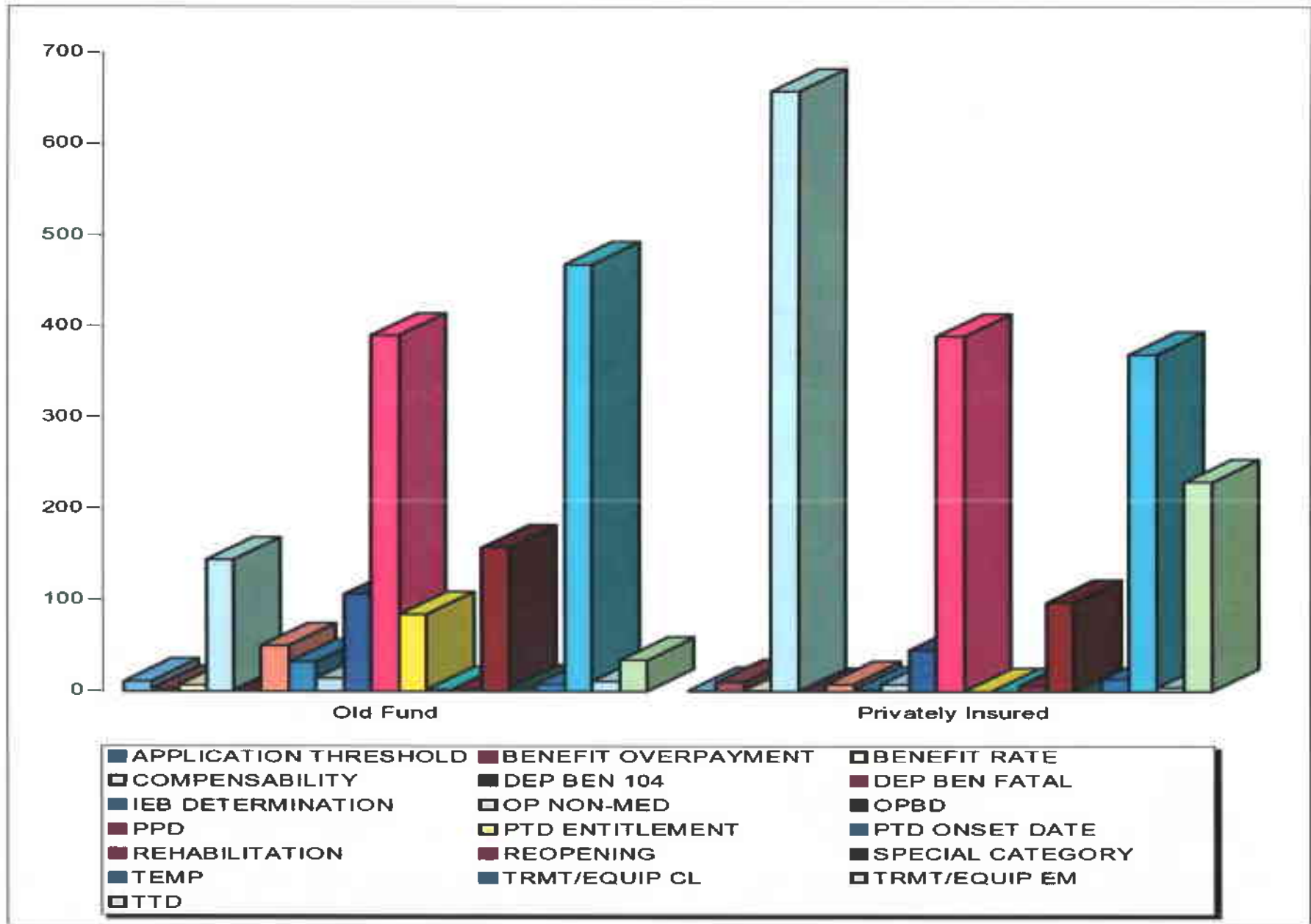


Yearly Appeals Received By Issue

Old Fund Appeals (DOI < Jul-1-2005) vs Privately Insured Appeals (DOI > Jun-30-2005)
 From June 1, 2008 Thru April 30, 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	803	144	17.9	658	81.9
DEP BEN 104	1	1	100.0	0	0.0
DEP BEN FATAL	58	50	86.2	8	13.8
IEB DETERMINATION	34	32	94.1	2	5.9
OP NON-MED	22	14	63.6	8	36.4
OPBD	151	106	70.2	45	29.8
PPD	779	390	50.1	389	49.9
PTD ENTITLEMENT	84	84	100.0	0	0.0
PTD ONSET DATE	2	2	100.0	0	0.0
REHABILITATION	9	3	33.3	6	66.7
REOPENING	254	157	61.8	97	38.2
SPECIAL CATEGORY	4	4	100.0	0	0.0
TEMP	21	8	38.1	13	61.9
TRMT/EQUIP CL	837	468	55.9	369	44.1
TRMT/EQUIP EM	15	11	73.3	4	26.7
TTD	263	34	12.9	229	87.1
Totals	3370	1529	45.4	1840	54.6

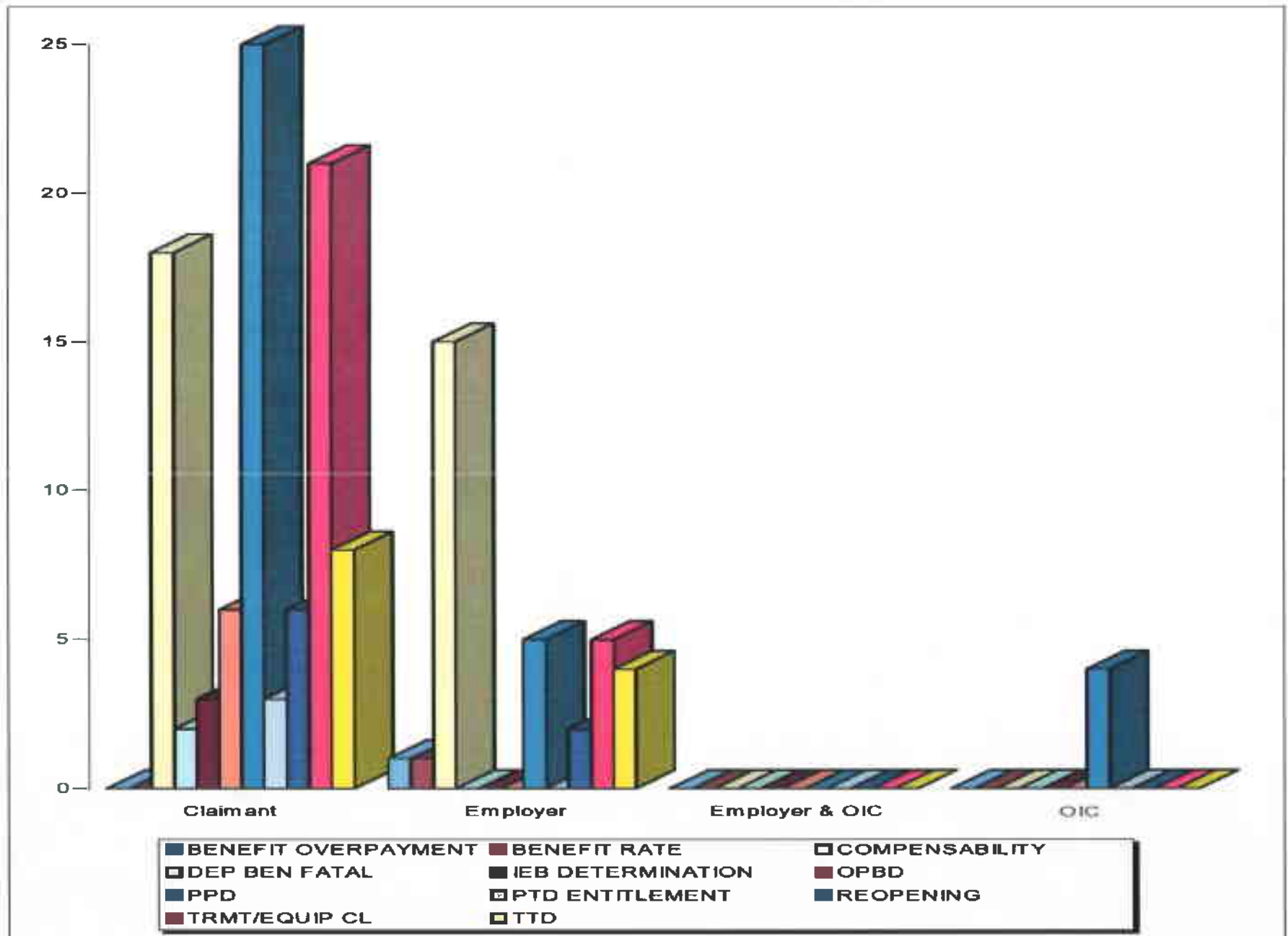
Yearly Appeals Received By Issue
Old Fund Appeals (DOI < Jul-1-2005) vs Privately Insured Appeals (DOI > Jun-30-2005)
From June 1, 2008 Thru April 30, 2010



Appeals Received By Issue
From April 1, 2010 Thru April 30, 2010

Type of Issue	Total Issues	Claimant		Employer		OIC		Emp and OIC	
		#	%	#	%	#	%	#	%
BENEFIT OVERPAYMENT	1	0	0.0	1	100.0	0	0.0	0	0.0
BENEFIT RATE	1	0	0.0	1	100.0	0	0.0	0	0.0
COMPENSABILITY	33	18	54.5	15	45.5	0	0.0	0	0.0
DEP BEN FATAL	2	2	100.0	0	0.0	0	0.0	0	0.0
IEB DETERMINATION	3	3	100.0	0	0.0	0	0.0	0	0.0
OPBD	6	6	100.0	0	0.0	0	0.0	0	0.0
PPD	34	25	73.5	5	14.7	0	0.0	4	11.8
PTD ENTITLEMENT	3	3	100.0	0	0.0	0	0.0	0	0.0
REOPENING	8	6	75.0	2	25.0	0	0.0	0	0.0
TRMT/EQUIP CL	26	21	80.8	5	19.2	0	0.0	0	0.0
TTD	12	8	66.7	4	33.3	0	0.0	0	0.0
Totals	129	92	71.3	33	25.6	0	0.0	4	3.1

Appeals Received By Issue
From April 1, 2010 Thru April 30, 2010



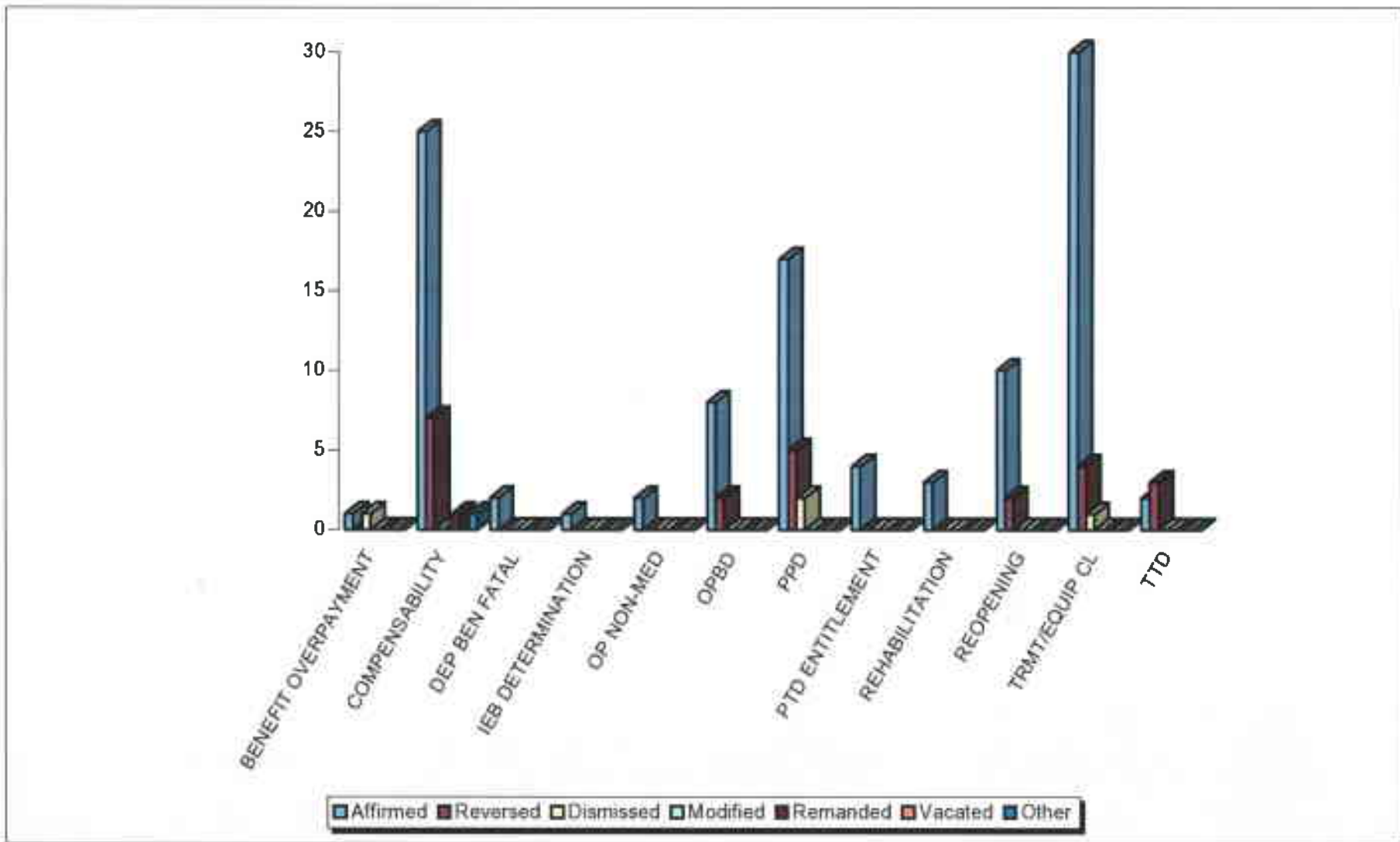
**WORKER COMPENSATION BOARD OF REVIEW
FOR APRIL 2010**

Appealed By	BOR Disposition	Disposition			Year to Date		
		Count	Disp %	Total %	Date	Disp %	Total %
CLAIMANT	AFFIRMED	78	94.0%	63.9%	318	90.9%	61.9%
	DISMISSED				1	0.3%	0.2%
	MOOT				3	0.9%	0.6%
	REMAND	1	1.2%	0.8%	12	3.4%	2.3%
	REVERSE	4	4.8%	3.3%	16	4.6%	3.1%
	Total Dispositions	83			350		
CLAIMANT/EMPLOYER	AFFIRMED				1	33.3%	0.2%
	REVERSE	1	100.0%	0.8%	2	66.7%	0.4%
	Total Dispositions	1			3		
EMPLOYER	ABEYANCE				1	0.9%	0.2%
	AFFIRMED	15	50.0%	12.3%	67	58.3%	13.0%
	DISMISSED	1	3.3%	0.8%	2	1.7%	0.4%
	MOOT				3	2.6%	0.6%
	REMAND				5	4.3%	1.0%
	REVERSE	14	46.7%	11.5%	37	32.2%	7.2%
	Total Dispositions	30			115		
DIVISION/OIC	AFFIRMED	4	50.0%	3.3%	22	47.8%	4.3%
	DISMISSED				1	2.2%	0.2%
	REVERSE	4	50.0%	3.3%	23	50.0%	4.5%
	Total Dispositions	8			46		
Grand Totals		122			514		

Dispositions By Issues
BOR Orders Mailed From April 1, 2010 Thru April 30, 2010

Type of Issue	Issues	Affirmed		Reversed		Dismissed		Modified		Remanded		Vacated		Other	
		#	%	#	%	#	%	#	%	#	%	#	%	#	%
BENEFIT OVERPAYMENT	2	1	50.0	0	0.0	1	50.0	0	0.0	0	0.0	0	0.0	0	0.0
COMPENSABILITY	34	25	73.5	7	20.6	0	0.0	0	0.0	1	2.9	0	0.0	1	2.9
DEP BEN FATAL	2	2	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
IEB DETERMINATION	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	2	2	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
OPBD	10	8	80.0	2	20.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
PPD	24	17	70.8	5	20.8	2	8.3	0	0.0	0	0.0	0	0.0	0	0.0
PTD ENTITLEMENT	4	4	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
REHABILITATION	3	3	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
REOPENING	12	10	83.3	2	16.7	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
TRMT/EQUIP CL	35	30	85.7	4	11.4	1	2.9	0	0.0	0	0.0	0	0.0	0	0.0
TTD	5	2	40.0	3	60.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Totals	134	105	78.4	23	17.2	4	3.0	0	0.0	1	0.7	0	0.0	1	0.7

Dispositions By Issues
BOR Orders Mailed From April 1, 2010 Thru April 30, 2010



Revenue Recovery Activity	February 2010
COLLECTION ACTIVITY	
Receipts - Old Fund (Employer out of business)	\$ 12,449.53
Receipts - PC & NU (Private Carrier Cancellation & Rogue Employers)	\$ 59,410.32
Receipts - Payment Agreements	\$ 18,536.13
Receipts - Collection Agency	\$ 807
# of active accounts uninsured (cumulative)	
\$ of active accounts uninsured (cumulative)	\$ 2,619,717.65
Telephone contacts	1,842
Walk-ins	9
LIENS	
Liens sent to county clerks for recordation	97
Liens sent to county clerks for release	32
Intent to lien letters sent to employer/owner/officer/member	108
INJUNCTIONS	
Affidavits for injunction submitted to legal	3
	1
# of injunction complaints filed	7
# of injunctions granted	4
# of agreed orders entered	3
PAYMENT AGREEMENTS	
# of repayment agreements applications	8
Agreements set up	8
Total # of agreements on system (cumulative)	104
Intent to void letters mailed	22
Agreements voided	12
MISCELLANEOUS	
Terminations Processed	72
Rule 11 Letters Mailed	329
Rule 11 hearings	1
Uninsured Policies Resolved	265
All Cash Receipts from WC accounts	\$ 90,395.98

BOARD OF TREASURY INVESTMENTS

CALENDAR NOTES

Quarterly Board Meeting
April 27, 2010
CD Auction
May 12, 2010

OPERATING REPORT LEGISLATIVE

MARCH 31, 2010 APR 22 2010

MANAGER

Board of Treasury Investments

1900 Kanawha Boulevard East
Suite E-122
Charleston WV 25305
(304) 340-1578
www.wvbt.com

Board of Directors

John D. Perdue,
State Treasurer,
Chairman

Joe Manchin III,
Governor

Glen B. Gainer III,
State Auditor

Martin Glasser, Esq.
Attorney
Appointed by the
Governor

Jack Rossi, CPA
Appointed by the
Governor

Executive Staff

Executive Director
Glenda Probst,
CPA, CTP

Chief Financial
Officer

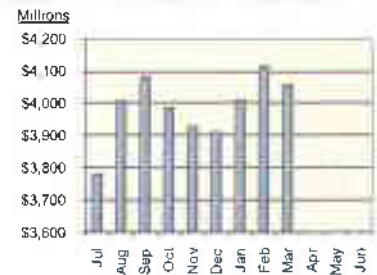
Kara K. Brewer,
CPA, MBA

Total Net Assets Under Management

\$4,055,272,000

Last Month
\$4,010,863,000

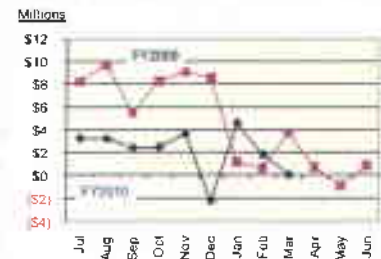
Beginning of Fiscal Year
\$3,663,992,000



10.7% Growth This Fiscal Year

Total Net Income & Gains

Fiscal Year
\$19,074,000



Fiscal Year Comparison

Money Market Pools

As of March 31, 2010

Pool	1-Day Yield *	7-Day Yield *	30-Day Avg. Yield *	W.A.M. **	Net Assets
WV Money Market	.1229%	.1266%	.1231%	41 Days	\$2.9 Billion
WV Gov't Money Market	.0311%	.0969%	.1078%	46 Days	\$307.0 Million

* Yields represent the simple money market yield net of fees.
** W.A.M. is the weighted average maturity.

WEST VIRGINIA BOARD OF TREASURY INVESTMENTS

THE ECONOMIC STATE

MARCH 2010

Bull Market Marks First Anniversary

March 9th marked the one-year anniversary of the current bull market, and instead of celebrating, most people are trying to figure out when the end is coming.

Based on the continued abundance of good news from the financial markets combined with the markets' ability to shrug-off Greece's liquidity crisis and the unintended consequences of the new health care bill, it would appear the end may not be around the corner as many would like to have you believe.

On the job front, the unemployment rate remained stuck at 9.7% as the economy created 162,000 jobs in March, marking the largest increase in three years and the third gain in the past five months.

Manufacturing continues to expand as the ISM Manufacturing Index increased to 59.6, ahead of last month's 56.5 level and the widely anticipated level of 57.0. A reading above 50 indicates growth in this sector, and this month marked the eighth straight month above the level of 50.

Inflation remains tame with the Consumer Price Index increasing 0.1%, which was lower than last month's 0.2% rise. The Core CPI, which excludes volatile food and energy prices, also edged up 0.1%, which was in line with expectations.

This recovery is unique in many respects. GDP growth has yet to impact unemployment, and the consumer spending effect, typically a driving force in a recovery, has had little impact. However the consumer is spending and that was reflected in the 0.3% increase in February's retail sales figures which, when factoring in the major snowstorms, was expected to have fallen 0.2%. Interestingly, this increase occurred despite a 2% drop in auto sales (a result of the Toyota recalls).

In addition, the consumer's level of confidence is on the upswing as noted in the Consumer Board's confidence index which rose to 52.3 in March exceeding most forecasts and fueling belief that the consumer will play a pivotal role in a sustained economic recovery.

While the Fed held steady on rates, they ended the month higher across the yield curve. Yields on 2-10 year maturities ended 20-25 basis points higher while 30 year bond yields ended the month up 16 basis points. The European sovereign debt issues and massive levels of Treasury debt issuance combined with some surprising strength across many sectors of the economy to help drive rates higher in March.

Spreads on 2 – 10 year maturities ended the month up 1 basis point at 281 while 10 – 30 year spreads closed down 6 basis points at 89.

The Barclays Capital Aggregate index returned -0.12% for the month as all spread sectors outperformed their same-duration Treasury securities. Strong demand offset weakening fundamentals in the CMBS sector as it led the way during March, followed by the ABS sector which had good relative results as the government's Term-Asset Backed Securities Loan Facility (TALF) came to an end. The credit sector was boosted by continued investor inflows during the month.

The Merrill Lynch 3-Month T-Bill Index returned 0% in March leading the -0.13% return of the Merrill Lynch 1-3 Year Government / Corporate A+ Index. The 3-Month T-Bills returned 0.13% for the year while the 1-3 Year Government / Corporate Index A+ returned 3.40%.

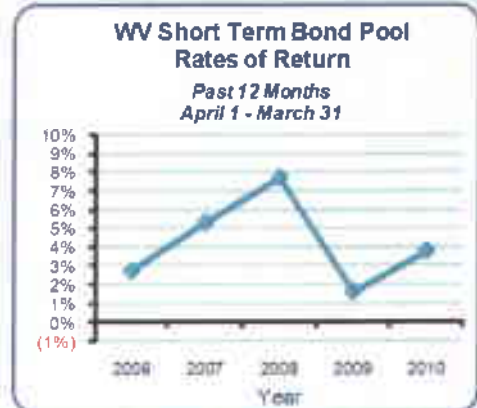
West Virginia Board of Treasury Investments

Financial Highlights as of March 31, 2010

WV Short Term Bond Pool

Rates of Return for the Past 12 Months Net of All Fees

<u>April 1 - March 31</u>	<u>Return</u>	<u>Net Assets At March 31 (In Millions)</u>
2010	3.8%	\$ 447.9
2009	1.6%	\$ 285.2
2008	7.7%	\$ 401.2
2007	5.3%	\$ 227.9
2006	2.7%	\$ 265.0



Prior to July 2007, the WV Short Term Bond Pool was known as the Enhanced Yield Pool

Summary of Value and Earnings (In Thousands)

<u>Pool</u>	<u>Net Asset Value</u>	<u>March Net Income (Loss)</u>	<u>Fiscal YTD Net Income (Loss)</u>
WV Money Market	\$ 2,848,447	\$ 309	\$ 2,854
WV Gov't Money Market	306,984	31	233
WV Short Term Bond	447,855	(353)	9,896
WV Bank	80,065	23	389
Loss Amortization	186,953	(335)	2,846
Loans *	132,931	330	2,224
Reserve	30,068	10	288
Participant Accounts	21,969	10	344
	<u>\$ 4,055,272</u>	<u>\$ 25</u>	<u>\$ 19,074</u>

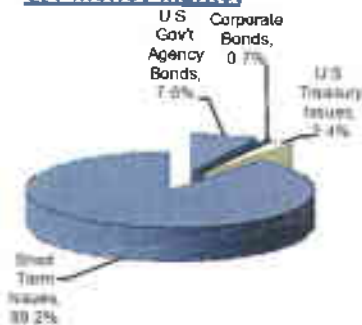
Percent of Total Net Asset Value



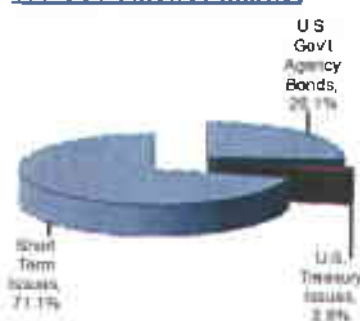
* There have been \$700,000 in writedowns on venture capital loans in the Loan Pool this fiscal year.

Securities by Type for Operating Pools (Percentage of Asset Value)

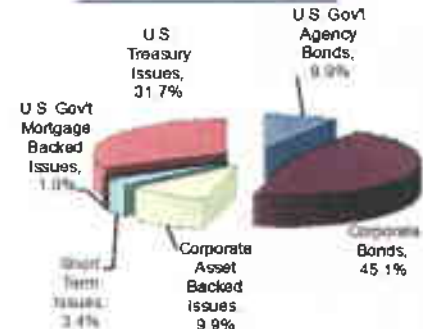
WV Money Market



WV Gov't Money Market



WV Short Term Bond



WEST VIRGINIA BOARD OF TREASURY INVESTMENTS
SCHEDULE OF NET ASSETS, OPERATIONS & CHANGES IN NET ASSETS – UNAUDITED

MARCH 31, 2010

(IN THOUSANDS)

	WV Money Market Pool	WV Government Money Market Pool	WV Short Term Bond Pool	WV Bank Pool	Other Pools	Participant Directed Accounts
Assets						
Investments						
At amortized cost	\$ 2,966,974	\$ 306,910		\$ 80,000	\$ 162,659	\$ 18,722
At fair value			\$ 456,858		186,953	3,026
Cash						
Collateral for securities loaned	203,971		37,032			
Other assets	757	112	23,078	65	344	221
Total assets	3,171,702	307,022	516,968	80,065	349,956	21,969
Liabilities						
Payable for securities loaned	203,971		37,032	-		
Other liabilities	119,284	38	32,081	-	4	
Total liabilities	323,255	38	69,113	-	4	-
Net Assets	\$ 2,848,447	\$ 306,984	\$ 447,855	\$ 80,065	\$ 349,952	\$ 21,969
Investment income						
Interest and dividends	\$ 314	\$ 60	\$ 1,169	\$ 23	\$ 344	\$ 51
Securities lending income						
Provision for securities lending loss						
Net accretion (amortization)	174	(6)	(275)	-	601	(14)
Provision for uncollectible loans						
Total investment income	488	54	894	23	945	37
Expenses						
Fees	180	23	50	-	4	
Securities lending borrower rebates						
Bad debt expense						
Total expenses	180	23	50	-	4	-
Net investment income	308	31	844	23	941	37
Net realized gain (loss)						
from investments	1		621	-	-	-
Net increase (decrease)						
in fair value of investments	-	-	(1,818)	-	(936)	(27)
Net gain (loss) from investments	1	-	(1,197)	-	(936)	(27)
Net increase (decrease) in net assets from operations	309	31	(353)	23	5	10
Distributions to participants	310	31	1,464	23	340	-
Participant activity						
Purchases, reinvestment of units and contributions	740,683	72,153	719	23	2,360	13
Redemptions and withdrawals	770,101	103,881	225	-	1,100	
Inter-pool transfers in	25,044			20,000		
Inter-pool transfers out	20,000			25,044		
Net increase (decrease) in net assets from participant activity	(24,374)	(31,728)	494	(5,021)	1,260	13
Increase (decrease) in net assets	(24,375)	(31,728)	(1,323)	(5,021)	925	23
Net assets at beginning of period	2,872,822	338,712	449,178	85,086	349,027	21,946
Net assets at end of period	\$ 2,848,447	\$ 306,984	\$ 447,855	\$ 80,065	\$ 349,952	\$ 21,969

(President Tomblin presides)

AGENDA
JOINT COMMITTEE ON GOVERNMENT AND FINANCE
May 26, 2010

12:00 - 1:00 p.m.

Senate Finance Room

1. Approval of April 14, 2010, minutes

2. Committee Reports/Requests:

MOVE the study resolutions be assigned to Joint Standing Committee on 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. 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 Distribution: *Craig Slaughter, Executive Director*

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

8. Board of Treasury Report Distribution

9. Other Business

10. **Scheduled Interim Dates:** June 7-9 (Monday, Tuesday and Wednesday)
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**