



# JOINT COMMITTEE ON GOVERNMENT AND FINANCE

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OCTOBER 2021  
INFORMATION PROVIDED TO MEMBERS OF THE COMMITTEE

September 24, 2021

West Virginia Department of Economic Development  
Office of Broadband Report to the  
Joint Committee on Government and Finance

Prepared by the  
West Virginia Office of Broadband  
September 24, 2021

## **1. West Virginia Broadband Infrastructure (WVBIP) Plan: Investing West Virginia's Funding under the American Rescue Plan Act (ARPA)**

The West Virginia Department of Economic Development (WVDED), in coordination with the West Virginia Broadband Enhancement Council and the State Broadband Office, conducted a webinar to review the proposed West Virginia Broadband Investment Plan (WVBIP) on September 8, 2021, with more than 150 key stakeholders participating.

This webinar provided an overview of programs proposed under the WVBIP. The proposed plan includes four separate programs, each designed to meet West Virginia's broadband development needs. Briefly, the proposed programs include:

- a. Line Extension, Advancement and Development (LEAD): Expansions of existing fiber and cable networks,
- b. GigReady: A state incentive for local governments and organizations to pool some of their ARPA allocations or other local funding,
- c. Major Broadband Project Strategies (MPBS): New networks or major expansions of existing networks, and
- d. \*Wireless Internet Networks (WIN): Expansions or upgrades of existing fixed wireless networks.

*\*Wireless projects do not appear eligible for funding under current ARPA guidelines. The wireless program is being developed in the event that other funding opportunities become available.*

## **2. Capital Projects Fund Guidelines Released September 21, 2021**

The U.S. Department of the Treasury (Treasury) released guidance for the [Coronavirus Capital Projects Fund](#) (CPF) program on September 21, 2021. This CPF program provides \$10 billion for eligible governments to carry out critical capital projects that directly enable work, education, and health monitoring, including remote options, in response to the COVID-19 public health emergency. The Capital Projects Fund Guidance, now available at [treasury.gov/CPF](https://treasury.gov/CPF), describes how governments may access and use these funds.

The Capital Projects Fund includes \$136 million for broadband development in West Virginia. West Virginia was the first state in the nation to submit an application for its allocation of the funding.

The State and Local Fiscal Recovery Funds available through ARPA can also be dedicated to broadband development. Recognizing this potential partnership, the State program will provide an opportunity to coordinate ARPA funding on state and local levels.

## **3. Request for Comment Regarding Unserved Areas Data Analysis Underway**

The West Virginia Department of Economic Development, in coordination with the West Virginia Broadband Enhancement Council and the State Broadband Office, issued a Request for Comment Regarding Unserved Areas in July 2021, to gather broadband data as part of its proposed Broadband Investment Plan. The Request for Comment period will help improve the accuracy of broadband availability maps and determine eligibility for grant funding.

The Request for Comment includes a Preliminary Target Area Map. The Preliminary Target Area Map is intended to support the efficient administration of any funds that may become available for

broadband development in West Virginia, including funds provided through the ARPA and/or other federal or state sources, as outlined in the proposed plan.

Eligibility for funding under the WVBIP will be determined at the address level. Addresses are based upon statewide address data developed by the West Virginia Statewide Addressing and Mapping System. The Request for Comment includes four classifications of eligibility at the address level: Unserved, Likely Unserved, Likely Served, and Funded.

The Request for Comment period is intended to receive information from ISPs and local organizations to identify broadband availability more accurately at the address level. As of September 23, 2021, 15 Internet Service Providers have responded to the Request for Comment. Data analysis and field verification is currently underway. Upon completion of these phases, the Office of Broadband will publish a Final Target Area Map on or about October 11.

The Request for Comment process is designed to direct limited broadband investment funds to areas demonstrating the most critical needs and to help reduce instances of overbuilding.

#### 4. Speed Test Marketing Campaign Launched September 22, 2021

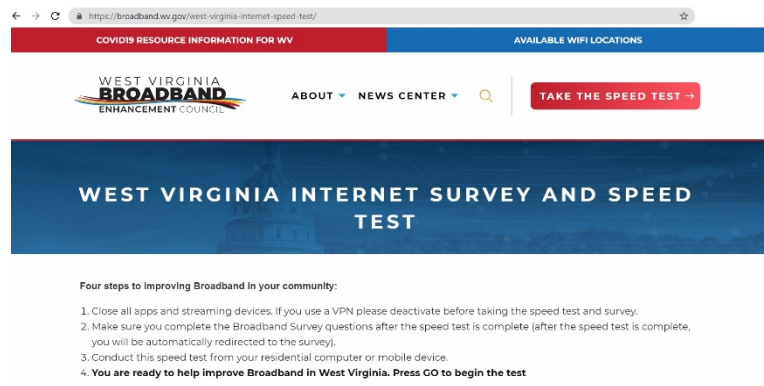
The West Virginia Department of Economic Development (WVDED) and the Broadband Enhancement Council have initiated a marketing campaign to encourage West Virginians to take an internet speed test at [broadband.wv.gov](https://broadband.wv.gov).

This marketing effort will include text messages to drive speed testing in rural areas and areas that are not well represented by speed testing. Speed testing will inform the State's overall mapping program and will be to identify the areas in which investment in broadband is needed most.

The results will help determine where future funds will be allocated to improve access. To take the speed test:

- Visit [broadband.wv.gov](https://broadband.wv.gov).
- Click the red "Take the Speed Test" button at the top of the page.
- Follow the four steps to get started and click "Go."

The test is followed by additional questions about location and internet service. From start to finish, the process takes less than five minutes. The broadband speed test has been publicized across the state in a campaign by the Broadband Enhancement Council. The campaign, using text messages and digital advertising, urges West Virginians to participate in the speed test.



## 5. FCC Emergency Broadband Benefit Registrations Top 41,300

The Emergency Broadband Benefit is an [FCC program](#) to help families and households pay for internet service during the pandemic. The EBB will provide a discount of up to \$50 per month toward broadband service for eligible households and up to \$75 per month for households on qualifying Tribal lands. Eligible households can also receive a one-time discount of up to \$100 to purchase a laptop, desktop computer, or tablet from participating providers if they contribute between \$10 and \$50 toward the purchase price.



As of September 23, 2021, more than 41,300 West Virginians have registered, and 48 fixed and mobile Internet Service Providers are participating in the EBB program. A complete list of participating providers was included in the August 2021, committee report. For more information, visit [fcc.gov/broadbandbenefit](https://fcc.gov/broadbandbenefit) or send email to [BroadbandBenefit@fcc.gov](mailto:BroadbandBenefit@fcc.gov).

## 6. West Virginia Secures \$5 Million with \$95 Million Pending

**Awarded Funds:** West Virginia project teams have secured \$5 million from the Appalachian Regional Commission (ARC) Power program. These projects will leverage additional broadband investment through matching funds and private-sector contributions. Awards were announced on September 16, 2021, to the following projects:

- **Pocahontas County Commission Quiet Zone Fiber Deployment Project: \$2.5 Million**  
This project will enable the Pocahontas County Commission to deploy approximately 49 miles of aerial fiber. The project area is primarily located in Pocahontas County's federally mandated National Radio Quiet Zone (NRQZ), where the use of any electrical equipment (including permanent, fixed, wireless licensed transmitter services) that may interfere with the Radio Astronomical Observation is prohibited within a ten-mile radius of the Green Bank Observatory.
- **Woodlands Development Group: \$2.5 Million**  
This project will enable the Woodlands Development Group to utilize \$2.5 million in ARC POWER broadband funds to construct approximately 58 miles of middle and last mile fiber to unserved/underserved communities in northern West Virginia. The project will deploy backbone fiber from Elkins along Route 33 through Bowden, north to Harman and Canaan Valley, and ending in Davis.

**Pending Applications:** As of September 24, 2021, West Virginia agencies and project teams have more than \$95 million in pending applications submitted to Federal funding agencies.

- **National Telecommunications and Information Administration (NTIA):** Four applications from West Virginia are currently pending with the U.S. Department of Commerce, National Telecommunications and Information Administration (NTIA) Broadband Infrastructure Grant Program. NTIA received more than 230 applications with requests totaling more than \$2.5 billion for the \$288 million program. Applications were submitted from 49 states and U.S. territories.

Notably, West Virginia ranked 16<sup>th</sup> in the nation for the amount of funds requested by state. For more information about the NTIA program, view the [press release](#) summarizing the nationwide response.

- **FCC Emergency Connectivity Fund (ECF)**

The West Virginia State Department of Education applied for \$21.2 million to provide devices and services for more than 47,000 students. Additional applications were submitted by 24 West Virginia counties, representing requests for \$25.5 million in funding for connectivity resources, including school bus wi-fi, hotspots, iPads, and Chromebooks.

The FCC's Emergency Connectivity Fund (ECF) is a \$7.17 billion program designed to help schools and libraries provide the tools and services to support remote learning. The fund will reimburse reasonable costs of eligible equipment such as Wi-Fi hotspots, modems, routers, devices that combine a modem and router, connected devices, and eligible broadband connections. The initial ECF Program application filing window closed on August 13. A second filing window is set for Sept. 28-October 13, 2021. **Interested schools and libraries can find more information at [emergencyconnectivityfund.org](https://emergencyconnectivityfund.org).**

## 7. Action Items

1. **West Virginia Policy Concerning Bridge Attachments:** Bridge Attachments are governed by the WVDOH Utility Manual, available at the following link:  
[https://transportation.wv.gov/highways/engineering/files/ACCOMMODATION\\_OF\\_UTILITIES.pdf](https://transportation.wv.gov/highways/engineering/files/ACCOMMODATION_OF_UTILITIES.pdf)

# WEST VIRGINIA LEGISLATURE

*Office of the Legislative Auditor*



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

*304-347-4870*

September 29, 2021

Executive Summary WV Lottery, Unemployment Trust, General Revenue and State Road Fund

- West Virginia Lottery as of August 31, 2021  
Gross profit for the second month of fiscal year 2022 was \$95.9 million. Gross profit for the second month of fiscal year 2021 was \$81.9 million.
- West Virginia Unemployment Compensation Fund as of August 31, 2021:  
Total disbursements were \$81 million lower than in fiscal year 2021. Overall ending trust fund balance was \$114.6 million higher on August 31, 2021 than on August 31, 2020.
- General Revenue Fund as of August 31, 2021  
The general revenue collections ended the second month of fiscal year 2022 at 109% of the estimate for the year. Total collections were \$58 million above the estimate for the fiscal year.
- State Road Fund as of August 31, 2021:  
The state road fund collections ended the second month of fiscal year 2022 at 93% of the estimate for the year. Total collections were \$11.5 million below the estimate for the fiscal year.

WEST VIRGINIA LEGISLATURE  
*Office of the Legislative Auditor*



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

MEMORANDUM

To: Honorable Chairmen and Members of the Joint Committee on  
Government and Finance

From: William Spencer, CPA  
Director Budget Division  
Legislative Auditor's Office

Date: September 16, 2021

Re: Review of West Virginia Lottery Financial Information  
As of August 31, 2021

We performed an analysis of the Statement of Revenues, Expenses and Changes in Fund Net Position for August 31, 2021, 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 \$217 million for July-August of fiscal year 2020-2021. Table games accounted for \$6.2 million of this total. Historic Resort Hotel video lottery accounted for \$1.8 million of total gross receipts. Gross lottery revenue has increased by 16% when compared with July-August of fiscal year 2020-2021. This number does not include commission and prize deductions. Gross profit (gross revenues minus commissions and prize costs) for July-August was \$96 million; for July-August of last fiscal year it was \$82 million. Expressed as a percentage, gross profit is 17% higher for fiscal year 2022 than for fiscal year 2021.



Lottery continued

**Operating Transfers to the State of West Virginia:**

A total of \$91,558,000.00 has been accrued to the state of West Virginia for fiscal year 2020-2021. This is on an accrual basis and may not correspond to the actual cash transfers made during the same time period. Amount 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:

**State Lottery Fund:**

Bureau of Senior Services	\$41,108,000.00
Community and Technical College	\$998,000.00
Department of Education	\$7,797,000.00
Library Commission	\$6,253,000.00
Higher Education-Policy Commission	\$3,945,000.00
Tourism	\$3,656,000.00
Department of Natural Resources	\$1,870,000.00
Division of Culture and History	\$2,317,000.00
General Revenue Fund	\$0.00
Economic Development Authority	\$1,998,000.00
School Building Authority	\$3,600,000.00
<b><u>SUBTOTAL BUDGETARY TRANSFERS</u></b>	<b>\$73,542,000.00</b>

Lottery continued

**Excess Lottery Fund**

Economic Development Fund	\$4,204,000.00
Higher Education Improvement Fund	\$3,000,000.00
General Purpose Fund	\$6,770,000.00
Higher Education Improvement Fund	\$3,020,000.00
State Park Improvement Fund	\$157,000.00
School Building Authority	\$3,796,000.00
Refundable Credit	\$181,000.00
WV Racing Commission	\$1,008,000.00
WV DHHR	\$0.00
Teacher's Retirement Savings	\$0.00
Division of Human Services	\$17,000,000.00
WV Lottery Statutory Transfers	\$6,355,000.00
Economic Development Authority	\$878,000.00
General Revenue Fund	\$0.00
Office of Technology	\$0.00
Excess Lottery Surplus	\$0.00
WV Infrastructure Council Fund	\$5,366,000.00
<b>Total State Excess Lottery Revenue Fund</b>	<b>\$51,735,000.00</b>

Total Budgetary Distributions:	\$125,277,000.00
Veterans Instant Ticket Fund	\$120,000.00
Pension Plan	0.00
<b>TOTAL TRANSFERS</b>	<b>*\$125,397,000.00</b>

\* CASH BASIS

Lottery continued

Total Accrued last FY 2021:	\$166,942,000.00
Total Cash Distributions FY 2022:	\$125,397,000.00
Applied to FY 2021:	\$125,397,000.00
Applied to FY 2022:	\$0.00
Accrued for FY 2021 as of August 31:	\$41,545,000.00
Accrued for FY 2022 as of August 31:	\$133,103,000.00



P.O. BOX 2067  
CHARLESTON, WV 25327

JOHN A. MYERS  
DIRECTOR

PHONE: 304.558.0500  
wvlottery.com

**MEMORANDUM**

TO: Joint Committee on Government and Finance  
FROM: John A. Myers, Director

A handwritten signature in blue ink, appearing to read "John A. Myers", is written over the "FROM:" line of the memorandum.

RE: Monthly Report on Lottery Operations  
Month Ending August 31, 2021

DATE: September 16, 2021

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

Financial statements of the Lottery for the month ending August 31, 2021 are attached. Lottery revenue, which includes on-line, instant, video lottery sales, table games, and historic resort, sports wagering, and interactive gaming was \$105,048,062 for the month of August.

Transfers of lottery revenue totaling \$78,809,137 made for the month of August to the designated state agencies per Senate Bill 160, 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 12 on pages 20 and 21 of the attached financial statements.

The number of traditional and limited retailers active as of August 31, 2021 was 1,515 and 1,239 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.

JAM  
Attachment

pc: Honorable Jim Justice, Governor  
Dave Hardy, Cabinet Secretary – Dept. of Revenue  
Riley Moore, Treasurer  
J. B. McCuskey, Auditor  
Members of the West Virginia Lottery Commission

**WEST VIRGINIA LOTTERY**

**STATE OF WEST VIRGINIA**

**FINANCIAL STATEMENTS  
-UNAUDITED-**

**August 31, 2021**

**WEST VIRGINIA LOTTERY**

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**WEST VIRGINIA LOTTERY**  
**STATEMENT OF NET POSITION**  
(In Thousands)  
-Unaudited-

ASSETS	August 31, 2021	June 30, 2021
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 157,468	\$ 198,583
Accounts receivable	40,162	35,077
Inventory	749	911
Other assets	1,766	1,806
Total Current Assets	<u>200,145</u>	<u>236,377</u>
Capital assets	60,923	60,923
Less accumulated depreciation and amortization	<u>(18,779)</u>	<u>(18,503)</u>
Net Capital Assets	<u>42,144</u>	<u>42,420</u>
Total Noncurrent Assets	<u>42,144</u>	<u>42,420</u>
Total Assets	<u>\$ 242,289</u>	<u>\$ 278,797</u>
Deferred outflows of resources	<u>\$ 2,537</u>	<u>\$ 2,537</u>
Total assets and deferred outflows	<u>\$ 244,826</u>	<u>\$ 281,334</u>
<b>Current Liabilities:</b>		
Accrued nonoperating distributions to the State of West Virginia	\$ 133,103	\$ 166,942
Estimated prize claims	17,449	16,445
Accounts payable	1,939	2,265
Other accrued liabilities	32,948	36,295
Total Current Liabilities	<u>185,439</u>	<u>221,947</u>
Deferred inflows	<u>\$ 2,355</u>	<u>2,355</u>
<b>Net Position:</b>		
Net Investment in capital assets	42,144	42,420
Unrestricted	<u>14,888</u>	<u>14,612</u>
Total Net Position	<u>57,032</u>	<u>57,032</u>
Total net position, liabilities, and deferred inflows	<u>\$ 244,826</u>	<u>\$ 281,334</u>

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

**WEST VIRGINIA LOTTERY**  
**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**  
**FOR THE TWO MONTH PERIOD ENDED AUGUST 31, 2021**

(In Thousands)  
-Unaudited-

	CURRENT MONTH		YEAR TO DATE	
	FY 2022	FY 2021	FY 2022	FY 2021
Lottery revenues				
On-line games	\$ 5,936	\$ 5,076	\$ 11,400	\$ 10,277
Instant games	14,062	11,979	29,294	26,211
Racetrack video lottery	39,608	35,160	83,476	66,948
Limited video lottery	40,714	38,213	82,801	78,037
Table games	2,940	2,048	6,176	3,856
Historic resort	787	890	1,757	1,712
Sports Wagering	250	203	480	359
Interactive Wagering	751	102	1,545	179
	<u>105,048</u>	<u>93,671</u>	<u>216,929</u>	<u>187,579</u>
Less commissions				
On-line games	425	355	805	719
Instant games	984	839	2,051	1,835
Racetrack video lottery	21,731	19,290	45,798	36,731
Limited video lottery	19,950	18,724	40,573	38,238
Table games	1,246	868	2,617	1,634
Historic resort	433	452	891	805
	<u>44,769</u>	<u>40,528</u>	<u>92,735</u>	<u>79,962</u>
Less on-line prizes	3,657	3,236	6,304	6,109
Less instant prizes	9,590	8,130	19,944	17,755
Less ticket costs	139	104	262	251
Less vendor fees and costs	769	879	1,773	1,599
	<u>14,155</u>	<u>12,349</u>	<u>28,283</u>	<u>25,714</u>
Gross profit	<u>46,124</u>	<u>40,794</u>	<u>95,911</u>	<u>81,903</u>
Administrative expenses				
Advertising and promotions	591	226	905	556
Wages and related benefits	855	840	1,783	1,754
Telecommunications	33	74	132	126
Contractual and professional	1,076	481	539	869
Rental	13	17	51	29
Depreciation and amortization	138	138	276	276
Other administrative expenses	106	191	299	299
	<u>2,812</u>	<u>1,967</u>	<u>3,985</u>	<u>3,909</u>
Other Operating Income	<u>927</u>	<u>1,462</u>	<u>1,238</u>	<u>2,188</u>
Operating Income	<u>44,239</u>	<u>40,289</u>	<u>93,164</u>	<u>80,182</u>
Nonoperating income (expense)				
Investment income	23	116	86	296
Distributions to municipalities and counties	(798)	(749)	(1,623)	(1,529)
Distributions -capital reinvestment	(35)	(28)	(69)	(47)
Distributions to the State of West Virginia	(43,429)	(39,628)	(91,558)	(78,902)
	<u>(44,239)</u>	<u>(40,289)</u>	<u>(93,164)</u>	<u>(80,182)</u>
Net income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position, beginning of period	57,032	55,589	57,032	55,589
Net position, end of period	<u>\$ 57,032</u>	<u>\$ 55,589</u>	<u>\$ 57,032</u>	<u>\$ 55,589</u>

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



**WEST VIRGINIA LOTTERY  
STATEMENTS OF CASH FLOWS  
FOR THE TWO MONTH PERIOD ENDED AUGUST 31, 2021**

(In Thousands)  
-Unaudited-

	2022	2021
Cash flows from operating activities:		
Cash received from customers and other sources	\$ 213,082	\$ 287,343
Cash payments for:		
Personnel costs	(1,783)	(1,754)
Suppliers	(2,075)	(2,045)
Other operating costs	(120,192)	(205,900)
Cash provided by operating activities	<u>89,032</u>	<u>77,644</u>
Cash flows from noncapital financing activities:		
Nonoperating distributions to the State of West Virginia	(125,397)	(83,744)
Distributions to municipalities and counties	(1,619)	(1,581)
Distributions to racetrack from racetrack cap. reinv. fund	(3,257)	(2,314)
Cash used in noncapital financing activities	<u>(130,273)</u>	<u>(87,639)</u>
Cash flows from capital and related financing activities:		
Purchases of capital assets	<u>-</u>	<u>-</u>
Cash flows from investing activities:		
Investment earnings received	<u>126</u>	<u>256</u>
Increase (decrease) in cash and cash equivalents	(41,115)	(9,739)
Cash and cash equivalents - beginning of period	198,583	132,073
Cash and cash equivalents - end of period	<u>\$ 157,468</u>	<u>\$ 122,334</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 93,164	\$ 80,182
Adjustments to reconcile operating income to cash provided by operating activities:		
Depreciation and amortization	276	276
Changes in operating assets and liabilities:		
(Increase) decrease in accounts receivable	(5,085)	97,576
(Increase) decrease in inventory	162	(495)
(Increase) decrease in other assets	-	(4)
Increase (decrease) in estimated prize claims	1,006	(104,303)
Increase (decrease) in accounts payable	(325)	(313)
Increase (decrease) in other accrued liabilities	(166)	4,725
Cash provided by operating activities	<u>\$ 89,032</u>	<u>\$ 77,644</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; Mega Millions®, a multi-state “jackpot” 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.

Video lottery is a self-activated video version of lottery games which is operated by an authorized licensee. 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 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 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. WV Lottery statutes have established specific requirements for video lottery and imposed certain restrictions limiting the licensing for operation of video lottery games to horse and dog racetracks in West Virginia (subject to local county elections permitting the same), limited licensed retailer areas restricted for adult amusement, and licensed historic resort hotels as defined by WV Code.

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

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

The legislation further stipulates the distribution of revenues from video lottery games, and requires any video lottery licensee to be responsible for acquiring the necessary equipment and bearing the risk associated with the costs of operating and marketing 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), and licensed historic resort hotels as defined by WV Code. Each licensee 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 licensee 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 in an external investment pool maintained by the West Virginia Board of Treasury Investments (BTI). The BTI pool is a 2a-7 like pool carried at amortized cost which approximates fair value of the underlying securities.

**INVENTORY** – Inventory consists of instant game tickets available for sale to approved Lottery retailers and is carried at cost as determined by the specific identification method.

**OTHER ASSETS** – Other assets consist of deposits restricted for payment of certain Multi-State Lottery Association activities and prepaid expenses.

**CAPITAL ASSETS** – The Lottery has adopted a policy of capitalizing assets with individual amounts exceeding \$25,000. These assets include leasehold improvements 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.

**ADVERTISING AND PROMOTIONS** – The Lottery expenses the costs of advertising and promotions as they are incurred.

**COMPENSATED ABSENCES** – The Lottery has accrued \$835,830 and \$813,247 at June 30, 2021 and 2020, 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 another postemployment benefits plan.

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

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**NET POSITION** – Net position is presented as restricted, unrestricted and net investment in capital assets which represent the net book value of all property and equipment of the Lottery. When an expense is incurred for purposes for which both restricted and unrestricted net position are available, restricted resources are applied first.

**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.

**NOTE 3 - CASH AND CASH EQUIVALENTS**

At August 31, 2021 the carrying amounts of deposits (overdraft) with financial institutions were \$1,428 thousand with a bank balance (overdraft) of \$2,418 thousand. Of this balance \$250 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):

	July 31, 2021	June 30, 2021
Deposits with financial institutions	\$ 1,428	\$ 461
Cash on hand at the Treasurer’s Office	26,602	26,655
Investments with BTI reported as cash equivalents	129,438	171,467
	\$ 157,468	\$ 198,583

The deposits with the BTI are part of the State of West Virginia’s consolidated investment cash liquidity pool. 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.

**WEST VIRGINIA LOTTERY**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 4 – CAPITAL ASSETS**

A summary of capital asset activity for the month ended August 31, 2021 is as follows (in thousands):

**Capital Assets:**

	Historical Cost At June 30, 2021	Additions	Deletions	Historical Cost At August 31, 2021
Buildings	48,243	-	-	48,243
Land	1,681	-	-	1,681
Equipment	10,999	-	-	10,999
	<u>\$ 60,923</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 60,923</u>

**Accumulated  
Depreciation:**

	Historical Cost At June 30, 2021	Additions	Deletions	Historical Cost At August 31, 2021
Buildings	\$ 10,165	\$ 206	\$ -	\$ 10,371
Equipment	8,338	70	-	8,408
	<u>\$ 18,503</u>	<u>\$ 276</u>	<u>\$ -</u>	<u>\$ 18,779</u>

**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, the LOTTO AMERICA® game, and the MEGA MILLIONS® jackpot game on behalf of participating state lotteries. MUSL is currently comprised of 33 member state lotteries, including the District of Columbia and the United States Virgin Islands. MUSL is managed by a Board of Directors, which is comprised of the lottery directors or their designee from each of the party states. The Board of Directors' responsibilities to administer the Multi-State Lottery Powerball, Lotto America, and Mega Millions games are performed by advisory committees or panels staffed by officers and independent contractors appointed by the board. These officers and consultants serve at the pleasure of the board and the board prescribes their powers, duties and qualifications. The Executive Committee carries out the budgeting and financing of MUSL, while the board contracts the annual independent audit. A copy of the audit may be obtained by writing to the Multi-State Lottery Association, 1701-48th Street, Suite 210, West Des Moines, Iowa 50266-6723.

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®, LOTTO AMERICA®, and MEGA MILLIONS® is 50% of each drawing period's sales, with minimum jackpot levels. The Lottery's revenues and expenses from MUSL games participation for the month ended August 31, 2021 and fiscal year-to-date is as follows:

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

**NOTE 5 - PARTICIPATION IN THE MULTI-STATE LOTTERY (continued)**

<u>Revenues</u>	<u>Month</u>	<u>Y-T-D</u>
Powerball	\$ 2,247,492	\$ 4,190,198
Lotta America	336,151	764,330
Mega Millions	1,364,359	2,435,919
Total	\$ 3,948,002	\$ 7,390,447

<u>Expenses (Prizes)</u>	<u>Month</u>	<u>Y-T-D</u>
Powerball	\$ 1,128,241	\$ 2,103,532
Lotta America	168,075	382,186
Mega Millions	682,184	1,218,007
Total	\$ 1,978,500	\$ 3,703,725

MUSL places a percentage of game sales from each game in separate prize reserve funds that serve as a contingency reserve to protect the respective MUSL Product Groups from unforeseen prize liabilities. 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. The applicable sales percentage contribution as well as the reserve fund limit for the MUSL games is as follows:

	<u>PowerBall</u>	<u>Lotto America</u>	<u>Mega Millions</u>
Required Contribution (% of sales)	2%	3%	1%
Reserve Fund Cap	\$125,000,000	\$9,000,000	\$45,000,000

At August 31, 2021, the Lotteries share of the prize reserve fund balances were as follows:

<u>Game</u>	<u>Total Prize Reserve</u>	<u>Lottery Share</u>
Powerball	\$ 112,952,470	\$ 1,385,632
Lotto America	4,690,180	353,556
Mega Millions	93,794,320	934,469
Total	\$ 211,436,970	\$ 2,673,657

Lottery prize reserves held by the MUSL are invested according to a Trust agreement the Lottery has with MUSL outlining investment policies. The policies restrict investments to direct obligations of the United States Government, perfected repurchase agreements, and obligations issued or guaranteed as to payment of

**WEST VIRGINIA LOTTERY**  
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**-Unaudited-**

**NOTE 5 - PARTICIPATION IN THE MULTI-STATE LOTTERY (continued)**

principal and interest by agencies or instrumentalities of the United States Government, and mutual funds of approved investments. The average portfolio maturity is never more than one year, except that up to one third of the portfolio may have an average maturity of up to two years. The maximum maturity for any one security does not exceed five years.

The interest earned on prize reserve fund monies is used to pay MUSL operating expenses and any amounts over and above that are credited to an unreserved fund. The Lottery records this as interest when earned. This fund had a balance of \$19,878,441 at August 31, 2021, of which the Lottery's share was \$1,441,191.

**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 and has been amended again by HB 101 as passed during the first extraordinary session of 2014. For a complete summary of the impacts of HB 101, see Note 11 titled "Summary Impact of Recent Legislation." Initially, four percent (4%) of gross terminal revenue is allocated for lottery administrative costs. Sixty-six percent (57%) of net terminal revenue (gross less 4%) is allocated in lieu of commissions to: the racetracks (46.5%); other private entities associated with the racing industry (8.7%); and the local county and municipal governments (2%). The remaining revenues (42.8%) 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 11 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.

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, 49% of net terminal revenue is allocated in lieu of commissions to: the racetracks (42%); other private entities associated with the racing industry (5%); and the local county and incorporated municipality governments (2%).



**WEST VIRGINIA LOTTERY**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 6 - RACETRACK VIDEO LOTTERY (continued)**

The remaining net terminal revenue (51%) is allocated for distribution to the State as specified in the Racetrack Video Lottery Act or subsequent State budget, as described in Note 11.

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.

A summary of racetrack video lottery revenues for the month ended August 31, 2021 and fiscal year-to-date follows (in thousands):

	Current Month		Year-to-Date	
	2022	2021	2022	2021
Total credits played	\$ 448,685	\$ 397,500	\$ 948,867	\$ 754,551
Credits (prizes) won	(402,365)	(356,507)	(850,961)	(676,863)
Promotional credits played	(6,712)	(5,833)	(14,430)	(10,740)
Gross terminal income	39,608	35,160	83,476	66,948
Administrative costs	(1,584)	(1,406)	(3,339)	(2,678)
Net Terminal Income	38,024	33,754	80,137	64,270
Less distribution to agents	(21,731)	(19,290)	(45,798)	(36,731)
Racetrack video lottery revenues	<u>\$ 16,293</u>	<u>\$ 14,464</u>	<u>\$ 34,339</u>	<u>\$ 27,539</u>

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

	August 31, 2021	Year-to-Date
State Lottery Fund	\$ 11,407	\$ 24,041
State Excess Lottery Revenue Fund	4,886	10,298
Capital Reinvestment Fund	-	-
Total nonoperating distributions	<u>\$ 16,293</u>	<u>\$ 34,339</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

**WEST VIRGINIA LOTTERY**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 7 - LIMITED VIDEO LOTTERY (continued)**

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 August 31, 2021 and fiscal year-to-date follows (in thousands):

	Current Month		Year-to-Date	
	2022	2021	2022	2021
Total credits played	\$ 524,069	\$ 491,995	\$ 1,067,460	\$ 1,005,101
Credits (prizes) won	(483,355)	(453,782)	(984,659)	(927,064)
Gross terminal income	\$ 40,714	\$ 38,213	\$ 82,801	\$ 78,037
Administrative costs	(814)	(764)	(1,656)	(1,561)
Gross Profit	39,900	37,449	81,145	76,476
Commissions	(19,950)	(18,724)	(40,573)	(38,238)
Municipalities and Counties	(798)	(749)	(1,623)	(1,529)
Limited video lottery revenues	<u>\$ 19,152</u>	<u>\$ 17,976</u>	<u>\$ 38,949</u>	<u>\$ 36,709</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 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. Transfer three 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 Excess Lottery Revenue Fund.

The cash transferred to the State Excess Lottery Revenue Fund in the current month is included in Note 11- Nonoperating Distributions to the State of West Virginia. The table games adjusted gross receipts for the month and year ended August 31, 2021 were \$8,401,392 and \$17,644,512, respectively. The following table shows the month and year totals of the privilege tax and the accrued distributions (in thousands) to be transferred in the subsequent month:

	Current Month		Year-to-Date	
	2022	2021	2022	2021
Table Games Privilege Tax	\$ 2,940	\$ 2,048	\$ 6,176	\$ 3,856
Interest on Table Games Fund	-	1	-	1
Administrative costs	(252)	(176)	(529)	(331)
Total Available for Distribution	<u>2,688</u>	<u>1,873</u>	<u>5,647</u>	<u>3,526</u>
<u>Less Distributions:</u>				
Racetrack Purse Funds	189	132	397	248
Thoroughbred & Greyhound Development Funds	151	105	318	198
Racing Association Pension Plan	74	52	155	97
Municipalities/ Counties	832	579	1,747	1,091
Total Distributions	<u>1,246</u>	<u>868</u>	<u>2,617</u>	<u>1,634</u>
Excess Lottery Fund	<u>\$ 1,442</u>	<u>\$ 1,005</u>	<u>\$ 3,030</u>	<u>\$ 1,892</u>

**WEST VIRGINIA LOTTERY**  
**NOTES TO FINANCIAL STATEMENTS**  
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**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 historic resort hotel.

A summary of historic resort hotel video lottery revenues for the month ended August 31, 2021 and fiscal year-to-date follows (in thousands):

	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Total credits played	\$ 7,312	\$ 8,266	\$ 15,587	\$ 17,264
Credits (prizes) won	(6,625)	(7,527)	(14,218)	(15,977)
Promotional credits played	(70)	(141)	(185)	(296)
Gross terminal income	617	598	1,184	991
Capital reinvestment	(29)	(28)	(55)	(47)
Excess Lottery Fund	(6)	(5)	(11)	(9)
Administrative costs	(33)	(32)	(64)	(54)
Hotel commissions	(261)	(253)	(501)	(419)
Net terminal income	288	280	553	462
Historic Resort Hotel Fund	183	178	352	294
Human Resource Benefit Fund	105	102	201	168

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

**NOTE 9 – HISTORIC RESORT HOTEL (continued)**

**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 ended August 31, 2021 were \$486,202 and \$1,637,020 respectively.

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

	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Table games privilege tax	\$ 170	\$ 292	\$ 573	\$ 721
Administrative Costs	(22)	(37)	(74)	(92)
Total Available for Distribution	148	255	499	629
Historic Resort Hotel Fund	124	213	418	526
Human Resource Benefit Fund	24	42	81	103

**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) Eighty-six percent (86%) is paid to the State Excess Lottery Revenue Fund;
- 2) Four percent (4%) is paid to the county where the gaming facility is located;
- 3) Two and one-half percent (2.5%) is paid to the municipality where the gaming facility is located as prescribed by statute;
- 4) 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;
- 5) 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;
- 6) 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	\$ 183	\$ 352
Historic Resort Table Games	124	418
Interest on Historic Resort Hotel Fund	-	-
Historic Resort Hotel Fund Net Income	307	770
Municipalities/ Counties	43	108
Excess Lottery Fund	264	662
Total Distributions	\$ 307	\$ 770

**WEST VIRGINIA LOTTERY  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 10– SPORTS WAGERING**

Sports Wagering legislation passed in 2018 per Senate Bill 415. Each racetrack and historic resort hotel licensee is subject to a privilege tax of ten percent (10%) of adjusted gross wagering receipts which will be deposited weekly into the Sports Wagering Fund.

From the privilege tax deposited into the Sports Wagering Fund, the Commission, on a monthly basis shall:

Retain 15% for administrative expenses of which any surplus in excess of \$250,000 shall be reported to the Joint Committee on Government and Finance and remitted to the State Treasurer.

After the reduction for administrative expenses, the net profit shall be deposited into the State Lottery Fund until a total of \$15 million is deposited. The remainder of net profit shall be deposited into the Public Employees Insurance Agency Financial Stability Fund.

The Sports Wagering adjusted gross wagering receipts for the month and year-to-date periods ended August 31, 2021 were \$2,503,196 and \$4,798,939, 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	
	2022	2021	2022	2021
Sports Wagering Privilege Tax	\$ 250	\$ 203	\$ 480	\$ 359
Interest on Sports Waging Fund	-	-	-	-
Administrative Costs	(37)	(31)	(72)	(54)
<b>Total Available for Distribution</b>	<b>213</b>	<b>172</b>	<b>408</b>	<b>305</b>

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

**NOTE 11– INTERACTIVE WAGERING**

Interactive Wagering legislation passed in 2019 per House Bill 2934. Each racetrack and historic resort hotel licensee is subject to a privilege tax of fifteen percent (15%) of adjusted gross interactive gaming receipts which will be deposited weekly into the Interactive Wagering Fund.

From the privilege tax deposited into the Interactive Wagering Fund, the Commission, on a monthly basis shall:

Retain 15% for administrative expenses of which any surplus in excess of \$250,000 shall be reported to the Joint Committee on Government and Finance and remitted to the State Treasurer.

In each fiscal year, the Lottery Commission shall deposit one-quarter of a percent of the net profit into each of the four special funds established by the Racing Commission, pursuant to §29-22A-10 and §29-22C-27 to be used for payment into the pension plan for the employees of the licensed racing associations in this state.

After the reduction for administrative expenses and the pension plans for the racing associations, the net profit shall be deposited into the State Lottery Fund.

The Interactive Wagering adjusted gross interactive gaming receipts for the month and year-to-date periods ended August 31, 2021 were \$5,003,903 and \$10,299,344 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	
	2022	2021	2022	2021
Interactive Wagering Privilege Tax	\$ 751	\$ 102	\$ 1,545	\$ 179
Interest on Interactive Wagering Fund	-	-	-	-
Administrative Costs	(113)	(15)	(232)	(26)
Total Available for Distribution	638	87	1,313	153

A summary of Interactive Gaming Fund related distributions is as follows (in thousands):

	Current Month	Year-to-Date
Pensions	6	12
Lottery Fund	632	1,301
Total Distributions	\$ 638	\$ 1,313

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

**NOTE 12- 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, 2022 the State Legislature budgeted \$125,422,650 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, \$1,000,000, and \$500,000 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 \$6,539,201 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. For the month ended August 31, 2021 the Lottery has accrued additional distributions of \$133,102,831. The Lottery is a non-appropriated state agency and therefore does not have a legally adopted annual budget.

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

<u>BUDGETARY DISTRIBUTIONS</u>	<u>August 31, 2021</u>	<u>Year-to-Date</u>
<u>State Lottery Fund:</u>		
Community and Technical College	\$ 499	\$ 998
Bureau of Senior Services	23,298	41,108
Department of Education	2,096	7,797
Library Commission	1,681	6,253
Higher Education-Policy Commission	1,060	3,945
Tourism	983	3,656
General Revenue		
Natural Resources	503	1,870
Division of Culture & History	623	2,317
Economic Development Authority	999	1,998
School Building Authority	1,800	3,600
Total State Lottery Fund	<u>\$ 33,542</u>	<u>\$ 73,542</u>



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

**State Excess Lottery Revenue Fund:**

Economic Development Fund	\$ 2,102	\$ 4,204
Higher Education Improvement Fund	1,500	3,000
General Purpose Account	6,770	6,770
Higher Education Improvement Fund	3,020	3,020
State Park Improvement Fund	157	157
School Building Authority	1,898	3,796
Refundable Credit	181	181
WV Racing Commission	1,008	1,008
WV Department of Health and Human Resources		
Teacher's Retirement Savings		
Division of Human Services	17,000	17,000
WV Lottery Statutory Transfers	6,355	6,355
Economic Development Authority	439	878
General Revenue Fund		
Office of Technology		
Excess Lottery Surplus		
West Va. Infrastructure Council	4,766	5,366
Total State Excess Lottery Revenue Fund	<u>\$ 45,196</u>	<u>\$ 51,735</u>
Total Budgetary distributions:	<u>\$ 78,738</u>	<u>\$ 125,277</u>
Veterans Instant Ticket Fund	\$ 71	\$ 120
Total nonoperating distributions to the State of West Virginia (cash basis)	\$ 78,809	\$ 125,397
Accrued nonoperating distributions, beginning	(168,483)	(166,942)
Accrued nonoperating distributions, end	<u>133,103</u>	<u>133,103</u>
	<u>\$ 43,429</u>	<u>\$ 91,558</u>

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

**NOTE 13 – LEASES**

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 fiscal year-to-date ended August 31, 2021 and August 31, 2020 approximated \$51,561 and \$29,088 respectively.

The Lottery leases office space under the terms of a non-cancellable operating lease to various tenants. Rental revenues for the fiscal year-to-date ended August 31, 2021 and August 31, 2020 approximated \$179,952 and \$177,639 respectively.

**NOTE 14 – COMMITMENTS**

For the years ended June 30, 2021 and 2020 the Lottery Commission has not designated any unexpended administrative funds for the acquisition of capital assets. As of June 30, 2021 and 2020, \$7,612,621 and \$8,073,287, respectively, are included in unrestricted net position and net investment in capital assets for this purpose.

**NOTE 15 - 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, 4101 MacCorkle Ave. S.E., Charleston, West Virginia 25304-1636.

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 hired prior to July 1, 2015 are required to contribute 4.5% of their salary to the PERS. Covered employees hired on or after July 1, 2015 will contribute 6.0% of their salary to the PERS Tier II. The Lottery is required to contribute 13.5% 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 month ending August 31, 2021 and fiscal year-to-date are as follows (in thousands):

	August 31, 2021	Year-to-Date
Employee contributions	\$ 29	\$ 80
Lottery contributions	62	167
Total contributions	\$ 91	\$ 247

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

**NOTE 16 - 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.

**WORKERS' COMPENSATION INSURANCE**

The Lottery carries workers compensation insurance coverage through a commercial insurance carrier. The commercial insurance carrier is paid a monthly rated premium to provide compensation for injuries sustained in the course of employment.

**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.

**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.

**SCHEDULE OF REVENUES AND NET REVENUES OF THE  
LOTTERY FUND AND EXCESS LOTTERY FUND  
1FOR THE TWO MONTH PERIOD ENDED AUGUST 31, 2021  
(In Thousands)**

	Current Month		FISCAL YEAR	
	Actual	Projected	Actual	Projected
<b>Gross Revenues</b>				
Instant games	14,062	7,500	29,294	15,000
On-line games	5,936	5,033	11,400	10,066
Racetrack video lottery	39,608	40,597	83,476	80,969
Limited video lottery	40,714	27,331	82,801	56,165
Racetrack table games	2,940	2,489	6,176	5,153
Historic resort	787	348	1,757	795
Sports wagering	250	208	480	416
Interactive wagering	751	-	1,545	-
<b>Total gross revenues</b>	<b>105,048</b>	<b>83,506</b>	<b>216,929</b>	<b>168,564</b>
<b>Net Revenues - Lottery Fund and Excess Lottery Fund</b>				
<b>Lottery Fund</b>				
Instant games	1,457	870	3,075	1,741
On-line games	1,028	1,445	2,703	2,889
Racetrack Video Lottery	11,409	11,692	24,045	23,319
Sports wagering	213	177	408	354
Interactive wagering	632	-	1,301	-
<b>Total Lottery Fund net revenues</b>	<b>14,739</b>	<b>14,184</b>	<b>31,532</b>	<b>28,303</b>
<b>Excess Lottery Fund</b>				
Racetrack Video Lottery	4,887	5,008	10,299	9,989
Limited Video Lottery	19,171	12,857	39,026	26,420
Limited Video Lottery Fees	678	-	817	-
Racetrack table games	1,443	1,221	3,030	2,527
Historic resort	270	125	672	305
<b>Total Excess Lottery Fund Net Revenues</b>	<b>26,449</b>	<b>19,211</b>	<b>53,844</b>	<b>39,241</b>
<b>Total Net Revenues</b>	<b>41,188</b>	<b>33,395</b>	<b>85,376</b>	<b>67,544</b>

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 Chairmen and Members of the Joint Committee on  
Government and Finance

From: William Spencer, C.P.A., Director, Budget Division  
Legislative Auditor's Office

Date: September 07, 2021

Re: Status of General Revenue Fund and State Road Fund as of  
August 31, 2021 (FY 22)

We have read the cash flow of the West Virginia general revenue fund as of August 31, 2021 which is the second month of the fiscal year. The status of the fund collections for the month is as follows:

The net collections were 109% of the estimate for the fiscal year. Total collections were \$58 million above the estimate for the fiscal year.

Personal Income Tax collections were \$19.7 million above the estimate for the fiscal year.

Consumer sales and use tax collections were \$8.3 million above the estimate for the year.

Severance Tax was \$20 million above the estimate for the fiscal year.

Corporate Income and Business Franchise Tax collections were \$5.2 million above the estimate for the fiscal year.

**State Road Fund**

The state road fund collections were 93% of the estimate for the fiscal year. Total collections were \$11.5 million below the estimate for the fiscal year.

### Rainy Day and Personal Income Tax Reserve

Revenue Shortfall Reserve **Fund A** (Rainy Day Fund) had a cash balance of \$395,524,799.02 as of August 31, 2021.

Balance July 1, 2021	\$441,663,052.88
*Loan-General Revenue Fund 7-1-21	(68,500,000.00)
Fiscal year 21 Surplus	15,401,416.45
6-24-21 Special Session appropriation	50,000,000.00
Earnings/(Loss)	(43,039,670.31)
Balance August 31, 2021	\$395,524,799.02

\*\$68.5 million loan to state General Revenue Fund 7/1/2021 for beginning of the year cash flow, to be repaid within 90 days.

Revenue Shortfall Reserve **Fund B** (Tobacco Settlement Monies) had a cash balance of \$562,653,495.55 as of August 31, 2021.

Balance July 1, 2021	\$553,481,351.13
Earnings	9,172,144.42
Balance August 31, 2021	\$562,653,495.55

The **Personal Income Tax Reserve** Fund had a \$11,000,000.00 cash balance as of August 31, 2021.

Balance July 1, 2021	\$11,000,000.00
Balance August 31, 2021	\$11,000,000.00

**STATE OF WEST VIRGINIA  
COMPARISON OF REVENUE  
AUGUST 2020 vs AUGUST 2021**

**GENERAL REVENUE FUND**

	Actual Collections August 2020	Actual Collections August 2021	Actual Collections 2 Months Jul-Aug 2020	Actual Collections 2 Months Jul-Aug 2021	YTD \$ Increase (Decrease) over prior period	YTD % Increase (Decrease) over prior period
Personal Income Tax	\$ 144,103,056	\$ 154,497,859	\$ 420,503,980	\$ 296,274,698	\$ (124,229,282)	-30%
Consumer Sales Tax & Use Tax	131,566,106	141,173,306	221,415,082	230,952,365	9,537,283	4%
Severance Tax	10,736,673	45,914,570	4,042,517	49,332,535	45,290,019	1120%
Corporate Net Income Tax	6,999,409	2,614,172	67,382,675	13,692,283	(53,690,392)	-80%
Insurance Tax	104,230	394,358	27,925,634	29,986,844	2,061,210	7%
Tobacco Products Tax	12,679,978	14,485,868	29,453,146	28,997,267	(455,879)	-2%
Business and Occupation	10,232,950	9,614,316	21,202,424	17,454,320	(3,748,104)	-18%
Liquor Profit Transfers	2,379,200	2,117,680	3,970,027	4,666,194	696,167	18%
Departmental Collections	1,168,931	1,606,246	2,464,584	3,112,710	648,126	26%
Property Transfer Tax	1,231,565	1,649,840	2,482,354	3,721,205	1,238,851	50%
Property Tax	520,165	335,701	724,823	346,152	(378,671)	-52%
Beer Tax and Licenses	680,368	574,910	1,503,788	1,338,466	(165,322)	-11%
Miscellaneous Transfers	80,450	421,525	80,450	714,456	634,006	788%
Interest Income	2,207,626	721,613	5,173,916	960,386	(4,213,530)	-81%
Refundable Credit Reimb Liability	864,956	180,618	864,956	180,618	(684,338.00)	0%
HB 102 - Lottery Transfers	5,484,741	6,769,400	5,484,741	6,769,400	1,284,658.79	0%
Miscellaneous	242,806	214,546	400,355	335,810	(64,545)	-16%
Business Franchise Fees	68,511	116,874	126,310	211,763	85,453	68%
Estate & Inheritance Tax	-	-	-	-	-	0%
Liquor License Renewal	45,979	45,151	120,979	146,418	25,439	0%
Special Revenue Transfers	-	-	-	-	-	0%
Charter Tax	(27,799)	(1,567)	4,750	(1,592)	(6,342)	-134%
Video Lottery Transfers	33,064	-	40,505	63,378	22,873	56%
July-Dec Retro Rev Adj	-	3,055	-	-	-	0%
Cash Flow Transfer	-	-	68,600,000	68,500,000	(100,000)	0%
<b>SUBTOTALS</b>	<b>\$ 331,402,963</b>	<b>\$ 383,450,041</b>	<b>\$ 883,967,994</b>	<b>\$ 757,755,676</b>	<b>\$ (126,212,319)</b>	
Less: Cash Flow Transfer	-	-	68,600,000	68,500,000	(100,000)	
Less: Special Revenue Transfer	-	-	-	-	-	
<b>TOTALS</b>	<b>\$ 331,402,963</b>	<b>\$ 383,450,041</b>	<b>\$ 815,367,994</b>	<b>\$ 689,255,676</b>	<b>\$ (126,112,319)</b>	
Increase/Decrease over Prior Period		\$ 52,047,078		\$ (126,112,319)		
% Increase/Decrease over Prior Period		16%		-15%		

Source: WV OASIS  
Prepared by: Legislative Auditor's Office, Budget Division  
September 07, 2021

**STATE OF WEST VIRGINIA  
REVENUE COLLECTIONS  
FISCAL YEAR 2022  
as of August 31, 2021**

**GENERAL REVENUE FUND**

	MONTH ESTIMATES	ACTUAL MONTH COLLECTIONS	<b>FINAL</b>		ACTUAL YTD COLLECTIONS	YTD COLLECTIONS OVER ESTIMATES	YTD PERCENT COLLECTED
			MONTHLY COLLECTIONS OVER ESTIMATES	YTD ESTIMATES			
Personal Income Tax	\$ 149,500,000	\$ 154,497,859	\$ 4,997,859	\$ 276,600,000	\$ 296,274,698	\$ 19,674,698	107%
Consumer Sales Tax & Use Tax	128,300,000	141,173,306	12,873,306	222,700,000	230,952,365	8,252,365	104%
Severance Tax	37,000,000	45,914,570	8,914,570	29,400,000	49,332,535	19,932,535	168%
Corporate Net Income Tax	3,000,000	2,614,172	(385,828)	8,500,000	13,692,283	5,192,283	161%
Insurance Tax	120,000	394,358	274,358	26,320,000	29,986,844	3,666,844	114%
Tobacco Products Tax	15,300,000	14,485,868	(814,132)	30,100,000	28,997,267	(1,102,733)	96%
Business and Occupation	8,300,000	9,614,316	1,314,316	19,300,000	17,454,320	(1,845,680)	90%
Liquor Profit Transfers	2,000,000	2,117,680	117,680	4,000,000	4,666,194	666,194	117%
Departmental Collections	1,140,000	1,606,246	466,246	2,440,000	3,112,710	672,710	128%
Property Transfer Tax	1,200,000	1,649,840	449,840	2,600,000	3,721,205	1,121,205	143%
Property Tax	350,000	335,701	(14,299)	510,000	346,152	(163,848)	68%
Beer Tax and Licenses	660,000	574,910	(85,090)	1,360,000	1,338,466	(21,534)	98%
Miscellaneous Transfers	100,000	421,525	321,525	140,000	714,456	574,456	510%
Interest Income	450,000	721,613	271,613	850,000	960,386	110,386	113%
Refundable Credit Reimb Liability	300,000	180,618	(119,382)	300,000	180,618	(119,382)	0%
HB 102 - Lottery Transfers	5,500,000	6,769,400	1,269,400	5,500,000	6,769,400	1,269,400	0%
Miscellaneous	230,000	214,546	(15,454)	350,000	335,810	(14,190)	96%
Business Franchise Fees	60,000	116,874	56,874	120,000	211,763	91,763	176%
Estate & Inheritance Tax	-	-	-	-	-	-	0%
Liquor License Renewal	45,000	45,151	151	146,000	146,418	418	100%
Special Revenue Transfers	-	-	-	-	-	-	0%
Charter Tax	-	(1,567)	(1,567)	-	(1,592)	(1,592)	0%
Telecommunications Tax	-	-	-	-	-	-	0%
Video Lottery Transfers	-	3,055	3,055	-	63,378	63,378	0%
July-Dec Retro Rev Adj	-	-	-	-	-	-	0%
Cash Flow Transfer	-	-	-	-	68,500,000	-	0%
<b>SUBTOTALS</b>	<b>\$ 353,555,000</b>	<b>\$ 383,450,041</b>	<b>\$ 29,895,041</b>	<b>\$ 631,236,000</b>	<b>\$ 757,755,676</b>	<b>\$ 58,019,676</b>	
Less: Cash Flow Transfer	-	-	-	-	68,500,000	-	
Less: Special Revenue Transfer	-	-	-	-	-	-	
<b>TOTALS</b>	<b>\$ 353,555,000</b>	<b>\$ 383,450,041</b>	<b>\$ 29,895,041</b>	<b>\$ 631,236,000</b>	<b>\$ 689,255,676</b>	<b>\$ 58,019,676</b>	
Percent of Estimates		<b>108%</b>			<b>109%</b>		
Collections this day		<b>\$ 30,784,732</b>					

Source: WV OASIS

Prepared by: Legislative Auditor's Office, Budget Division

September 01, 2021



**STATE OF WEST VIRGINIA  
REVENUE COLLECTIONS  
FISCAL YEAR 2022  
as of August 31, 2021**

**STATE ROAD FUND**

	MONTH ESTIMATES	NET MONTH COLLECTIONS	<b>FINAL</b> COLLECTIONS OVER ESTIMATES	YTD ESTIMATES	NET YTD COLLECTIONS	YEARLY COLLECTIONS OVER ESTIMATES	YTD PERCENT COLLECTED
<b>Motor Fuel Tax</b>	\$ 45,100,000	\$ 35,747,055	\$ (9,352,945)	\$ 74,000,000	\$ 73,759,306	\$ (240,694)	100%
<b>Sales/Privilege Tax</b>	25,134,000	30,169,979	5,035,979	47,760,000	56,058,108	8,298,108	117%
<b>Licenses &amp; Registration</b>	18,628,000	12,464,025	(6,163,975)	35,130,000	28,243,991	(6,886,009)	80%
<b>Miscellaneous</b>	5,000,000	481,853	(4,518,147)	14,000,000	1,339,201	(12,660,799)	10%
<b>Highway Litter Control</b>	189,000	146,264	(42,736)	334,000	313,313	(20,687)	94%
<b>Federal Reimbursement</b>	52,000,000	60,154,453	8,154,453	99,000,000	95,244,475	(3,755,525)	96%
<b>SUBTOTALS</b>	<b>\$ 146,051,000</b>	<b>\$ 139,163,629</b>	<b>\$ (6,887,371)</b>	<b>\$ 270,224,000</b>	<b>\$ 254,958,394</b>	<b>\$ (15,265,606)</b>	
<b>Less: Federal Reimbursement</b>	52,000,000	60,154,453	8,154,453	99,000,000	95,244,475	(3,755,525)	
<b>TOTALS</b>	<b>\$ 94,051,000</b>	<b>\$ 79,009,176</b>	<b>\$ (15,041,824)</b>	<b>\$ 171,224,000</b>	<b>\$ 159,713,919</b>	<b>\$ (11,510,081)</b>	

Percent of Estimates

84%

93%

Collections this day

\$ 4,798,028

**REVENUE SHORTFALL RESERVE FUND 7005, Part A as of August 31, 2021 : \$ 395,524,799.02**

\$68.5 million loan to General Revenue fund 7/1/21 for beginning of the year cash flow, to be repaid within 90 days.

**REVENUE SHORTFALL RESERVE FUND 7006, Part B as of August 31, 2021: \$ 562,653,495.55**

**SPECIAL INCOME TAX REFUND RESERVE FUND as of August 31, 2021: \$11,000,000.00**

Source: WV OASIS

Prepared by: Legislative Auditor's Office, Budget Division

September 01, 2021

**STATE OF WEST VIRGINIA  
COMPARISON OF REVENUE  
AUGUST 2020 vs AUGUST 2021**

**STATE ROAD FUND**

	Actual Collections August 2020	Actual Collections August 2021	Actual Collections 2 Months Jul-Aug 2020	Actual Collections 2 Months Jul-Aug 2021	YTD Increase (Decrease) over prior period	YTD % Increase (Decrease) over prior period
<b>Gasoline &amp; Motor Carrier Rd Tax</b>	\$ 37,319,744	\$ 35,747,055	\$ 73,863,766	\$ 73,759,306	\$ (104,460)	0%
<b>Privilege Tax</b>	21,392,565	30,169,979	50,012,152	56,058,108	6,045,956	12%
<b>Licenses &amp; Registration</b>	11,125,937	12,464,025	26,905,466	28,243,991	1,338,525	5%
<b>Miscellaneous</b>	369,837	481,853	577,756	1,339,201	761,445	132%
<b>Highway Litter Control</b>	299,019	146,264	450,395	313,313	(137,082)	-30%
<b>Federal Reimbursement</b>	33,485,610	60,154,453	62,059,299	95,244,475	33,185,177	53%
<b>SUBTOTALS</b>	<b>\$ 103,992,713</b>	<b>\$ 139,163,629</b>	<b>\$ 213,868,833</b>	<b>\$ 254,958,394</b>	<b>\$ 41,089,561</b>	
<b>Less: Federal Reimbursement</b>	33,485,610	60,154,453	62,059,299	95,244,475	33,185,177	
<b>TOTALS</b>	<b>\$ 70,507,103</b>	<b>\$ 79,009,176</b>	<b>\$ 151,809,535</b>	<b>\$ 159,713,919</b>	<b>\$ 7,904,384</b>	
 <b>Increase/Decrease over Prior Period</b>		<b>\$ 8,502,073</b>		<b>\$ 7,904,384</b>		
 <b>% Increase/Decrease over Prior Period</b>		<b>12%</b>		<b>5%</b>		

Source: WV OASIS  
Prepared by: Legislative Auditor's Office, Budget Division  
September 07, 2021

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 Chairmen and Members of the Joint Committee on  
Government and Finance

From: William Spencer, C.P.A.  
Director Budget Division  
Legislative Auditor's Office

Date: September 29, 2021

Re: West Virginia Unemployment Compensation Trust Fund

We have reviewed the August 31, 2021 monthly report of the Unemployment Compensation Trust Fund we received from WorkForce West Virginia.

As of August 31, 2021 of fiscal year 2021-2022, the trust fund cash flow was as follows:

Trust Fund Beginning Cash Balance 7-1-2021	\$ 79,633,106.11
Receipts July 1,2021 thru June 30, 2022	\$ 477,387,537.18
Disbursements July 1, 2021 thru June 30, 2022	\$ 455,001,988.69
Balance August 31, 2021	\$ 102,018,654.60

ITEMS OF NOTE:

Regular benefits paid for August 2021 were \$ 98.9 million more than August 2020.

Federal emergency benefits totaled negative \$(25) for August 2021. For August 2020, federal emergency benefits totaled negative \$(725).

Total disbursements were \$211.3 million more in August 2021 than the preceding August 2020.

Receipts as of August 2021, were \$37.7 million less than in August 2020. Overall ending trust fund balance was \$114.6 million higher on August 31, 2021 than on August 31, 2020.

Seasonally adjusted unemployment rates for August 2021 were 4.8 percent for West Virginia and 5.2 percent nationally.

Since August 2020, employment has increased by 24,100. Employment increases included 3,800 in government, 7,200 in leisure and hospitality, 1,600 in educational and health services, 300 in other services, 2,200 in construction, 1,800 in manufacturing, 3,000 in professional and business services, 600 in trade, transportation, and utilities, 600 in financial activities, and 2,700 in mining and logging, and 300 in information.

September 28, 2021

William Spencer Budget Division  
Office of the Legislative Auditor  
Building 1, Room 332-West Wing  
1900 Kanawha Boulevard East  
Charleston, WV 25305-0590

RE: Monthly Status Report Dear Mr. Spencer:

Please Find attached, the Monthly Status Report for the Joint Committee on Government and Finance, Unemployment Compensation Trust Fund for the month of August 2021. If you have any question or need any additional information, please feel free to contact Jeff Perkins at 304-558-2631 or Jeff.S.Perkins@wv.gov.

Sincerely,



Scott Adkins  
Acting Commissioner

SSA/smd Enclosure

pc: Jim Justice

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1900 Kanawha Blvd. East \* Building 3 Suite 300 \* Charleston, WV 25305

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**MONTHLY STATUS REPORT FOR THE JOINT COMMITTEE ON GOVERNMENT AND FINANCE  
FOR THREE MONTHS STARTING JUNE 2020 AND JUNE 2021**

	JUNE 2020	JULY 2020	AUGUST 2020	JUNE 2021	JULY 2021	AUGUST 2021	THREE MONTH TOTAL VARIANCE *
<b>Balance Forward</b>	<b><u>\$1,454,082.31</u></b>	<b><u>\$8,609,486.86</u></b>	<b><u>\$25,553,537.54</u></b>	<b><u>\$81,255,285.26</u></b>	<b><u>\$79,633,106.11</u></b>	<b><u>\$88,903,495.62</u></b>	<b><u>\$214,174,780.26</u></b>
Add Receipts:							
1. Bond Assessment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2. Regular Contributions:	\$2,090,439.93	\$23,518,031.08	\$18,529,347.28	\$3,504,643.73	\$14,687,138.52	\$208,051,492.59	\$182,105,458.55
3. Federal Emergency Benefits (FEUC)	\$6,552,136.36	\$5,665,936.42	\$7,160,173.99	\$15,217,079.51	\$818,411.01	\$322,607.49	(\$3,020,148.76)
4. Federal Share Extended Benefits (EB)	\$0.00	\$564,151.92	\$1,798,459.42	\$34,718.00	\$19,505.96	\$1,123.00	(\$2,307,264.38)
5. Federal Additional Compensation - FPUC	\$317,503,690.41	\$186,861,302.76	\$25,473,577.35	\$39,326,626.53	\$3,823,584.98	\$1,903,099.75	(\$484,785,259.26)
6. Pandemic Unemployment Assistance PUA	\$30,804,475.00	\$7,636,210.00	\$7,398,963.00	\$3,712,629.43	\$380,597.50	\$213,659.00	(\$41,532,762.07)
7. UCFE (Federal Agencies)	\$66,413.08	\$84,113.57	\$0.00	\$0.00	\$0.00	\$0.00	(\$150,526.65)
8. TSFR From Non-Invstd FUA	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
9. EUISAA	\$3,140,481.42	\$2,834,200.00	\$1,658,500.00	(\$1,196,210.07)	\$4,592,248.85	\$360,042.36	(\$3,877,100.28)
11. Treasury Interest Credits	\$416,353.60	\$0.00	\$0.00	\$376,790.10	(\$376,790.10)	\$0.00	(\$416,353.60)
12. UCX (Military Agencies)	\$134,468.39	\$135,308.77	\$99,458.53	\$35,297.83	\$27,883.22	\$42,051.61	(\$264,003.03)
13. Temporary Compensation	\$42,373,393.71	\$7,444,606.35	\$0.00	\$0.00	\$0.00	\$0.00	(\$49,818,000.06)
15. Reed Act	\$8,505,585.34	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$8,505,585.34)
16. UI Modernization	\$6,161,552.17	\$0.00	\$128,225.18	\$147,513.37	\$115,175.24	\$103,756.35	(\$5,923,332.39)
17. Loan Advance	\$0.00	\$35,486,925.41	\$19,800,353.13	\$0.00	\$0.00	\$0.00	(\$55,287,278.54)
<b>Total Monthly Receipts</b>	<b><u>\$534,881,448.18</u></b>	<b><u>\$347,834,171.76</u></b>	<b><u>\$167,261,669.59</u></b>	<b><u>\$95,153,512.60</u></b>	<b><u>\$47,555,707.57</u></b>	<b><u>\$429,831,829.61</u></b>	<b><u>(\$404,070,204.47)</u></b>
Less Disbursements:							
Debt Bond Repayment	(Retired)	(Retired)	(Retired)	(Retired)	(Retired)	(Retired)	(Retired)
Regular Benefits:	\$68,852,905.51	\$53,609,317.26	\$2,799,022.43	\$13,349,405.45	\$9,884,075.15	\$195,407,488.47	\$95,599,569.95
Federal Emergency Compensation - FEUC	\$5,850,728.97	\$5,637,518.98	\$7,402,177.20	\$12,123,301.01	\$765,337.01	\$303,375.37	(\$216,796.57)
Federal Additional Compensation - FPUC	\$289,416,738.49	\$184,676,295.78	\$42,643,629.54	\$33,393,658.61	\$3,626,482.24	\$1,844,125.83	(\$435,228,767.59)
Pandemic Unemployment Assistance PUA	\$29,934,729.00	\$7,441,125.00	\$15,110,048.00	\$3,716,689.43	\$379,480.50	\$176,974.00	(\$33,102,710.07)
Federal Emergency Benefits (EUCB)	(\$2,195.00)	(\$830.00)	(\$725.00)	(\$30.00)	\$0.00	(\$25.00)	(\$98,974.06)
Federal Extended - 2112	\$0.00	\$577,367.17	\$1,920,562.01	\$33,022.00	\$19,505.96	\$1,633.00	(\$523,206.21)
Emergency Benefits (TEUC)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$22,884.11)
UCFE (Federal Workers) Benefits	\$70,893.05	\$86,268.06	\$101,944.06	\$132,158.27	\$112,169.77	\$105,795.86	\$192,962.79
UCX (Military Workers) Benefits	\$125,072.41	\$136,734.12	\$128,030.95	\$33,062.81	\$30,315.04	\$43,305.64	(\$205,579,038.39)
Reed Act Funds	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
EUISAA Title IX	\$16,344,712.43	\$1,122,939.23	\$104,614.45	\$0.00	\$0.00	\$0.00	(\$4,858,943.44)
<b>Total Monthly Disbursements</b>	<b><u>\$527,726,043.63</u></b>	<b><u>\$330,890,121.08</u></b>	<b><u>\$205,423,915.35</u></b>	<b><u>\$96,775,691.75</u></b>	<b><u>\$38,285,318.06</u></b>	<b><u>\$416,716,670.63</u></b>	<b><u>(\$497,670,601.08)</u></b>
<b>Trust Fund Balance</b>	<b><u>\$8,609,486.86</u></b>	<b><u>\$25,553,537.54</u></b>	<b><u>(\$12,608,708.22)</u></b>	<b><u>\$79,633,106.11</u></b>	<b><u>\$88,903,495.62</u></b>	<b><u>\$102,018,654.60</u></b>	<b><u>\$307,775,176.87</u></b>

\* 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 reports is to show significant changes in receipts, disbursements, or balances.

\*\*Note: UI Trust Fund Balance Includes Trust Fund Loan from the Revenue Shortfall Reserve Fund per Senate Bill 558 passed March 9, 2016:

Borrowed on 3/11/2016	38,000,000.00
Repaid on 5/17/2016	(38,000,000.00)
Borrowed on 12/5/2016	50,000,000.00
Repaid on 5/4/2017	(50,000,000.00)
Title XI Loan Advance	184,910,035.96
Repaid Title XI Loan Advance 08/27/2021	(184,910,035.96)
Outstanding Loan from Revenue Shortfall Reserve Fund	<u>\$0.00</u>

\*\*Note: Reed Act funds of \$549,468.24 previously drawn down were unexpended and returned to Trust Fund on deposit with the U.S. Treasury.

**UC TRUST FUND ACTUAL – 2021**

Month	Receipts	Disbursements	Trust Fund Balance
<b>2020</b>			
<b>Balance 1/1/2020</b>			<b>\$ 191,802,022</b>
<b>January</b>	\$ 14,847,151	\$ 26,915,654	<b>\$ 179,733,519</b>
<b>February</b>	\$ 7,317,928	\$ 25,997,514	<b>\$ 161,053,933</b>
<b>March</b>	\$ 2,375,894	\$ 29,333,537	<b>\$ 134,096,290</b>
<b>April</b>	\$ 254,628,576	\$ 280,291,428	<b>\$ 108,433,438</b>
<b>May</b>	\$ 501,990,833	\$ 609,424,785	<b>\$ 999,486</b>
<b>June</b>	\$ 407,289,482	\$ 399,999,484	<b>\$ 8,289,484</b>
<b>July</b>	\$ 310,154,605	\$ 293,185,225	<b>\$ 25,258,864</b>
<b>August</b>	\$ 128,416,645	\$ 165,111,304	<b>\$ (11,435,795)</b>
<b>September</b>	\$ 99,198,241	\$ 71,775,296	<b>\$ 15,987,150</b>
<b>October</b>	\$ 72,249,659	\$ 65,457,768	<b>\$ 22,779,041</b>
<b>November</b>	\$ 90,121,076	\$ 92,585,739	<b>\$ 20,314,378</b>
<b>December</b>	\$ 53,179,447	\$ 49,949,488	<b>\$ 23,544,337</b>
<b>Totals - 2020</b>	<b>\$ 1,941,769,538</b>	<b>\$ 2,110,027,223</b>	<b>\$ 23,544,337</b>
<b>2021</b>			
<b>January</b>	\$ 95,188,576	\$ 108,717,538	\$ 10,015,373
<b>February</b>	\$ 133,688,137	\$ 138,034,358	\$ 5,649,152
<b>March</b>	\$ 115,410,886	\$ 104,337,623	\$ 16,722,416
<b>April</b>	\$ 218,662,207	\$ 168,209,884	\$ 67,174,738
<b>May</b>	\$ 158,261,915	\$ 149,664,548	\$ 79,937,020
<b>June</b>	\$ 97,054,348	\$ 98,146,445	\$ 78,844,923
<b>July</b>	\$ 47,555,707	\$ 38,271,882	\$ 88,128,748
<b>August</b>	\$ 429,831,829	\$ 416,716,670	\$ 102,018,654
<b>September</b>	\$	\$	\$
<b>October</b>	\$	\$	\$
<b>November</b>	\$	\$	\$
<b>December</b>	\$	\$	\$
<b>Totals - 2021</b>	<b>\$ 95,188,576</b>	<b>\$ 108,717,538</b>	<b>\$ 10,015,373</b>

Benefits and Technical Support Section • Unemployment Compensation Division  
 1900 Kanawha Blvd., East • Building 3, Room 300 • Charleston, West Virginia 25305  
 Telephone: (304) 558-3309 • Fax: (304) 558-3252

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MONTHLY STATUS REPORT FOR THE JOINT COMMITTEE ON GOVERNMENT AND FINANCE

YEAR 2021

	JANUARY 2021	FEBRUARY 2021	MARCH 2021	APRIL 2021	MAY 2021	JUNE 2021	JULY 2021	AUGUST 2021	
<b>Balance Forward</b>	<b><u>\$20,965,535.65</u></b>	<b><u>\$10,551,839.17</u></b>	<b><u>\$8,162,192.32</u></b>	<b><u>\$21,856,122.56</u></b>	<b><u>\$72,188,369.18</u></b>	<b><u>\$81,255,285.26</u></b>	<b><u>\$79,633,106.11</u></b>	<b><u>\$88,903,495.62</u></b>	
Add Receipts:									
1. Bond Assessment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	1. Bond Assessment
2. Regular Contributions:	\$6,739,492.94	\$17,141,683.89	\$1,362,765.38	\$62,240,702.52	\$31,623,240.36	\$3,504,643.73	\$14,687,138.52	\$208,051,492.59	2. Regular Contributions:
3. Federal Emergency Benefits PEUC Draws									3. Federal Emergency Benefits (PEUC)
4. Federal Share Extended Benefits (EB)	\$17,851,426.46	\$20,319,106.52	\$23,641,692.48	\$16,415,532.45	\$16,008,315.41	\$15,217,079.51	\$818,411.01	\$322,607.49	4. Federal Share Extended Benefits (EB)
5. Federal Additional Compensation - FPUC	\$244,099.98	\$102,849.02	\$77,072.00	\$17,300.00	\$41,251.94	\$34,718.00	\$19,505.96	\$1,123.00	5. Temp Federal Additional Comp (FPUC)
6. Pandemic Unemployment Assistance PUA	\$48,952,491.97	\$57,935,377.43	\$63,020,788.03	\$43,897,607.10	\$41,092,344.60	\$39,326,626.53	\$3,823,584.98	\$1,903,099.75	6. Pandemic Unemployment Assistance PUA
7. UCFE (Federal Agencies)	\$4,977,564.00	\$4,837,291.00	\$5,064,117.00	\$4,208,136.00	\$3,782,873.29	\$3,712,629.43	\$380,597.50	\$213,659.00	7. UCFE (Federal Agencies)
8. Title IX or Special Legislation EUISAA Deposit:	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	8. EUISAA & EMER US RELIEF
9. LOAN Advance	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	9. LOAN Advance
10. Treasury Interest Credits	\$25,331.36	\$26,002.58	\$14,436.52	\$54,761.97	\$21,011.87	\$13,574.72	\$15,625.82	\$26,689.78	10. Treasury Interest Credits
11. UCX (Military Agencies)	\$0.00	\$0.00	\$130,969.17	(\$130,969.17)	\$0.00	\$376,790.10	(\$376,790.10)	\$0.00	11. UCX (Military Agencies)
12. Temporary Federal Compensation	\$60,780.93	\$101,058.68	\$241,379.30	\$62,620.25	\$34,033.89	\$35,297.83	\$27,883.22	\$42,051.61	12. Temporary Federal Compensation
13. TSFR From Non-Invstd FUA	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	13. TSFR From Non-Invstd FUA
14. BT to State UI Account	\$49,968,620.92	\$62,222,952.11	\$50,737,220.57	\$91,369,988.00	\$65,552,644.95	\$33,980,849.45	\$23,452,326.57	\$218,807,307.68	14. BT to State UI Account
15. Reed Act Funds	\$156,560.00	\$234,130.99	\$376,989.57	\$173,018.05	\$106,198.93	\$147,513.37	\$115,175.24	\$103,756.35	15. Reed Act Funds
16. UI Modernization	\$16,632,248.54	\$1,266,565.96	\$19,157,152.41	\$2,735,001.66	\$0.00	\$0.00	\$0.00	\$0.00	15. Reed Act Funds
17. Loan Advance									
<b>Total Monthly Receipts</b>	<b><u>\$154,159,645.10</u></b>	<b><u>\$167,203,217.18</u></b>	<b><u>\$166,656,349.61</u></b>	<b><u>\$221,220,453.78</u></b>	<b><u>\$158,261,915.24</u></b>	<b><u>\$95,153,512.60</u></b>	<b><u>\$47,555,707.57</u></b>	<b><u>\$429,831,829.61</u></b>	<b>Total Monthly Receipts</b>
Less Disbursements:									
Debt Bond Repayment	(Retired)	(Retired)	(Retired)	(Retired)	(Retired)	(Retired)	(Retired)	(Retired)	Debt Bond Repayment
Regular Benefits:	31,289,856.41	23,702,483.89	\$19,824,113.68	\$14,743,509.59	\$13,649,799.91	\$13,349,405.45	\$9,884,075.15	\$195,407,488.47	Regular Benefits:
Federal Emergency Compensation - PEUC	\$21,279,571.42	\$20,428,408.94	\$20,293,999.94	\$16,423,541.76	\$19,046,721.48	\$12,123,301.01	\$765,337.01	\$303,375.37	Federal Emergency Compensation - PEUC
Federal Additional Compensation - FPUC	\$56,453,136.20	\$58,013,641.47	\$56,158,095.92	\$43,571,024.41	\$46,929,595.76	\$33,393,658.61	\$3,626,482.24	\$1,844,125.83	Federal Additional Compensation - FPUC
Pandemic Unemployment Assistance PUA	\$4,976,993.00	\$4,825,991.00	\$5,168,467.00	\$4,087,643.00	\$3,792,191.29	\$3,716,689.43	\$379,480.50	\$176,974.00	Pandemic Unemployment Assistance PUA
Federal Emergency Benefits (EUC08)	(\$498.00)	\$0.00	\$0.00	(\$240.00)	\$0.00	(\$30.00)	\$0.00	(\$25.00)	Federal Emergency Benefits (EUC08)
Federal Extended - EB	\$260,589.98	\$92,942.02	\$71,984.00	\$20,268.00	\$39,979.94	\$33,022.00	\$19,505.96	\$1,633.00	Federal Extended - 2112
Emergency Benefits (TEUC)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	Emergency Benefits (TEUC)
UCFE (Federal Workers) Benefits	\$212,202.00	\$208,411.26	\$350,438.95	\$170,283.65	\$124,204.90	\$132,158.27	\$112,169.77	\$105,795.86	UCFE (Federal Workers) Benefits
UCX (Military Workers) Benefits	\$107,538.29	\$72,030.76	\$232,154.43	\$57,156.36	\$38,849.06	\$33,062.81	\$30,315.04	\$43,305.64	UCX (Military Workers) Benefits
Title IX Funds- Special Legislation EUISAA									Title IX Funds- Special Legislation EUISAA Withdrawals
Withdrawals	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	Temp Fed Comp
Temporary Federal Compensation	\$0.00	\$0.00	\$111,508.36	\$390,270.42	\$0.00	\$0.00	\$0.00	\$0.00	
<b>Total Monthly Disbursements</b>	<b><u>\$164,573,341.58</u></b>	<b><u>\$169,592,864.03</u></b>	<b><u>\$152,962,419.37</u></b>	<b><u>\$170,888,207.16</u></b>	<b><u>\$149,194,999.16</u></b>	<b><u>\$96,775,691.75</u></b>	<b><u>\$38,285,318.06</u></b>	<b><u>\$416,716,670.63</u></b>	<b>Total Monthly Disbursements</b>
<b>Trust Fund Balance</b>	<b><u>\$10,551,839.17</u></b>	<b><u>\$8,162,192.32</u></b>	<b><u>\$21,856,122.56</u></b>	<b><u>\$72,188,369.18</u></b>	<b><u>\$81,255,285.26</u></b>	<b><u>\$79,633,106.11</u></b>	<b><u>\$88,903,495.62</u></b>	<b><u>\$102,018,654.60</u></b>	<b>Trust Fund Balance</b>



FOR RELEASE: September 14, 2021

Contact: Andy Malinoski

[Andy.E.Malinoski@wv.gov](mailto:Andy.E.Malinoski@wv.gov)

304-957-9318

## **State Unemployment Rate Drops to 4.8 percent in August**

West Virginia's seasonally adjusted unemployment rate dropped two-tenths of a percentage point to 4.8 percent in August 2021, the lowest seasonally adjusted unemployment rate for the state since June 2019. The number of unemployed state residents decreased by 1,700 to 38,200. Total employment grew 1,500 over the month. The national unemployment rate declined two-tenths of a percentage point to 5.2 percent in August.

Total nonfarm payroll employment declined 200 in August, where a loss of 1,800 in the goods-producing sector offset a gain of 1,600 in the service-providing sector.

Within the goods-producing sector, employment declines included 1,000 in mining and logging, 600 in manufacturing, and 200 in construction. Within the service-providing sector, employment increased 1,500 in government due to restaffing at state and local schools, 1,000 in leisure and hospitality, 200 in professional and business services, and 100 in information. Employment declines included 1,100 in trade, transportation, and utilities and 100 in financial activities. Employment in both other services and education and health services was unchanged over the month.

Since August 2020 total nonfarm payroll employment has increased 24,100. Employment gains included 7,200 in leisure and hospitality, 3,800 in government, 3,000 in professional and business services, 2,700 in mining and logging, 2,200 in construction, 1,800 in manufacturing, 1,600 in education and health services, 600 in trade, transportation, and utilities, 600 in financial activities, 300 in information, and 300 in other services.

West Virginia's not seasonally adjusted unemployment rate declined two-tenths of a percentage point to 4.3 percent in August 2021, the lowest not seasonally adjusted unemployment rate for the state since September 2019.

**WEST VIRGINIA**  
(In Thousands - Seasonally Adjusted)

August 2021

	Prelim. Aug 2021	Revised Jul 2021	Revised Aug 2020	Change from:	
				Jul 2021	Aug 2020
Civilian Labor Force	792.7	793.1	789.5	-0.4	3.2
Total Employment	754.6	753.1	722.1	1.5	32.5
Total Unemployment	38.2	39.9	67.4	-1.7	-29.2
Unemployment Rate	4.8	5.0	8.5	xx	xx
<b>NONFARM PAYROLL EMPLOYMENT BY INDUSTRY</b>					
Total Nonfarm	690.0	690.2	665.9	-0.2	24.1
Total Private	539.5	541.2	519.2	-1.7	20.3
Goods Producing	94.7	96.5	88.0	-1.8	6.7
Mining and Logging	19.2	20.2	16.5	-1.0	2.7
Construction	29.9	30.1	27.7	-0.2	2.2
Manufacturing	45.6	46.2	43.8	-0.6	1.8
Durable Goods	27.4	26.6	25.4	0.8	2.0
Non-Durable Goods	18.2	19.6	18.4	-1.4	-0.2
Service-Providing	595.3	593.7	577.9	1.6	17.4
Private Service-Providing	444.8	444.7	431.2	0.1	13.6
Trade, Transportation, and Utilities	121.5	122.6	120.9	-1.1	0.6
Wholesale Trade	18.9	19.0	19.0	-0.1	-0.1
Retail Trade	77.8	79.0	77.0	-1.2	0.8
Transportation, Warehousing, and Utilities	24.8	24.6	24.9	0.2	-0.1
Information	7.2	7.1	6.9	0.1	0.3
Financial Activities	29.7	29.8	29.1	-0.1	0.6
Finance and Insurance	23.2	23.3	22.8	-0.1	0.4
Real Estate and Rental and Leasing	6.5	6.5	6.3	0.0	0.2
Professional and Business Services	67.2	67.0	64.2	0.2	3.0
Professional, Scientific & Technical Services	26.2	26.1	25.3	0.1	0.9
Administrative and Support and Waste Mgmt	33.3	33.1	31.4	0.2	1.9
Educational and Health Service	129.3	129.3	127.7	0.0	1.6
Educational Services	8.2	8.1	7.9	0.1	0.3
Health Care and Social Assistance	121.1	121.2	119.8	-0.1	1.3
Leisure and Hospitality	68.2	67.2	61.0	1.0	7.2
Arts, Entertainment, and Recreation	8.3	8.3	6.8	0.0	1.5
Accommodation and Food Service	59.9	58.9	54.2	1.0	5.7
Other Services	21.7	21.7	21.4	0.0	0.3
Government	150.5	149.0	146.7	1.5	3.8
Federal Government	25.5	25.4	26.7	0.1	-1.2
State Government	48.3	47.7	46.7	0.6	1.6
Local Government	76.7	75.9	73.3	0.8	3.4

**West Virginia Labor Force Statistics by Calendar Year  
Seasonally Adjusted**

<b>2021</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>AVG</b>
Labor Force	796,500	796,100	795,700	796,000	794,700	793,500	793,100	792,700					
Employment	744,900	746,400	748,400	750,100	750,900	751,500	753,100	754,600					
Unemployment Rate	6.5	6.2	5.9	5.8	5.5	5.3	5.0	4.8					
<b>2020</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>AVG</b>
Labor Force	805,300	805,700	805,700	768,200	780,900	784,600	787,400	789,500	791,400	793,300	795,100	796,600	792,200
Employment	765,000	764,300	763,100	648,700	688,100	701,900	713,100	722,100	729,100	734,500	739,100	742,900	726,000
Unemployment Rate	5.0	5.1	5.3	15.6	11.9	10.5	9.4	8.5	7.9	7.4	7.0	6.7	8.3
<b>2019</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>AVG</b>
Labor Force	795,100	794,500	794,000	794,100	795,000	796,500	798,300	800,000	801,600	803,000	803,900	804,700	798,300
Employment	755,000	755,000	755,200	755,900	757,000	758,300	759,500	760,600	761,800	763,300	764,500	765,000	759,000
Unemployment Rate	5.0	5.0	4.9	4.8	4.8	4.8	4.9	4.9	5.0	4.9	4.9	4.9	4.9
<b>2018</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>AVG</b>
Labor Force	787,700	789,300	791,300	793,100	794,200	794,800	794,900	794,900	794,900	795,100	795,400	795,400	793,400
Employment	744,900	746,300	748,400	750,600	752,300	753,500	754,300	754,700	755,000	755,000	755,000	755,000	752,200
Unemployment Rate	5.4	5.4	5.4	5.4	5.3	5.2	5.1	5.0	5.0	5.0	5.1	5.1	5.2
<b>2017</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>AVG</b>
Labor Force	781,300	780,800	780,600	780,800	781,500	782,700	784,200	785,500	786,300	786,700	786,800	787,000	783,800
Employment	738,900	739,800	740,600	741,200	742,100	743,000	743,900	744,500	744,800	744,800	744,500	744,400	742,700
Unemployment Rate	5.4	5.3	5.1	5.1	5.0	5.1	5.1	5.2	5.3	5.3	5.4	5.4	5.2
<b>2016</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>AVG</b>
Labor Force	789,400	789,400	788,800	787,500	785,900	784,600	783,600	783,000	782,600	782,300	782,000	781,700	785,100
Employment	739,200	739,300	739,000	738,300	737,300	736,300	735,600	735,300	735,400	735,800	736,700	737,800	737,200
Unemployment Rate	6.4	6.3	6.3	6.2	6.2	6.2	6.1	6.1	6.0	5.9	5.8	5.6	6.1
<b>2015</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>AVG</b>
Labor Force	793,800	793,600	793,800	794,000	794,000	793,300	792,000	790,400	789,000	788,300	788,300	788,800	791,500
Employment	742,900	741,800	740,900	740,200	739,800	739,300	738,700	738,200	737,900	737,900	738,200	738,700	739,500
Unemployment Rate	6.4	6.5	6.7	6.8	6.8	6.8	6.7	6.6	6.5	6.4	6.4	6.4	6.6
<b>2014</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>AVG</b>
Labor Force	797,600	797,900	797,800	797,100	796,000	795,000	794,400	794,300	794,500	794,700	794,600	794,200	795,700
Employment	743,700	744,300	744,600	744,400	743,900	743,400	743,200	743,300	743,700	744,100	744,200	743,800	744,000
Unemployment Rate	6.7	6.7	6.7	6.6	6.5	6.5	6.4	6.4	6.4	6.4	6.3	6.4	6.5
<b>2013</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>AVG</b>
Labor Force	804,800	802,800	801,200	800,300	799,900	799,700	799,500	798,900	798,000	797,100	796,800	797,000	799,500
Employment	747,900	747,100	746,600	746,800	747,100	747,200	746,900	746,200	745,100	744,100	743,400	743,300	745,800
Unemployment Rate	7.1	6.9	6.8	6.7	6.6	6.6	6.6	6.6	6.6	6.7	6.7	6.7	6.7
<b>2012</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>AVG</b>
Labor Force	808,100	807,800	807,900	808,200	808,600	808,900	808,900	808,800	808,700	808,400	807,800	806,600	808,000
Employment	750,900	751,000	750,900	750,300	749,700	749,300	749,000	749,000	749,100	749,200	749,100	748,700	749,600
Unemployment Rate	7.1	7.0	7.1	7.2	7.3	7.4	7.4	7.4	7.4	7.3	7.3	7.2	7.2
<b>2011</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>AVG</b>
Labor Force	807,800	806,800	805,500	804,300	803,500	803,500	804,500	806,100	807,700	808,800	809,100	808,700	806,600
Employment	739,700	739,900	740,100	740,100	740,100	740,600	741,800	743,600	745,700	747,700	749,400	750,400	743,300
Unemployment Rate	8.4	8.3	8.1	8.0	7.9	7.8	7.8	7.8	7.7	7.5	7.4	7.2	7.8
<b>2010</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>AVG</b>
Labor Force	807,700	809,100	810,200	810,800	811,100	811,000	810,700	810,500	810,300	809,900	809,400	808,700	810,100
Employment	735,300	737,000	738,800	740,500	741,700	742,400	742,300	741,700	740,900	740,100	739,700	739,600	739,900
Unemployment Rate	9.0	8.9	8.8	8.7	8.5	8.5	8.4	8.5	8.6	8.6	8.6	8.5	8.7

**West Virginia Labor Force Statistics by Calendar Year  
Not Seasonally Adjusted**

<b>2021</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>AVG</b>
Labor Force	783,500	790,200	783,200	792,500	790,300	802,600	800,100	794,800					
Employment	727,900	735,900	735,100	747,200	751,000	761,400	763,700	760,900					
Unemployment	55,600	54,300	48,000	45,300	39,300	41,100	36,400	33,900					
Rate	7.1	6.9	6.1	5.7	5.0	5.1	4.5	4.3					
<b>2020</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>AVG</b>
Labor Force	799,700	805,200	795,000	763,200	786,800	795,500	794,000	793,800	794,300	794,000	792,100	792,600	792,200
Employment	754,500	758,800	745,800	644,300	690,200	715,000	718,700	728,000	736,800	743,800	740,500	735,800	726,000
Unemployment	45,200	46,300	49,200	118,900	96,600	80,500	75,300	65,800	57,500	50,100	51,600	56,700	66,100
Rate	5.6	5.8	6.2	15.6	12.3	10.1	9.5	8.3	7.2	6.3	6.5	7.2	8.3
<b>2019</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>AVG</b>
Labor Force	789,100	792,300	785,700	790,000	794,600	809,400	806,400	804,400	803,700	807,300	799,000	797,600	798,300
Employment	740,700	744,300	742,600	754,600	758,800	768,500	767,300	765,000	770,600	772,000	763,100	760,400	759,000
Unemployment	48,400	48,000	43,100	35,300	35,800	41,000	39,100	39,400	33,100	35,300	35,900	37,200	39,300
Rate	6.1	6.1	5.5	4.5	4.5	5.1	4.9	4.9	4.1	4.4	4.5	4.7	4.9
<b>2018</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>AVG</b>
Labor Force	778,500	788,200	783,400	791,100	795,600	808,400	804,000	795,400	795,900	800,100	791,200	789,600	793,400
Employment	730,800	736,500	735,500	749,200	756,900	764,200	762,700	756,100	762,100	765,100	756,600	751,400	752,200
Unemployment	47,700	51,700	47,900	42,000	38,700	44,300	41,300	39,300	33,800	35,000	34,600	38,200	41,200
Rate	6.1	6.6	6.1	5.3	4.9	5.5	5.1	4.9	4.3	4.4	4.4	4.8	5.2
<b>2017</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>AVG</b>
Labor Force	774,400	778,300	774,000	780,800	779,800	794,700	791,000	789,800	791,800	788,600	782,800	779,300	783,800
Employment	725,200	729,100	729,900	742,200	743,900	752,600	750,100	746,800	756,500	753,400	744,100	739,100	742,700
Unemployment	49,100	49,200	44,100	38,600	35,900	42,100	40,900	42,900	35,300	35,200	38,700	40,200	41,000
Rate	6.3	6.3	5.7	4.9	4.6	5.3	5.2	5.4	4.5	4.5	4.9	5.2	5.2
<b>2016</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>AVG</b>
Labor Force	782,600	787,400	782,200	786,200	788,300	796,900	789,000	785,800	784,800	786,700	778,300	773,100	785,100
Employment	726,500	728,800	727,800	737,800	742,300	746,200	741,700	737,600	741,600	744,500	739,100	732,500	737,200
Unemployment	56,100	58,500	54,400	48,400	45,900	50,700	47,300	48,300	43,200	42,200	39,300	40,600	47,900
Rate	7.2	7.4	7.0	6.2	5.8	6.4	6.0	6.1	5.5	5.4	5.0	5.2	6.1
<b>2015</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>AVG</b>
Labor Force	787,000	789,700	784,900	793,800	797,700	806,900	799,800	793,900	788,100	790,200	783,900	782,400	791,500
Employment	730,400	730,400	727,800	741,200	744,400	750,700	744,400	741,500	743,100	745,900	738,400	735,300	739,500
Unemployment	56,600	59,300	57,100	52,600	53,300	56,200	55,400	52,400	45,000	44,400	45,500	47,100	52,100
Rate	7.2	7.5	7.3	6.6	6.7	7.0	6.9	6.6	5.7	5.6	5.8	6.0	6.6
<b>2014</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>AVG</b>
Labor Force	789,400	795,700	792,000	795,300	800,800	805,300	800,900	796,900	795,800	799,900	791,000	785,700	795,700
Employment	730,800	732,700	733,300	745,400	750,400	753,500	748,000	744,200	749,900	754,700	745,000	739,600	744,000
Unemployment	58,700	63,100	58,700	49,900	50,400	51,800	52,900	52,700	45,900	45,200	46,000	46,100	51,800
Rate	7.4	7.9	7.4	6.3	6.3	6.4	6.6	6.6	5.8	5.7	5.8	5.9	6.5
<b>2013</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>AVG</b>
Labor Force	798,800	798,000	790,900	799,200	802,400	814,200	807,700	802,100	800,700	798,100	792,900	788,800	799,500
Employment	734,500	734,900	733,800	747,400	752,100	758,400	754,200	749,400	752,500	749,100	744,500	739,200	745,800
Unemployment	64,300	63,100	57,100	51,800	50,300	55,800	53,500	52,700	48,100	49,000	48,400	49,600	53,600
Rate	8.0	7.9	7.2	6.5	6.3	6.9	6.6	6.6	6.0	6.1	6.1	6.3	6.7
<b>2012</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>AVG</b>
Labor Force	797,500	802,500	799,100	806,600	815,200	822,700	815,800	809,500	811,600	813,000	802,600	800,200	808,000
Employment	736,100	738,000	738,900	750,500	757,200	760,400	754,300	749,300	757,500	759,400	749,400	744,000	749,600
Unemployment	61,400	64,500	60,200	56,100	58,000	62,300	61,500	60,200	54,100	53,600	53,200	56,100	58,400
Rate	7.7	8.0	7.5	7.0	7.1	7.6	7.5	7.4	6.7	6.6	6.6	7.0	7.2
<b>2011</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>AVG</b>
Labor Force	799,900	801,500	798,100	803,700	806,900	816,100	810,100	810,100	812,200	812,200	805,300	802,700	806,600
Employment	725,700	726,800	728,600	741,100	745,400	750,700	747,900	747,200	753,700	756,200	750,800	746,100	743,300
Unemployment	74,200	74,700	69,500	62,600	61,500	65,500	62,100	62,900	58,500	56,000	54,500	56,600	63,200
Rate	9.3	9.3	8.7	7.8	7.6	8.0	7.7	7.8	7.2	6.9	6.8	7.0	7.8
<b>2010</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>AVG</b>
Labor Force	799,300	805,500	801,600	811,900	814,800	822,200	819,100	816,400	814,100	810,800	804,700	801,000	810,100
Employment	720,800	722,100	724,900	743,100	747,700	752,800	750,000	746,500	749,800	747,900	739,400	733,900	739,900
Unemployment	78,500	83,400	76,800	68,800	67,100	69,400	69,100	69,900	64,300	62,900	65,300	67,100	70,200
Rate	9.8	10.4	9.6	8.5	8.2	8.4	8.4	8.6	7.9	7.8	8.1	8.4	8.7

**PEIA**

**September 2021**

**Interim Packet**

## **PEIA September Interim Talking Points**

- **PEIA and RHBT year to date financial statements for July 31, 2021 are available for your review.**
- **PEIA statements indicate PEIA is currently right on plan.**
- **RHBT statements indicate RHBT is currently behind plan by \$7 million. This is due to lower than forecast investment income.**
- **The 2022 year-end reserve for the State Fund, non-State Fund and RHBT is projected to be \$141, \$33 and \$68 million respectively.**
- **These reserve levels represent 22%, 22% and 37% of the respective funds' expenses. The required reserve for the State Fund is 14% of expenses.**

**West Virginia Retiree Health Benefit Trust Fund**  
**STATEMENT OF CHANGES IN PLAN NET POSITION**  
**For One Month Ending Saturday, July 31, 2021**  
**In Thousands**  
**PRELIMINARY**

ACTUAL	BUDGET	PRIOR YR		BUDGET VARIANCE		PRIOR YR VARIANCE	
				\$	%	\$	%
			<b>ADDITIONS</b>				
			<b>Employer Premiums:</b>				
\$180	\$179	\$186	Health premiums - Non Par	\$1	1%	(\$6)	(3%)
967	967	1,112	Health Premiums - RLC Health, Life	-	0%	(145)	(13%)
8,249	8,333	11,421	Pay Go Premiums	(84)	(1%)	(3,172)	(28%)
2,500	2,500	2,500	State appropriation - OPEB	-	0%	-	0%
<b>11,896</b>	<b>11,979</b>	<b>15,219</b>	<b>Total Employer Premiums</b>	<b>(83)</b>	<b>(1%)</b>	<b>(3,323)</b>	<b>(22%)</b>
			<b>Other Additions:</b>				
67	83	67	Retiree Drug Subsidy	(16)	(19%)	-	0%
516	8,702	33,508	Investment Income	(8,186)	(94%)	(32,992)	(98%)
<b>12,479</b>	<b>20,764</b>	<b>48,794</b>	<b>TOTAL ADDITIONS</b>	<b>(8,285)</b>	<b>(40%)</b>	<b>(36,315)</b>	<b>(74%)</b>
			<b>DEDUCTIONS</b>				
8,018	8,818	9,530	Payments to Managed Care Org.	800	9%	1,512	16%
2,204	2,342	2,205	Life Insurance Expense	138	6%	1	0%
4,323	4,346	2,737	Medical Claims Expense	23	1%	(1,586)	(58%)
2,144	2,197	1,989	Pharmacy Claims Expense	53	2%	(155)	(8%)
133	139	142	Administrative Service Fees (External)	6	4%	9	6%
(5,611)	(5,887)	(5,652)	Member Health premiums	(276)	5%	(41)	1%
(2,230)	(2,386)	(2,272)	Member Life Insurance Premiums	(156)	7%	(42)	2%
43	(9)	203	Other Operating Expenses	(52)	578%	160	79%
<b>9,024</b>	<b>9,560</b>	<b>8,882</b>	<b>TOTAL DEDUCTIONS</b>	<b>536</b>	<b>6%</b>	<b>(142)</b>	<b>(2%)</b>
<b>3,455</b>	<b>11,204</b>	<b>39,912</b>	<b>NET POSITION INCREASE (DECREASE)</b>	<b>(7,749)</b>	<b>(69%)</b>	<b>(36,457)</b>	<b>(91%)</b>
			<b>Net Position Restricted for Post Employment Benefits</b>				
1,649,894	1,649,894	1,224,641	Beginning of Period Total Net Position	-	0%	425,253	35%
1,585,242	1,592,991	1,196,446	End of Period Net Position - Restricted	(7,749)	(0%)	388,796	32%
68,107	68,107	68,107	End of Period Net Position - PSR	-	0%	-	0%
<b>\$1,653,349</b>	<b>\$1,661,098</b>	<b>\$1,264,553</b>	<b>End of Period Total Net Position</b>	<b>(\$7,749)</b>	<b>(0%)</b>	<b>\$388,796</b>	<b>31%</b>

**West Virginia Public Employees Insurance Agency  
Statement of Changes in Plan Net Position**

For the One Month Ending Saturday, July 31, 2021

(Dollars in Thousands)

DRAFT- (Unaudited-For Internal Use Only)

ACTUAL	BUDGET	PRIOR YR		BUDGET VARIANCE		PRIOR YR VARIANCE	
				\$	%	\$	%
<b>OPERATING REVENUE</b>							
<b>Premium Revenue</b>							
\$34,194	\$36,828	\$31,912	Health Insurance - State Gov. - Employers	(\$2,634)	(7%)	\$2,282	7%
9,999	11,393	9,994	Health Insurance - State Gov. - Employees	(1,394)	(12%)	(1,394)	(14%)
10,513	10,036	9,775	Health Insurance - Local Gov. - All	477	5%	477	5%
373	401	373	Administrative Fees, Net of Refunds	(28)	(7%)	(28)	(8%)
132	204	193	Other Premium Revenue	(72)	(35%)	(72)	(37%)
<b>55,211</b>	<b>58,862</b>	<b>52,247</b>	<b>Total Operating Revenue</b>	<b>(3,651)</b>	<b>(6%)</b>	<b>2,964</b>	<b>6%</b>
<b>NON-OPERATING REVENUE</b>							
210	129	240	Life Insurance	81	63%	(30)	(13%)
1,750	1,750	1,750	Direct Transfer	0	0%	0	0%
1,216	1,011	5,832	Interest and Investment Income	205	20%	(4,616)	(79%)
8,249	11,667	11,421	WV RHBT Pay Go Premiums	(3,418)	(29%)	(3,172)	(28%)
<b>11,425</b>	<b>14,557</b>	<b>19,243</b>	<b>Total Non-Operating Revenue</b>	<b>(3,132)</b>	<b>(22%)</b>	<b>(7,818)</b>	<b>(41%)</b>
<b>66,636</b>	<b>73,419</b>	<b>71,490</b>	<b>TOTAL REVENUE</b>	<b>(6,783)</b>	<b>(9%)</b>	<b>(4,854)</b>	<b>(7%)</b>
<b>EXPENSES</b>							
36,976	33,430	27,271	Claims Expense - Medical	(3,546)	(11%)	(9,705)	(36%)
11,822	13,344	11,625	Claims Expense - Drugs	1,522	11%	(197)	(2%)
4,555	4,673	4,412	Payments to Managed Care Org.	118	3%	(143)	(3%)
1,889	1,575	1,710	Administrative Service Fees	(314)	(20%)	(179)	(10%)
0	17	0	Wellness and Disease Management	17	100%	0	0%
314	344	392	Other Operating Expenses	30	9%	78	20%
176	162	176	Life Insurance Expense	(14)	(9%)	0	0%
34	49	0	ACA Comparative Effectiveness Fee	15	31%	(34)	100%
8,249	11,667	11,421	WV RHBT Pay Go Premiums	3,418	29%	3,172	28%
<b>64,015</b>	<b>65,261</b>	<b>57,007</b>	<b>TOTAL EXPENSES</b>	<b>1,246</b>	<b>2%</b>	<b>7,008</b>	<b>12%</b>
<b>2,621</b>	<b>8,158</b>	<b>14,483</b>	<b>YTD Surplus (Deficit)</b>	<b>(5,537)</b>	<b>(68%)</b>	<b>(11,862)</b>	<b>(82%)</b>
179,470	179,470	225,402	Total Net Position, Beginning of Period	0	0%	(45,932)	(20%)
128,948	128,948	115,347	End of Period Net Position, Actuarially Required Reserve	0	0%	13,601	12%
53,143	58,680	124,538	End of Period Net Position, PEIA PSR	(5,537)	(9%)	(71,395)	(57%)
<b>\$182,091</b>	<b>\$187,628</b>	<b>\$239,885</b>	<b>Total Net Position, End of Period</b>	<b>(\$5,537)</b>	<b>(3%)</b>	<b>(\$57,794)</b>	<b>(24%)</b>



**BRIM**  
**September 2021**  
**Interim Packet**

**West Virginia Board of Risk and Insurance Management**  
**UNAUDITED BALANCE SHEET AND INCOME STATEMENT**  
**For the Month Ending July 31, 2021**

**Talking Points for Joint Committee on Government and Finance Meeting**  
**September 2021**

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1. **Premium Revenue** reflects the premiums earned for the first month of the fiscal year.
2. **Claims Expense** reflects claims payments made thru July. The total claims payments made for the first month of this year are higher when compared to the same month a year ago. Actual claims payments can vary considerably from month to month.
3. **Investment Income** for July 2021 reflects the earnings for the current month vs. the same month last year.
4. BRIM has no un-funded liability and continues to pursue pro-active loss control initiatives.

# West Virginia Board of Risk and Insurance Management

## Statements of Net Position

For the One Month Ended July 31st

	2021	2020
	<i>(In Thousands)</i>	
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 25,228	\$ 29,462
Advance deposits with insurance company and trustee	246,544	261,560
Receivables	4,653	6,449
Prepaid insurance	-	-
Restricted cash and cash equivalents	11,681	20,827
Premiums due from other entities	1,184	1,134
Total current assets	289,289	319,432
Noncurrent assets:		
Equity position in internal investments pools	123,837	107,382
Restricted investments	71,516	62,013
Total noncurrent assets	195,353	169,395
Total assets	484,642	488,827
Deferred Outflows of Resources		
Deferred Outflows of Resources - OPEB	438	215
	115	84
<b>Liabilities</b>		
Current liabilities:		
Estimated unpaid claims and claims adjustment expense	61,326	69,336
Unearned premiums	15,115	15,022
Agent commissions payable	1,572	1,596
Claims Payable	16	67
Accrued expenses and other liabilities	822	1,372
Total current liabilities	78,850	87,392
Estimated unpaid claims and claims adjustment expense net of current portion	128,770	135,960
Compensated absences	172	150
Net pension liability	533	214
Total noncurrent liabilities	129,475	136,324
Total liabilities	208,325	223,716
Deferred Inflows of Resources		
Deferred Inflows of Resources - OPEB	35	145
	351	171
Net position:		
Restricted by State code for mine subsidence coverage	78,617	78,617
Unrestricted	198,251	179,166
Net Assets (Deficiency)	(386)	7,311
Net position	\$ 276,482	\$ 265,093

*Unaudited*

West Virginia Board of Risk and Insurance Management

Statements of Revenues, Expenses, and Changes in Net Position

For the One Month Ended July 31st

	<b>2021</b>	<b>2020</b>
	<i>(In Thousands)</i>	
<b>Operating revenues</b>		
Premiums	\$ 7,097	\$ 6,399
Less coverage/reinsurance programs	(219)	0
Net operating revenues	6,878	6,399
<b>Operating expenses</b>		
Claims and claims adjustment expense	8,838	4,390
General and administrative	466	476
Total operating expenses	9,304	4,866
Operating income (loss)	(2,426)	1,533
<b>Nonoperating revenues</b>		
Investment income	2,040	5,778
Net nonoperating revenues	2,040	5,778
Changes in net position	(386)	7,311
Total net position, beginning of year	276,868	257,782
Total net position, end of period	\$ 276,482	\$ 265,093

*Unaudited*

**Real Estate Division**  
**September 2021**  
**Interim Packet**

**Department of Administration Real Estate Division Leasing Report**  
For the period of August 1 - 31, 2021

**There are 8 leasing changes for this period, and they are as follows:**

- 1 – Straight Renewal – DOA Owned
- 3 – Straight Renewal
- 3 – Renewal with Increase in Rent
- 1 – Renewal with Decrease in Square Feet

# Department of Administration Real Estate Division Leasing Report

For the period of August 1 - 31, 2021

## STRAIGHT RENEWAL – DOA OWNED

### **SUPREME COURT OF APPEALS**

**SCA-004** Renewal for 3 years consisting of the entire three-story building of office space at the current monthly rate of \$325.00, annual cost \$3,900.00, full service, 2006 Quarrier Street, in the City of Charleston, Kanawha County, West Virginia.

## STRAIGHT RENEWAL

### **WORKFORCE WEST VIRGINIA**

**WWV-017** Renewal for one year consisting of 224 square feet of office space at the current monthly rate of \$750.00, annual cost \$9,000.00, full service, 404 Main Street, in the City of Point Pleasant, Wood County, West Virginia.

### **GENERAL SERVICES DIVISION**

**GSD-014** Parking lot renewal for 5 years consisting of 11 parking spaces at the current monthly rate of \$330.00, annual cost \$3,960.00, 1118 Smith Street, in the City of Charleston, Kanawha County, West Virginia.

### **DEPARTMENT OF ENVIRONMENTAL PROTECTION**

**DEP-149** Renewal for 2 years consisting of 11,922 square feet of office/storage/tower/monitoring space at the current annual per square foot rate of \$12.68, annual cost \$151,170.96, full service, 2031 Pleasant Valley Road, in the City of Fairmont, Marion County, West Virginia.

## RENEWAL WITH INCREASE IN RENT

### **OFFICES OF THE INSURANCE COMMISSIONER**

**INS-018** Renewal for 2 years consisting of 1,294 square feet of office space with an increase in the annual per square foot rate from \$14.21 to \$14.64, annual cost \$18,944.16, full service, 80 12<sup>th</sup> Street, in the City of Wheeling, Ohio County, West Virginia.

### **DIVISION OF MOTOR VEHICLES**

**DMV-022** Renewal for 5 years consisting of 8,000 square feet of office space with an increase in the annual per square foot rate from \$10.92 to \$11.25, annual cost \$90,000.00, full service, 198 Davis Street, in the City of Princeton, Mercer County, West Virginia.

**DMV-052** Renewal for 3 years consisting of 8,000 square feet of office space with an increase in expense due to DMV taking over janitorial services and supplies, with the annual per square foot rate remaining the same at \$19.41, annual cost \$155,280.00, 24 Ruland Road, in the City of Kearneysville, Jefferson County, West Virginia.

## **RENEWAL WITH DECREASE IN SQUARE FEET**

### **DIVISION OF CORRECTIONS AND REHABILITATION, BUREAU OF JUVENILE SERVICES**

**BJIS-037** Renewal for 2 years with a decrease of square feet from 5,925 square feet to 1,196 square feet of office and classroom space at the current annual per square foot rate of \$6.02, annual cost \$7,200.00, 450 South 1<sup>st</sup> Avenue, in the City of Paden City, Wetzel County, West Virginia.



Real Estate Division  
 Monthly Summary of Lease Activity  
 August 1 - 31, 2021

# of Transactions	Agency	Lease #	County	Square Feet	Rental Rate	Annual Rent	Term in years	Total Aggregate
1	Supreme Court of Appeals	SCA-004	Kanawha	1 Bldg	325.00	3,900	3.00	11,700
2	Workforce West Virginia	WWV-017	Wood	224	40.18	9,000	1.00	9,000
3	General Services Division	GSD-014	Kanawha	11 Sps	330.00/mth	3,960	5.00	19,800
4	Department of Environmental Protection	DEP-149	Marion	11,922	12.68	151,171	2.00	302,342
5	Offices of the Insurance Commissioner	INS-018	Ohio	1,294	14.64	18,944	2.00	37,888
6	Division of Motor Vehicles	DMV-022	Mercer	8,000	11.25	90,000	5.00	450,000
7	Division of Motor Vehicles	DMV-052	Jefferson	8,000	19.41	155,280	3.00	465,840
8	DOCR, Bureau of Juvenile Services	BJS-037	Wetzel	1,196	6.02	7,200	2.00	14,400

		104.18
<b>Total Rentable Square Feet</b>	<u>30,636</u>	
<b>Average Annual Rental Rate</b>	<u>17.36</u>	
<b>Total Annual Rent</b>		<u>439,455</u>

**Joint Committee on Government and Finance**

▪

**September 2021**

**Department of Health and Human Resources**

**MEDICAID REPORT  
June 2021 Data**

WV DEPARTMENT OF HEALTH AND HUMAN RESOURCES  
 BUREAU FOR MEDICAL SERVICES  
 EXPENDITURES BY PROVIDER TYPE  
 SFY2021

	MONTH OF JUNE 2021		ACTUALS	TOTAL	ACTUALS	ESTIMATE	ACTUALS	Difference
	SFY2020	SFY2021	Current Month Ended 06/30/21	SFY2021	Current Month Ended 06/30/21	Current Month Ended 06/30/21	Year To-Date Thru 06/30/21	Budget vs 06/30/21
<b>EXPENDITURES:</b>								
Inpatient Hospital - Reg. Payments	97,985,843	95,665,585	12,355,894	95,665,585	12,355,894	7,653,247	80,598,554	15,067,031
Inpatient Hospital - DSH	53,450,766	53,789,156	7,351,057	53,789,156	7,351,057	4,303,132	52,900,181	888,975
Inpatient Hospital - Supplemental Payments	-	-	-	-	-	-	-	-
Inpatient Hospital - GME Payments	12,183,004	12,365,473	-	12,365,473	-	989,238	11,030,081	1,335,392
Mental Health Facilities	33,613,909	39,241,399	332,092	39,241,399	332,092	3,139,312	6,361,383	32,880,016
Mental Health Facilities - DSH Adjustment Payments	17,503,899	19,301,726	-	19,301,726	-	1,544,138	17,062,464	2,239,262
Nursing Facility Services - Regular Payments <sup>(3)</sup>	759,691,830	817,702,404	71,039,618	817,702,404	71,039,618	65,416,192	790,626,618	27,075,786
Nursing Facility Services - Supplemental Payments	-	-	-	-	-	-	-	-
Intermediate Care Facilities - Public Providers	-	-	-	-	-	-	-	-
Intermediate Care Facilities - Private Providers	67,715,431	71,050,398	5,529,262	71,050,398	5,529,262	5,684,032	68,382,932	2,667,466
Intermediate Care Facilities - Supplemental Payments	-	-	-	-	-	-	-	-
Physicians Services - Regular Payments	38,140,554	36,066,892	2,574,002	36,066,892	2,574,002	2,885,351	29,590,917	6,475,975
Physicians Services - Supplemental Payments	-	-	-	-	-	-	-	-
Physician and Surgical Services - Evaluation and Management	-	-	-	-	-	-	-	-
Physician and Surgical Services - Vaccine Codes	-	-	-	-	-	-	-	-
Outpatient Hospital Services - Regular Payments	49,740,650	46,526,655	2,831,281	46,526,655	2,831,281	3,722,132	38,169,104	8,357,551
Outpatient Hospital Services - Supplemental Payments	-	-	-	-	-	-	-	-
Prescribed Drugs	735,519,694	777,516,648	75,269,350	777,516,648	75,269,350	62,201,332	799,363,870	(21,847,223)
Drug Rebate Offset - National Agreement	(440,398,418)	(427,000,000)	(91,293,584)	(427,000,000)	(91,293,584)	(34,160,000)	(516,128,000)	89,128,000
Drug Rebate Offset - State Sidebar Agreement	(41,823,225)	(42,000,000)	(1,093,869)	(42,000,000)	(1,093,869)	(3,360,000)	(54,952,329)	12,952,329
Drug Rebate Offset - MCO National	(11,386,339)	(11,200,000)	(515,881)	(11,200,000)	(515,881)	(896,000)	(13,722,661)	2,522,661
Drug Rebate Offset - MCO State Sidebar Agreement	86,361	-	-	-	-	-	(3,421)	3,421
Dental Services	9,762,746	6,210,738	480,913	6,210,738	480,913	496,859	4,632,571	1,578,167
Other Practitioners Services - Regular Payments	6,025,073	4,422,966	1,455,457	4,422,966	1,455,457	353,837	7,655,590	(3,232,624)
Other Practitioners Services - Supplemental Payments	-	-	-	-	-	-	-	-
Clinic Services	1,563,783	865,094	49,801	865,094	49,801	69,207	1,020,452	(155,358)
Lab & Radiological Services	8,138,831	7,418,689	547,790	7,418,689	547,790	593,495	6,473,718	944,970
Home Health Services	25,693,171	31,257,836	2,980,987	31,257,836	2,980,987	2,500,627	25,552,864	5,704,973
Hysterectomies/Sterilizations	22,630	25,931	5,320	25,931	5,320	2,074	54,130	(28,199)
Pregnancy Terminations <sup>(2)</sup>	38,707	39,472	2,328	39,472	2,328	3,158	27,041	12,431
EPSDT Services	1,334,847	666,189	72,241	666,189	72,241	53,295	747,578	(81,389)
Rural Health Clinic Services	4,730,991	4,065,304	180,200	4,065,304	180,200	325,224	2,180,306	1,884,997
Medicare Health Insurance Payments - Part A Premiums	23,063,910	24,524,802	2,115,727	24,524,802	2,115,727	1,961,984	25,032,749	(507,947)
Medicare Health Insurance Payments - Part B Premiums	119,556,978	136,070,782	11,071,166	136,070,782	11,071,166	10,885,663	128,711,243	7,359,539
120% - 134% Of Poverty	9,831,477	10,028,107	1,017,968	10,028,107	1,017,968	802,249	10,805,524	(777,417)
135% - 175% Of Poverty	-	-	-	-	-	-	-	-
Coinurance And Deductibles	13,187,270	13,339,616	1,064,482	13,339,616	1,064,482	1,067,169	12,082,664	1,256,952

**WV DEPARTMENT OF HEALTH AND HUMAN RESOURCES  
BUREAU FOR MEDICAL SERVICES  
EXPENDITURES BY PROVIDER TYPE  
SFY2021**

	MONTH OF JUNE 2021		ACTUALS	TOTAL	ACTUALS	ESTIMATE	ACTUALS	Difference
	SFY2020	SFY2021	Current Month Ended 06/30/21	SFY2021	Current Month Ended 06/30/21	Current Month Ended 06/30/21	Year To-Date Thru 06/30/21	Budget vs 06/30/21
Medicaid Health Insurance Payments: Managed Care Organizations (MCO)	1,765,544,532	2,253,564,298	223,817,323		180,285,144		2,242,453,961	11,110,337
Medicaid MCO - Evaluation and Management	-	-	-	-	-	-	-	-
Medicaid MCO - Vaccine Codes	-	-	-	-	-	-	-	-
Medicaid Health Insurance Payments: Prepaid Ambulatory Health Plan	-	-	-	-	-	-	-	-
Medicaid Health Insurance Payments: Prepaid Inpatient Health Plan	-	-	-	-	-	-	-	-
Medicaid Health Insurance Payments: Group Health Plan Payments	1,235,935	1,337,776	275,881		107,022		2,089,915	(752,139)
Medicaid Health Insurance Payments: Coinsurance	-	-	-	-	-	-	-	-
Medicaid Health Insurance Payments: Other	-	-	-	-	-	-	-	-
Home & Community-Based Services (IDD)	312,481,404	392,436,958	31,820,622		31,394,957		313,853,035	78,583,923
Home & Community-Based Services (Aged/Disabled)	130,111,456	131,821,069	12,316,343		10,545,686		130,537,089	1,283,980
Home & Community-Based Services (Traumatic Brain Injury)	1,917,668	2,226,182	207,984		178,095		1,953,242	272,941
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	71,088,070	68,891,478	6,361,941		5,511,318		72,895,670	(4,004,192)
Personal Care Services - SDS 1915(j)	-	-	-	-	-	-	-	-
Targeted Case Management Services - Com. Case Management	-	-	-	-	-	-	-	-
Targeted Case Management Services - State Wide	2,418,259	2,042,897	250,960		163,432		2,603,240	(560,342)
Primary Care Case Management Services	-	-	-	-	-	-	-	-
Hospice Benefits	29,567,073	29,607,479	2,533,619		2,368,598		28,364,022	1,243,457
Emergency Services Undocumented Aliens	609,969	486,513	473,661		38,921		981,582	(495,069)
Federally Qualified Health Center	22,224,540	21,842,947	590,825		1,747,436		6,454,297	15,388,650
Non-Emergency Medical Transportation	37,037,744	39,243,822	3,824,067		3,139,506		44,192,906	(4,949,084)
Physical Therapy	1,076,333	923,190	121,662		73,855		1,072,716	(149,526)
Occupational Therapy	652,703	367,951	52,351		29,436		467,792	(99,841)
Services for Speech, Hearing & Language	380,426	157,709	25,703		12,617		225,177	(67,468)
Prosthetic Devices, Dentures, Eyeglasses	825,415	448,928	63,694		35,914		409,992	38,936
Diagnostic Screening & Preventive Services	86,339	98,702	5,239		7,896		72,281	26,421
Nurse Mid-Wife	139,130	162,976	9,905		13,038		91,556	71,420
Emergency Hospital Services	-	80	-	-	-	-	-	80
Critical Access Hospitals	28,488,629	25,164,390	1,677,416		2,013,158		21,209,386	3,955,004
Nurse Practitioner Services	4,338,088	3,556,142	363,312		284,491		3,739,212	(183,070)
School Based Services	31,425,256	19,999,864	28,635,401		1,599,989		30,963,657	(10,963,793)
Rehabilitative Services (Non-School Based)	52,436,190	7,593,781	2,955,285		632,815		28,466,999	(20,873,218)
2a) Opioid Treatment Program (OTP) - Methadone services	10,931,763	18,000,000	1,408,099		1,500,000		13,670,289	4,329,711
2a) Opioid Treatment Program (OTP) - Peer Recovery Support Services	1,411,620	-	115,910		-		1,587,654	(1,587,654)
2a) Opioid Treatment Program (OTP) - Residential Adult Services	6,354,000	-	355,150		-		3,700,900	(3,700,900)
2a) Opioid Treatment Program (OTP) - Other	114,837	-	2,379		-		90,140	(90,140)
Private Duty Nursing	5,385,431	3,355,085	489,464		268,407		6,430,388	(3,075,303)
Freestanding Birth Centers	-	-	-	-	-	-	-	-
Health Home for Enrollees w Chronic Conditions	2,287,345	2,128,164	193,128		170,253		2,450,645	(322,481)
Other Care Services	30,261,541	31,324,045	2,216,585		2,505,924		24,723,597	6,600,447
Less: Recoupments	-	-	(18,647)		-		(3,166,149)	3,166,149
<b>NET EXPENDITURES:</b>	<b>4,145,806,068</b>	<b>4,784,744,287</b>	<b>426,568,864</b>		<b>382,864,856</b>		<b>4,516,841,315</b>	<b>267,902,972</b>

WV DEPARTMENT OF HEALTH AND HUMAN RESOURCES  
 BUREAU FOR MEDICAL SERVICES  
 EXPENDITURES BY PROVIDER TYPE  
 SFY2021

**MONTH OF JUNE 2021**

	<b>ACTUALS</b>	<b>TOTAL</b>	<b>ACTUALS</b>	<b>ESTIMATE</b>	<b>ACTUALS</b>	<b>Difference</b>
	SFY2020	SFY2021	Current Month Ended 06/30/21	Current Month Ended 06/30/21	Year To-Date Thru 06/30/21	Budget vs 06/30/21
Collections: Third Party Liability (line 9A on CMS-64)	(3,693,035)	-		-	(6,976,347)	6,976,347
Collections: Probate (line 9B on CMS-64)	(1,951,369)	-		-	(138,900)	138,900
Collections: Identified through Fraud & Abuse Effort (line 9C on CMS-64)	(4,476)	-		-	(13,796)	13,796
Collections: Other (line 9D on CMS-64)	(17,727,403)	-		-	(7,754,225)	7,754,225
<b>NET EXPENDITURES and CMS-64 ADJUSTMENTS:</b>	<b>4,122,429,785</b>	<b>4,784,744,287</b>	<b>426,568,864</b>	<b>382,864,856</b>	<b>4,501,958,049</b>	<b>282,786,238</b>
Plus: Medicaid Part D Expenditures	39,118,976	32,995,413	2,393,444	2,639,633	30,108,117	2,887,295
Plus: State Only Medicaid Expenditures	335,451	393,746	13,659	31,500	341,411	52,335
Plus: Money Follow the Person Expenditures	1,015,192	1,035,496	111,633	82,840	1,254,161	(218,665)
<b>TOTAL MEDICAID EXPENDITURES</b>	<b>\$ 4,162,899,405</b>	<b>\$ 4,819,168,942</b>	<b>\$ 429,087,600</b>	<b>\$ 385,618,828</b>	<b>\$ 4,533,661,738</b>	<b>\$ 285,507,204</b>
Plus: Reimbursables <sup>(1)</sup>	5,840,605	-	446,133	-	5,295,579	(5,295,579)
Plus: NATCEP/PASARR/Eligibility Exams	368,501	77,507	27,731	6,201	1,889,696	(1,812,189)
Plus: HIT Incentive Payments	64,034	250,000	-	20,000	(182,398)	432,398
<b>TOTAL EXPENDITURES</b>	<b>\$ 4,169,172,545</b>	<b>\$ 4,819,496,449</b>	<b>\$ 429,561,464</b>	<b>\$ 385,645,029</b>	<b>\$ 4,540,664,615</b>	<b>\$ 278,831,834</b>

(1) This amount will revert to State Only if not reimbursed.  
 (2) Pregnancy Terminations are State Only expenditures and are not currently claimed.  
 (3) Of the amount in the 'Nursing Facility Services - Regular Payments' line \$24,839,754 is the amount paid to State Facilities year to date.

WV DEPARTMENT OF HEALTH AND HUMAN RESOURCES  
 BUREAU FOR MEDICAL SERVICES  
 MEDICAID CASH REPORT  
 SFY2021

12 Months Actuals      0 Months Remaining

MONTH OF JUNE 2021	ACTUALS	ACTUALS	ACTUALS	Difference	TOTAL
	SFY2020	Current Month Ended 6/30/21	Year-To-Date Thru 6/30/21	Budget vs Actual	SFY2021
<b>REVENUE SOURCES</b>					
Beg. Bal. (5084/1020 prior mth)	54,359,368	46,680,653	25,964,129		25,964,129
<b>MATCHING FUNDS</b>					
General Revenue (0403/189)	260,292,248	36,462,922	276,148,868	21,706,396	297,855,264
IDD Waiver (0403/466)	90,253,483	11,939,591	108,541,736	-	108,541,736
Rural Hospitals Under 150 Beds (0403/940)	2,596,000	216,334	2,596,000	-	2,596,000
Tertiary Funding (0403/547)	6,356,000	529,666	6,356,000	-	6,356,000
Traumatic Brain Injury (0403/835)	800,000	88,000	800,000	-	800,000
Title XIX Waiver for Seniors (0403-533)	13,593,620	1,495,299	13,593,620	-	13,593,620
Medical Services Surplus (0403/633)	30,247,035	-	-	-	-
Waiver for Senior Citizens Surplus (0403/526)	-	-	-	-	-
Lottery Waiver (Less 550,000) (5405/539)	4,015,503	-	4,015,503	-	4,015,503
Lottery Waiver (0420/539)	29,950,955	-	29,950,955	-	29,950,955
Lottery Transfer (5405/871)	16,400,070	-	16,400,070	-	16,400,070
Excess Lottery (5365/189)	53,202,960	66,302,960	66,302,960	-	66,302,960
Lottery Surplus (5405/68199)	16,000,000	14,423,022	14,423,022	1,576,978	16,000,000
Lottery Surplus (5365/68100)	-	-	17,000,000	-	17,000,000
Trust Fund Appropriation (5185/189)	82,227,707	13,288,789	64,091,372	11,732,726	75,824,099
Provider Tax (5090/189)	213,594,315	-	213,581,236	169,282,046	382,863,282
NSGO UPL (5084/6717)	-	-	-	-	-
Expirations (5084)	-	-	-	-	-
Certified Match	13,081,553	5,905,925	11,574,803	(1,709,678)	9,865,125
Reimbursables - Amount Reimbursed	6,724,797	257,457	5,574,693	(5,574,693)	-
Other Revenue (MWIN, Escheated Warrants, etc.) 5084/4010 & 4015	568,267	-	81	699,919	700,000
CHIP State Share	-	-	-	-	-
CMS - 64 Adjustments	713,612	-	22,273	(22,273)	-
<b>TOTAL MATCHING FUNDS</b>	<b>\$ 894,977,493</b>	<b>\$ 197,590,618</b>	<b>\$ 876,937,321</b>	<b>\$ 197,691,421</b>	<b>\$ 1,074,628,742</b>
<b>FEDERAL FUNDS</b>	<b>3,292,552,765</b>	<b>371,322,394</b>	<b>3,802,320,381</b>	<b>88,175,398</b>	<b>3,890,495,780</b>
<b>TOTAL REVENUE SOURCES</b>	<b>\$ 4,187,530,258</b>	<b>\$ 568,913,012</b>	<b>\$ 4,679,257,703</b>	<b>\$ 285,866,819</b>	<b>\$ 4,965,124,522</b>
<b>TOTAL EXPENDITURES:</b>					
Provider Payments	\$ 4,169,172,545	\$ 429,561,464	\$ 4,540,664,615	\$ 278,831,834	\$ 4,819,496,449
<b>TOTAL</b>	<b>\$ 18,357,713</b>	<b>\$ 139,351,548</b>	<b>\$ 138,593,088</b>	<b>\$ 7,034,985</b>	<b>\$ 145,628,073</b>

Note: FMAP (74.94% applicable Oct. 2019 - Sep. 2020) (74.99% applicable Oct. 2020 - Jun. 2021)

**Joint Committee on Government and Finance**

**September 2021**

**Department of Health and Human Resources**

**MEDICAID WAIVER REPORT**

**June 2021**

**WV Department of Health and Human Resources  
Bureau for Medical Services A&D Waiver Program Report**

Aged & Disabled Waiver Reported June 30, 2021		FY 2020	Jul 20	Aug 20	Sep 20	Oct 20	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21	Apr 21	May 21	Jun 21	FY 2021
<b>Slots Approved By CMS (1)</b>		7,026	7,026	7,026	7,026	7,672	7,672	7,672	7,672	7,672	7,672	7,672	7,672	7,672	7,672
-Slots Available for Traditional (ADW-WV) enrollees		6,950	6,950	6,950	6,950	7,596	7,596	7,596	7,596	7,596	7,596	7,596	7,596	7,596	7,596
-Slots reserved for Take Me Home-WV (TMH-WV) enrollees		76	76	76	76	76	76	76	76	76	76	76	76	76	76
-Slots reserved for Money Follows the Person (MFP-WV) enrollees															
Total number of members served YTD (unduplicated slots used) (2) YTD Column reflects most recent month's count		6,939	6,498	6,669	6,701	6,799	6,926	7,013	7,116	7,336	7,529	7,599	7,792	7,884	7,884
Applicants determined eligible this month and added to MEL (3)		1,731	102	106	117	124	138	388	292	412	250	244	243	164	2,580
Applicants determined ineligible		76	2	6	3	6	3	2	35	20	14	14	10	14	129
<b>ACTIVE MEMBERS</b>															
Active Traditional Members at the end of the month		6,110	6,415	6,541	6,547	6,550	6,561	6,564	6,640	6,648	6,707	6,849	6,904	6,865	6,865
Active Take Me Home Members at the end of the month		46	46	48	48	48	51	53	55	61	66	60	60	53	53
Active Money Follows the Person Members at the end of the month															
Total Active members at the end of the month (unduplicated slots active) YTD Column reflects most recent month's count		6,156	6,461	6,589	6,595	6,598	6,612	6,618	6,696	6,787	6,852	6,909	6,964	6,973	6,973
<b>Active members enrolled during the calendar month</b>		1,301	383	204	111	109	96	107	189	187	184	163	142	132	2,007
-Total Active Traditional members enrolled during the calendar month		1,250	375	193	107	105	92	102	183	180	173	161	137	130	1,938
-Total Active TMH-WV members enrolled during the calendar month		51	8	11	4	4	4	5	6	7	11	2	5	2	69
-Total Active MFP-WV members enrolled during the calendar month															
Members discharged during the calendar month		1,044	78	76	105	106	82	101	111	96	119	106	87	123	1,190
ADW Members whose case was closed by reason	Member is deceased	574	58	57	74	68	58	74	79	65	87	75	62	67	824
	Other (4)	470	20	19	31	38	24	27	32	31	32	31	25	56	366
<b>MANAGED ENROLLMENT LIST (MEL)</b>															
# Eligible applicants closed during the calendar month (removed from MEL)		2,042	105	116	93	144	107	220	151	99	203	211	161	173	1,783
ADW Applicants removed from the MEL	Applicant offered a slot (Traditional + MFP)	1,676	84	99	65	67	79	143	111	66	107	98	120	32	1,071
	Applicant became deceased	125	6	9	9	9	11	23	19	21	19	17	14	18	175
	Other (5)	241	15	8	19	68	17	54	21	12	77	96	27	123	537
Applicants on the MEL who are in a nursing facility YTD Column reflects average # members in setting		16	1	1	0	0	0	1	2	2	2	0	8	8	8
Applicants on the MEL receiving Personal Care YTD Column reflects average # members in setting		35	0	0	3	6	2	5	3	0	2	0	6	9	9
Applicants on the MEL at the end of the month		37	34	24	48	28	59	48	43	27	47	21	30	30	30
Days -Longest time spent on the MEL to date (6) YTD Column reflects average # of days		308	435	405	435	466	496	527	558	586	617	647	678	708	547
Days -Longest time spent on the MEL to date Minus MFP Applicants (7)		54	60	89	119	150	180	211	242	270	301	301	235	265	265
Days -Average time spent on the MEL to date Minus MFP Applicants		28	14	61	25	16	35	20	32	45	61	73	66	61	42

YTD Column Reflects average number of days minus MFP Applicants

(1) Of the 7,672 slots approved by CMS, 76 are reserved for the Money Follows the Person and Rebalancing Demonstration Grant. When it is identified that slots cannot be used for MFP transitions, these slots are made available for traditional (non-MFP) enrollees. *Note: October 2020 Amendment Approved = 646 Additional Slots for FY2021, which increases the FY2021 Slots to a total of 7,672.*

(2) Unduplicated slots used refers to the total number of members who accessed services during the fiscal year.

(3) Monthly number added to MEL is being reported in the month an applicant is determined medically eligible; however, the individual's placement date on the managed enrollment list will be based on their initial application date.

(4) Other reason for closing a case may include, but is not limited to: No services for 180 days, unsafe environment, member non-compliance with program, member no longer desires services, member no longer a WV resident, member no longer medically or financially eligible.

(5) "Other" includes those who are no longer a WV resident, voluntarily decline the program, etc.

(6) Reported in actual number of days on the MEL.

(7) Excludes MFP members on MEL not ready for discharge from facility and MFP Applicants, added beginning Dec 2019

**NOTE:** All data reported by Utilization Management Contractor is effective as of the transpire date in the web-based system. Data is point-in-time.



**WV Department of Health and Human Resources  
Bureau for Medical Services I/DD Waiver Program Report**

<b>Intellectual/Developmental Disabilities Waiver Reported June 30, 2021</b>		<b>FY 2020</b>	<b>Jul 20</b>	<b>Aug 20</b>	<b>Sep 20</b>	<b>Oct 20</b>	<b>Nov 20</b>	<b>Dec 20</b>	<b>Jan 21</b>	<b>Feb 21</b>	<b>Mar 21</b>	<b>Apr 21</b>	<b>May 21</b>	<b>Jun 21</b>	<b>FY 2021</b>
Slots approved by CMS		5,964	5,964	5,964	5,964	5,964	5,964	5,964	5,964	5,964	5,964	5,964	5,964	5,964	5,964
Total number of members served YTD (unduplicated slots used) (1)		5,446	5,506	5,614	5,707	5,744	5,783	5,821	5,852	5,870	5,892	5,904	5,918	5,928	5,928
Total number of members served YTD in Traditional Slots		5,437	5,497	5,605	5,698	5,735	5,774	5,765	5,843	5,860	5,882	5,894	5,908	5,918	5,918
Total number of members served YTD in Adult Ben H. slots (Active)		6	6	6	6	6	6	6	6	6	6	6	6	6	6
Total number of members served YTD in Children Ben H. slots (Active)		3	3	3	3	3	3	3	3	4	4	4	4	4	4
Applicants determined eligible (2)		264	19	43	38	36	30	29	18	22	35	34	47	39	390
Applicants determined ineligible (3)		292	22	36	31	39	41	32	32	25	45	45	45	55	448
<b>ACTIVE MEMBERS</b>															
# of active members at the end of the month (unduplicated slots active) (1)		5,336	5,495	5,594	5,678	5,698	5,726	5,753	5,765	5,772	5,780	5,775	5,771	5,761	5,761
Discharged members at the end of the calendar month		126	15	9	14	20	11	16	21	13	17	16	19	20	191
Discharged members who were discharged by reason	Deceased	62	4	5	3	7	2	7	9	6	10	3	12	5	73
	Left program to enter a facility	21	2	0	3	2	4	4	6	4	0	4	0	6	35
	a. Hospital	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	b. ICF/IID	13	2	1	2	0	2	1	1	1	0	3	0	2	15
	c. Nursing Facility	14	0	0	1	2	2	3	5	2	0	1	0	4	20
	d. Psychiatric Facility	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	e. Rehabilitation Facility	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	f. Other Facility	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other (6)	36	9	3	6	11	5	5	6	3	4	9	7	9	77	
<b>MANAGED ENROLLMENT LIST (MEL)</b>															
Total number of applicants on the MEL at the end of the month		523	343	273	210	195	181	163	144	137	140	160	189	211	211
Number of applicants added to the MEL (4)		264	19	43	38	36	30	29	18	22	35	34	47	39	390
Applicants enrolled (removed from the MEL)		703	174	108	98	40	39	43	33	20	25	11	15	10	616
Applicants removed from the MEL due to Death (5)		15	1	0	0	0	0	0	0	0	0	0	0	0	1
Applicants removed from the MEL due to Other (6)		141	24	5	3	11	5	4	4	9	7	3	3	7	85
Applicants on the MEL who are in a Nursing Facility (9)		0	0	0	1	1	1	1	2	1	1	1	2	2	2
Applicants on the MEL who are in an ICF/IID Group Home (9)		8	6	6	3	4	4	4	3	5	4	4	6	6	6
Applicants on the MEL receiving Personal Care Services each month (8) (9)		9	8	8	3	3	5	5	1	2	1	3	6	6	6
Longest on the MEL to date (7)		433	464	495	525	556	586	617	648	676	707	737	768	798	798

(1) Unduplicated slots used refers to the total number of members who accessed services during the fiscal year.

(2 and 3) Numbers determined medically eligible and ineligible reflect the activity for the month reported. Financial eligibility is not determined until after slot release.

(4) Monthly managed enrollment is being reported in the month an applicant is determined medically eligible; however, the individual's placement date on the managed enrollment list will be based on the date the Medical Eligibility Contract Agent (MECA) determines medical eligibility.

(5) Currently there is no way to track other reasons why someone may leave the MEL for reasons such as moved out of state, decided not to participate in program, etc.

(6) Other reason for program discharge may include, but is not limited to, member is no longer financial or medically eligible, moved out of state, no longer wants the service, etc.

(7) Longest number of days an applicant has been on the MEL.

(8) This number is very different from the previous two months. We are working on getting a more accurate report.

(9) The report has been changed to more accurately reflect the correct numbers, no data reported for November due to the reprogramming of the report parameters

**WV Department of Health and Human Resources  
Bureau for Medical Services TBI Waiver Program Report**

<b>Traumatic Brain Injury Waiver Reported June 30, 2021</b>		<b>FY 2020</b>	<b>Jul 20</b>	<b>Aug 20</b>	<b>Sep 20</b>	<b>Oct 20</b>	<b>Nov 20</b>	<b>Dec 20</b>	<b>Jan 21</b>	<b>Feb 21</b>	<b>Mar 21</b>	<b>Apr 21</b>	<b>May 21</b>	<b>Jun 21</b>	<b>FY 2021</b>
Slots Approved By CMS (1)		90	90	90	90	90	90	90	90	90	90	90	90	90	90
-Slots Available for Traditional (non TMH-WV) enrollees		89	86	86	86	86	86	86	86	86	88	89	90	90	90
-Slots reserved for Take Me Home-WV (TMH-WV) enrollees		1	4	4	4	4	4	4	4	4	2	1	0	0	0
Total number of members served YTD (unduplicated slots used) (2) YTD Column reflects most recent month's count		89	78	78	78	80	80	84	85	85	87	88	88	90	90
Applicants determined eligible this month and added to MEL (3)		11	0	1*	2*	0	4*	1*	0	1*	2*	1	2	0	2
Applicants determined ineligible		0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>ACTIVE MEMBERS</b>															
Active members at the end of the month (unduplicated slots active) YTD Column reflects most recent month's count		78	77	76	76	78	75	79	80	80	82	83	83	85	85
Active members enrolled during the calendar month		16	0	0	0	2	0	4	1	0	2	1	0	2	12
-Total Active Traditional members enrolled during the calendar month		15	0	0	0	2	0	4	1	0	2	1	0	2	12
-Total Active TMH-WV members enrolled during the calendar month		1	0	0	0	0	0	0	0	0	0	0	0	0	0
Members discharged during the calendar month		13	1	1	0	0	3	0	0	0	0	0	0	0	5
TBIW Members whose case was closed by reason	Member is deceased	6	0	0	0	0	0	0	0	0	0	0	0	0	0
	Other (4)	7	1	1	0	0	3	0	0	0	0	0	0	0	5
<b>MANAGED ENROLLMENT LIST (MEL)</b>															
# Eligible applicants closed during the calendar month (removed from MEL)		12	1	0	0	0	0	0	0	0	0	0	0	0	0
TBIW Applicants removed from the MEL	Applicant offered a slot	12	1	0	0	0	0	0	0	0	0	0	0	0	0
	Applicant became deceased	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Other (5)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Applicants on the MEL who are in a nursing facility		2	0	0	0	0	0	0	0	0	0	0	1	1	1
Applicants on the MEL receiving Personal Care		2	0	0	0	0	0	0	0	0	0	0	0	0	0
Applicants on the MEL at the end of the month		1	0	0	0	0	0	0	0	0	0	0	2	2	2
Days -Longest time spent on the MEL to date (6) YTD Column reflects average # of days		110	0	0	0	0	0	0	0	0	0	0	19	49	23

(1) Of the 90 slots approved by CMS, none are reserved for the Money Follows the Person and Rebalancing Demonstration Grant for SFY 2021. \* Requested MFP slots for Traditional Member.  
\*\*\*5/12/2021- BMS released the last reserved TMH slot for a Traditional applicant. The TBIW/TMH applicant was placed on the MEL.

(2) Unduplicated slots used refers to the total number of members who accessed services during the fiscal year.

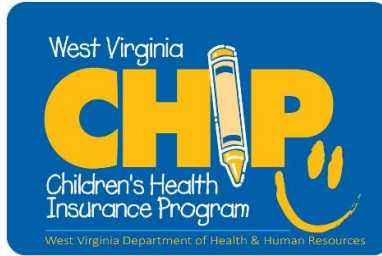
(3) Monthly number added to MEL is being reported in the month an applicant is determined medically eligible; however, the individual's placement date on the managed enrollment list will be based on their initial application date. \* **NO MEL awarded a slot**

(4) Other reason for closing a case may include, but is not limited to: No services for 180 days, unsafe environment, member non-compliance with program, member no longer desires services, member no longer a WV resident, member no longer medically or financially eligible.

(5) "Other" includes those who are no longer a WV resident, voluntarily decline the program, etc.

(6) Reported in actual number of days on the MEL.

**NOTE: All data as reported by the Utilization Management Contractor is point-in-time**



West Virginia  
Department of Health and Human Resources

Children's Health Insurance Program

*SEPTEMBER 2021*  
*Report*

to

Joint Committee on  
Government and Finance

**West Virginia Children's Health Insurance Program**  
**Comparative Statement of Revenues, Expenditures, Changes in Fund Balance, and Budget-to-Actual**  
**For the One Month Ending July 31, 2021 and July 31, 2020**

	Annual	Budget	Actual	Actual	Actual		Budget	
	Budget 2021	Year-to-Date	July 31, 2021	July 31, 2021	Variance	%	Variance	%
					\$	%	\$	%
<b>Beginning Operating Fund Balance</b>			<b>\$7,418,708</b>	<b>\$6,218,611</b>	<b>\$1,200,097</b>	<b>19%</b>		
<b>Revenues</b>								
Federal Grants			\$2,222,954	\$2,871,329	(\$648,375)	-23%		
State Appropriations			\$476,343	\$468,932	\$0	0%		
Premium Revenues	\$1,243,837	\$103,653	\$5,418	\$7,616	(\$2,199)	-29%	(\$98,236)	-95%
Investment Earnings (Interest)			(\$4,358)	\$25,648	(\$30,006)	-117%		
<b>Total Operating Fund Revenues</b>			<b>\$2,700,356</b>	<b>\$3,373,526</b>	<b>(\$673,169)</b>	<b>-20%</b>		
<b>Expenditures:</b>								
<b>Claims Expenses:</b>								
Managed Care Organizations			\$3,473,546	\$0	\$3,473,546	0%		
Prescribed Drugs			\$577,323	\$905,643	(\$328,320)	-36%		
Inpatient Hospital Services			\$63,445	\$510,847	(\$447,402)	-88%		
Physicians & Surgical			\$61,684	\$923,006	(\$861,322)	-93%		
Dental			\$19,605	\$798,234	(\$778,629)	-98%		
Outpatient Services			\$9,413	\$573,124	(\$563,711)	-98%		
Therapy			\$8,247	\$147,517	(\$139,270)	-94%		
Other Services			\$6,603	\$226,595	(\$219,992)	-97%		
Inpatient Mental Health			\$3,250	\$32,513	(\$29,263)	-90%		
Vision			\$908	\$47,009	(\$46,101)	-98%		
Durable & Disposable Med. Equip.			\$598	\$28,880	(\$28,282)	-98%		
Outpatient Mental Health			\$573	\$24,968	(\$24,395)	-98%		
Medical Transportation			\$0	\$27,780	(\$27,780)	-100%		
Less: Other Collections**			(\$1,548)	(\$5,124)	\$3,576	-70%		
Drug Rebates	(\$2,517,954)	(\$209,830)	\$0	\$0	\$0	0%	(\$208,282)	99%
<b>Total Claims Expenses</b>	<b>\$56,575,040</b>	<b>\$4,714,587</b>	<b>\$4,223,647</b>	<b>\$4,240,992</b>	<b>(\$17,345)</b>	<b>0%</b>	<b>(\$490,940)</b>	<b>-10%</b>
<b>Administrative Expenses:</b>								
Salaries and Benefits	\$575,350	\$47,946	\$62,289	\$71,050	(\$8,761)	-12%	\$14,343	30%
Program Administration	\$3,080,108	\$256,676	\$133,377	\$315,145	(\$181,768)	-58%	(\$123,298)	-48%
Eligibility			\$0	\$0	\$0	0%		0%
Outreach & Health Promotion	\$100,000	\$8,333	\$0	\$0	\$0	0%	(\$8,333)	-100%
Health Service Initiative	\$225,000	\$18,750	\$0	\$0	(\$837)	-100%	(\$18,750)	-100%
Current	\$175,000	\$14,583	(\$15,133)	\$837	(\$402,165)	0%	(\$29,717)	-204%
<b>Total Administrative Expenses in Operating Fund</b>	<b>\$4,155,458</b>	<b>\$346,288</b>	<b>\$180,532</b>	<b>\$387,032</b>	<b>(\$206,500)</b>	<b>-53%</b>	<b>(\$165,756)</b>	<b>-48%</b>
<b>Total Operating Fund Expenditures</b>	<b>\$60,730,498</b>	<b>\$5,060,875</b>	<b>\$4,404,180</b>	<b>\$4,628,024</b>	<b>(\$223,845)</b>	<b>-5%</b>	<b>(\$656,695)</b>	<b>-13%</b>
<b>Adjustments</b>			<b>(\$16,174)</b>	<b>\$870,926</b>				
<b>Ending Operating Fund Balance</b>			<b>\$5,698,711</b>	<b>\$5,835,038</b>	<b>(\$136,327)</b>	<b>-2%</b>		
Money Market			\$0	\$1,012,068				
Bond Pool			\$3,794,865	\$3,739,410				
Cash on Deposit			\$1,903,846	\$1,083,560				
<b>Unrealized Gain/Loss on Investment</b>								
<b>Ending Fund Balance (Accrued Basis)</b>			<b>\$5,698,711</b>	<b>\$5,835,038</b>	<b>(\$136,327)</b>	<b>-2%</b>		
<b>Revenues Outside of Operating Funds:</b>								
Federal Grants			\$0	\$0	\$0	0%		
<b>Total WVCHIP Revenues</b>			<b>\$2,700,356</b>	<b>\$3,373,526</b>	<b>(\$673,169)</b>	<b>-20%</b>		
<b>Program Expenses outside of Operating Funds:</b>								
Eligibility	\$500,000	\$41,667	\$0	\$0	\$0	0%	(\$41,667)	-100%
<b>Total Administrative Expenses</b>	<b>\$4,655,458</b>	<b>\$387,955</b>	<b>\$180,532</b>	<b>\$387,032</b>	<b>(\$206,500)</b>	<b>-53%</b>	<b>(\$207,422)</b>	<b>-53%</b>
<b>Total WVCHIP Expenditures</b>	<b>\$65,385,956</b>	<b>\$5,448,830</b>	<b>\$4,584,712</b>	<b>\$5,015,056</b>	<b>(\$430,344)</b>	<b>-9%</b>	<b>(\$864,118)</b>	<b>-16%</b>

**Footnotes:**

- Statement is on cash basis.
- Estimate of Incurred but Not Reported (IBNR) claims on July 31, 2021 is \$670,000. The July 31, 2020 estimate was \$3,650,000.
- Administrative Accounts Payable balance on July 31, 2021 was \$200,500. The July 31, 2020 balance was \$133,600.
- 2022 and 2021 adjustments to fund balance represent timing issues between the payment of expense and the draw-down of federal revenues.
- Revenues are primarily federal funds. WVCHIP's Federal Matching Assistance Percentage (FMAP) during SFY22 was 85.0% starting 10/01/20.
- Other Collections are primarily provider refunds and subrogation (amounts received from other insurers responsible for bills WVCHIP paid - primarily auto).
- Physician & Surgical services include physicians, clinics, lab, Federally Qualified Health Centers (FQHC), and vaccine payments.
- Other Services include home health, chiropractors, psychologists, podiatrists, and nurse practitioners.
- Eligibility costs outside the fund represent the costs allocated to the WVCHIP for eligibility and enrollment processing (RAPIDS/WVPATH). Operating fund costs represent those directly billed to WVCHIP.

**Unaudited - For Management Purposes Only**  
**PRELIMINARY STATEMENT**

# WVCHIP Enrollment Report

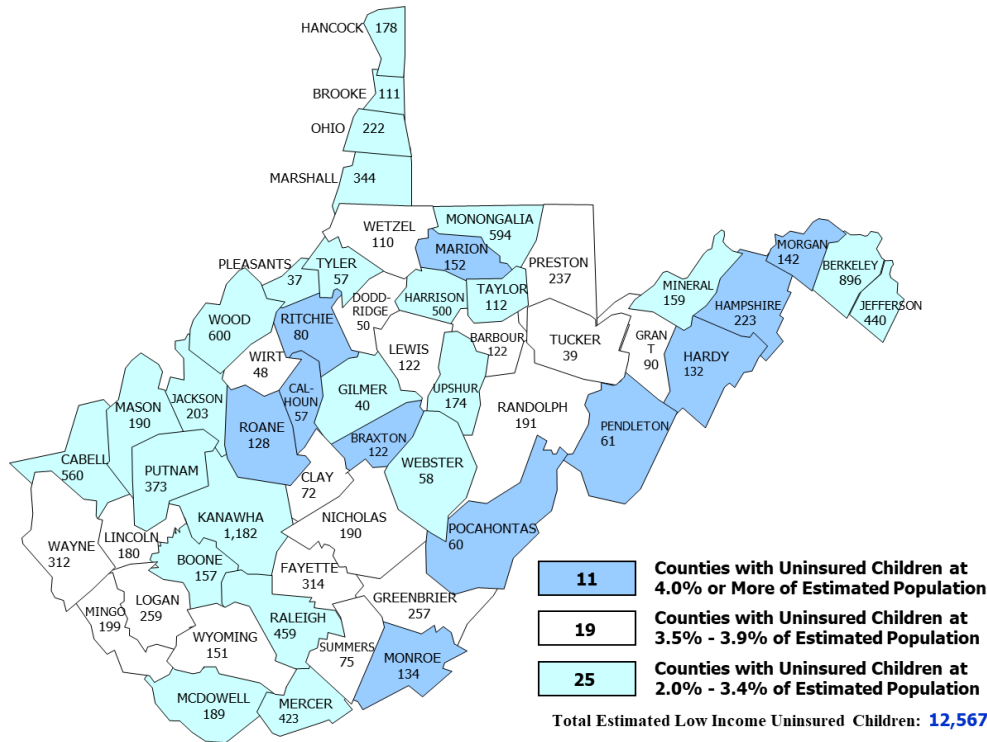
AUGUST 2021

County	County Pop.	MATERNITY					Total CHIP	Total Medicaid	Total	CHIP/Medicaid	2018	2018
	2018 Est. (0-18 Yrs)	BLUE Aug-21	GOLD Aug-21	PREM Aug-21	BLUE Aug-21	PREM Aug-21	Enrollment Aug-21	Enrollment Aug-21	CHIP/Medicaid Enrollment	% of Population	SAHIE Uninsured Est.	SAHIE % Uninsured
Barbour	3,332	109	24	83	2	0	218	2,016	2,234	67.0%	122	3.7%
Berkeley	27,917	978	257	555	6	14	1,810	13,640	15,450	55.3%	896	3.2%
Boone	4,775	115	35	38	0	0	188	3,156	3,344	70.0%	157	3.3%
Braxton	2,784	72	15	33	1	1	122	1,630	1,752	62.9%	122	4.4%
Brooke	4,065	0	0	0	0	0	0	67	67	1.6%	111	2.7%
Cabell	18,770	451	142	218	4	3	818	10,402	11,220	59.8%	560	3.0%
Calhoun	1,393	45	16	16	0	0	77	953	1,030	73.9%	57	4.1%
Clay	1,961	44	11	42	0	2	99	1,469	1,568	80.0%	72	3.7%
Doddridge	1,308	42	16	20	0	0	78	759	837	64.0%	50	3.8%
Fayette	9,011	273	67	178	2	4	524	5,601	6,125	68.0%	314	3.5%
Gilmer	1,184	40	3	19	0	0	62	696	758	64.0%	40	3.4%
Grant	2,331	44	12	39	1	0	96	1,393	1,489	63.9%	90	3.9%
Greenbrier	6,860	268	66	160	3	2	499	4,105	4,604	67.1%	257	3.7%
Hampshire	4,388	130	38	82	1	6	257	2,568	2,825	64.4%	223	5.1%
Hancock	5,674	239	75	142	4	2	462	4,414	4,876	85.9%	178	3.1%
Hardy	2,862	118	15	46	0	0	179	1,667	1,846	64.5%	132	4.6%
Harrison	14,835	419	126	266	3	5	819	7,296	8,115	54.7%	500	3.4%
Jackson	6,264	149	40	93	0	1	283	3,403	3,686	58.8%	203	3.2%
Jefferson	13,200	360	67	200	2	2	631	4,173	4,804	36.4%	440	3.3%
Kanawha	36,965	1,017	221	620	14	17	1,889	21,542	23,431	63.4%	1182	3.2%
Lewis	3,480	89	31	57	2	3	182	2,222	2,404	69.1%	122	3.5%
Lincoln	4,638	106	30	66	0	0	202	3,188	3,390	73.1%	180	3.9%
Logan	6,835	166	51	101	2	2	322	4,803	5,125	75.0%	259	3.8%
Marion	3,764	327	80	195	3	2	607	5,882	6,489	172.4%	152	4.0%
Marshall	11,544	141	29	72	0	2	244	2,890	3,134	27.1%	344	3.0%
Mason	6,140	120	46	73	0	1	240	3,081	3,321	54.1%	190	3.1%
Mercer	12,368	439	97	238	0	5	779	8,788	9,567	77.4%	423	3.4%
Mineral	5,476	143	49	80	1	0	273	2,517	2,790	50.9%	159	2.9%
Mingo	5,369	80	64	64	0	2	210	4,239	4,449	82.9%	199	3.7%
Monongalia	17,965	465	105	234	3	1	808	6,338	7,146	39.8%	594	3.3%
Monroe	2,687	88	30	90	0	0	208	1,298	1,506	56.0%	134	5.0%
Morgan	3,320	129	24	61	0	1	215	1,592	1,807	54.4%	142	4.3%
McDowell	5,708	84	26	36	0	0	146	3,102	3,248	56.9%	189	3.3%
Nicholas	5,199	159	64	101	2	2	328	3,190	3,518	67.7%	190	3.7%
Ohio	8,098	247	57	114	3	0	421	4,367	4,788	59.1%	222	2.7%
Pendleton	1,304	43	15	24	0	0	82	635	717	55.0%	61	4.7%
Pleasants	1,457	23	13	11	0	0	47	756	803	55.1%	37	2.5%
Pocahontas	1,495	39	22	33	0	1	95	900	995	66.6%	60	4.0%
Preston	6,586	241	56	144	0	3	444	3,199	3,643	55.3%	237	3.6%
Putnam	13,145	333	74	200	0	2	609	4,725	5,334	40.6%	373	2.8%
Raleigh	15,751	458	108	309	3	5	883	10,055	10,938	69.4%	459	2.9%
Randolph	5,474	213	49	118	3	2	385	3,342	3,727	68.1%	191	3.5%
Ritchie	1,972	35	2	22	0	0	59	1,204	1,263	64.0%	80	4.1%
Roane	2,970	103	38	87	0	1	229	1,890	2,119	71.3%	128	4.3%
Summers	2,160	75	19	34	0	0	128	1,632	1,760	81.5%	75	3.5%
Taylor	3,493	88	25	61	1	0	175	1,784	1,959	56.1%	112	3.2%
Tucker	1,063	50	16	39	0	0	105	586	691	65.0%	39	3.7%
Tyler	1,792	42	10	18	0	0	70	889	959	53.5%	57	3.2%
Upshur	5,076	167	34	117	0	3	321	3,133	3,454	68.0%	174	3.4%
Wayne	8,373	202	70	111	2	1	386	5,108	5,494	65.6%	312	3.7%
Webster	1,690	54	12	29	0	0	95	1,334	1,429	84.6%	58	3.4%

# WVCHIP Enrollment Report

## AUGUST 2021

County	County Pop.	MATERNITY					Total CHIP	Total Medicaid	Total	CHIP/Medicaid	2018	2018
	2018 Est. (0-18 Yrs)	BLUE Aug-21	GOLD Aug-21	PREM Aug-21	BLUE Aug-21	PREM Aug-21	Enrollment Aug-21	Enrollment Aug-21	CHIP/Medicaid Enrollment	% of Population	SAHIE Uninsured Est.	SAHIE % Uninsured
Wetzel	3,126	62	15	28	0	1	106	1,999	2,105	67.3%	110	3.5%
Wirt	1,269	23	4	18	0	1	46	775	821	64.7%	48	3.8%
Wood	18,016	500	103	242	1	7	853	9,742	10,595	58.8%	600	3.3%
Wyoming	4,317	114	49	95	4	4	266	2,906	3,172	73.5%	151	3.5%
<b>Totals</b>	<b>372,999</b>	<b>10,561</b>	<b>2,763</b>	<b>6,172</b>	<b>73</b>	<b>111</b>	<b>19,680</b>	<b>205,041</b>	<b>224,721</b>	<b>60.2%</b>	<b>12,567</b>	<b>3.4%</b>



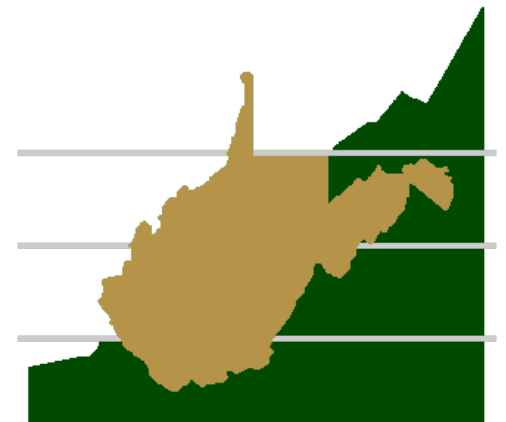
The above map shows the most recent 2018 county level data provided by the U.S. Census Bureau Small Area Health Insurance Estimates (SAHIE) for children under 19 years. While the statewide average for children under 19 is now about 3.4%, the SAHIE data reflects more accurately the variation from county to county depending on the availability of employer-sponsored insurance and should be a more accurate way to target outreach than in previous years.

# WEST VIRGINIA INVESTMENT MANAGEMENT BOARD

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Participant Plan Performance Report

July 31, 2021



# Participant Plans Allocation & Performance Net of Fees

Period Ending: July 31, 2021

	6/30/2021		7/31/2021		Performance %							
	Asset (\$000)	%	Asset (\$000)	%	1 Month	3 Month	FYTD	1 Year	3 Year	5 Year	10 Year	20 Year
<b>WVIMB Fund Assets</b>	<b>25,345,298</b>	<b>100.0</b>	<b>25,295,912</b>	<b>100.0</b>								
<b>Pension Assets</b>	<b>20,619,195</b>	<b>81.3</b>	<b>20,564,321</b>	<b>81.2</b>								
Public Employees' Retirement System	8,807,095	34.7	8,776,777	34.7	0.0	5.4	0.0	28.1	12.5	12.3	9.9	8.1
Teachers' Retirement System	9,886,658	39.0	9,867,408	39.0	0.0	5.4	0.0	28.1	12.5	12.2	9.8	7.9
EMS Retirement System	118,769	0.5	118,772	0.5	0.0	5.4	0.0	28.1	12.5	12.3	9.9	
Public Safety Retirement System	851,520	3.4	847,172	3.3	0.0	5.4	0.0	28.2	12.5	12.3	9.9	8.1
Judges' Retirement System	280,670	1.1	280,249	1.1	0.0	5.4	0.0	28.2	12.5	12.3	9.9	8.1
State Police Retirement System	301,156	1.2	301,165	1.2	0.0	5.4	0.0	28.1	12.5	12.3	9.9	8.0
Deputy Sheriffs' Retirement System	314,633	1.2	314,083	1.2	0.0	5.4	0.0	28.1	12.5	12.3	9.9	8.1
Municipal Police & Firefighter Retirement System	23,816	0.1	23,818	0.1	0.0	5.3	0.0	27.7	12.5	12.1	9.9	
Natural Resources Police Office Retirement System	25,063	0.1	25,064	0.1	0.0	5.3	0.0					
Municipal Model A (I)	7,477	0.0	7,456	0.0	0.0	5.4	0.0	28.2	12.8	12.4		
Municipal Model B (I)	2,338	0.0	2,357	0.0	0.2	2.1	0.2	20.1				
<b>Insurance Assets</b>	<b>3,524,704</b>	<b>14.0</b>	<b>3,519,656</b>	<b>14.1</b>								
Workers' Compensation Old Fund	1,086,608	4.3	1,080,974	4.3	0.3	1.9	0.3	14.6	8.5	7.5	5.9	
Workers' Comp. Self-Insured Guaranty Risk Pool	39,772	0.2	39,832	0.2	0.3	1.8	0.3	15.3	8.5	7.6	6.0	
Workers' Comp. Self-Insured Security Risk Pool	56,201	0.2	56,075	0.2	0.3	1.8	0.3	15.3	8.4	7.6		
Workers' Comp. Uninsured Employers' Fund	16,909	0.1	16,965	0.1	0.3	1.8	0.3	15.2	8.2	7.5	5.9	
Pneumoconiosis	247,663	1.0	246,661	1.0	0.3	1.8	0.3	15.4	8.4	7.6	6.0	5.9
Board of Risk & Insurance Management	194,839	0.8	195,353	0.8	0.3	1.8	0.3	15.3	8.5	7.7	6.0	
Public Employees' Insurance Agency	270,948	1.1	272,163	1.1	0.4	2.0	0.4	14.0	8.2	7.3	6.0	
WV Retiree Health Benefit Trust Fund	1,611,764	6.3	1,611,633	6.4	0.0	5.4	0.0	28.2	12.5	12.3	9.8	
<b>Endowment Assets</b>	<b>1,201,399</b>	<b>4.7</b>	<b>1,211,935</b>	<b>4.7</b>								
Berkeley County Development Authority	8,428	0.0	8,427	0.0	0.0	5.4	0.0	28.2	12.5	12.3		
Wildlife Fund	78,281	0.3	78,281	0.3	0.0	5.4	0.0	28.1	12.5	12.3	9.9	8.3
WV State Parks and Recreation Endowment Fund	6,465	0.0	6,843	0.0	0.0		0.0					
Revenue Shortfall Reserve Fund	293,538	1.2	298,516	1.2	1.7	2.9	1.7	4.0	5.3	3.6	3.2	
Revenue Shortfall Reserve Fund - Part B	557,458	2.2	562,653	2.2	0.9	2.6	0.9	11.0	8.4	7.1	5.8	
WV DEP Trust	11,837	0.0	11,809	0.0	(0.2)	1.9	(0.2)	26.4	10.8	11.0	8.8	
WV DEP Agency	245,392	1.0	245,406	1.0	0.0	1.7	0.0	18.3	9.2	8.7		



Composite Asset Allocation & Performance Net of Fees

Period Ending: July 31, 2021

	Asset (\$000)	%	Performance %								
			1 Month	3 Month	FYTD	1 Year	3 Year	5 Year	10 Year	20 Year	
Investment Pools Composite	25,307,386	100.00									
Portable Alpha Composite	5,234,382	20.68	2.70	6.20	2.70	39.04					
+/- S&P 500 Index			0.32	0.70	0.32	2.60					
Large Cap Domestic Equity Composite	375,923	1.49	2.38	5.48	2.38	36.38	17.92	17.08	15.29	8.71	
+/- S&P 500 Index			0.00	(0.02)	0.00	(0.06)	(0.24)	(0.27)	(0.06)	(0.08)	
Non-Large Cap Domestic Equity Composite	889,198	3.51	(4.06)	(4.42)	(4.06)	41.34	10.81	14.14	12.22	10.13	
+/- Russell 2500 Index			(2.31)	(4.04)	(2.31)	(7.75)	(3.02)	(0.62)	(0.88)	(0.07)	
International Equity Composite	5,406,111	21.36	(2.17)	0.68	(2.17)	33.03	8.91	10.87	7.12	8.02	
+/- MSCI AC World ex US IMI Index (b)			(0.90)	(0.47)	(0.90)	2.98	0.25	0.55	1.01	0.96	
Fixed Income Composite	4,509,067	17.82	0.74	1.89	0.74	3.21	6.40	4.71	4.28	5.23	
+/- Bloomberg Capital Universal (c)			(0.26)	(0.24)	(0.26)	2.84	0.48	1.20	0.59	0.50	
Core Fixed Income Composite	1,359,545	5.37	1.06	2.24	1.06	0.78	6.54	3.72	3.92		
+/- Bloomberg Capital Aggregate			(0.06)	0.08	(0.06)	1.48	0.81	0.59	0.57		
Total Return Fixed Income Composite (j)	3,149,522	12.45	0.61	1.74	0.61	4.26	6.31	5.13	4.43	5.64	
+/- Bloomberg Capital Universal			(0.39)	(0.39)	(0.39)	3.89	0.39	1.62	0.74	0.83	
TIPS Composite	491,740	1.94	2.67	4.57	2.67	6.96	7.75	4.62	3.30		
+/- Bloomberg Capital U.S. TIPS			0.00	0.03	0.00	0.06	0.10	0.08	0.02		
Cash Composite	171,599	0.68	0.01	0.00	0.01	0.03	1.14	1.07	0.61	1.40	
+/- FTSE 3 Month US T-Bill (d)			0.01	(0.01)	0.01	(0.04)	(0.11)	(0.07)	(0.03)	(0.04)	
Private Equity Composite	2,992,826	11.83	(0.01)	26.72	(0.01)	58.89	30.92	26.55	19.12		
+/- Russell 3000 + 3% (e, f)			(1.95)	21.30	(1.95)	17.17	9.82	6.19	0.50		
Real Estate Composite	2,216,686	8.76	0.25	5.12	0.25	11.19	6.30	7.26	8.59		
+/- NCREIF + 1% (e)			(1.02)	2.53	(1.02)	6.01	0.20	0.34	(1.22)		
Hedge Fund Composite	2,296,261	9.07	(0.92)	(0.12)	(0.92)	15.80	6.43	6.07	5.06		
+/- HFRI FOF + 1% (g)			(0.29)	(0.36)	(0.29)	(0.06)	(0.56)	(0.59)	0.27		
Private Credit & Income Composite	723,593	2.86	(0.02)	5.61	(0.02)	12.54	7.11	6.23			
+/- CS Leveraged Loan + 2% (e, k)			(0.18)	4.19	(0.18)	0.94	1.04	(0.58)			

# Participant Plans Allocation vs. Strategy

Period Ending: July 31, 2021

	Equity		Fixed Income		Private Equity		Real Estate		Private Credit & Income		Hedge Funds		Cash	
	Actual %	Strategy %	Actual %	Strategy %	Actual %	Strategy %	Actual %	Strategy %	Actual %	Strategy %	Actual %	Strategy %	Actual %	Strategy %

## Pension Assets

Public Employees' Retirement System	50.0	50.0	14.5	15.0	13.5	10.0	10.0	10.0	3.3	5.0	8.7	10.0	0.0	0.0
Teachers' Retirement System	49.6	50.0	14.3	15.0	13.4	10.0	9.9	10.0	3.2	5.0	8.7	10.0	0.9	0.0
EMS Retirement System	50.1	50.0	14.6	15.0	13.4	10.0	9.9	10.0	3.2	5.0	8.6	10.0	0.2	0.0
Public Safety Retirement System	48.8	50.0	13.9	15.0	13.4	10.0	9.9	10.0	3.2	5.0	8.7	10.0	2.1	0.0
Judges' Retirement System	50.3	50.0	14.5	15.0	13.4	10.0	9.9	10.0	3.2	5.0	8.7	10.0	0.0	0.0
State Police Retirement System	50.1	50.0	14.7	15.0	13.3	10.0	9.8	10.0	3.2	5.0	8.7	10.0	0.2	0.0
Deputy Sheriffs' Retirement System	50.3	50.0	14.6	15.0	13.3	10.0	9.9	10.0	3.2	5.0	8.6	10.0	0.1	0.0
Municipal Police & Firefighter Retirement System	49.8	50.0	14.5	15.0	13.1	10.0	9.7	10.0	3.2	5.0	8.6	10.0	1.1	0.0
Natural Resources Police Office Retirement System	50.1	50.0	14.4	15.0	13.2	10.0	9.8	10.0	3.2	5.0	8.6	10.0	0.7	0.0
Municipal Model A	50.0	50.0	13.8	15.0	13.5	10.0	10.0	10.0	3.3	5.0	8.7	10.0	0.7	0.0
Municipal Model B	54.6	55.0	42.9	45.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.5	0.0

## Insurance Assets

Workers' Compensation Old Fund	30.4	30.0	50.8	50.0	0.0	0.0	0.0	0.0	0.0	0.0	14.6	15.0	4.2	5.0
Workers' Comp. Self-Insured Guaranty Risk Pool	30.6	30.0	45.7	45.0	0.0	0.0	0.0	0.0	0.0	0.0	18.9	20.0	4.8	5.0
Workers' Comp. Self-Insured Security Risk Pool	30.6	30.0	45.7	45.0	0.0	0.0	0.0	0.0	0.0	0.0	19.2	20.0	4.5	5.0
Workers' Comp. Uninsured Employers Fund	30.6	30.0	45.9	45.0	0.0	0.0	0.0	0.0	0.0	0.0	18.5	20.0	5.0	5.0
Pneumoconiosis	30.3	30.0	45.9	45.0	0.0	0.0	0.0	0.0	0.0	0.0	19.5	20.0	4.3	5.0
Board of Risk & Insurance Mgmt.	30.7	30.0	45.7	45.0	0.0	0.0	0.0	0.0	0.0	0.0	18.6	20.0	5.0	5.0
Public Employees' Insurance Agency	25.6	25.0	55.7	55.0	0.0	0.0	0.0	0.0	0.0	0.0	18.7	20.0	0.0	0.0
WV Retiree Health Benefit Trust Fund	50.2	50.0	14.7	15.0	13.4	10.0	9.9	10.0	3.2	5.0	8.6	10.0	0.0	0.0

## Endowment Assets

Berkeley County Development Authority	50.2	50.0	14.7	15.0	13.4	10.0	9.9	10.0	3.2	5.0	8.6	10.0	0.0	0.0
Wildlife Fund	49.5	50.0	14.6	15.0	13.4	10.0	9.9	10.0	3.2	5.0	8.6	10.0	0.8	0.0
WV State Parks and Recreation Endowment Fund	47.2	50.0	14.3	15.0	11.9	10.0	8.8	10.0	2.9	5.0	9.4	10.0	5.5	0.0
Revenue Shortfall Reserve Fund	0.0	0.0	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue Shortfall Reserve Fund - Part B	22.6	22.5	77.4	77.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
WV DEP Trust	66.4	65.0	15.4	15.0	0.0	0.0	0.0	0.0	0.0	0.0	18.2	20.0	0.0	0.0
WV DEP Agency	40.8	40.0	40.7	40.0	0.0	0.0	0.0	0.0	0.0	0.0	18.5	20.0	0.0	0.0

- (a) As of January 2019, the PERS Base is 60% MSCI ACWI Gross and 40% Bloomberg Capital Universal. From January 2014 to December 2018, the PERS Base was 30% Russell 3000, 30% MSCI ACWI ex USA (IMI), and 40% Bloomberg Capital Universal. From April 2008 to December 2013, the PERS Base was 30% Russell 3000, 30% MSCI ACWI ex USA (Standard), and 40% Bloomberg Capital Universal. Prior periods were 42% Russell 3000, 18% MSCI ACWI ex USA, and 40% Bloomberg Capital Aggregate.
- (b) Prior to January 2014, the index was the MSCI ACW ex USA (Standard).
- (c) Prior to April 2008, the index was Bloomberg Capital Aggregate.
- (d) Prior to January 2014, the index was FTSE 3 Month US T-Bill plus 15 basis points.
- (e) Private Equity, Real Estate, and Private Credit & Income consist primarily of private market investments. The time lag in determining the fair value of these investments makes the comparison to their public market benchmarks less meaningful over shorter time periods.
- (f) Prior to January 2014, the index was S&P 500 plus 500 basis points.
- (g) Prior to January 2014, the index was Libor plus 400 basis points.
- (h) As of July 2019, the Franklin Benchmark is 50% JPM EMBI Global Diversified ex GCC and 50% JPM GBIEM Diversified. Prior periods were 50% JPM EMBI Global Diversified and 50% JPM GBIEM Diversified.
- (i) Prior to April 2008, the index was a custom index.
- (j) From October 2015 to March 2017, performance returns from the Opportunistic Income Pool were included in the Total Return Fixed Income Composite.
- (k) Prior to April 2017, the index was CS Leveraged Loan plus 250 basis points.
- (l) In July 2020 the municipal plan potential investment models were condensed to Model A and Model B. The June 30, 2020 asset values for Model C and Model D are included in Model A. Model B was formerly Model F.
- (m) Prior to January 2021, the index was S&P 500 Index 2.5x minus 3 Month Libor minus 15 basis points.

Note: Participant returns are net of fees. Portfolio returns are net of management fees. Returns shorter than one year are unannualized.

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

*Allan L. McVey*  
*Insurance Commissioner*

**Status Report:**  
**Workers' Compensation**

*Joint Committee on Government & Finance*

*September 2021*

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## Introduction

The passage of S.B. 1004 in January 2005 brought significant changes to workers' compensation insurance in West Virginia. The State-administered monopolistic system effectively ended when a new, legislatively-created domestic mutual insurance company, "BrickStreet"<sup>1</sup>, was formed to thereafter issue workers' compensation insurance. BrickStreet began writing new workers' compensation insurance policies in January 2006 (Brickstreet also retained the workers' compensation insurance premium and incurred liability starting in July 2005). The West Virginia workers' compensation insurance market was further privatized and opened to full competition beginning in July 2008.

When Brickstreet was formed to begin to privatize the workers' compensation insurance market in West Virginia, a large legacy liability existed stemming from the historical operation of the State-administered monopolistic fund. This legacy liability was retained by the State of West Virginia in what is known as the "Old Fund." The Old Fund consists of all historical claims with dates of injuries or last exposure through June 30, 2005. In addition to the following sections that specifically reference other "funds," the "private market," or the "self-insured" community (which began in July 2004), this report to the Joint Committee on Government & Finance concerns the workers' compensation legacy liability of the State of West Virginia, i.e., the Old Fund.

As of January 2008, there were 47,961 active Old Fund workers' compensation insurance claims. In December 2020, the number of active claims fell to less than 10,000 for the first time and, as of August 2021, there were 8,872 active claims. The first Workers' Compensation Status Report to the Joint Committee on Government and Finance was issued in June 2008. The following pages update the status of the various workers' compensation funds and the activities associated with the administration of the workers' compensation responsibilities transitioned to the Insurance Commissioner by the Legislature.

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<sup>1</sup> As a result of their merger, Motorists Insurance Group and BrickStreet Mutual Insurance Co. are now the **Encova Mutual Insurance Group**.

## Definitions:

**Appeal (BOR):** A formal procedure conducted by the Board of Review at which a decision of an administrative law judge (OOJ) having presided over a matter of workers' compensation (Old Fund or Privately Insured) is to be afforded additional consideration. An appeal may be filed by any aggrieved party, such as a claimant, employer, dependent of a claimant, private insurance carrier, etc.

**Board of Review:** (BOR) A three judge panel that serves as an intermediate appellate tribunal in workers' compensation litigation. Specifically, the Board of Review reviews all appeals taken from any final decision of the Office of Judges. The BOR may reverse, vacate, modify, or remand a decision of the Office of Judges. Any appeal taken from a Board of Review final order must be filed with the West Virginia Supreme Court of Appeals.

**Claim Reserve:** individual claim level cost estimate that is projected on the ultimate probable exposure; must be the best projection based on the facts and findings of the claim. This function is to capture the key components that impact the range of any impending cost in workers' compensation claims. No discounting is applied. The Indemnity Reserve is adjusted to cover the cost of loss or exposure both on a temporary and permanent basis. The reserve should also be adjusted to include the projected cost of any death and/or dependent benefits when appropriate. The Medical Reserve covers medical cost, hospital stays, specialized treatment, rehabilitation, durable medical equipment, and medications, etc. The Expense Reserve is placed for the cost of legal defense and investigations, etc. The reserves may be reduced based on the findings of early mortality factors.

**Coal Workers' Pneumoconiosis Fund (CWP):** State managed fund into which FBL premiums previously received are held, and out of which FBL benefits are paid. This fund was closed to future liabilities as of 12/31/2005. Because of the latency period between the date of last exposure and the onset of disease, new FBL claims will occur.

**Fatal:** claim under which the worker died as a result of injury or illness.

**FBL:** claim for Occupational Pneumoconiosis (Black Lung) benefits under Title IV of the federal Coal Mine Health and Safety Act of 1969, i.e. "Federal Black Lung", or FBL.

**FBL Awarded Claim:** an FBL claim that has been awarded but has not yet been accepted by the responsible operator/insurer

**FBL Claim Notice:** an FBL claim for which not initial decision has yet been made, but evidence in the claims indicates the potential for an award



**FBL Non-active Claim:** an FBL claim for which an award had been sought but was not afforded. Federal statutes permit an appeal process which lasts for 1 year, so the claim would be reopened for consideration upon appeal. Denied FBL claims are closed administratively after 6 months, as the TPA's bill for claims management services monthly on an open claims basis.

**FBL Paying Claim:** an FBL claim for which an award has been made and the responsible operator/insurer has accepted liability. Payments are being made to the claimant or dependents.

**Indemnity:** statutory wage replacement benefits awarded as a result of a worker's occupational illness or injury.

**Med Only:** claim under which only the payment of medical benefits was sought or awarded, i.e. no payment of wage replacement benefits (indemnity) is being made.

**Office of Judges:** (OOJ) An office comprised of administrative law judges who are charged with resolving protests or appeals to workers' compensation claims management decisions. The Office of Judges conducts hearings, receives, and weighs evidence and arguments, and issues written decisions on protests or appeals from initial claim management decisions. Any final decision of the Office of Judges may be appealed to the workers' compensation Board of Review. The OOJ hears protests involving Old Fund claims as well as those arising from the private market (private carrier or privately insured.)

**Old Fund:** The residual assets and liabilities of the former Worker's Compensation Fund are now reported in a fund known as the Workers' Compensation Old Fund. Disbursements from the Old Fund are related to the liabilities and appropriate administrative expenses necessary for the administration of all claims, actual and incurred but not reported, for any claims with a date of injury on or before June 30, 2005.

**OP/OD:** claim of Occupational Pneumoconiosis or Occupational Disease. An OP claim could be considered the State level equivalent of an FBL claim; however, State OP claims provide for varying percentages of impairment where the FBL applicant must prove total impairment to be eligible. (State OP claims are awarded more frequently than FBL but afford lesser benefits.) An example of an OD claim would be occupational hearing loss.

**Protest (OOJ):** An objection to a ruling of a workers' compensation claim administrator (Old Fund or Private Market) which prompts the initiation of the adjudication process at the Office of Judges.

**PPD:** (Permanent Partial Disability) paid to compensate an injured worker for permanent impairment that results from an occupational injury or disease. The American Medical Association defines permanent impairment as impairment that has become static or well stabilized with or without medical treatment and is not likely to remit despite medical treatment. It should be noted, some injuries that are total loss by severance have statutory impairment ratings that are defined per WV Code §23-4-6(f). Payment for PPD is based upon 4 weeks of compensation for each one percent of disability.

**PTD:** (Permanent Total Disability) A disability which renders a claimant unable to engage in gainful employment requiring skills or abilities which can be acquired, or which are comparable to those of any gainful employment in which the claimant previously engaged with some regularity. While the comparison of pre-injury income and post-disability income is not a factor to be considered in determining whether or not a claimant is permanently and totally disabled, the geographic availability of gainful employment should be considered. Specifically, the geographic availability of gainful employment within a 75-mile driving distance of the claimant's home, or within the distance from the claimant's home to his or her pre-injury employment, whichever is greater, is a factor to be considered in determining whether or not a claimant is PTD.

**Self-Insured:** an employer who has met certain specific guidelines, and who is then permitted to guarantee their own payment and handling of workers' compensation claims to their employees in accordance with WV statutes.

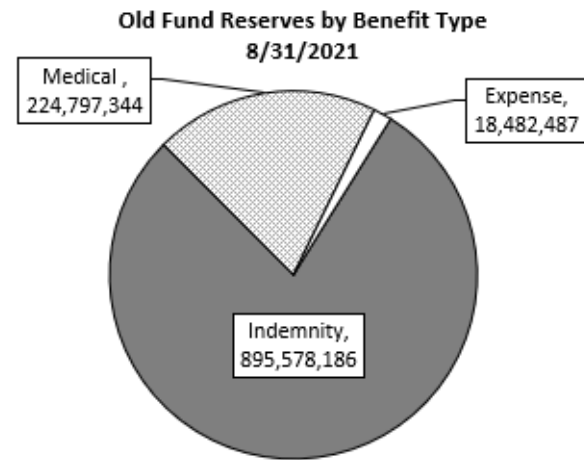
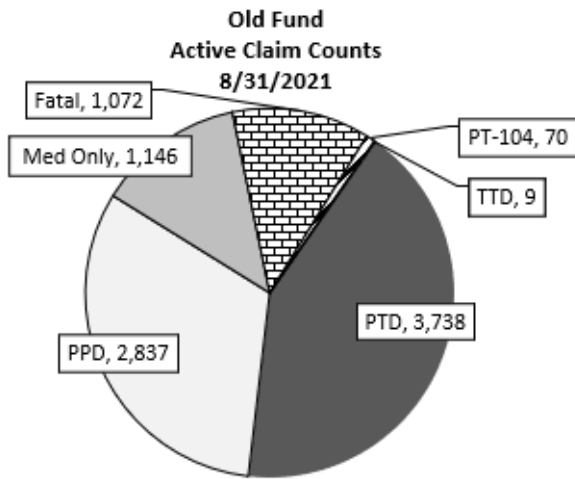
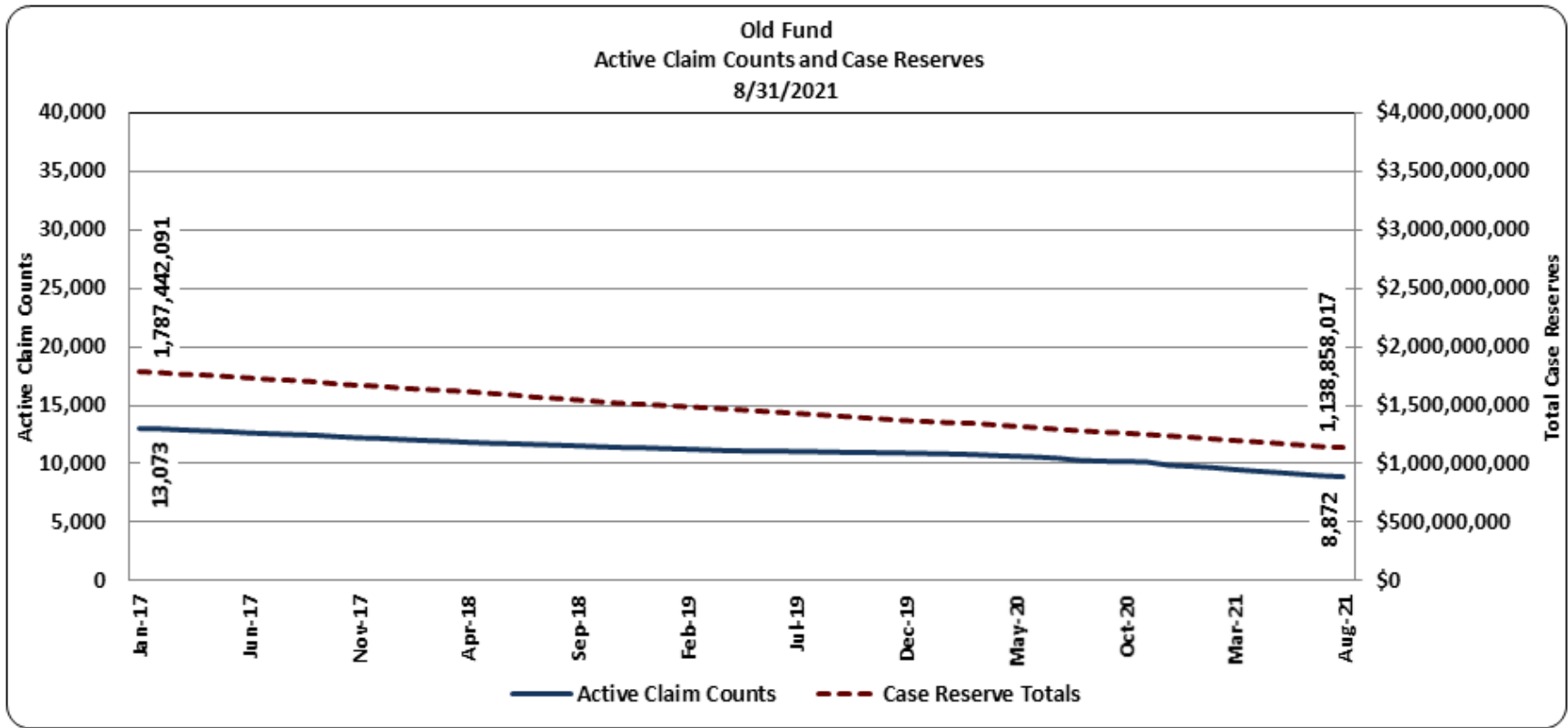
**Self-Insured Guaranty Fund:** State managed fund consisting of those funds transferred to it from the guaranty pool created pursuant to 85 CSR §19 (2004) and any future funds collected through continued administration of that exempt legislative rule as administered by the WVOIC and out of which workers' compensation benefits may be paid. Covers claims liabilities of bankrupt or defaulted self-insured employers with dates of injury or last exposure after 07/01/2004.

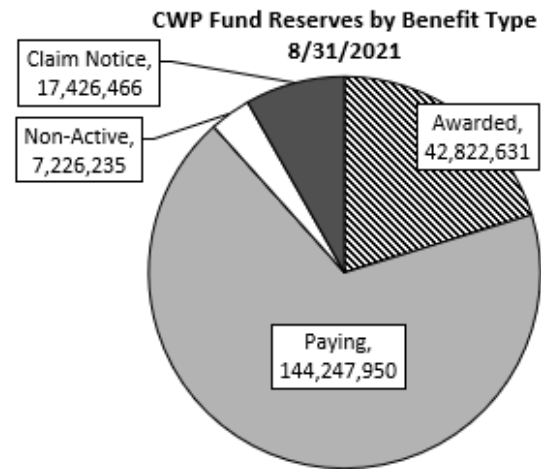
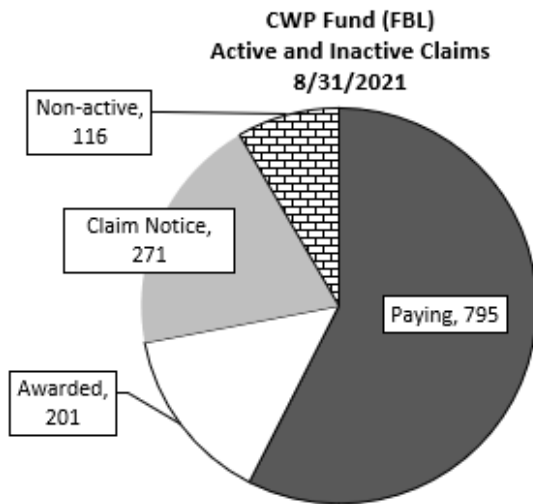
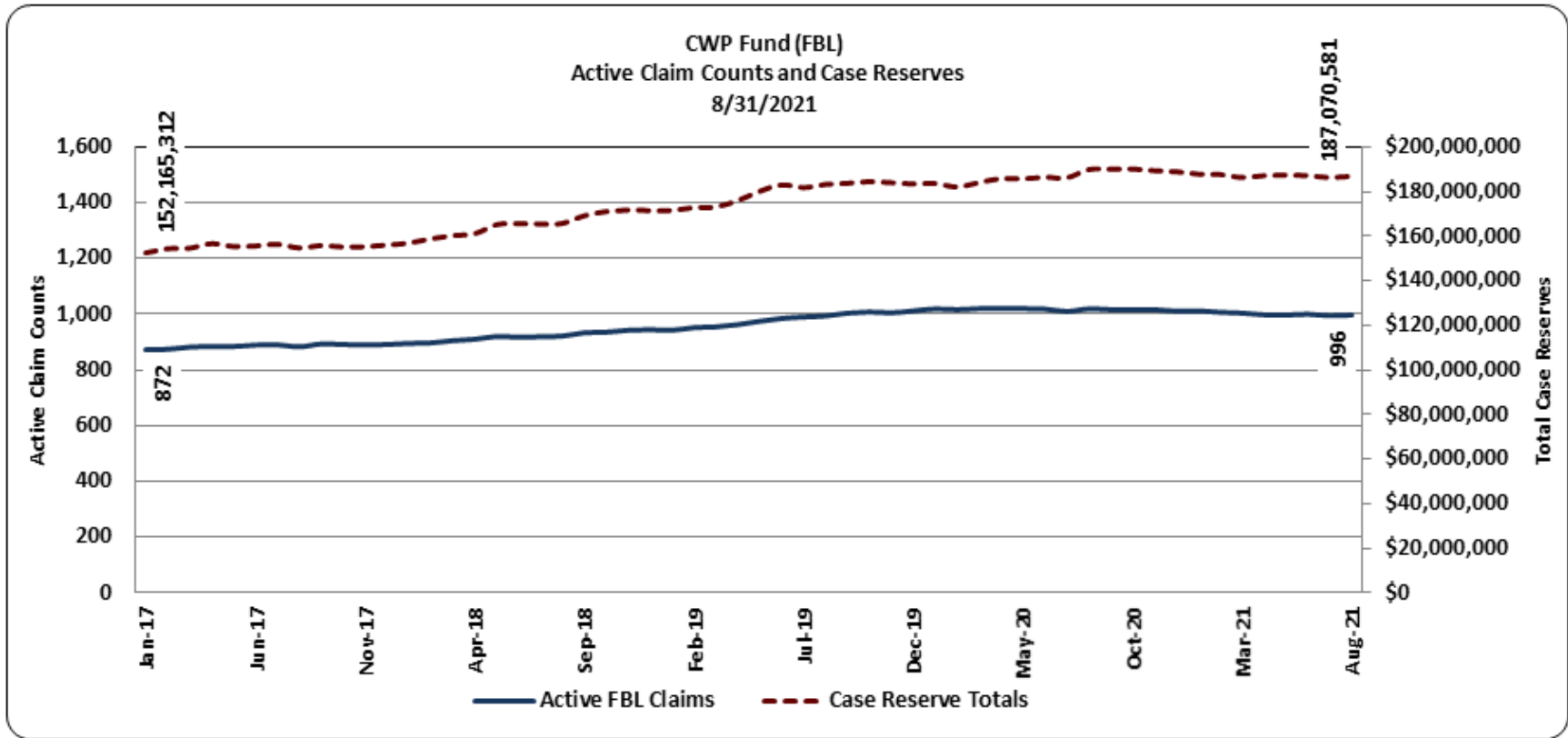
**Self-Insured Security Fund:** State managed fund consisting of those funds paid into it thru the WVOIC's administration of 85 CSR §19 (2004), and out of which workers' compensation benefits may be paid. Covers claims liabilities of bankrupt or defaulted self-insured employers with dates of injury or last exposure before 07/01/2004. This fund is limited to claimants of those self-insured employers who have defaulted on their claims obligations after 12/31/2005.

**TPD:** (Temporary Partial Disability) also referred to as TPR, is paid when an injured worker is released to return to work with restrictions or modifications that restrict, he/she from obtaining their pre-injury wages. The TPD benefit is paid at seventy percent of the difference between the average weekly wage earnings earned at the time of injury and the average weekly wage earnings earned at the new employment.

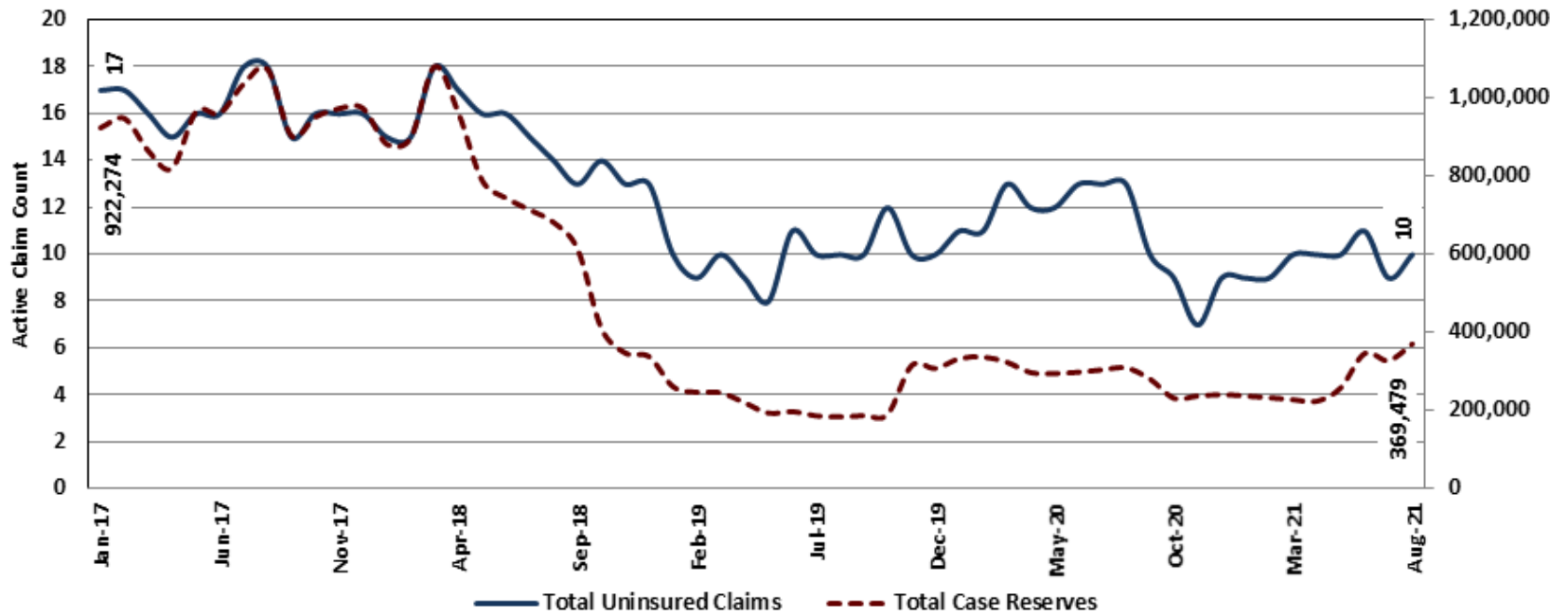
**TTD:** (Temporary Total Disability) an inability to return to substantial gainful employment requiring skills or activities comparable to those of one's previous gainful employment during the healing or recovery period after the injury. In order to receive TTD benefits, the injured worker must be certified disabled due to the compensable injury by his/her treating physician.

**Uninsured Fund:** State managed fund into which assessments to carriers or employers received are held, and out of which workers' compensation benefits may be paid to claimant employees of employers who were uninsured if the date of injury or date of last exposure is January 1, 2006 or later.

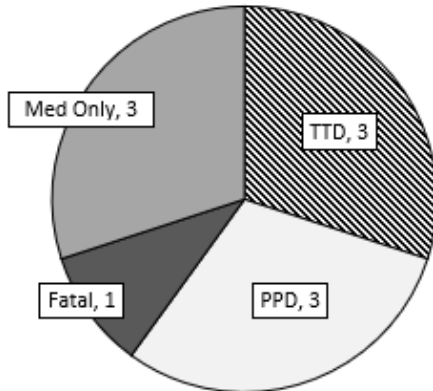




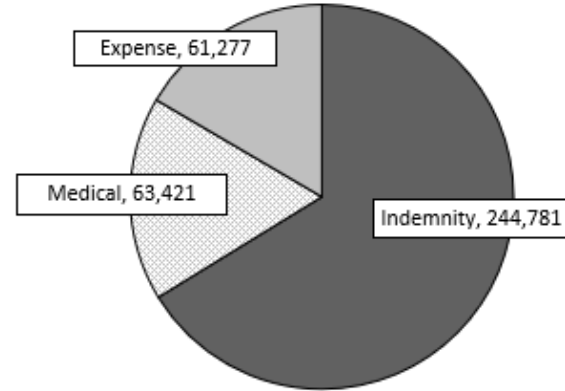
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Active Claim Counts and Case Reserves  
8/31/2021**



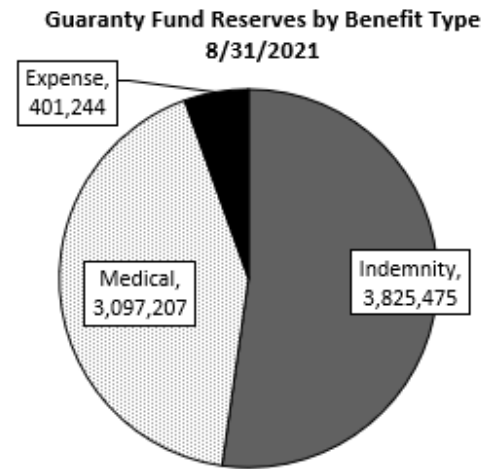
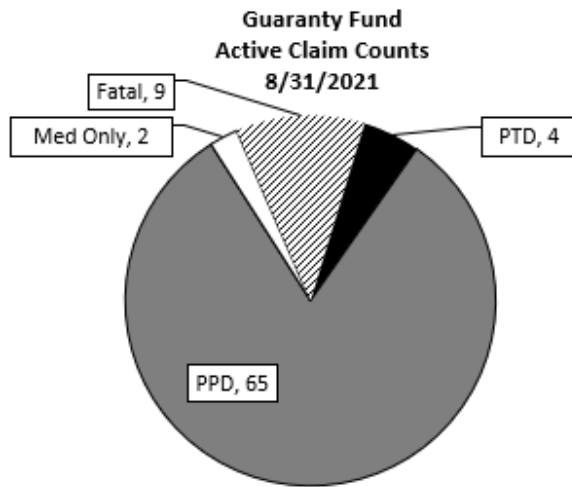
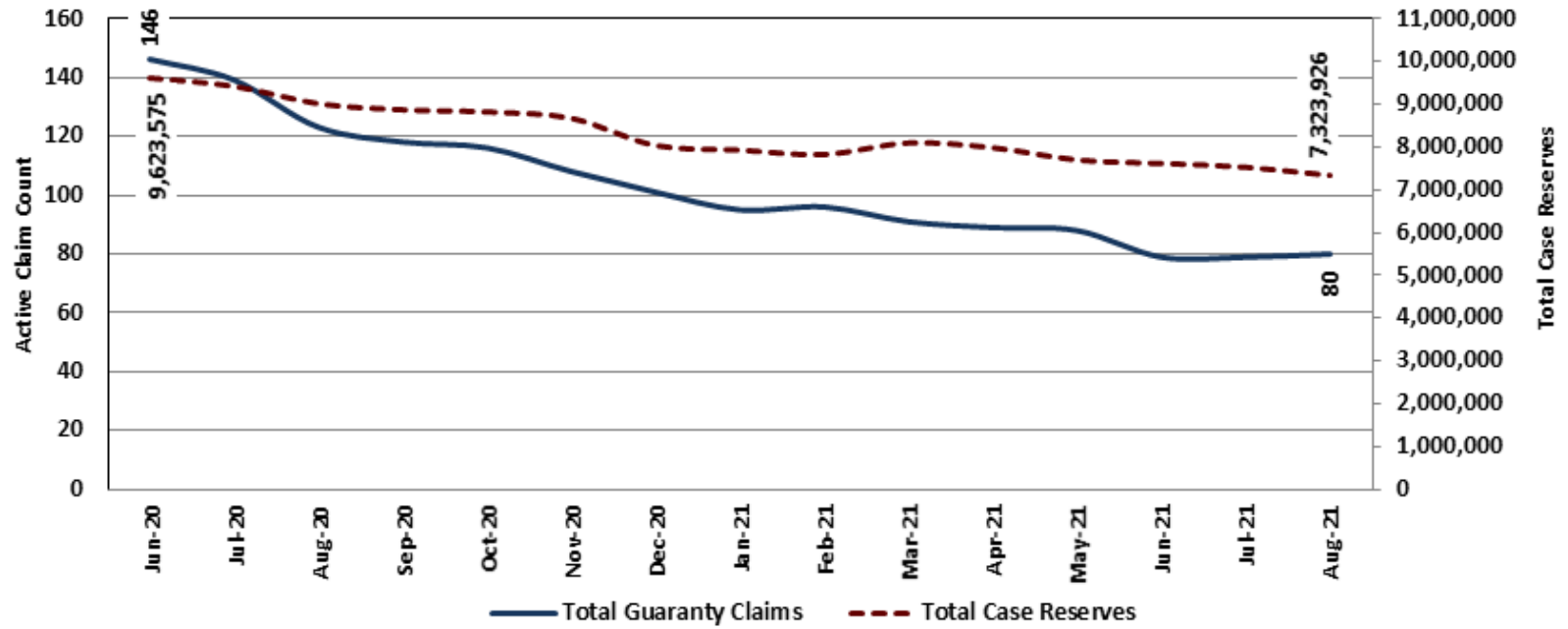
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Active Claim Counts  
8/31/2021**



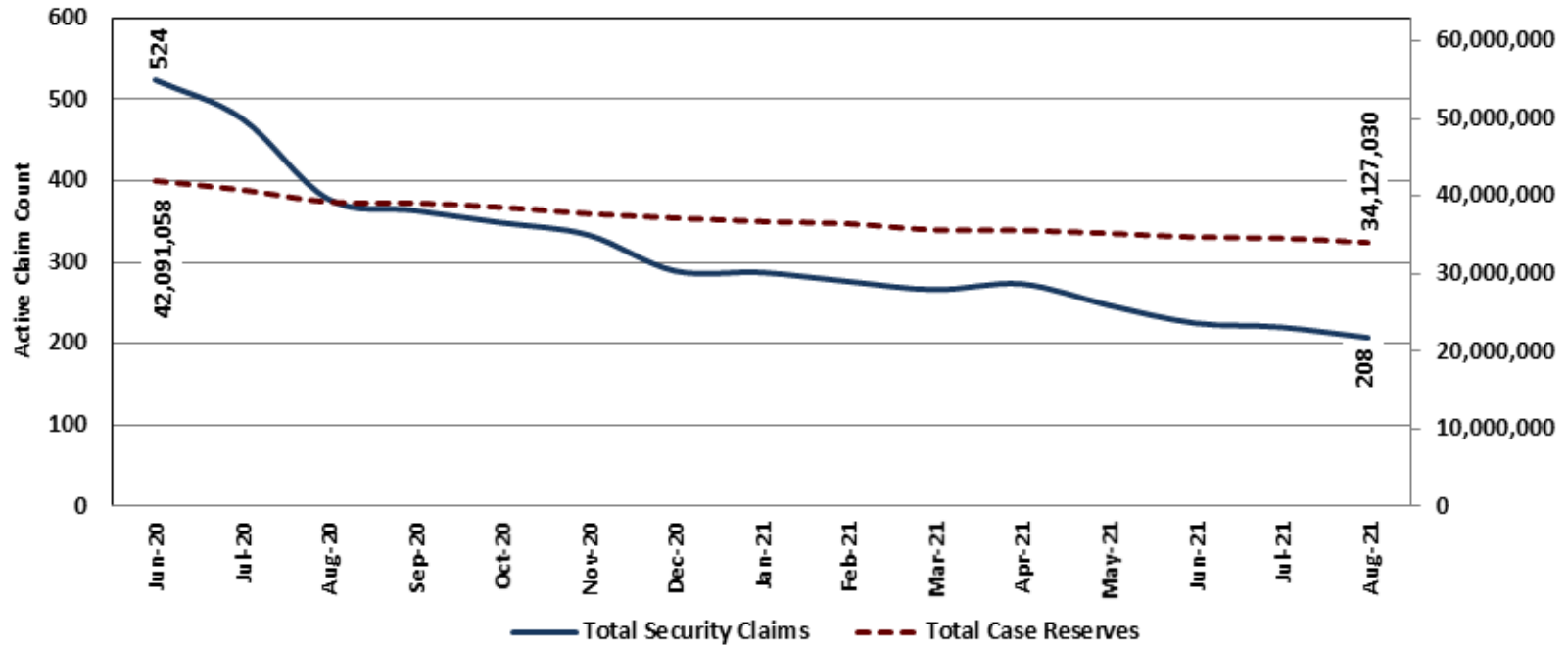
**Uninsured Fund Reserves by Benefit Type  
8/31/2021**



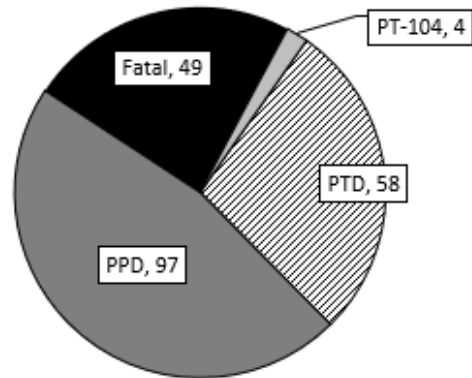
**Guaranty Fund  
Active Claim Counts and Case Reserves  
8/31/2021**



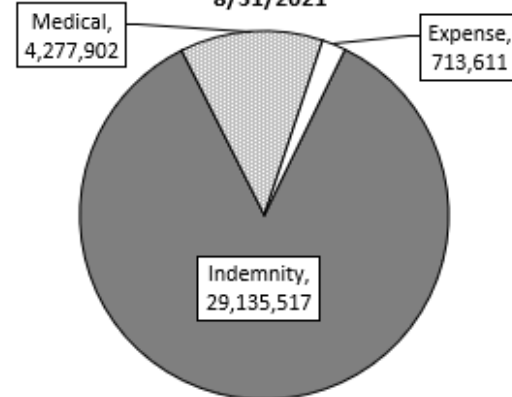
**Security Fund  
Active Claim Counts and Case Reserves  
8/31/2021**



**Security Fund  
Active Claim Counts  
8/31/2021**



**Security Fund Reserves by Benefit Type  
8/31/2021**



OLD FUND CASH STATEMENT  
AUGUST 31, 2021

	YTD FY2022	YTD FY2021	Change	Three Year History for years ended:		
				FY2021	FY2020	FY2019
<b>Cash Beginning Balances</b>	<b>1,080,592,100</b>	<b>993,229,138</b>	<b>87,362,963</b>	<b>993,229,138</b>	<b>1,077,104,966</b>	<b>1,190,163,510</b>
<b>Revenues</b>						
Personal Income Tax	-	-	-	-	-	-
Severance Tax	-	-	-	-	-	812,164
Debt Reduction Surcharge	-	-	-	-	-	4,078,894
Self-Insured Debt Reduction Surcharge	-	-	-	-	-	1,628,881
Video Lottery	-	-	-	-	-	-
Employer Premium	185,922	121,688	64,234	189,298	138,119	70,302
Other Income - Return of Unclaimed Property	(1,508)	-	(1,508)	-	-	-
<b>Operating Revenues</b>	<b>184,414</b>	<b>121,688</b>	<b>62,726</b>	<b>189,298</b>	<b>138,119</b>	<b>6,590,241</b>
Investment / Interest Earnings (Losses)	9,807,077	52,191,041	(42,383,965)	187,370,470	48,614,936	17,915,993
<b>Total Revenues</b>	<b>9,991,491</b>	<b>52,312,730</b>	<b>(42,321,239)</b>	<b>187,559,768</b>	<b>48,753,055</b>	<b>24,506,234</b>
<b>Expenditures</b>						
Claims Benefits Paid:						
Medical	2,417,793	3,103,782	(685,989)	16,509,277	21,141,087	21,861,068
Permanent Total Disability	10,971,440	12,052,046	(1,080,606)	69,561,392	75,310,561	81,018,639
Permanent Partial Disability	27,878	14,876	13,002	112,956	70,989	120,930
Temporary Disability	-	-	-	-	(486)	49,001
Fatals	2,935,633	3,112,965	(177,332)	18,386,146	19,297,908	20,440,045
104 weeks death benefit	828,648	845,236	(16,589)	6,353,928	5,474,959	4,630,636
Settlements	487,164	452,388	34,776	2,708,581	4,452,419	3,688,819
Loss Adjustment Expenses	165,386	233,736	(68,350)	1,095,241	1,603,551	1,400,225
<b>Total</b>	<b>17,833,942</b>	<b>19,815,030</b>	<b>(1,981,088)</b>	<b>114,727,520</b>	<b>127,350,987</b>	<b>133,209,364</b>
Less: Claims credits and overpayments	19,738	31,638	(11,900)	334,334	982,782	2,443,869
<b>Total Benefits Paid</b>	<b>17,814,204</b>	<b>19,783,392</b>	<b>(1,969,188)</b>	<b>114,393,187</b>	<b>126,368,205</b>	<b>130,765,495</b>
Administrative Expenses	56,131	583,538	(527,407)	5,803,619	6,260,679	6,799,283
<b>Total Expenditures</b>	<b>17,870,335</b>	<b>20,366,930</b>	<b>(2,496,595)</b>	<b>120,196,805</b>	<b>132,628,883</b>	<b>137,564,778</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>(7,878,844)</b>	<b>31,945,800</b>	<b>(39,824,644)</b>	<b>67,362,963</b>	<b>(83,875,828)</b>	<b>(113,058,544)</b>
<b>Transfer from Operating Fund</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,000,000</b>	<b>-</b>	<b>-</b>
<b>Cash Ending Balances</b>	<b>1,072,713,256</b>	<b>1,025,174,938</b>	<b>47,538,319</b>	<b>1,080,592,100</b>	<b>993,229,138</b>	<b>1,077,104,966</b>

Note: The purpose of this report is to enhance the user's ability to monitor the cash activities of the Old Fund. The Old Fund assets consist of cash and investments with the WV Investment Management Board. Investment earnings are presented in the month in which the State Treasurer records the earnings in the statewide accounting system, wvOASIS. The liabilities of the Old Fund consist of the worker's compensation claims and related expenses for all claims, actual and incurred but not reported for claims with dates of injury on or before June 30, 2005. This report is intended to provide a summary of the cash based transactions related to the Fund's assets and liabilities and is not an accrual based presentation. The Old Fund Cash Statement is unaudited information.



COAL WORKERS PNEUMOCONIOSIS FUND

AUGUST 31, 2021

Three Year History for years ended:

	YTD FY2022	YTD FY2021	Change	FY2021	FY2020	FY2019
<b>Cash Beginning Balances</b>	<b>246,613,162</b>	<b>220,914,521</b>	<b>25,698,641</b>	<b>220,914,521</b>	<b>232,485,887</b>	<b>246,768,365</b>
<b>Revenues</b>						
Investment Earnings (Losses)	1,948,912	11,268,891	(9,319,980)	43,567,242	9,366,126	3,546,660
Other Income - Return of Unclaimed Property	-	-	-	-	-	-
<b>Total Revenues</b>	<b>1,948,912</b>	<b>11,268,891</b>	<b>(9,319,980)</b>	<b>43,567,242</b>	<b>9,366,126</b>	<b>3,546,660</b>
<b>Expenditures</b>						
Claims Benefits Paid:						
Medical	827,288	490,995	336,294	5,107,159	7,541,269	4,623,840
PTD and Fatal Indemnity	1,522,724	1,484,692	38,032	8,726,207	8,899,722	8,683,360
Loss Adjustment Expenses	564,401	525,425	38,976	3,343,071	3,933,266	3,620,512
Total	2,914,413	2,501,113	413,301	17,176,438	20,374,258	16,927,711
Less: Claims Credits and Overpayments	8,707	4,378	4,329	94,896	360,474	85,884
Total Benefits Paid	2,905,706	2,496,734	408,972	17,081,541	20,013,784	16,841,827
Administrative Expenses	135,680	137,563	(1,883)	787,060	923,707	987,312
<b>Total Expenditures</b>	<b>3,041,386</b>	<b>2,634,297</b>	<b>407,089</b>	<b>17,868,601</b>	<b>20,937,491</b>	<b>17,829,139</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>(1,092,475)</b>	<b>8,634,594</b>	<b>(9,727,069)</b>	<b>25,698,641</b>	<b>(11,571,365)</b>	<b>(14,282,479)</b>
<b>Cash Ending Balances</b>	<b>245,520,687</b>	<b>229,549,116</b>	<b>15,971,573</b>	<b>246,613,162</b>	<b>220,914,521</b>	<b>232,485,887</b>

Note: The Coal Worker's Pneumoconiosis Fund (CWP Fund) ceased operations December 31, 2005 and is in run-off status under the administrative oversight of the Insurance Commissioner. Established in 1973, the CWP Fund existed to provide insurance coverage to companies for liabilities incurred as a result of the Federal Coal Mine Health and Safety Act of 1969. Participation in the CWP Fund was voluntary for employers. The current revenues of the CWP Fund are limited to the earnings from invested assets. Assets of the CWP Fund are invested with the WV Investment Management Board. The investment earnings are presented in the month in which the State Treasurer records the earnings. The liabilities of the CWP Fund consist of the claims for coal miners who are totally disabled or beneficiaries of coal miners who have died as a result of coal worker's pneumoconiosis. To be eligible for benefits from the CWP Fund, the date of last exposure of the coal miner must be on or before December 31, 2005. The Coal Workers Cash Statement is unaudited information.

SELF-INSURED GUARANTY RISK POOL  
AUGUST 31, 2021

Three Year History for years ended:

	YTD FY2022	YTD FY2021	Change	FY2021	FY2020	FY2019
<b>Cash Beginning Balances</b>	<b>39,659,496</b>	<b>33,724,356</b>	<b>5,935,140</b>	<b>33,724,356</b>	<b>33,373,873</b>	<b>34,042,831</b>
<b>Revenues</b>						
Guaranty Risk Pool Assessments	-	-	-	-	-	(354)
Collateral Proceeds	-	-	-	-	-	252,925
Investment Earnings (Losses)	312,405	1,727,824	(1,415,419)	6,763,880	1,367,274	523,349
<b>Total Revenues</b>	<b>312,405</b>	<b>1,727,824</b>	<b>(1,415,419)</b>	<b>6,763,880</b>	<b>1,367,274</b>	<b>775,921</b>
<b>Expenditures</b>						
Claims Benefits Paid:						
Medical	20,670	47,091	(26,421)	280,185	346,473	496,368
Permanent Total Disability	10,620	17,065	(6,445)	89,242	102,389	102,389
Permanent Partial Disability	28,657	17,354	11,303	91,922	225,842	260,557
Temporary Disability	-	-	-	-	-	13,148
Fatals	34,499	34,499	-	206,996	223,506	226,808
104 Weeks Death Benefit	-	-	-	-	-	-
Settlement Agreements	62,000	8,000	54,000	39,699	10,000	125,000
Non Awarded Partial Disability	-	-	-	-	-	-
Loss Adjustment Expenses	4,336	9,518	(5,181)	52,455	76,110	112,306
Total	160,782	133,526	27,255	760,498	984,319	1,336,576
Less: Claims Credits and Overpayments	24,429	-	24,429	150	45,480	205
Total Benefits Paid	136,352	133,526	2,826	760,348	938,840	1,336,371
Administrative Expenses	4,547	12,805	(8,258)	68,392	77,951	108,508
<b>Total Expenditures</b>	<b>140,899</b>	<b>146,331</b>	<b>(5,432)</b>	<b>828,740</b>	<b>1,016,791</b>	<b>1,444,879</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>171,506</b>	<b>1,581,493</b>	<b>(1,409,987)</b>	<b>5,935,140</b>	<b>350,483</b>	<b>(668,958)</b>
<b>Cash Ending Balances</b>	<b>39,831,002</b>	<b>35,305,849</b>	<b>4,525,153</b>	<b>39,659,496</b>	<b>33,724,356</b>	<b>33,373,873</b>

The Self-Insured Guaranty Risk Pool covers the claims liabilities of bankrupt or defaulted self-insured employers with dates of injury subsequent to July 1, 2004. The revenues of the Self-Insured Guaranty Fund are comprised of the guaranty risk pool assessments levied on all self-insured employers and the earnings on invested assets. The assets of the Self-insured Guaranty Risk Pool are invested with the WV Investment Management Board. Investment earnings are presented in the month in which the State Treasurer records the earnings in the statewide accounting system, wvOASIS. The Self Insured Guaranty Cash Statement is unaudited information.

SELF-INSURED SECURITY RISK POOL  
AUGUST 31, 2021

Three Year History for years ended:

	YTD FY2022	YTD FY2021	Change	FY2021	FY2020	FY2019
<b>Cash Beginning Balances</b>	55,995,948	49,568,499	6,427,449	49,568,499	50,905,481	53,404,259
<b>Revenues</b>						
Security Risk Pool Assessments	-	-	-	-	-	-
Collateral Proceeds	-	-	-	-	-	243,007
Investment Earnings (Losses)	437,753	2,558,310	(2,120,558)	9,805,453	2,087,341	770,092
<b>Total Revenues</b>	<b>437,753</b>	<b>2,558,310</b>	<b>(2,120,558)</b>	<b>9,805,453</b>	<b>2,087,341</b>	<b>1,013,099</b>
<b>Expenditures</b>						
Claims Benefits Paid:						
Medical	103,015	71,535	31,481	531,814	549,908	527,648
Permanent Total Disability	201,233	217,835	(16,602)	1,250,688	1,379,159	1,519,062
Permanent Partial Disability	-	-	-	4,243	(60)	5,702
Temporary Disability	-	-	-	-	-	-
Fatals	140,061	147,920	(7,859)	918,152	979,631	1,090,855
104 Weeks Death Benefit	17,518	24,607	(7,090)	171,468	78,073	8,932
Settlement Agreements	30,750	53,094	(22,344)	315,463	162,665	19,065
Loss Adjustment Expenses	8,777	9,748	(971)	73,223	118,818	96,587
<b>Total</b>	<b>501,353</b>	<b>524,739</b>	<b>(23,386)</b>	<b>3,265,052</b>	<b>3,268,194</b>	<b>3,267,851</b>
Less: Claims Credits and Overpayments	-	-	-	84,004	102,299	54,962
<b>Total Benefits Paid</b>	<b>501,353</b>	<b>524,739</b>	<b>(23,386)</b>	<b>3,181,048</b>	<b>3,165,895</b>	<b>3,212,889</b>
Administrative Expenses	13,957	44,541	(30,584)	196,956	258,428	298,987
<b>Total Expenditures</b>	<b>515,310</b>	<b>569,280</b>	<b>(53,970)</b>	<b>3,378,004</b>	<b>3,424,323</b>	<b>3,511,876</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>(77,557)</b>	<b>1,989,031</b>	<b>(2,066,588)</b>	<b>6,427,449</b>	<b>(1,336,982)</b>	<b>(2,498,778)</b>
<b>Cash Ending Balances</b>	<b>55,918,391</b>	<b>51,557,530</b>	<b>4,360,861</b>	<b>55,995,948</b>	<b>49,568,499</b>	<b>50,905,481</b>

The Self-Insured Security Risk Pool is liable for the worker's compensation claims of bankrupt or defaulted self-insured employers with dates of injury prior to July 1, 2004. However, the obligations of this Fund are limited to the exposures of self-insured employers who default subsequent to December 31, 2005. The assets of the Self-insured Security Risk Pool are invested with the WV Investment Management Board. Investment earnings are presented in the month in which the State Treasurer records the earnings in the statewide accounting system, wvOASIS. The Self Insured Security Cash Statement is unaudited information.

UNINSURED EMPLOYERS FUND  
AUGUST 31, 2021

Three Year History for years ended:

	YTD FY2022	YTD FY2021	Change	FY2021	FY2020	FY2019
<b>Cash Beginning Balances</b>	<b>16,844,759</b>	<b>13,817,714</b>	<b>3,027,045</b>	<b>13,817,714</b>	<b>13,211,915</b>	<b>12,989,971</b>
<b>Revenues</b>						
Fines and Penalties	62,609	50,393	12,216	322,680	385,577	588,767
Investment Earnings (Losses)	127,141	682,476	(555,335)	2,767,995	517,439	179,479
<b>Total Revenues</b>	<b>189,750</b>	<b>732,869</b>	<b>(543,118)</b>	<b>3,090,675</b>	<b>903,016</b>	<b>768,246</b>
<b>Expenditures</b>						
Claims Benefits Paid:						
Medical	431	840	(409)	2,096	7,169	129,612
Permanent Total Disability	-	-	-	-	-	-
Permanent Partial Disability	533	-	533	-	15,617	30,633
Temporary Disability	-	-	-	3,048	22,059	35,751
Fatals	4,267	4,267	-	25,601	37,816	50,030
104 Weeks Death Benefit	-	-	-	-	-	-
Settlement Agreements	-	-	-	44,276	82,000	106,000
Loss Adjustment Expenses	6,892	2,539	4,353	26,492	46,867	52,714
<b>Total</b>	<b>12,123</b>	<b>7,646</b>	<b>4,477</b>	<b>101,513</b>	<b>211,528</b>	<b>404,740</b>
Less: Claims Credits and Overpayments	4,104	599	3,506	42,742	7,535	50,676
<b>Total Benefits Paid</b>	<b>8,019</b>	<b>7,048</b>	<b>971</b>	<b>58,770</b>	<b>203,993</b>	<b>354,064</b>
Administrative Expenses	-	588	(588)	4,860	93,224	192,238
<b>Total Expenditures</b>	<b>8,019</b>	<b>7,636</b>	<b>383</b>	<b>63,630</b>	<b>297,217</b>	<b>546,302</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>181,731</b>	<b>725,233</b>	<b>(543,501)</b>	<b>3,027,045</b>	<b>605,799</b>	<b>221,944</b>
<b>Cash Ending Balances</b>	<b>17,026,490</b>	<b>14,542,947</b>	<b>2,483,543</b>	<b>16,844,759</b>	<b>13,817,714</b>	<b>13,211,915</b>

The Uninsured Employer's Fund (UEF) was established January 1, 2006 to provide worker's compensation benefits to injured workers of uninsured WV employers. The revenues of the UEF consist of fines levied on uninsured employers and the earnings on invested assets. The assets of the UEF are invested with the WV Investment Management Board. Investment earnings are presented in the month in which the State Treasurer records the earnings in the statewide accounting system, wvOASIS. The Insurance Commissioner has the right to levy assessments on employers in order to maintain the solvency of the Fund. The Commissioner may recover all payments made from this fund, including interest, from an uninsured employer who is found liable for benefits paid from the UEF. The Uninsured Cash Statement is unaudited information.

# BOARD OF TREASURY INVESTMENTS

**CALENDAR NOTE**

Board Meeting  
October 28, 2021

## OPERATING REPORT

### AUGUST 2021

**Board of Treasury Investments**

315 70<sup>th</sup> Street, SE  
Charleston WV  
25304  
(304) 340-1564  
www.wvbt.com

**Board of Directors**

Riley M. Moore,  
State Treasurer,  
Chairman

James C. Justice II,  
Governor

John B. McCuskey,  
State Auditor

Vacant,  
Appointed by the  
Governor

Mark A. Mangano,  
Esq. Attorney  
Appointed by the  
Governor

**Executive Staff**

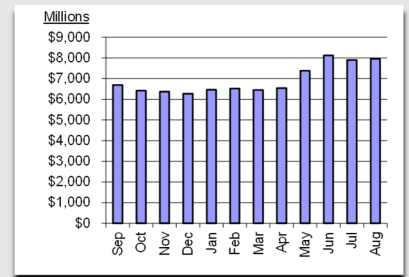
Executive  
Director  
Kara K. Hughes,  
CPA, MBA, CFE,  
CGIP  
Chief Financial  
Officer  
Karl Shanholtzer,  
CFA, CPA, CIA

### Total Net Assets Under Management

**\$7,965,674,000**

Last Month  
**\$7,901,268,000**

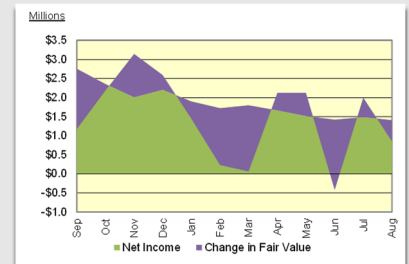
Beginning of Fiscal Year  
**\$8,119,584,000**



**Net Assets for the Past 12 Months**

### Total Net Income & Changes in Fair Value

Fiscal Year  
**\$2,850,000**



**Monthly Net Income & Changes in Fair Value for the Past 12 Months**

### Money Market Pools

As of August 31, 2021

<u>Pool</u>	<u>30-Day Avg. Yield *</u>	<u>W.A.M. **</u>	<u>Net Assets</u>
WV Money Market	0.0648%	51 Days	\$6.7 Billion
WV Gov't Money Market	0.0103%	53 Days	\$214.2 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

### AUGUST 2021

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#### More Stock Market Gains

##### Equity Markets

Another month ... more stock market gains...

August was lucky #7 (consecutive positive months) for the S&P 500 (+3.0%) and now up nearly 22% year-to-date. At the risk of oversimplifying matters affecting market sentiment, strong corporate earnings and still (very) accommodative monetary policy continue to overwhelm a seemingly growing list of concerns (coronavirus variants, valuations, possible peak growth/earnings, inflation coupled with supply chain issues and anticipation of Fed balance sheet tapering - to name a few). More broadly, markets were positive irrespective of geography, capitalization or style. Large cap growth led the way once again (+3.6%) and for the broad market, growth is again within striking distance of value on a year-to-date basis (+20.1% vs +20.7% respectively). FANG plus Microsoft and Tesla contributed roughly half of the S&P gains for the month. Returns were once again more modest for developed international stocks (+1.8%). Despite continued negative news regarding Chinese stocks, emerging markets stocks showed signs of stabilizing (+2.6%) coming off of a brutal July.

With 90% of S&P 500 companies reporting for the quarter, both corporate earnings and (most importantly) revenues were very positive. Second quarter earnings-per-share of \$52.29 represents a growth rate of 90% year-over-year, along with 23% revenue growth year-over-year (per Factset). While better than expected, earnings did not often result in large stock price upside (signaling expectations were priced in). They did, however, provide a ballast against currently elevated stock valuations. As the chart below outlines, the positive earnings were broadly distributed across economic sectors, with only real estate showing negative results.

##### Fixed Income Markets

While the consensus expectation remains that rates may need to rise at some point, the environment remains sanguine, with bonds generally flat to slightly negative in August. The 10-year U.S. Treasury yield rose slightly from 1.24% to 1.30%, and the Bloomberg Barclays U.S. Aggregate Index fell 0.2% and is now down 0.7% year-to-date. The relative bright spots were emerging market debt (+1.0%) and high yield bonds, which continue to hold up well (+0.5%).

With the recent spike in inflation data, TIPS continue to attract investors. Current real yields on TIPS are negative with the 10 year TIPS yield around -1.1%. While the rally in TIPS seems consistent with market expectations for inflation, we haven't seen a concurrent nominal yield curve reaction. Perhaps the fourth quarter will see some catch up?

# West Virginia Board of Treasury Investments Financial Highlights as of August 31, 2021

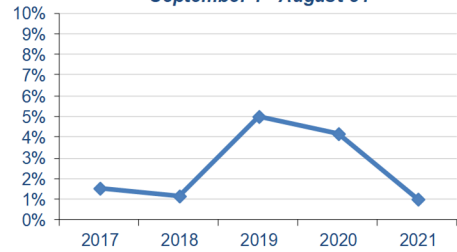
## WV Short Term Bond Pool

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

September 1 - August 31	Return	Net Assets At Aug 31 <i>(In Millions)</i>
2021	1.0%	\$ 820.1
2020	4.2%	\$ 814.7
2019	5.0%	\$ 840.3
2018	1.2%	\$ 711.9
2017	1.5%	\$ 752.1

### WV Short Term Bond Pool Rates of Return

*Past 12 Months  
September 1 - August 31*

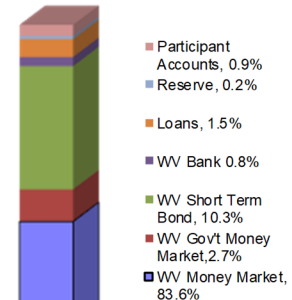


*Prior to July 2007, the WV Short Term Bond Pool was known as the Enhanced Yield Pool*

## Summary of Value and Earnings *(In Thousands)*

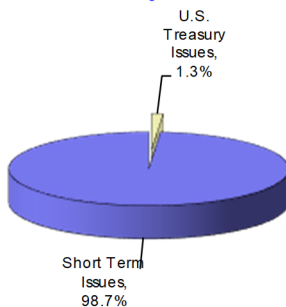
Pool	Net Asset Value	Aug Net Income <i>(Loss)</i>	Fiscal YTD Net Income <i>(Loss)</i>
WV Money Market	\$ 6,657,858	\$ 358	\$ 763
WV Gov't Money Market	214,203	2	3
WV Short Term Bond	820,064	275	1,672
WV Bank	60,263	10	20
Loans	119,185	156	297
Reserve	19,947	2	5
Participant Accounts	74,154	46	90
	<b>\$ 7,965,674</b>	<b>\$ 849</b>	<b>\$ 2,850</b>

### Percent of Total Net Asset Value

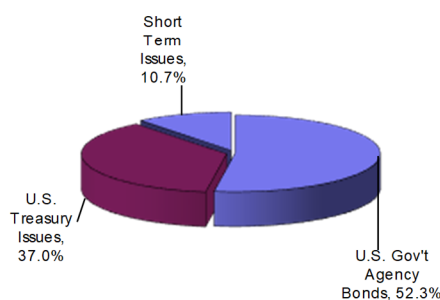


## Securities by Type for Operating Pools *(Percentage of Asset Value)*

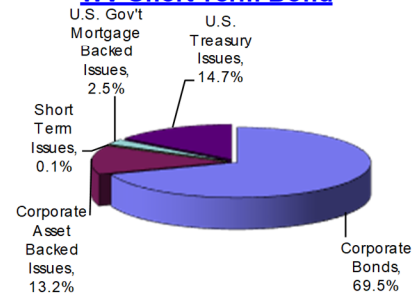
### WV Money Market



### WV Gov't Money Market



### WV Short Term Bond



**WEST VIRGINIA BOARD OF TREASURY INVESTMENTS**  
**SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION – UNAUDITED**

**AUGUST 31, 2021**

*(IN THOUSANDS)*

	<u>WV Money Market Pool</u>	<u>WV Government Money Market Pool</u>	<u>WV Short Term Bond Pool</u>	<u>WV Bank Pool</u>	<u>Other Pools</u>	<u>Participant Directed Accounts</u>	<u>Total</u>
<b>Assets</b>							
Investments:							
At amortized cost	\$ 6,658,810	\$ 216,254	\$ -	\$ 60,236	\$ 138,982	\$ -	\$ 7,074,282
At fair value	-	-	818,246	-	-	73,983	892,229
Other assets	379	5	6,456	32	160	172	7,204
Total assets	<u>6,659,189</u>	<u>216,259</u>	<u>824,702</u>	<u>60,268</u>	<u>139,142</u>	<u>74,155</u>	<u>7,973,715</u>
<b>Liabilities</b>							
Accrued expenses, dividends payable & payables for investments purchased	1,331	2,056	4,638	5	10	1	8,041
Total liabilities	<u>1,331</u>	<u>2,056</u>	<u>4,638</u>	<u>5</u>	<u>10</u>	<u>1</u>	<u>8,041</u>
<b>Net Position</b>							
Held in trust for investment pool participants	6,657,858	214,203	820,064	-	-	-	7,692,125
Held in trust for individual investment account holders	-	-	-	60,263	139,132	74,154	273,549
Total net position	<u>\$ 6,657,858</u>	<u>\$ 214,203</u>	<u>\$ 820,064</u>	<u>\$ 60,263</u>	<u>\$ 139,132</u>	<u>\$ 74,154</u>	<u>\$ 7,965,674</u>
<b>Additions</b>							
Investment income:							
Interest and dividends	\$ 197	\$ 6	\$ 1,262	\$ 11	\$ 160	\$ 53	\$ 1,689
Net (amortization) accretion	421	4	(383)	-	-	(1)	41
Provision for uncollectible loans	-	-	-	-	-	-	-
Total investment income	<u>618</u>	<u>10</u>	<u>879</u>	<u>11</u>	<u>160</u>	<u>52</u>	<u>1,730</u>
Investment expenses:							
Investment advisor, custodian bank & administrative fees	260	8	52	1	2	-	323
Total investment expenses	<u>260</u>	<u>8</u>	<u>52</u>	<u>1</u>	<u>2</u>	<u>-</u>	<u>323</u>
Net investment income	358	2	827	10	158	52	1,407
Net realized gain (loss) from investments	-	-	447	-	-	-	447
Net increase (decrease) in fair value of investments	-	-	(999)	-	-	(6)	(1,005)
Net increase (decrease) in net position from operations	358	2	275	10	158	46	849
Participant transaction additions:							
Purchase of pool units by participants	1,248,154	16,557	-	-	-	-	1,264,711
Reinvestment of pool distributions	358	2	1,403	-	-	-	1,763
Contributions to individual investment accounts	-	-	-	11	3	42,405	42,419
Total participant transaction additions	<u>1,248,512</u>	<u>16,559</u>	<u>1,403</u>	<u>11</u>	<u>3</u>	<u>42,405</u>	<u>1,308,893</u>
Total additions	1,248,870	16,561	1,678	21	161	42,451	1,309,742
<b>Deductions</b>							
Distributions to pool participants:							
Net investment income	358	2	827	-	-	-	1,187
Net realized gain (loss) from investments	-	-	447	-	-	-	447
Total distributions to pool participants	<u>358</u>	<u>2</u>	<u>1,274</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,634</u>
Participant transaction deductions:							
Redemption of pool units by participants	1,206,281	31,568	-	-	-	-	1,237,849
Withdrawals from individual investment accounts	-	-	-	11	5,842	-	5,853
Total participant transaction deductions	<u>1,206,281</u>	<u>31,568</u>	<u>-</u>	<u>11</u>	<u>5,842</u>	<u>-</u>	<u>1,243,702</u>
Total deductions	<u>1,206,639</u>	<u>31,570</u>	<u>1,274</u>	<u>11</u>	<u>5,842</u>	<u>-</u>	<u>1,245,336</u>
Net increase (decrease) in net position from operations	42,231	(15,009)	404	10	(5,681)	42,451	64,406
Inter-pool transfers in	-	-	-	-	-	-	-
Inter-pool transfers out	-	-	-	-	-	-	-
Net inter-pool transfers in (out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	42,231	(15,009)	404	10	(5,681)	42,451	64,406
Net position at beginning of period	6,615,627	229,212	819,660	60,253	144,813	31,703	7,901,268
Net position at end of period	<u>\$ 6,657,858</u>	<u>\$ 214,203</u>	<u>\$ 820,064</u>	<u>\$ 60,263</u>	<u>\$ 139,132</u>	<u>\$ 74,154</u>	<u>\$ 7,965,674</u>