Introduction

The municipal bond market is an important financing tool for state and local governments because it allows governments to borrow money to pay for projects it could otherwise not afford such as roads, bridges, schools, water & sewer systems, economic development projects and government offices – just to name a few. This is beneficial because it takes the strain off of a government's current cash flow and spreads the burden of paying for the projects over several years.

Although traditional debt financings are more "brick and mortar" type of projects, state and local governments also utilize debt to finance various "shortfalls" in funds or programs such as unfunded liabilities in pension plans, unemployment or workers compensation plans, and sometimes to solve more pressing cash flow problems. For example, the State of Illinois recently issued $1 billion in short-term notes to help Illinois pay off its backlog of bills to hospitals, nursing homes and pharmacists who serve the poor. West Virginia has been fortunate to not have to utilize the municipal market to address cash flow problems since June 1989. One funding issue that West Virginia did face this past year was a plan to fund several public pension plans. This General Obligation authorization would have allowed the state to issue up to $5.5 billion of Pension Obligation Bonds (POBs). On June 25, 2005 West Virginians were asked to vote on the "Pension Bond Amendment" and the majority (54%) said "no" to this funding plan.

Another liability that governments are beginning to address is called "Other Post-Employment Benefits" (OPEBs). According to the Governmental Accounting Standards Board (GASB), governments must now report on OPEBs. GASB Statement 45 defines OPEBs as benefits other than pensions and termination incentives provided to former employees. Examples include medical, dental and vision coverage, life insurance and long-term care. The new accounting and reporting requirements will be implemented in Fiscal Year 2007. This could potentially be another area where West Virginia must face the tough question of how to fully fund these obligations.

It is no secret that West Virginia, like every other state in the nation, has funding issues that need to be addressed. West Virginia is faced with pension obligations, OPEBs, properly funding workers' compensation, social programs, infrastructure needs, and road and highways maintenance and development – the list is endless. As stated earlier, the municipal bond market is an important tool to help West Virginia fund its needs. However, the state needs clear and precise measurements and goals when it comes to utilizing the municipal bond market. That's where debt management and debt capacity play an important role.

Debt Management Policy

One of the most important tools that West Virginia can utilize is a comprehensive debt management policy. Debt policies address debt issuance topics and provide guidelines for the state to remain consistent in its financial decisions. Some topics addressed in a debt policy include the purpose of the debt, the economic life of the project vs. debt maturity, the use of short-term and variable-rate debt, revenue pledges, interest rate caps, competitive vs. negotiated sales, pricing, refunding criteria, use of a financial advisor, selection process of outside professionals, primary and secondary market disclosure, arbitrage compliance, investment of proceeds and many other topics. The adoption of a detailed debt management policy will help maintain consistency when West Virginia goes to the municipal bond market. However, a policy should also retain enough flexibility to react to various market conditions (i.e. volume, interest rates, etc.). West Virginia has various debt policies which are set forth in the West Virginia State Code; however, there is currently no centralized debt management policy. Instead, each policy is specific to each bonding authority. For example, when the General Obligation Infrastructure Bonds were issued, the enabling legislation defined certain terms, such as:

> <u>Interest Rate Cap – (West Virginia State Code §31-15B-2)</u>
>
> *"… bear interest at such rate not to exceed eight percent per annum…"*
>
> <u>Pricing – (West Virginia State Code §31-15B-6)</u>
>
> *"Sales shall be at not less than par and accrued interest."*
>
> <u>Method of Sale – (West Virginia State Code §31-15B-6)</u>
>
> "The bonds must be offered for competitive bids…"
>
> <u>Selection of Financial Advisor –(West Virginia State Code §31-15B-11)</u>
>
> "The treasurer shall select a competent person or firm to serve as financial advisor.."
>
> <u>Selection of Bond Counsel –(West Virginia State Code §31-15B-12)</u>
>
> "The governor shall select a competent person or firm to serve as bond counsel.."

A comprehensive and centralized debt management policy makes it easier for the market to know the details of debt issuance practices of West Virginia. This, in conjunction with sound budgetary and fiscal policy, will make West Virginia bonds very attractive to the municipal bond market.

Debt Capacity

While a debt management policy outlines the nuts and bolts of how and when debt will be incurred, an examination of debt capacity shows the ability of the state to incur debt.

For the past 7 years this report has strived to do just that, fulfill its legislative purpose which is as follows:

Determine the amount of net tax supported debt outstanding;

Calculate key ratios that are commonly used to examine debt; and

Make recommendations which will attempt to keep the state within an average to low range of nationally recognized debt limits.

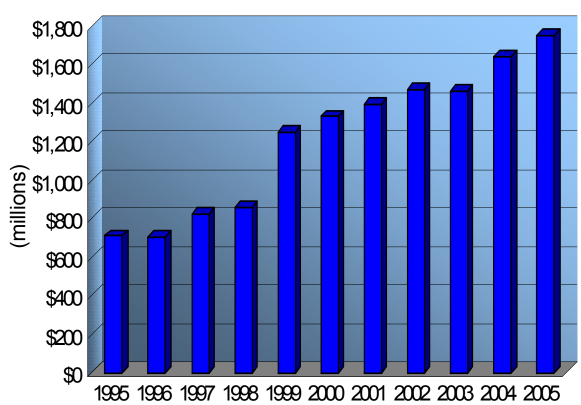
This year is no different.

Determine the amount of net tax supported debt outstanding

The West Virginia State Treasurer's Office Division of Debt Management has been tracking West Virginia's net tax supported debt for more than 10 years. The calculation of net tax supported debt includes General Obligation Bonds, Revenue Bonds of the School Building Authority which rely on an appropriation from the General Revenue Fund for debt service, Lottery Revenue Bonds and lease obligations of various state agencies.

The following table and chart show West Virginia's net tax supported debt for the current and past 10 years:

West Virginia Net Tax Supported Debt Outstanding Fiscal Years 1995-2005



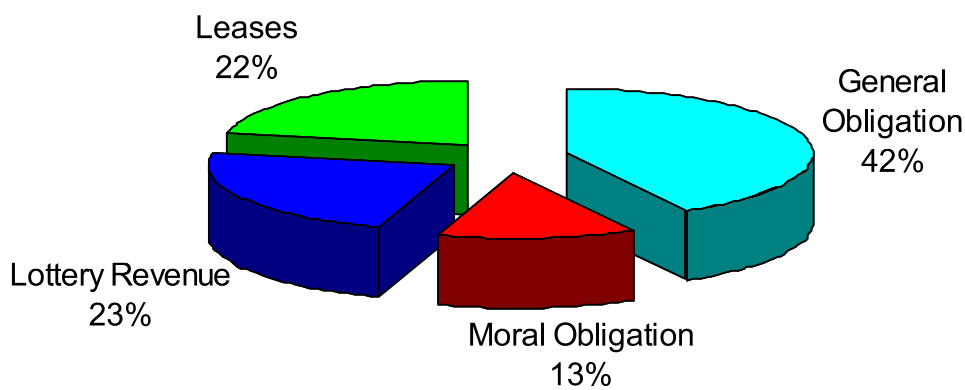
Fiscal Year Ending	Net Tax Supported Debt Outstanding
1995	$708 million
1996	$706 million
1997	$825 million
1998	$856 million
1999	$1.25 billion
2000	$1.33 billion
2001	$1.39 billion
2002	$1.47 billion
2003	$1.46 billion
2004	$1.64 billion
2005	$1.75 billion

The net tax supported debt of the state at June, 30, 2005 is outlined in the following table:

Table 1 - Net Tax Supported Debt, June 30, 2005
(all numbers are net of debt service reserve funds)

Type of Debt		Principal Outstanding June 30, 2005 (rounded to nearest thousand)	Percentage of debt outstanding
General Obligation Bonds	State Road Bonds Infrastructure Bonds	$ 467,915,000 273,014,000	42%
Moral Obligation Bonds	School Building Authority	235,990,000	13%
Lottery Revenue Bonds	Economic Development Authority School Building Authority State Building Commission	217,014,000 135,805,000 45,402,000	23%
Lease Obligations *		378,233,000	22%
Net Tax Supported Debt		$ 1,753,373,000	

** This figure does include leases of various colleges and universities which is typically excluded from the State's CAFR.*



Calculations of the net tax supported debt and debt service of the State of West Virginia for fiscal years 2000 through 2017 are contained in Tables 2 and 3 (pages 6-9). Fiscal years 2000 through 2005 are included to show the historical perspective of the actual debt issued and the debt service requirements for these obligations. The current and next ten fiscal years, 2006 through 2017, are included to show expected debt levels as existing obligations mature.

At the time of this publication the West Virginia State Treasurer's Office has received no notification of any debt to be issued which would have a direct affect on the state's net tax supported debt. Revenue information included in Tables 2 & 3 was compiled and provided by the Department of Tax and Revenue, Division of Budget and is included in Appendix B.

Bonds of the Water Development Authority, Solid Waste Management Authority, Solid Waste Landfill Closure Assistance Program, and the Housing Development Fund are excluded from the determination of net tax-supported debt. While certain bonds of these issuers are considered moral obligations of the state, they are currently self-supporting and accordingly are excluded in the calculation.

Table 2. NET TAX SUPPORTED DEBT OUTSTANDING FOR FISCAL YEARS 2000 - 2017

	6/30/2000 FY00	6/30/2001 FY01	6/30/2002 FY02	6/30/2003 FY03	6/30/2004 FY04	6/30/2005 FY05
General Obligation						
Better Highways of 1973	46,695,000	30,620,000	18,660,000	10,815,000	5,090,000	1,480,000
Safe Roads of 1996	314,995,000	420,405,000	520,880,000	506,685,000	489,340,000	466,435,000
Better Schools of 1972	12,000,000	8,000,000	4,000,000	2,000,000	-	-
Infrastructure of 1994	292,853,910	289,433,910	285,663,910	281,678,910	277,448,910	273,013,910
Total General Obligation	666,543,910	748,458,910	829,203,910	801,178,910	771,878,910	740,928,910
Moral Obligations						
Economic Development Authority - Lottery	-	-	-	-	249,895,000	236,005,000
School Building Authority	286,650,000	279,820,000	274,645,000	267,470,000	259,010,000	250,160,000
School Building Authority - Lottery	75,925,000	62,445,000	48,155,000	32,970,000	16,940,000	135,805,000
State Building Commission - Lottery	80,735,000	74,985,000	68,915,000	62,545,000	55,855,000	48,830,000
Interagency Investment - $150 Million Regional Jail	147,903,421	143,505,126	-	-	-	-
Total Moral Obligations	591,213,421	560,755,126	391,715,000	362,985,000	581,700,000	670,800,000
Leases						
Leases	106,422,000	107,692,000	277,219,000	325,345,749	319,532,942	378,233,000
Total Leases	106,422,000	107,692,000	277,219,000	325,345,749	319,532,942	378,233,000
Deductions for debt service reserve accounts						
Economic Development Authority - Lottery	-	-	-	-	(18,990,559)	(18,990,000)
School Building Authority	(23,020,801)	(23,020,801)	(23,020,801)	(23,020,801)	(23,020,801)	(23,020,801)
School Building Authority - Lottery	-	-	-	-	-	(14,155,000)
State Building Commission	(2,948,375)	(3,185,612)	(3,268,041)	(3,268,041)	(3,428,041)	(3,428,041)
Net Tax Supported Debt Outstanding	1,338,210,155	1,390,699,623	1,471,849,068	1,463,220,817	1,627,672,451	1,730,368,068
Assessed value (in thousands)	47,830,428	49,413,867	51,433,353	53,338,895	54,530,114	58,090,753
Net tax supported debt as a percentage of assessed value	2.80%	2.81%	2.86%	2.74%	2.98%	2.98%
Income (in thousands)	39,582,040	41,902,494	43,269,508	44,290,181	46,319,385	48,400,000
Net tax supported debt as a percentage of personal income	3.38%	3.32%	3.40%	3.30%	3.51%	3.58%
Population	1,808,000	1,804,500	1,802,000	1,802,500	1,807,400	1,815,400
Net tax supported debt per capita	740.16	770.68	816.79	811.77	900.56	953.16

6/30/2006 FY06	6/30/2007 FY07	6/30/2008 FY08	6/30/2009 FY09	6/30/2010 FY10	6/30/2011 FY11	6/30/2012 FY12	6/30/2013 FY13	6/30/2014 FY14	6/30/2015 FY15	6/30/2016 FY16	6/30/2017 FY17
-	-	-	-	-	-	-	-	-	-	-	-
447,995,000	429,845,000	401,190,000	371,105,000	339,515,000	306,350,000	271,485,000	246,255,000	221,415,000	195,325,000	167,930,000	152,630,000
-	-	-	-	-	-	-	-	-	-	-	-
265,521,492	254,889,156	244,176,320	233,369,607	222,475,041	211,443,971	200,217,386	188,859,731	177,260,493	165,353,538	153,084,132	140,495,959
713,516,492	684,734,156	645,366,320	604,474,607	561,990,041	517,793,971	471,702,386	435,114,731	398,675,493	360,678,538	321,014,132	293,125,959
228,840,000	221,565,000	214,125,000	206,480,000	198,590,000	190,415,000	181,920,000	173,070,000	163,830,000	154,170,000	144,065,000	133,415,000
241,920,000	231,475,000	220,410,000	208,670,000	196,265,000	183,250,000	169,590,000	155,260,000	140,200,000	124,375,000	107,720,000	90,080,000
124,015,000	111,700,000	99,040,000	85,650,000	71,715,000	57,130,000	41,790,000	25,615,000	8,670,000	-	-	-
41,455,000	33,675,000	25,465,000	16,805,000	7,690,000	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
636,230,000	598,415,000	559,040,000	517,605,000	474,260,000	430,795,000	393,300,000	353,945,000	312,700,000	278,545,000	251,785,000	223,495,000
380,000,000	380,000,000	380,000,000	380,000,000	380,000,000	380,000,000	380,000,000	380,000,000	380,000,000	380,000,000	380,000,000	380,000,000
380,000,000	380,000,000	380,000,000	380,000,000	380,000,000	380,000,000	380,000,000	380,000,000	380,000,000	380,000,000	380,000,000	380,000,000
(18,990,000)	(18,990,000)	(18,990,000)	(18,990,000)	(18,990,000)	(18,990,000)	(18,990,000)	(18,990,000)	(18,990,000)	(18,990,000)	(18,990,000)	(18,990,000)
(23,020,801)	(23,020,801)	(23,020,801)	(23,020,801)	(23,020,801)	(23,020,801)	(23,020,801)	(23,020,801)	(23,020,801)	(23,020,801)	(23,020,801)	(23,020,801)
(14,155,000)	(14,155,000)	(14,155,000)	(14,155,000)	(14,155,000)	(14,155,000)	(14,155,000)	(14,155,000)	-	-	-	-
(3,428,041)	(3,428,041)	(3,428,041)	(3,428,041)	(3,428,041)	-	-	-	-	-	-	-
1,670,152,650	1,603,555,314	1,524,812,478	1,442,485,765	1,356,656,199	1,272,423,170	1,188,836,585	1,112,893,930	1,049,364,692	977,212,737	910,788,331	854,610,158
60,300,000	62,600,000	65,000,000	67,500,000	70,100,000	72,800,000	75,600,000	78,500,000	81,500,000	84,600,000	87,800,000	91,100,000
2.77%	2.56%	2.35%	2.14%	1.94%	1.75%	1.57%	1.42%	1.29%	1.16%	1.04%	0.94%
50,600,000	52,900,000	55,300,000	57,800,000	60,400,000	63,100,000	65,900,000	68,900,000	72,000,000	75,200,000	78,600,000	82,100,000
3.30%	3.03%	2.76%	2.50%	2.25%	2.02%	1.80%	1.62%	1.46%	1.30%	1.16%	1.04%
1,816,000	1,816,000	1,816,908	1,817,816	1,818,725	1,819,635	1,820,545	1,821,455	1,822,366	1,823,277	1,824,188	1,825,100
919.69	883.02	839.23	793.53	745.94	699.27	653.01	610.99	575.83	535.97	499.28	468.25

Table 3. NET TAX SUPPORTED DEBT SERVICE FOR FISCAL YEARS 2000 - 2017

	6/30/2000 FY00	6/30/2001 FY01	6/30/2002 FY02	6/30/2003 FY03	6/30/2004 FY04	6/30/2005 FY05
General Obligation Debt Service						
Better Highways of 1973	23,771,661	18,585,856	13,651,806	8,932,506	6,360,225	3,909,038
Safe Roads of 1996	23,727,793	26,274,902	36,341,486	41,063,435	43,638,245	46,086,985
Better Schools of 1972	7,004,000	4,679,000	4,454,000	2,244,000	2,122,000	-
Infrastructure of 1994	16,070,961	15,974,951	16,076,399	16,022,923	15,991,970	15,920,030
Total General Obligation Debt Service	70,574,416	65,514,710	70,523,691	68,262,864	68,112,440	65,916,053
Moral Obligation Debt Service						
Economic Development Authority - Lottery	-	-	-	-	-	24,898,615
School Building Authority	22,667,120	22,667,670	20,573,905	23,345,905	22,644,690	22,642,530
School Building Authority - Lottery	17,662,781	17,592,119	17,551,156	17,572,516	17,539,594	26,499,359
State Building Commission - Lottery	9,845,863	9,837,863	9,847,988	9,836,988	9,830,488	9,822,613
Interagency Loan - Morris Street	1,366,483	-	-	-	-	-
Interagency Investment - $150 Million Regional Jail	13,823,972	13,745,875	10,313,520	-	-	-
Total Moral Obligations	65,366,218	63,843,526	58,286,569	50,755,408	50,014,771	83,863,117
Lease Debt Service						
Leases	16,000,000	21,000,000	25,000,000	33,000,000	35,500,000	36,758,000
Total Lease debt service	16,000,000	21,000,000	25,000,000	33,000,000	35,500,000	36,758,000
Net Tax Supported Debt Service	151,940,634	150,358,236	153,810,260	152,018,272	153,627,211	186,537,169
General revenue fund (expressed in thousands)	2,638,496	2,718,379	2,824,117	2,916,961	3,082,941	3,504,830
Debt service as a percentage of general revenue fund	5.76%	5.53%	5.45%	5.21%	4.98%	5.32%
Revenue (expressed in thousands and as defined in the rule)	3,301,111	3,449,625	3,656,432	3,753,890	4,034,183	4,469,443
Debt as a percentage of revenue (as defined in the rule)	4.60%	4.36%	4.21%	4.05%	3.81%	4.17%

6/30/2006 FY06	6/30/2007 FY07	6/30/2008 FY08	6/30/2009 FY09	6/30/2010 FY10	6/30/2011 FY11	6/30/2012 FY12	6/30/2013 FY13	6/30/2014 FY14	6/30/2015 FY15	6/30/2016 FY16	6/30/2017 FY17
1,566,950	-	-	-	-	-	-	-	-	-	-	-
48,430,648	49,996,888	49,995,733	49,998,580	49,996,764	49,996,264	49,997,983	38,619,853	36,978,446	36,983,727	36,983,064	23,516,375
-	-	-	-	-	-	-	-	-	-	-	-
19,664,363	23,498,180	23,504,403	23,504,025	23,494,878	23,494,536	23,486,533	23,488,664	23,498,244	23,508,972	23,501,274	23,305,013
69,661,960	73,495,068	73,500,135	73,502,605	73,491,641	73,490,800	73,484,515	62,108,516	60,476,690	60,492,699	60,484,338	46,821,388
18,932,303	18,904,231	18,886,178	18,865,029	18,845,344	18,829,686	18,811,894	18,794,224	18,778,390	18,764,110	18,714,645	18,702,373
21,561,365	23,345,747	23,345,982	23,361,520	23,349,660	23,312,780	23,316,320	23,303,285	23,311,361	23,309,855	23,316,725	23,428,335
18,028,268	18,107,543	17,910,093	18,046,918	17,976,820	17,980,610	18,006,148	18,031,504	17,983,673	-	-	-
9,794,175	9,782,413	9,772,688	9,769,588	9,757,994	7,891,863	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
68,316,111	70,139,933	69,914,940	70,043,054	69,929,817	68,014,938	60,134,362	60,129,013	60,073,424	42,073,965	42,031,370	42,130,708
39,500,000	39,500,000	39,500,000	39,500,000	39,500,000	39,500,000	39,500,000	39,500,000	39,500,000	39,500,000	39,500,000	39,500,000
39,500,000	39,500,000	39,500,000	39,500,000	39,500,000	39,500,000	39,500,000	39,500,000	39,500,000	39,500,000	39,500,000	39,500,000
177,478,071	183,135,000	182,915,075	183,045,659	182,921,459	181,005,738	173,118,877	161,737,529	160,050,114	142,066,664	142,015,708	128,452,096
3,286,900	3,568,600	3,625,250	3,736,400	3,857,150	3,949,200	4,047,900	4,149,100	4,252,900	4,359,200	4,468,200	4,579,900
5.40%	5.13%	5.05%	4.90%	4.74%	4.58%	4.28%	3.90%	3.76%	3.26%	3.18%	2.80%
4,290,335	4,576,700	4,617,050	4,682,400	4,816,050	4,920,400	5,024,300	5,131,700	5,241,700	5,354,300	5,469,600	5,587,700
4.14%	4.00%	3.96%	3.91%	3.80%	3.68%	3.45%	3.15%	3.05%	2.65%	2.60%	2.30%

General Obligation Bonds

The General Obligation (GO) debt outstanding at June 30, 2005 was $740.9 million. GO Bonds pledge the full faith and credit of the state and are authorized only by a constitutional amendment approved by 2/3rds of both houses of the Legislature and a majority vote of the public. GO Bonds constitute 42% of the state's net tax supported debt.

Better Highways Amendment of 1973

Authorized bonds to be issued in an amount not to exceed $500 million for specific projects. The principal outstanding at June 30, 2005 was $1.48 million. The bonds will be completely retired on February 1, 2006.

Safe Road Amendment of 1996

This amendment authorized bonds to be issued in an amount not to exceed $550 million. As of June 30, 2005, the entire authorized amount had been issued and the net principal outstanding was $466.4 million. The bonds will be completely retired on June 1, 2025.

Table 4 (page 11) shows the debt service burden on the Road Fund from 2000 through Fiscal Year 2005 and also projects the future debt service burden on the fund. According to these projections, the debt service burden peaked at 9.18% during fiscal year 2003.

Infrastructure Improvement Amendment of 1994

Authorized bonds in an amount not to exceed $300 million for water supply and sewage treatment systems and economic development sites. The bonds are secured by a dedication of the first $24 million in severance tax collections. The principal outstanding at June 30, 2005 was $273 million. The bonds issued will be retired on November 1, 2026.

The Infrastructure Council also has revenue bonding authority. Revenue issues of this kind do not carry the same rating of a General Obligation issue since the state's taxing power is not pledged toward repayment of the bonds. As of June 30, 2005, Revenue Bonds in the amount of $90 million have been issued. The proceeds of these bonds were used to provide financial assistance to local governmental entities to finance all or part of the cost of constructing water, wastewater and/or economic development projects.

Table 4
Historical/Projected Debt Service Burden
State Road Fund

Fiscal Year	Debt Service	Road Fund Revenue	Debt Service as % of Road Fund
2000	43,427,165	510,215,000	8.51%
2001	47,499,454	535,346,000	8.87%
2002	44,860,758	563,515,000	7.96%
2003	49,993,292	544,729,000	9.18%
2004	49,995,941	570,742,000	8.76%
2005	49,998,470	578,050,000	8.65%
2006	49,996,023	584,335,000	8.56%
2007	49,997,598	604,700,000	8.27%
2008	49,996,888	612,800,000	8.16%
2009	49,995,733	599,200,000	8.34%
2010	49,998,581	604,700,000	8.27%
2011	49,996,764	610,700,000	8.19%
2012	49,996,264	615,900,000	8.12%
2013	49,997,983	622,100,000	8.04%
2012	38,619,853	628,300,000	6.15%
2013	36,978,446	634,600,000	5.83%
2014	36,983,727	640,900,000	5.77%
2015	36,983,727	647,300,000	5.71%
2016	36,983,727	653,800,000	5.66%

For current and projected revenue information, see Appendix B.

Authorized but Unissued General Obligation Bonds

It is a common practice among those examining the state's credit to look at debt that is authorized but has not been issued.

<u>Vietnam Veterans Bonus Amendment of 1973, Veterans Bonus Amendment of 1992 and the Veterans Bonus Amendment of 2004</u>
Authorized the sale of bonds of not more than $40 million, $4 million and $8 million respectively, for the purpose of paying a bonus to the veterans serving in foreign conflicts. General Revenue Funds were used to pay all of these bonuses.

Moral Obligations

Various revenue bonds issued by State of West Virginia entities have a moral commitment of the State attached to them. Moral obligation bonds of the state constitute approximately 36% of the total net tax supported debt. Based on the definitions in the West Virginia Code and the Rules for the Reporting of Debt Capacity (see Appendix A), the debt issues include the School Building Authority Capital Improvement Revenue Bonds secured by appropriations of General Revenue funds and the Lottery Revenue Bonds issued by the Economic Development Authority, the School Building Authority and the State Building Commission.

<u>School Building Authority Capital Improvement Revenue Bonds</u>

The School Building Authority Capital Improvement Revenue Bonds net principal outstanding at June 30, 2005 was $235.9 million. No “new money” bonds may be issued by the Authority utilizing General Revenue appropriations for repayment.

<u>Lottery Revenue Bonds</u>

The State’s Lottery Revenue Bonds outstanding as of June 30, 2005 total $398.2 million (net). This total includes one issue of the Economic Development Authority, one issue of the School Building Authority and one issue of the State Building Commission.

The bonds issued by the Economic Development Authority are secured by an annual pledge of $19 million from the Excess Lottery Fund and, under certain circumstances, from a portion of the moneys on deposit in the State Lottery Fund. The bonds issued by the School Building Authority are secured by a first lien on the net proceeds of the State Lottery Fund and the bonds issued by the State Building Commission are secured by a second in priority lien of the State Lottery Fund.

A debt service reserve fund can be set up initially out of bond proceeds, can be built up over time or can be funded through a credit facility, such as a surety bond. Reserve funds are tapped only if funds are insufficient to meet the debt service payments. These reserve funds are typically set at an amount equal to six months to one year’s debt service. The various reserve funds are outlined in Table 5, page 17.

Leases

As of June 30, 2005, the calculation of leases outstanding for fiscal year 2005 was $378 million. Although many of the state’s leases on buildings and other equipment are coming to an end, there are more leases which are being incurred. Approximately $75.1 million was incurred in Fiscal Year 2005, most of which (approximately $62.7 million) was incurred for regional jail and correctional facilities.

Most of the new leases are actually bond issues of the West Virginia Economic Development Authority which are secured by a lease between the Authority and the Secretary of Administration. These lease-backed bonds have been issued for various projects such as the purchase or construction of state offices and for various regional jail and correctional facilities throughout the state.

Table 5
Net Tax Supported Debt - Various Statistics
at June 30, 2005

Type of Obligation	Issue	Payable From	Principal Outstanding as of 6/30/05 (thousands)	Reserve Accounts as of 6/30/05 (thousands)	Remaining Authorization as of 6/30/05 (thousands)
General Obligation Bonds	Better Highways of 1973	Road Fund	$1,480	NA	$0
	Safe Roads of 1996	Road Fund	$466,435	NA	$0
	Infrastructure Improvement of 1994	Coal Severance Tax/General Revenue	$273,014	NA	$0
Moral Obligation Bonds	School Building Authority	General Revenue Fund	$259,010 (net)	$23,021	$0
	Economic Development Authority	Excess Lottery Fund	$236,005	$18,991	$0
	School Building Authority	Lottery Fund	$135,805	$0	per Legislation
	State Building Commission	Lottery Fund	$48,830	$3,428	$0
Leases	Various	Various	$378,233	NA	NA

Calculate key ratios that are commonly used to examine debt

The next step in the process of this report is to calculate key ratios. These ratios give benchmarks that the municipal bond industry and others use to provide a measurement of a state's outstanding debt and the servicing (principal and interest payments) of that debt. For the past 7 years, this report has adhered to the stated legislative intent in making its recommendations based on key ratios with the aim of keeping the state in the "average to low range of nationally recognized debt limits." The following tables outline the recommendations made in previous debt capacity reports and the current recommendations.

Table 6 - Debt Capacity Report
Past Ratio Recommendations & Levels

Table 7 - Current Ratio Recommendations & Levels

Ratio	***June 30, 2005***	
	Recommended	Actual
NTSD service as a % of the General Revenue Fund	5.00%	5.32%
NTSD service as a % of Revenues	4.00%	na
NTSD as a % of Personal Income	3.00%	3.66%
NTSD per capita	$950	$953
NTSD as a % of Assessed Value	2.00%	3.06%

NTSD stands for Net Tax Supported Debt

The State of West Virginia's current General Obligation bond rating from Fitch, Moody's and S&P is as follows: AA-/Aa3/AA-, respectively. The following table was derived from Moody's *"2005 State Debt Medians"*, which indicates that the average debt per capita for 2005 is $999 and the average debt as a percentage of personal income is currently 3.2%.

Table 8 - Moody's 2005 State Debt Medians
May 2005

Ratio	Average	High	Low	West Virginia Ranking#
NTSD per capita	$999	$3,614 Connecticut	$42 Nebraska	$1,127 #15
NTSD as a % of Personal Income	3.2%	11.1% Hawaii	0.1% Nebraska	4.6% #13
Total NTSD	NA	$55.4 billion New York	$73 million Nebraska	$2 billion #31

 # As reported by Moody's in May 2005. These figures do not necessarily concur with the amounts stated in this report by the West Virginia State Treasurer's Office, generally due to timing. For our specific calculations, see Tables 2 and 3, pages 6-9.

The debt ratios used in this report include:

Net Tax Supported Debt Service as a Percentage of the General Revenue Fund;

Net Tax Supported Debt Service as a Percentage of Revenues;

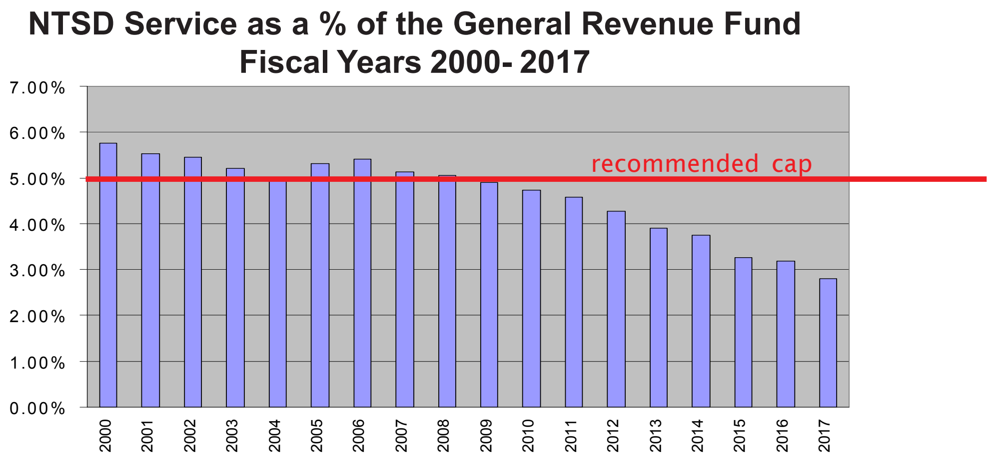
Net Tax Supported Debt as a Percentage of Personal Income;

Net Tax Supported Debt Per Capita; and

Net Tax Supported Debt as a Percentage of Assessed Value.

Net Tax Supported Debt Service as a Percentage of the General Revenue Fund

This ratio is not required to be examined; however, it is a traditional measurement which provides important information on the debt service burden of the state's General Revenue Fund. At June 30, 2005, the State's General Revenue Fund had a 5.32% potential debt service burden (see Table 3, pages 8-9). Projections for the General Revenue Fund of the state were provided by the Department of Tax and Revenue, Budget Office and are provided in Appendix B.



Net Tax Supported Debt Service as a Percentage of Revenues

The definition of revenue includes:

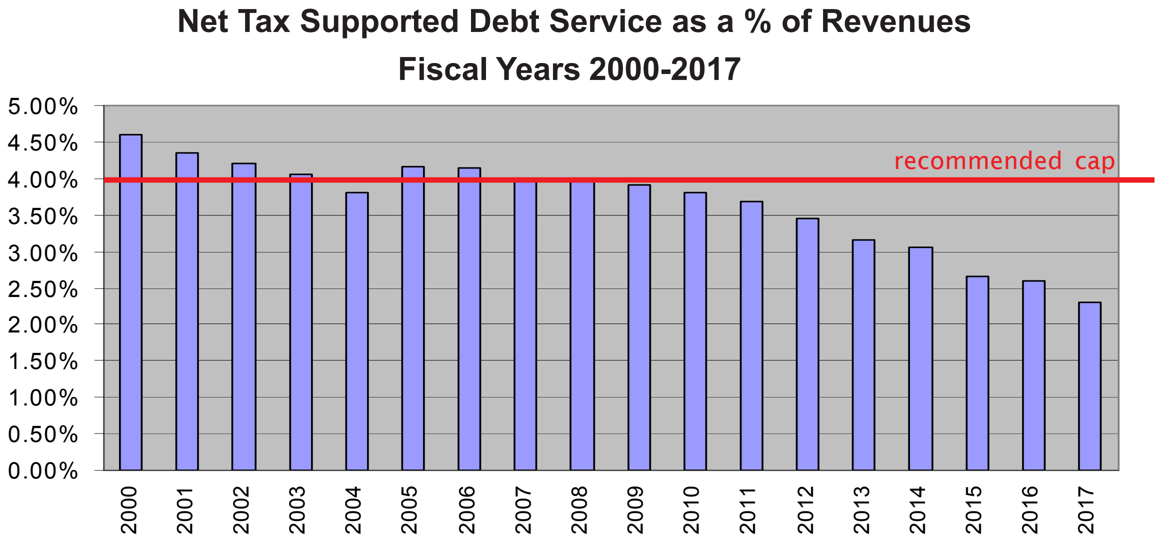
1. Total funds deposited in the general revenue fund;

2. The entire related revenue stream for any net tax supported debt which is funded from a source other than the state's General Revenue Fund; plus

3. An amount equal to any deductions from the gross General Revenue Fund for debt service of tax supported debt before the revenue is added to the General Fund.

The recommended cap on this particular ratio is currently at 4%. This particular ratio is lower because it includes all revenues including the Road Fund, the Lottery Fund and the dedicated severance tax collections used to pay debt service on the Infrastructure General Obligation Bonds. At June 30, 2005, the state had a net tax supported debt service burden, as a percentage of revenues of 4.17%.

The following chart examines the net tax supported debt service requirements as a percentage of Revenues for fiscal years 2000 through 2017, in relation to our recommended cap of 4%, and based on the data contained in Table 3, pages 8-9:



Net Tax Supported Debt as a Percentage of Personal Income

The income figures in this year's report were compiled and provided by the West Virginia Department of Tax and Revenue and are included in Table 2, pages 6-7. Personal income was projected to increase approximately 4.5% annually through 2017.

The ratio of debt outstanding as a percentage of personal income is not a determining factor on its own; however, this ratio is required by statute to be examined for the purposes of this report. This ratio is a good indicator of the potential resources to repay debt. Since there is a taxing pledge placed on all General Obligation Bonds, this ratio indicates the ability of the citizens to pay such taxes in the event of a revenue shortfall.

Table 9, page 18, attempts to compare those states that share a Moody's ranking of Aa3 as of December 31, 2004. West Virginia, according to Moody's, had a net tax supported debt, as a percentage of personal income, of 4.6%. In comparison with this one ratio, West Virginia ranks 6th out of the 10 similarly rated states.

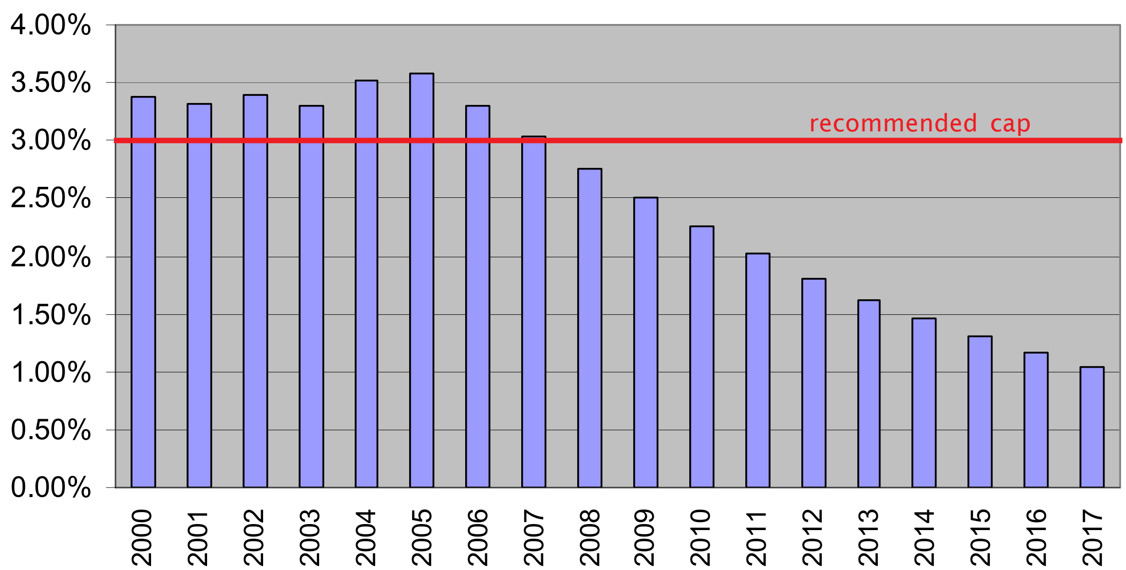
Table 9 - Net Tax Supported Debt Service as a % of Personal Income Similarly Rated States

State	Moody's Rating	NTSD as a % of Personal Income
Montana	Aa3	1.1%
Oklahoma	Aa3	1.2%
Alabama	Aa3	2.0%
Rhode Island	Aa3	4.3%
Wisconsin	Aa3	4.3%
West Virginia	Aa3	4.6%
Oregon	Aa3	4.7%
Mississippi	Aa3	4.8%
Illinois	Aa3	6.2%
New Jersey	Aa3	7.4%
Connecticut	Aa3	8.5%

Source: Moody's Investors Service, 2005 State Debt Medians, May 2005

The following chart examines the net tax supported debt outstanding as a percentage of personal income for fiscal years 2000 through 2017, in relation to our recommended cap of 3.0%, and based on the data contained in Table 2, pages 6-7:

Net Tax Supported Debt as a % of Personal Income Fiscal Years 2000-2017



The recommended cap is 3.0% because the average net tax-supported debt as a percentage of personal income is 3.2% and this report calls for recommendations on the average-to-low range of the ratio. According to our calculation, West Virginia had a net tax supported debt, as a percentage of personal income, of 3.58% as of June 30, 2005 . This does not match the figure calculated by Moody's Investor Services which, as previously stated, is 4.6%.

Net Tax Supported Debt per Capita

The State of West Virginia continues to maintain its population at slightly more than 1.8 million people. Although the population is not shrinking as in past years, the fact that the population is not increasing on a natural basis or increasing due to migration (job growth) is a disappointing factor. In an August 2005 report released by the West Virginia Business & Economic Review, it was reported that West Virginia's median age has historically been above the national level and has incrementally increased over the years. The report stated the following:

> *"West Virginia, whose largest share of the population is heading towards retirement, has a relatively older population. This trend will continue over the next few years unless the state can attract and keep more residents within the 0-24 year-old range."*

This particular ratio of debt per capita shows the debt service burden on the total population of the state. The debt per capita peaked at $953 in fiscal year 2005. The national average debt per capita has risen from $662 in 1997 to $999 in 2004.

The table below attempts to compare West Virginia with states that share a similar rating of Aa3 from Moody's. In comparison with this one ratio, West Virginia ranks 5th out of 10 similarly rated states.

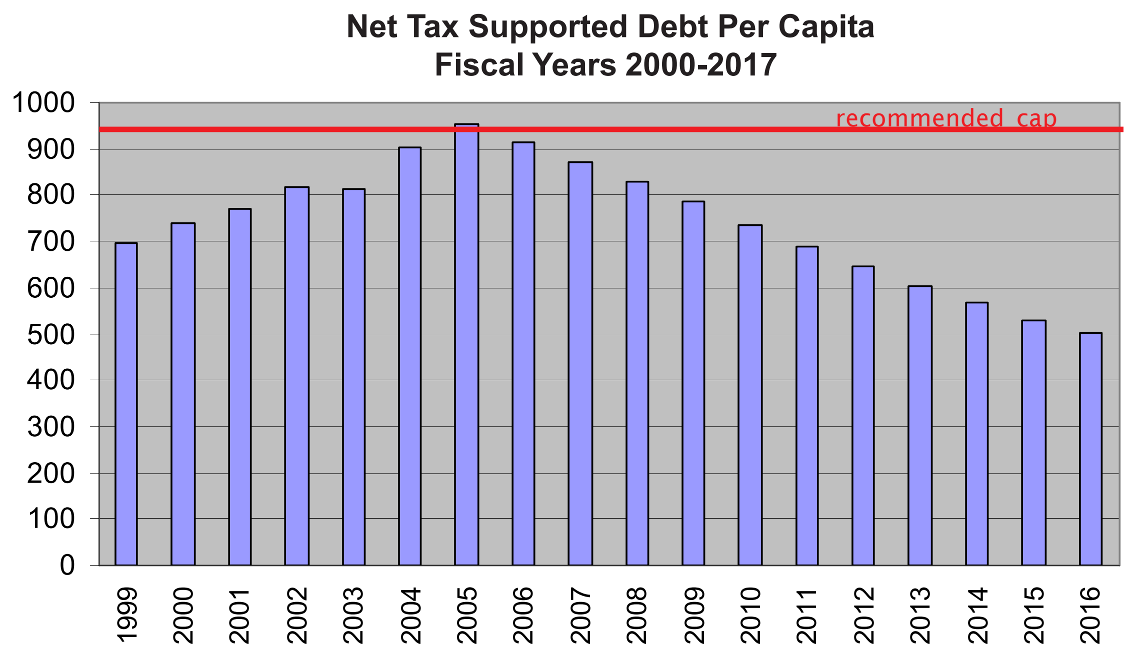
Table 10 - Net Tax Supported Debt per Capita
Similarly Rated States

State	Moody's Rating	NTSD per capita
Montana	Aa3	$274
Oklahoma	Aa3	$306
Alabama	Aa3	$523
Mississippi	Aa3	$1,116
West Virginia	Aa3	$1,127
Wisconsin	Aa3	$1,312
Oregon	Aa3	$1,351
Rhode Island	Aa3	$1,373
Illinois	Aa3	$2,019
New Jersey	Aa3	$2,901
Hawaii	Aa3	$3,343

Source: Moody's Investors Service, 2005 State Debt Medians, May 2005

According to our calculations, West Virginia had a net tax supported debt per capita of $953 as of June 30, 2005 (see Table 2, pages 6-7 for the specific calculation). This figure does not match with the calculation presented in the Moody's "State Debt Medians" report. The difference may be due to the timing of the report and the information that was available at the time of publication.

The following chart examines the net tax supported debt per capita for fiscal years 2000 through 2017, in relation to our recommended cap of $950, and based on the data contained in Table 2, pages 6-7:



Net Tax Supported Debt as a Percentage of the Assessed Value of Taxable Property

It is difficult to find guidance on this ratio since it is not typically used or discussed; however, it is a ratio analysis required by West Virginia law. As of June 30, 2005, the net tax supported debt as a percentage of assessed value is 2.98%.

Make recommendations which will attempt to "keep the state within an average to low range of nationally recognized debt limits" (West Virginia Code, §12-6B-1)

The final step in this analysis is making recommendations based on keeping the state within a certain range of debt ratios. Most ratios are easily accessible; therefore, making comparisons to other states and making recommendations of keeping the state in the average to low range is quite easy. There are also certain industry practices that have been recognized as prudent fiscal management. For example, many states have constitutional or statutory caps on how much of their General Fund can be obligated toward debt repayment.

Perhaps the most important ratio measurement is the debt service burden on the General Revenue Fund. This ratio shows the potential strain on the General Revenue Fund if, for some reason, all other funds are insufficient to pay debt service. Table 11 was developed through research of several publications such as "Developing Formal Debt Policies" a publication from GFOA, "Benchmark GO Ratios" from Standard & Poor's Credit Week, and various debt management reports from around the country.

Table 11 - NTSD as a % of the General Revenue Fund

0 to 5%	6 to 7%	8 to 10%
LOW	MEDIUM	HIGH

West Virginia is slightly above the recommended cap for the ratio of debt service as a percentage of revenue. This is a very important measure since it shows the revenues available to pay debt service.

Summary of Recommendations

This Debt Capacity report is required to make recommendations based on certain criteria which has been discussed throughout the report. Therefore, to comply with the requirements of the report the following recommendations were made:

Based on the mid-to-low range of nationally recognized debt limits, we recommend the following caps:

Net Tax Supported Debt Service as a percentage of the General Revenue Fund:	5.0%
Net Tax Supported Debt Service as a percentage of Revenues:	4.0%
Net Tax Supported Debt as a percentage of Personal Income:	3.0%
Net Tax Supported Debt Per Capita:	$950
Net Tax Supported Debt as a percentage of Assessed Value:	2.0%

The debt service to revenue ratio is very close to the recommended cap and may fall below the cap before the end of Fiscal Year 2007. We recommend that any additional debt issued this year be carefully scrutinized and be used in a prudent manner to keep West Virginia at or near the recommended levels of debt.

Appendix A

West Virginia State Code §12-6B
&
Legislative Rule, Title 112 Series 9

West Virginia State Code §12-6B

DEBT CAPACITY ADVISORY DIVISION.

§12-6B-1. Purpose.
The purpose of this article is to provide a mechanism by which necessary information may be provided to the governor and the Legislature so that they may prudently manage the state's financial resources by attempting to keep the state within an average to low range of nationally recognized debt limits. The ratio measurements which may be taken into consideration in attempting to meet these limits include, but are not limited to, outstanding net tax supported debt per capita, net tax supported debt as a percentage of personal income, net tax supported debt as a percentage of assessed valuation, and any other criteria that recognized bond rating agencies use to judge the quality of issues of state bonds.

§12-6B-2. Debt capacity advisory division created.
There is hereby created within the offices of the state treasurer a debt capacity advisory division.

§12-6B-3. Definitions.
For the purpose of this article:
(a) "Debt" means bonds, notes, certificates of participation, certificate transactions, capital leases and all other forms of securities and indebtedness.
(b) "Debt impact statement" means a signed statement from the treasurer which shall include such information and be in such form, as determined by the division, for the Legislature or the governor to make an informed decision concerning the issuance of debt by the state or its spending units.
(c) "Division" means the debt capacity advisory division established in this article.
(d) "Net tax supported debt as a percentage of assessed valuation" means the net tax supported debt, as determined by the division, divided by the most recently available estimated assessed valuation of all taxable property in the state by the West Virginia department of tax and revenue.
(e) "Net tax supported debt as a percentage of personal income" means the net tax supported debt, as determined by the division, divided by the most recently available personal income figures for the state by the West Virginia bureau of employment programs.
(f) "Net tax supported debt per capita" means the state's net tax supported debt, as determined by the division, divided by the most recently available population estimate for the state by the United States department of commerce.
(g) "Spending unit" means any of the state's agencies, boards, commissions, committees, authorities, or other of its entities with the power to issue debt and secure such debt, but not including local political subdivisions of the state.

(h) “Tax supported debt” means: (1) All obligations of the state or any spending unit to which the state’s full faith and credit is pledged to pay directly or by guarantee (provided that any such guaranteed obligations shall be included only to the extent any such obligations are in default); and (2) all obligations of the state or any agency or authority thereof extending beyond one year with respect to the lease, occupancy or acquisition of property which are incurred in connection with debt financing transactions, including, but not limited to, certificates of participation, and which are payable from taxes, fees, permits, licenses and fines imposed or approved by the Legislature.

Tax supported obligations do not include: (1) Any obligations of the West Virginia housing development fund, the economic development authority, the hospital finance authority, the West Virginia parkway authority, the West Virginia public energy authority, the West Virginia solid waste management board, and the West Virginia water development authority; (2) revenue anticipation notes or bonds of the state; or (3) any obligations to the extent that the debt service with respect thereto is reasonably expected to be offset, as determined by the division, by lease payments, user fees, federal grants or other payments from some source other than the general fund. Such payments shall be used expressly for the purpose of paying debt service.

(i) “Treasurer” means the treasurer of the state of West Virginia.

§12-6B-4. Powers and duties.

The division shall perform the following functions and duties:

(a) Promulgate rules pursuant to article three, chapter twenty-nine-a of this code, for the management and conduct of its affairs;

(b) Annually review the size and condition of the state’s tax-supported debt and submit to the governor and to the Legislature, on or before the first day of October of each year, an estimate of the maximum amount of new tax-supported debt that prudently may be authorized for the next fiscal year, together with a report explaining the basis for the estimate. The estimate shall be advisory and in no way restrict the governor or the Legislature. In preparing its annual review and estimate, the division shall, at a minimum, consider:

(1) The amount of net tax supported debt that, during the next fiscal year and annually for the following ten fiscal years: (A) Will be outstanding; and (B) has been authorized but not yet issued;

(2) Projected debt service requirements during the next fiscal year and annually for the following ten fiscal years based upon: (A) Existing outstanding debt; (B) previously authorized but unissued debt; and (C) projected bond authorizations;

(3) Any information available from the budget section of the department of administration in connection with anticipated capital expenditures projected for the next five fiscal years;

(4) The criteria that recognized bond rating agencies use to judge the quality of state bonds;
(5) Any other factor that the division finds as relevant to: (A) The ability of the state to meet its projected debt service requirements for the next fiscal year; (B) the ability of the state to meet its projected debt service requirement for the next five fiscal years; and (C) any other factor affecting the marketability of such bond; and
(6) The effect of authorizations of new tax-supported debt on each of the considerations of this subsection.
(c) Conduct ongoing review of the amount and condition of bonds, notes and other security obligations of the state's spending units: (1) Not secured by the full faith and credit of the state or for which the Legislature is not obligated to replenish reserve funds or make necessary debt service payments; (2) for which the state has a contingent or limited liability or for which the Legislature is permitted to replenish reserve funds or make necessary debt service payments if deficiencies occur. When appropriate, the division shall recommend limits on such additional obligations to the governor and to the Legislature. Such recommendation is advisory and shall in no way restrict the governor, the Legislature or the spending unit.
(d) The treasurer may review all proposed offerings of debt, as defined in this article, submitted to the division of debt management, as provided in section six, article six-a of this chapter. The division may also request any additional information which may be needed to issue an advisory opinion to the governor, the speaker of the House of Delegates and the president of the Senate as to the impact of the proposed offering on the state's net tax-supported debt outstanding and any other criteria which the treasurer feels may be relevant to the marketability of said offering and its impact on the state's credit rating. Such advisory opinion shall in no way restrict the governor, the Legislature or the spending unit.
(e) Do all things necessary or convenient to effectuate the intent of this article and to carry out its powers and functions.

Legislative Rule, Title 112 Series 9

RULES FOR THE REPORTING OF DEBT CAPACITY

§112-9-1. General.

1.1. Scope. — This rule implements the provisions of W. Va. Code §12-6B-1 et seq., which provides that the State Treasurer's Division of Debt Capacity is responsible for the gathering and reporting of information concerning the State's ability to meet it's debt obligations, and to incur new debt, and for conducting an ongoing review of the amount and condition of bonds, notes, and other security obligations of the State's spending units.

1.2. Authority. — W. Va. Code §12-6B-4.

1.3. Filing Date. — May 6, 1998

1.4. Effective Date. — May 7, 1998

1.5. General Purpose. — The purpose of this rule is to carry out the legislative intent, as stated in W. Va. Code §12-6B-1, to provide necessary information to the Governor and the Legislature so that they may prudently manage the state's financial resources by attempting to keep the State within an average to low range of nationally recognized debt limits.

§112-9-2. Definitions.

For the purpose of this rule, unless a different meaning is clearly required by the context:

2.1. "Capital Lease" means a lease in which the lessee assumes substantially all the risks and benefits associated with the asset and which meets one or more of the following criteria:

2.1.1. The lease transfers ownership of the leased asset at the end of the lease term;

2.1.2. The lease terms and conditions contain a bargain purchase option which allows the Lessee to buy the leased asset for substantially less than the estimated value of the leased item;

2.1.3. The term of the lease is seventy-five percent (75%) or more of the estimated economic life of the leased asset. The estimated economic life is the estimated useful life of the asset for the purpose for which it was intended, regardless of the term of the lease. For example, if a copier with an estimated economic life of ten (10) years were leased for eight (8) years, it would meet this criterion; or

2.1.4. The present value of the future minimum lease payments at the beginning of the lease equals or exceeds ninety percent (90%) of the fair value of the asset.

2.2. "Debt" means bonds, notes, Certificates of Participation, certificate transactions, Capital Leases, lease purchases, mortgages and all other forms of securities or paper evidencing amounts owed and payable on demand or specified dates, as determined by the Treasurer .

2.3. "Debt Impact Statement" means a signed statement from the Treasurer which contains the information specified in Subsection 3.2 of this Rule and may accompany, at the request of a member of the Legislature, a bill introduced to the West Virginia Legislature which authorizes the issuance of debt.

2.4. "Division" means the division of debt capacity.

2.5. "General Obligation Bonds" means debt in the form of bonds supported by a constitutional obligation of the State to make debt payments if no other source of funds is available. The creation of general obligation debt requires a constitutional amendment approved by two-thirds of both houses of the Legislature and a majority vote by the public.

2.6. "Installment Purchase" means a lease agreement in excess of one year providing for the application of rental payments to the purchase price of equipment or facilities. A spending unit's obligation under the lease purchase agreement is made expressly subject to appropriations by the Legislature, thus creating a "moral obligation" on the part of the Legislature to appropriate necessary rent when the lease payments are due and payable.

2.7. "Mortgage" means a debt instrument for financing the purchase of real property by which the borrower gives the lender a lien on the property as security for the repayment of the loan.

2.8 “Net tax supported debt” means: (1) general obligation bonds of the state net of any refundings, defeasances, reserve requirements or sinking funds; (2) moral obligations of the state net of any refundings, defeasances, reserve requirements or sinking funds; (3) capital leases, lease purchases, mortgages, installment purchases, certificates of participation and any other debt financing transaction extending beyond one year, net of any refundings, defeasances, reserve requirements or sinking funds, which are payable through an annual appropriation of the Legislature. “Net tax supported debt” includes lottery bonds, but does not include revenue bonds or any other debt that is self-supporting from enterprise revenues: Provided, That the obligation shall not be excluded to the extent the obligations are in default;

2.9. “Other Debt” includes installment purchases as defined in subsection 2.6 of this section; mortgages as defined in subsection 2.7 of this section; and short-term debt as defined in subsection 2.10 of this section.

2.10. “Short-Term Debt” means notes which generally have a term of five years or less, including but not limited to tax anticipation notes, revenue anticipation notes, grant anticipation notes and certificates of participation.

2.11. “Moral Obligation Bond” is a bond secured by a pledge of revenue and a moral commitment of the state of West Virginia to appropriate funds to make up any deficiency of the revenues needed to pay the debt service;

2.12. “Spending unit” means any of the State’s agencies, boards, commissions, committees, authorities, entities or other units of State Government with the power to issue debt and secure debt, with the exclusion of local political subdivisions of the State.

2.13. “State” means the State of West Virginia.

2.14. “Treasurer” means the West Virginia State Treasurer.

2.15. “Revenue bonds” are bonds secured by a specified revenue stream, often with a lien imposed on the revenues. The revenue stream may be a tax or assessment or the revenues of the project financed.

2.16. “Lottery bonds” are bonds secured by lottery revenues;

2.17. “Revenues” means: (1) total funds deposited in the general revenue; plus (2) the entire related revenue stream for any net tax supported debt which is funded from a source other than the state’s general revenue fund; plus (3) an amount equal to any deductions from the gross general revenue for debt service of tax supported debt before the revenue is added to the general revenue fund.

An example of revenue as defined in this subdivision 2.17.2 of this subsection is the State Road Fund revenues. The total revenues of the State Road Fund (exclusive of Federal funds) are used to repay the Road Bonds and are therefore included in revenue.

An example of revenue as defined in subdivision 2.17.3 of this subsection is the amount of severance tax dedicated for repayment of the Infrastructure Bonds. Those dedicated severance taxes are therefor included in revenue.

§112-9-3. Debt capacity and debt impact reporting.

3.1. Annual debt capacity report - The division with the cooperation and support of the Department of Administration, the Department of Tax and Revenue and the Bureau of Employment Programs shall issue an annual report, on or before October 1st of each year. The annual debt capacity report reviews the size and condition of the state’s net tax supported debt and estimates the maximum amount of net tax supported debt which should be authorized based upon ratios and guidelines established by the major bond rating agencies. The ratios and guidelines shall be consistently applied based upon the state’s definitions.

3.2. Debt impact statement - The Treasurer shall prepare a debt impact statement, only at the request of any member of the Legislature of West Virginia, which shall at a minimum include the following:

3.2.1. Current net tax supported debt;

3.2.2. Current net tax supported debt as a percentage of personal income;

3.2.3. Current net tax supported debt per capita;

3.2.4. A list of assumptions derived from the House or Senate bill for which the debt impact statement is being prepared;

3.2.5. The recommendation of the Treasurer;

3.2.6. The total debt service as a percentage of revenue;

3.2.7. Current ratios and guidelines as established and/or reported by the major rating agencies; and

3.2.8. A comparison of West Virginia's ratio to other states with similar bond ratings.

3.3. Additional Information - The division may, pursuant to W. Va. Code §12-6B-4(d), require any additional information from any spending unit to carry out the provisions as outlined in W. Va. Code §12-6B-1 et seq.

3.4. Additional Reports and Advisory Opinions - The Treasurer may, as he or she considers necessary, issue advisory letters, notices and/or opinions on new debt issuance, the condition of the State's outstanding debt and any other factor which the Treasurer determines may directly or indirectly effect the State's credit rating.

Appendix B

Revenue Information

Revenue & Revenue Projections
(thousands)

Year	General Revenue	Road Fund	Lottery	Severance	Total
2000	2,638,496	510,215	128,400	24,000	3,301,111
2001	2,718,379	535,346	171,900	24,000	3,449,625
2002	2,824,117	563,515	244,800	24,000	3,656,432
2003	2,916,961	544,729	268,200	24,000	3,753,890
2004	3,082,941	570,742	356,500	24,000	4,034,183
2005	3,504,830	578,050	362,563	24,000	4,469,443
2006	3,286,900	584,335	395,100	24,000	4,290,335
2007	3,568,600	604,700	379,400	24,000	4,576,700
2008	3,625,250	612,800	355,000	24,000	4,617,050
2009	3,736,400	599,200	322,800	24,000	4,682,400
2010	3,857,150	604,700	330,200	24,000	4,816,050
2011	3,949,200	610,700	336,500	24,000	4,920,400
2012	4,047,900	615,900	336,500	24,000	5,024,300
2013	4,149,100	622,100	336,500	24,000	5,131,700
2014	4,252,900	628,300	336,500	24,000	5,241,700
2015	4,359,200	634,600	336,500	24,000	5,354,300
2016	4,468,200	640,900	336,500	24,000	5,469,600
2017	4,579,900	647,300	336,500	24,000	5,587,700

Note: Revenue information provided by the West Virginia Office of Budget