

West Virginia Consolidated Public Retirement Board Annual Report For:

Fiscal Year Ending June 30, 2007
and
Fiscal Year Ending June 30, 2008

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WV CONSOLIDATED PUBLIC RETIREMENT BOARD

Serving Those Who Serve West Virginia

During the third extraordinary session of 1990, The West Virginia Legislature passed House Bill 311, a law establishing the West Virginia Consolidated Public Retirement Board, replacing the Public Employees Retirement Board and The Teachers' Retirement Board.

The Consolidated Public Retirement Board is now responsible for the administration of all State retirement plans for educational employees, public employees, deputy sheriffs, judges, and public safety personnel with the exclusion of some higher educational plans. Although the Consolidated Public Retirement Board administers many retirement systems, the assets and the administration of each system remain separate and distinct.

MISSION STATEMENT

The West Virginia Consolidated Public Retirement Board earnestly manages the collection of the members' contributions, guarantees that all transactions are completed according to the law and in a timely and accurate manner by a staff that is discerning, honest, and responsible.

VISION STATEMENT

The West Virginia Consolidated Public Retirement Board will be an agency that is knowledgeable, reliable, and trustworthy in its fiduciary responsibilities and will provide support and education to its employees empowering them to deliver effective, professional customer service that strengthens the members' confidence and satisfaction.

Year 2007

CPRB Board of Trustees:

Governor Joe Manchin, III

Chairman David L. Wyant
Non-Member Citizen

Auditor / Vice-Chairman
Glen B. Gainer III

Treasurer
John D. Perdue

Cabinet Secretary of Administration
Robert Ferguson

E. Gene Davis
Retirant of Teachers' Retirement System

Drema B. Evans
Member of Public Employees Retirement System

L. Paul Hardesty
Member of Public Employees Retirement System

Charles C. Lanham
Non-Member Citizen

William B. McGinley
Non-Member Citizen

D. Todd Murray
Member of Deputy Sheriffs' Retirement System

Shelley L. Stead
Member of Teachers' Defined Contribution System

LTC Stephen C. Tucker
Member of State Police Death, Disability and
Retirement Fund

Janet F. Wilson
Non-Member Citizen

Year 2008

CPRB Board of Trustees:

Governor Joe Manchin, III

Chairman David L. Wyant
Non-Member Citizen

Auditor / Vice-Chairman
Glen B. Gainer III

Treasurer
John D. Perdue

Cabinet Secretary of Administration
Robert Ferguson

E. Gene Davis
Retirant of Teachers' Retirement System

Drema B. Evans
Member of Public Employees Retirement System

David Fletcher
Non-Member Citizen

James J. Gianato
Member of Public Employees Retirement System

Charles C. Lanham
Non-Member Citizen

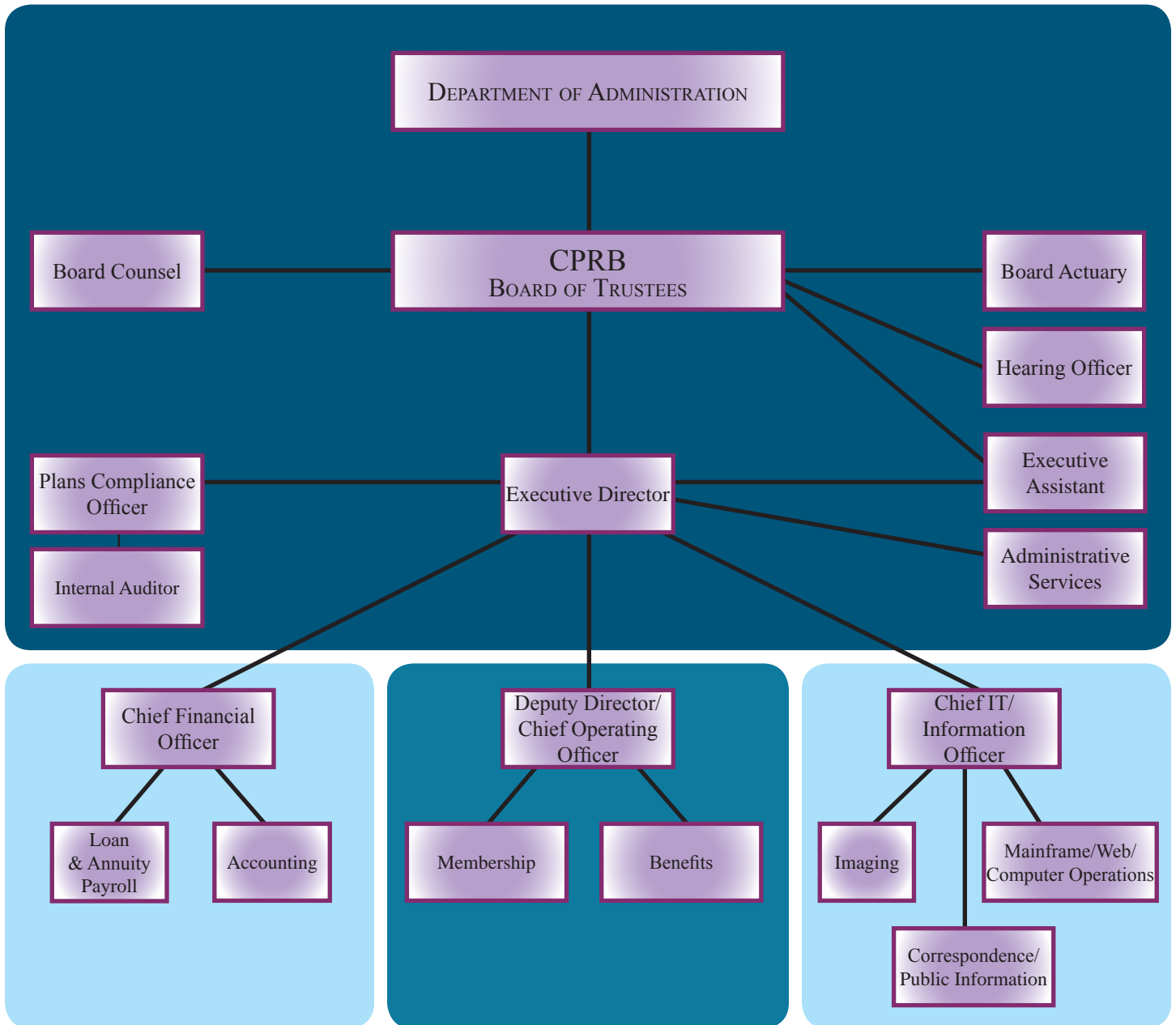
Joe Lynch
Member of Emergency Medical Services
Retirement System

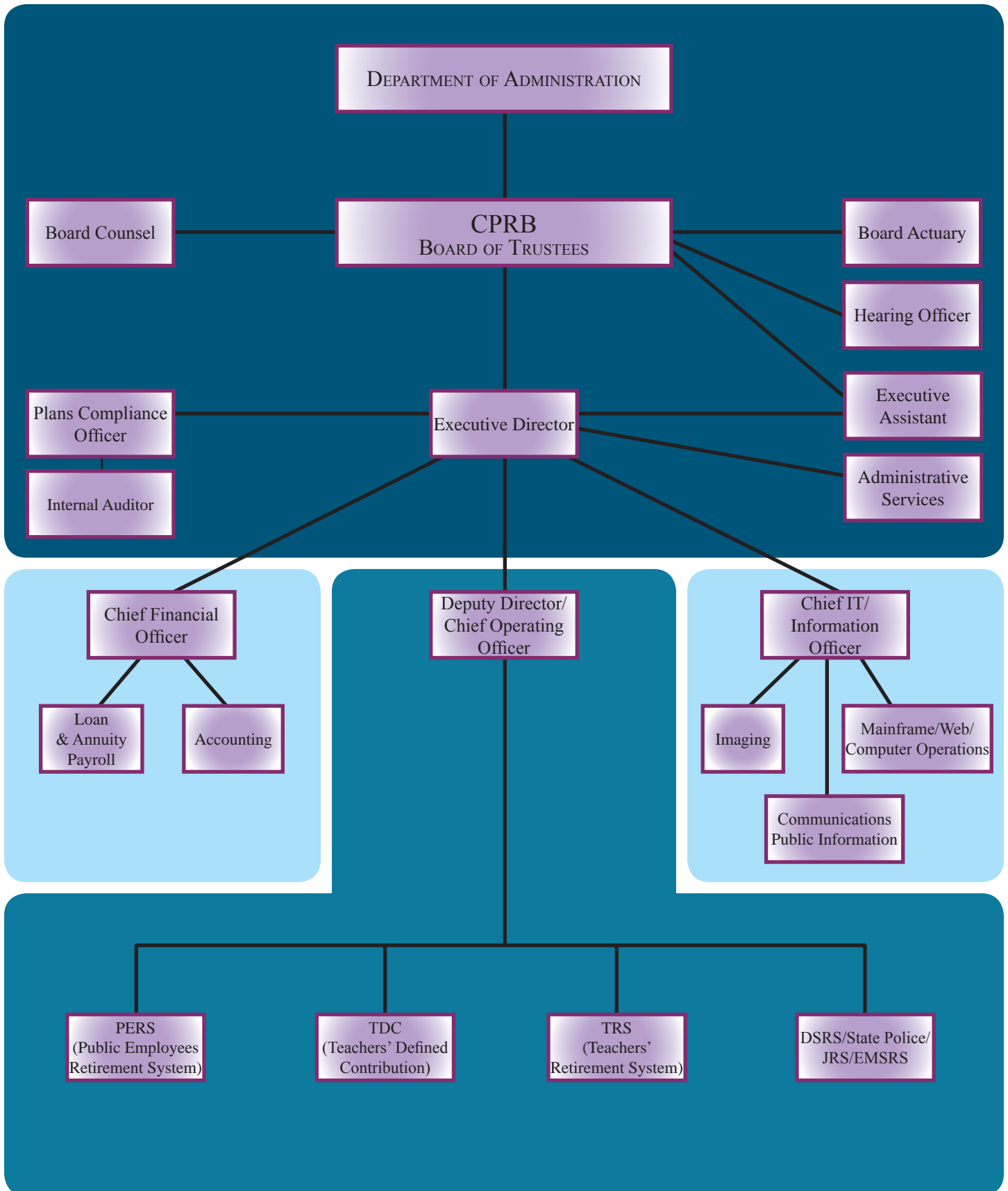
William B. McGinley
Non-Member Citizen

D. Todd Murray
Member of Deputy Sheriff Retirement System

Shelly L. Stead
Member of Teachers' Defined Contribution System

LTC Stephen C. Tucker
Member of State Police Death, Disability and
Retirement Fund





PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

SUMMARY OF PLAN PROVISIONS 2007-2008

MEMBERSHIP The Public Employees Retirement System (PERS) was established on July 1, 1961 for the purpose of providing retirement benefits for employees of the State and other political sub-divisions. PERS is funded by employee and employer contributions.

Age	Years of Service	Benefit
55 and currently working	Rule of 80 = Age plus contributing service equals 80 or more.	Full Benefits
60 and currently working	5 or more years of contributing service	Full Benefits
55 and currently working	10 or more years of credited service	Reduced Benefits
62 and not currently working	5 or more years of credited service (may include military) and was hired prior to July 1, 2002; employed after July 1, 2002, must be 5 years of contributory service (military cannot be used).	Full Benefits
55 and not currently working	Rule of 80 = Age plus contributing service equals 80 or more.	Full Benefits
55 and not currently working	Between 20 and 24 years of service	Reduced Benefits
Less than 55 and not currently working	30 or more years of credited service	Reduced Benefits

BENEFIT FORMULA Final Average Salary x Years of Service x 2%
Final Average Salary is the average annual salary from the highest 36 consecutive months within the last 10 years of employment.

CONTRIBUTION RATES An active member contributes 4.5% of his or her gross monthly salary, tax deferred, to the plan. The employer contributes an additional 10.5% of the member's gross monthly salary for a total combined contribution equal to 15%. All employee contributions are tax deferred. Contributions as a percentage of payroll for members and employers are established by the CPRB, and the employee contribution is subject to legislative limitations. The expected contributions are reviewed to assure that they result in actuarially sound funding for the plan.

INTEREST Interest accrues at 4%.

Option	Description
Straight Life	A lifetime annuity payable monthly to the member determined under the full benefit formula without adjustment. There are no death benefits under this option.
Option A - 100% Joint and Survivor	An actuarially reduced annuity payable monthly to the member for his or her lifetime. At the member's death, the named survivor will receive the same amount for his or her lifetime.
Option B - 50% Joint and Survivor	A reduced annuity payable monthly to the member for his or her lifetime. At the member's death, the named survivor will receive one-half amount for his or her lifetime.

SUMMARY OF PLAN PROVISIONS 2007-2008 (CONTINUED)

DISABILITY BENEFITS **WORK RELATED DISABILITY** - An active member of PERS may qualify for a work related total and permanent disability retirement with no minimum years of service required. He or she must be receiving (or have received) Workers' Compensation benefits on account of such disability.

NON-WORK RELATED DISABILITY - A member must have 10 or more years of credited service to qualify for a non-work related total and permanent disability retirement.

Disability benefits shall not be less than 50% of a member's Final Average Salary. At age 65, the benefits are calculated on actual years of service, and may be reduced, but the straight life benefit or equivalent may not be less than 20% of the Final Average Salary.

PRE-RETIREMENT DEATH BENEFITS **CATEGORY 1: LESS THAN 10 YEARS OF CREDITED SERVICE REGARDLESS OF ORIGINAL DATE OF HIRE OR MARITAL STATUS:**
A member who has less than 10 years of credited service, regardless of marital status and regardless of original date of hire, may elect to name a beneficiary(ies) to receive a lump sum payment of his or her employee contributions plus 4% interest.

CATEGORY 2: HIRED FOR THE FIRST TIME BEFORE OR ON JUNE 9, 2006, HAS 10 OR MORE YEARS OF CREDITED SERVICE, AND IS MARRIED AT THE TIME OF DEATH:

A member of PERS who has 10 or more years of credited service, is married and was hired for the first time in PERS before or on June 9, 2006, may elect one of the following options on the Pre-Retirement Beneficiary form:

(A) The member may elect a 100% Joint and Survivor, calculated as if the member had retired the day preceding the date of his or her death, paid to his or her surviving spouse. The member may also elect to name an alternative beneficiary, who has an "insurable interest" in the life of the member, to receive the 100% Joint and Survivor annuity if the surviving spouse pre-deceases the member OR the member may elect to name a beneficiary to receive a lump sum payment of his or her employee contributions plus 4% interest if the surviving spouse pre-deceases the member.

(B) If the "Spouse's Waiver of Survivorship Annuity" section is completed, the member may elect to have the 100% Joint and Survivor annuity, calculated as if the member had retired the day preceding the date of his or her death, paid to a named survivor who has an "insurable interest" in the life of the member OR the member may elect to name a beneficiary to receive a lump sum payment of his or her employee contributions plus 4% interest.

CATEGORY 3: HIRED FOR THE FIRST TIME BEFORE OR ON JUNE 9, 2006, HAS 10 OR MORE YEARS OF CREDITED SERVICE AND IS NOT MARRIED AT THE TIME OF DEATH:

A member of PERS who has 10 or more years of credited service, is not married and was hired for the first time in PERS before or on June 9, 2006, may elect one of the following options on the Pre-Retirement Beneficiary form:

(A) The member may elect to name a beneficiary(ies) to receive a lump sum payment of his or her employee contributions plus 4% interest.

(B) The member may elect to have a 100% Joint and Survivor annuity, calculated as if the member had retired the day preceding the date of his or her death, paid to a named survivor who has an "insurable interest" in the life of the member.

(C) The member may elect not to name a beneficiary and have his or her pre-retirement death benefit paid as a monthly annuity, calculated as though the member had retired as of the date of his or her death and elected a Straight Life annuity, to a minor child or children until the minor child or children attains age 21 or sooner marries or becomes emancipated.

**In no event shall any child or children receive more than \$250.00 per month.*

CATEGORY 4: HIRED FOR THE FIRST TIME AFTER JUNE 9, 2006, HAS 10 OR MORE YEARS OF CREDITED SERVICE AND IS MARRIED AT THE TIME OF DEATH:

A member of PERS who has 10 or more years of credited service, is married and was hired after June 9, 2006, may elect one of the following options on the Pre-Retirement Beneficiary form:

(A) The member may elect a 100% Joint and Survivor annuity, calculated as if the member had retired the day preceding the date of his or her death, paid to his or her surviving spouse. The member may also elect to name a beneficiary to receive a refund of his or her employee contributions plus 4% interest in the event the surviving spouse pre-deceases the member.

(B) If the "Spouse's Waiver of Survivorship Annuity" section is completed, the member may elect to have the 100% Joint and Survivor annuity, calculated as if the member had retired the day preceding the date of his or her death, paid to a child who is financially dependent upon the member by virtue of a permanent mental or physical disability, OR the member may elect to name a beneficiary to receive a lump sum payment of his or her employee contributions plus 4% interest.

**Evidence of disability must be provided and the disabled child must be named sole beneficiary.*

CATEGORY 5: HIRED FOR THE FIRST TIME AFTER JUNE 9, 2006, HAS 10 OR MORE YEARS OF CREDITED SERVICE AND IS NOT MARRIED AT THE TIME OF DEATH:

A member of PERS who has 10 or more years of credited service, is not married and was hired after June 9, 2006, may elect one of the following options on the Pre-Retirement Beneficiary form:

(A) The member may elect to name a beneficiary(ies) to receive a lump sum payment of his or her employee contributions plus 4% interest.

(B) The member may elect to have a 100% Joint and Survivor annuity, calculated as if the member had retired the day preceding the date of his or her death, paid to a child who is financially dependent upon the member by virtue of a permanent mental or physical disability.

**Evidence of disability must be provided and the disabled child must be named sole beneficiary.*

(C) The member may elect not to name a beneficiary and have his or her pre-retirement death benefit paid as a monthly annuity, calculated as though the member had retired as of the date of his or her death and elected a Straight Life annuity, to a minor child or children until the minor child or children attains age 21 or sooner marries or becomes emancipated.

**In no event shall any child or children receive more than \$250.00 per month.*

TEACHERS' RETIREMENT SYSTEM (TRS)

SUMMARY OF PLAN PROVISIONS 2007-2008

MEMBERSHIP The State Teachers' Retirement System (TRS) was established on July 1, 1941 for the purpose of providing retirement benefits for teachers and school service personnel of the State's 55 county public school systems, the State Department of Education, and the School for the Deaf and Blind. An active member contributes 6% of his or her gross monthly salary into the retirement plan. The employer contributes an additional 15% of the member's gross monthly salary into the plan for employees hired before July 1, 2005; 7.5% for employees hired for the first time on or after July 1, 2005. Chapter 18, Article 7A of the West Virginia Code establishes the plan provisions for TRS.

Age	Years of Service	Benefit
55 and currently working	30 or more years of credited service	Full Benefits
Any age and currently working	35 years of credited service	Full Benefits
60 and currently working	5 or more years of service	Full Benefits
Less than 55 and currently working	30 years of credited service	Reduced Benefit
60 and not currently working	20 or more years of service	Full Benefits
62 and not currently working	Less than 20 years of service	Full Benefits

Members can retire with reduced benefits before age 55 after completing 30 years of credited service. An individual with 5 or more years of contributing service who terminates employment prior to retirement, but does not withdraw his or her employee contributions, will be eligible for retirement benefits at age 62, or at age 60 with 20 years of contributing service.

BENEFIT FORMULA Final Average Salary x Years of Service x 2%
Final average salary refers to the average of the 5 highest years out of the last 15 years of contributing service.

LOANS A member hired prior to July 1, 2005, may borrow up to 50% of his or her contributions, but the total existing loan may not exceed \$8,000. Any outstanding loan balance must be paid in full before a member can receive retirement benefits or a member may elect to receive a lifetime actuarial reduction of their monthly retirement benefit to pay off their outstanding loan balance. Refinancing existing loans is not permitted. Loans are not available to members who are hired for the first time on or after July 1, 2005.

CONTRIBUTION RATES TRS funding policy provides for member contributions based on 6% of members' annual compensation, tax deferred. Contributions as a percentage of payroll for members and employers are established by State law and are not actuarially determined. The employers make the following contributions:

The State, county boards of education and other employers contribute 15% of gross salary of their TRS covered employees hired prior to July 1, 1991. The State, county boards of education and other employers contribute 7.5% of gross salary of TRS covered employees hired for the first time on or after July 1, 2005, and for those TDCRS members who selected to transfer to TRS effective July 1, 2008. The other employers and county boards of education, utilizing funds made available through the State's School Aid Formula (SAF), also contribute 7.5% of the gross salary of their TDCRS covered employees. In addition, the State contributes a certain percentage of fire insurance premiums paid by the State residents and an amount determined by the State actuary as being needed to extinguish the TRS unfunded liability within 40 years of June 30, 1994.

INTEREST Refund interest accrues at 4%.

Option	Description
Straight Life	A lifetime annuity payable to the member determined under the regular benefit formula without adjustment.
100% Joint and Survivor	A reduced annuity payable monthly to the member for his or her lifetime. At the member's death, the named survivor will receive the same amount for his or her lifetime.
50% Joint and Survivor	A reduced annuity payable monthly to the member for his or her lifetime. At the member's death, the named survivor will receive one-half amount for his or her lifetime.
Guaranteed 120 Payments	A reduced annuity payable monthly to the member for his or her lifetime. If the member dies before receiving all 120 payments, the remainder of those 120 monthly payments shall be payable to the member's named beneficiary or the member's estate.

TEACHERS' RETIREMENT SYSTEM (TRS)

SUMMARY OF PLAN PROVISIONS 2007-2008 (CONTINUED)

DISABILITY BENEFITS A member may qualify for disability retirement benefits if he or she has at least 10 years of service credit, left employment because of disability, and has been unable to work because of the disability for at least 6 months. Only 5 years of service credit is necessary if the disability is a direct and total result of an act of student violence directed toward the member. All disability retirement applications must be approved by the West Virginia Consolidated Public Retirement Board.

PRE-RETIREMENT DEATH BENEFITS If a member 50 years of age or older with 25 years of credited service dies, the surviving spouse, if named as sole beneficiary, will receive a 100% Joint & Survivor annuity for life. If a member does not meet these age and service requirements, then payment of employee contributions and refund interest, and a like amount of employee contributions, will be paid to the designated beneficiary(ies).

TEACHERS' DEFINED CONTRIBUTION RETIREMENT SYSTEM (TDC)

SUMMARY OF PLAN PROVISIONS 2007-2008

MEMBERSHIP The Teachers' Defined Contribution Retirement System (TDC) is a multiple employer defined contribution retirement system covering full time employees of the State's 55 county public school systems, the State Department of Education, certain Higher Education employees, and the School for the Deaf and Blind who were hired between June 30, 1991 and June 30, 2005. TDC members may also include former TRS plan members, including higher education employees, who have elected to transfer into or participate in TDC. TDC benefits depend solely on amounts contributed to the plan plus investment earnings/losses. Chapter 18, Article 7B of the West Virginia Code establishes the plan provision for TDC. Effective July 1, 2005, TDC is closed to new participants.

CONTRIBUTION RATES AND VESTING The West Virginia Code requires employees to contribute 4.5% of their gross compensation, tax deferred, and the employers to contribute 7.5% of covered members' gross compensation. Employer contributions for each employee (and interest earnings and/or losses allocated to the employee's account) become $\frac{1}{3}$ vested at six years, $\frac{2}{3}$ vested at nine years and fully vested at 12 complete years of service. Non-vested employer contributions and earnings are forfeited by employees who leave employment prior to becoming fully vested in the event the employee does not return to active participant status within five years to reduce the employer's current period contribution requirement. Any such forfeitures arising from contributions, plus earnings thereon, will be used to reduce future employer contributions.

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JUDGES' RETIREMENT SYSTEM (JRS)

SUMMARY OF PLAN PROVISIONS 2007-2008

MEMBERSHIP The Judges' Retirement System (JRS) was established on June 5, 1949 for judges and justices of the State of West Virginia who elect to participate in the retirement system. JRS is a single employer defined benefit employee retirement system, providing retirement, death and disability benefits. Chapter 51, Article 9 of the West Virginia Code establishes the plan provisions for JRS.

Age	Years of Service	Benefit
65	At least 16 years of credited service, of which at least 12 years is as a sitting judge and/or justice *	Full Benefits
Any age	24 years of credited service, of which at least 12 years is as a sitting judge and/or justice *	Full Benefits
After 65	Any judge and/or justice who serves at least 8 full years **	Full Benefits
62	At least 16 years of credited service, of which at least 12 years is as a sitting judge and/or justice *	Early Retirement with an actuarially reduced benefit
Defer until 65	At least 16 years of credited service, of which at least 12 years is as a sitting judge and/or justice *	Full Benefits

* Provided, That every individual who is appointed or elected for the first time as a judge or justice after July 1, 2005, must serve a minimum of 14 years as a sitting judge or justice.

** Provided, That no individual who is appointed or elected for the first time as a judge or justice after July 1, 2005, is eligible for retirement benefits under this criteria.

BENEFIT FORMULA A regular retirement benefit is an amount equal to 75% of the current salary of the office from which the member retires. Individuals who are appointed or elected for the first time as a judge or justice after July 1, 2005, shall receive retirement benefits in an amount equal to 75% of the individual's final average salary. *Final average salary* is the average of the highest thirty-six consecutive months of compensation.

CONTRIBUTION RATES Active members contribute 10.5% of their gross salary, tax deferred, into the JRS. The Judiciary contributes annually the amount necessary to actuarially fund JRS based on annual actuarial valuations completed by the CPRB for JRS out of the Judiciary budget.

INTEREST JRS accounts do not accrue interest.

RETIREMENT BENEFITS A regular retirement benefit is an amount equal to 75% of the current salary of the office from which the member retires. Individuals who are appointed or elected for the first time as a judge or justice after July 1, 2005, shall receive retirement benefits in an amount equal to 75% of the individual's final average salary.

PROSECUTING ATTORNEY A judge or justice of a court of record who has served for a period of not less than 12 full years may receive credit for time served as a prosecuting attorney if the service was earned prior to 1987 and the member was a sitting judge or justice on March 14, 1987.

Assistant Prosecuting Attorney service does not qualify as eligible years of service under JRS.

JUDGES' RETIREMENT SYSTEM (JRS)

SUMMARY OF PLAN PROVISIONS 2007-2008 (CONTINUED)

DISABILITY BENEFITS Any judge or justice who has served for ten full years, or any judge or justice over the age 65 who has served for at least six full years, who becomes physically or mentally incapacitated and cannot perform the duties of his or her office during the remainder of his or her term may be eligible for a disability retirement. The judge or justice shall make both a written application and resignation to the Governor setting forth the nature and extent of his or her disability. If the Governor determines through recommendation of the Governor's Judicial Disability Review Board that such disability exists and that public service is suffering and will continue to suffer by reason of such disability, the Governor shall submit an official written order awarding retirement benefits.

A judge or justice who retires because of disability and accepts the benefits payable under JRS because of such disability shall not, while receiving said benefits, be permitted to practice law. If a judge or justice receiving benefits for disability retirement enters the practice of law, his or her disability benefits shall be suspended for the time he or she shall be engaged in the practice of law.

The benefit payable to a judge or justice who is granted disability retirement shall be an annual retirement benefit equal to the salary he or she was receiving at the time of his or her disability retirement. This benefit is payable to the judge or justice for the remainder of his or her unexpired term. At the end of the term of office for which the judge or justice would have served, the benefit payable to the judge or justice for the remainder of his or her life is an amount equal to 75% of the current salary of the office from which the member retires. For any individual who is appointed or elected for the first time as a judge or justice after July 1, 2005, the benefit payable after the end of the term of office shall be calculated with respect to the judge or justice's final average salary.

DEATH BENEFITS The surviving spouse of a judge or justice who dies while in office after having served five or more years as a sitting judge or justice, or a judge or justice who has already retired, shall receive 40% of the annual salary of the office which said judge or justice held at his or her death or from which said judge or justice resigned or retired. This benefit is payable to the surviving spouse until his or her death or remarriage. Should the active salary of sitting judges or justices be increased or decreased, the benefits paid to the surviving spouse shall amount to 40% of the new salary; provided, that the annuity paid to a surviving spouse of an individual who was appointed or elected for the first time as a judge or justice after July 1, 2005, shall be an amount equal to 40% of the judge or justice's final average salary. The surviving spouse of a judge or justice who was appointed or elected for the first time after July 1, 2005, is not entitled to an increase in benefits by virtue of any increase in the salaries of active sitting judges or justices.

If there is no surviving spouse of a judge or justice who dies after having served five years or more and such judge or justice leaves surviving him or her a dependent child or children, such dependents shall receive an amount equal to 20% of the annual salary of the office which said judge or justice held at the time of his or her death: Provided, that the total of all such annuities payable to each dependent child shall not exceed in the aggregate an amount equal to 40% of such salary. This benefit is payable to each dependent child until he or she attains the age of 18 or until he or she attains the age of 23 as long as such dependent(s) remain(s) a full-time student. Should the active salary of a sitting judge or justice be increased or decreased, the benefit payable to a dependent child or children shall amount to 20% of the new salary; provided, that the benefit of a dependent child or children of a judge or justice who is appointed or elected for the first time after July 1, 2005, shall be calculated with respect to the judge or justice's final average salary. Dependent children of a judge or justice who is appointed or elected for the first time after July 1, 2005, are not entitled to an increase in benefits by virtue of any increase in the salaries of active judges or justices.

If a judge or justice dies while in office before having served five full years as a sitting judge or justice, the surviving spouse or dependent children will receive a refund of contributions paid into the retirement system.

PUBLIC SAFETY DEATH, DISABILITY, AND RETIREMENT SYSTEM (PLAN A)

SUMMARY OF PLAN PROVISIONS 2007

MEMBERSHIP The Public Safety Death, Disability and Retirement System, commonly referred to as Plan A, was established for all state troopers on July 1, 1935. Chapter 15, Article 2 of the West Virginia Code establishes the plan provisions for Plan A. State Troopers hired on or after March 12, 1994 are not eligible for membership in Plan A. Civilian employees of West Virginia State Police are members of the Public Employees Retirement System.

Age	Years of Service	Benefit
50	20 years contributory service (excluding military)	Full Benefits
Any age	25 years of credited service (including military)	Full Benefits
62	10 years of service	Full Benefits
Less than 50	20 years of credited service (excluding military)	Deferred Benefit at age 50

BENEFIT FORMULA The regular retirement benefit, paid in equal monthly installments, is equal to 5.5% of the member's aggregate salary during his or her whole period of service in the Department. This benefit is payable during the lifetime of the retired member.

COST OF LIVING ALLOWANCE Every member of the Department who is 55 years of age or older and who is retired under normal retirement criteria will receive an annual retirement annuity adjustment of 3.75% payable on July 1 of each year after the member is 55 years of age.

Every member of the Department who is retired under disability retirement criteria and every surviving spouse or other beneficiary receiving a benefit under the provisions of this retirement system is eligible to receive the annual retirement annuity adjustment of 3.75% payable on July 1 of each year.

CONTRIBUTION RATES Active members of Plan A contribute 9% of their total gross salary, tax deferred, into the retirement plan for the member Normal Cost. The employer contributes an additional amount sufficient to fund the Plan benefits on an actuarially determined basis including both the employer Normal Cost plus amortizing the unfunded actuarial accrued liability through Fiscal Year 2025. For Fiscal Year 2007, this requirement was 22.4% of total state police payroll.

INTEREST Interest accrues at 4%.

PUBLIC SAFETY DEATH, DISABILITY, AND RETIREMENT SYSTEM (PLAN A)

SUMMARY OF PLAN PROVISIONS 2007 (CONTINUED)

DISABILITY BENEFITS **TOTAL DUTY DISABILITY**- A member of the Department may qualify for a total duty disability if, in the opinion of the Board, the member has become physically or mentally permanently disabled and incapacitated from all types of gainful employment by injury, illness or disease resulting from any occupational risk or hazard inherent in or peculiar to the services required of members of the Department, and such disability was incurred pursuant to or while the member was engaged in the performance of his or her duties as a member of the Department. The benefit payable for a total duty related disability is a lifetime benefit in an amount equal to 8.5% of the total salary which would have been earned by the member during twenty-five years, or actual service if more than twenty-five years, but not less than \$15,000 annually.

PARTIAL DUTY DISABILITY - A member of the Department may qualify for a partial duty disability if, in the opinion of the Board, the member has become physically or mentally permanently disabled by injury, illness or disease resulting from any occupational risk or hazard inherent in or peculiar to the services required of members of the Department, and such disability was incurred pursuant to or while the member was or shall be engaged in the performance of his or her duties as a member of the Department, and is by reason of such cause unable to perform adequately the duties required of him or her as a member of the Department, but is able to engage in other gainful employment in a field other than law enforcement. The benefit payable for a partial duty related disability is a lifetime benefit in an amount equal to 5.5% of the total salary which would have been earned by the member during twenty-five years, or actual service if more than twenty-five years, but not less than \$6,000, annually.

NON-DUTY DISABILITY - Any member while in active service of the Department may qualify for a non-duty disability if the member has, in the opinion of the Board, become permanently disabled and is unable to adequately perform the duties required of a member of the Department from any cause other than those set forth in the duty related disability provisions, and not due to vicious habits, intemperance or willful misconduct on the member's part.

a). If the member at the time of such retirement has served less than twenty years, the benefit payable shall be paid in equal monthly installments during a period equal to one-half the time such member has served as a member of the Department a sum equal to 5.5% of the total salary which would have been earned during twenty-five years of service. At the end of the one-half time period of service, the benefit payable for the remainder of the member's life is an annual sum paid in monthly installments equal to one-half the base salary received by the member from the Department in the preceding twelve-month period prior to disability.

b). If the member at the time of such retirement has served twenty years or longer, the member shall be entitled to receive annually, in monthly installments, a lifetime benefit in an amount equal to 5.5% of the aggregate of salary paid to the member through the day immediately preceding his or her disability.

CONTINUED DISABILITY - The Board may require subsequent medical evaluations to determine if a disability retiree has fully or partially recovered from such disability. The Board may also require a disability benefit recipient to file an annual statement of earnings and any other information required in rules adopted by the Board.

DEATH BENEFITS **DUTY RELATED** - The benefits payable to the surviving spouse for a duty related pre-retirement death, or to the surviving spouse of a member who dies after having been retired with a duty related disability are monthly payments for his or her lifetime in which the annual benefit is equal to 5.5% of the total salary which would have been earned by the deceased member during twenty-five years of service in the Department, but not less than \$6,000 annually. A surviving spouse will also receive \$100 per month for each dependent child. If there is no surviving spouse, each surviving dependent child will receive 25% of the spouse's benefit. If there is no surviving spouse or dependent children, then the surviving dependent parents each receive 50% of what would have been paid to the spouse.

DEPENDENT CHILD SCHOLARSHIP - Any person qualified as a surviving dependent child of a member who died in the performance of duty or of a member who dies after having been retired with a duty related disability shall be entitled to receive a scholarship to be applied to the career development education of that dependent at a West Virginia institution.

NON-DUTY RELATED - The benefit payable to the surviving spouse of a member who dies after a normal or a non-duty related disability retirement, or after the member has served twenty years, is an amount equal to 75% of the retirement benefits the deceased member was receiving while in retirement status, or would have been entitled to receive to the same effect as if such member had been retired immediately prior to the time of his or her death, but not less than \$5,000 annually. A surviving spouse will also receive \$100 per month for each dependent child. If there is no surviving spouse, or the surviving spouse remarries, each surviving dependent child will receive 25% of the spouse's benefit. If there is no surviving spouse or dependent children, then the surviving dependent parents each receive 50% of what would have been paid to the spouse.

The benefits payable to the surviving spouse of a member for a non-duty related death with less than twenty years of service are monthly payments in which the annual benefit is equal to 2.75% of the total salary which would have been earned by said member during twenty-five years of service in the Department. If there is no surviving spouse, or the surviving spouse remarries, each surviving dependent child will receive 25% of the spouse's benefit. If there is no surviving spouse or dependent children, then the surviving dependent parents each receive 50% of what would have been paid to the spouse.

PUBLIC SAFETY DEATH, DISABILITY, AND RETIREMENT SYSTEM (PLAN A)

SUMMARY OF PLAN PROVISIONS 2008

MEMBERSHIP The Public Safety Death, Disability and Retirement System, commonly referred to as Plan A, was established for all state troopers on July 1, 1935. Chapter 15, Article 2 of the West Virginia Code establishes the plan provisions for Plan A. State Troopers hired on or after March 12, 1994 are not eligible for membership in Plan A. Civilian employees of West Virginia State Police are members of the Public Employees Retirement System.

Age	Years of Service	Benefit
50	20 years contributory service (excluding military)	Full Benefits
Any age	25 years of credited service (including military)	Full Benefits
62	10 years of service	Full Benefits
Less than 50	20 years of credited service (excluding military)	Deferred Benefit at age 50

BENEFIT FORMULA The regular retirement benefit, paid in equal monthly installments, is equal to 5.5% of the member's aggregate salary during his or her whole period of service in the Department. This benefit is payable during the lifetime of the retired member.

COST OF LIVING ALLOWANCE Every retiree of the fund who is 55 years of age or older and who is retired under normal retirement criteria will receive an annual retirement annuity adjustment of 3.75% payable on July 1 of each year after the retiree is 55 years of age.

Every retiree of the fund who is retired under disability retirement criteria and every surviving spouse or other beneficiary receiving a benefit under the provisions of this retirement system is eligible to receive the annual retirement annuity adjustment of 3.75% payable on July 1 of each year.

CONTRIBUTION RATES Active members of Plan A contribute 9% of their total gross salary, tax deferred, into the retirement plan for the member Normal Cost. The employer contributes an additional amount sufficient to fund the Plan benefits on an actuarially determined basis including both the employer Normal Cost plus amortizing the unfunded actuarial accrued liability through Fiscal Year 2025. For Fiscal Year 2008, this requirement was 18.8% of total state police payroll.

INTEREST Interest accrues at 4%.

PUBLIC SAFETY DEATH, DISABILITY, AND RETIREMENT SYSTEM (PLAN A)

SUMMARY OF PLAN PROVISIONS 2008 (CONTINUED)

DISABILITY BENEFITS **TOTAL DUTY DISABILITY-** A member of the fund who has not yet entered retirement status on the basis of age and service and who becomes permanently and totally disabled as the result of a physical or mental impairment resulting from any occupational risk or hazard inherent in or peculiar to the services required of employees of the agency or incurred pursuant to or while the member was engaged in the performance of his or her duties as an employee of the agency shall qualify for a total disability, if, in the opinion of the Board, he or she is probably permanently unable to engage in substantial gainful activity by reason of such medically determined physical or mental impairment that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than 12 months. The benefit payable for a total duty related disability is a lifetime benefit in an annual amount equal to 8.5% of the total salary which would have been earned by the employee during 25 years, or during actual service if more than 25 years of service in the fund, based on the average earnings of the retiree while employed as an employee of the agency, but not less than \$ 15,000 annually.

PARTIAL DUTY DISABILITY - A member of the fund who has not yet entered retirement status on the basis of age and service and who becomes partially disabled by injury, illness or disease resulting from any occupational risk or hazard inherent in or peculiar to the services required of employees of the agency or incurred pursuant to or while the employee was engaged in the performance of his or her duties as an employee of the agency shall qualify for a partial duty disability, if, in the opinion of the Board, he or she is by reason of that cause probably permanently unable to perform adequately the duties required of him or her as an employee of the agency, but is able to engage in any other gainful employment in a field other than law enforcement. The benefit payable for a partial duty related disability is a lifetime benefit in an amount equal to 5.5% of the total salary which would have been earned during 25 years, or during actual service if more than 25 years in the fund, based on the average earnings of the retiree while employed as an employee of the agency, but not less than \$6,000 annually.

NON-DUTY DISABILITY - Any employee while in active service of the agency may qualify for a non-duty disability if the employee has, in the opinion of the Board, become permanently partially or totally disabled and is unable to adequately perform the duties required of an employee of the agency from any cause other than those set forth in the duty related disability provisions, and not due to vicious habits, intemperance or willful misconduct on his or her part.

a.) If the employee at the time of such retirement has served less than 20 years, the benefit payable shall be paid in equal monthly installments during a period equal to $\frac{1}{2}$ the time he or she has served as an employee of the agency a sum equal to 5.5% of the total salary which would have been earned during 25 years of service. At the end of the $\frac{1}{2}$ time period of service, the benefit payable for the remainder of the retiree's life is an annual sum paid in monthly installments equal to $\frac{1}{2}$ the base salary received by the retiree from the agency in the preceding 12 month period immediately prior to the disability award.

b.) If the employee, at the time of such retirement has served 20 years or longer, the employee is entitled to receive annually in equal monthly installments a lifetime benefit in an amount equal to 5.5% of the aggregate of salary paid to the retiree through the day immediately preceding his or her disability award.

CONTINUED DISABILITY - The Board may require subsequent medical evaluations to determine if a disability retiree has fully or partially recovered from such disability. The Board shall also require a disability benefit recipient to file an annual statement of earnings and any other information required in rules adopted by the Board.

DEATH BENEFITS **DUTY RELATED -** The benefits payable to the surviving spouse for a duty related pre-retirement death, or to the surviving spouse of a member who dies after having been retired with a duty related disability are monthly payments for his or her lifetime in which the annual benefit is equal to 5.5% of the total salary which would have been earned by the deceased member during twenty-five years of service in the Department, but not less than \$6,000 annually. A surviving spouse will also receive \$100 per month for each dependent child. If there is no surviving spouse, each surviving dependent child will receive 25% of the spouse's benefit. If there is no surviving spouse or dependent children, then the surviving dependent parents each receive 50% of what would have been paid to the spouse.

DEPENDENT CHILD SCHOLARSHIP - Any person qualified as a surviving dependent child of a member who died in the performance of duty or of a member who dies after having been retired with a duty related disability shall be entitled to receive a scholarship to be applied to the career development education of that dependent at a West Virginia institution.

NON-DUTY RELATED - The benefit payable to the surviving spouse of a member who dies after a normal or a non-duty related disability retirement, or after the member has served twenty years, is an amount equal to 75% of the retirement benefits the deceased member was receiving while in retirement status, or would have been entitled to receive to the same effect as if such member had been retired immediately prior to the time of his or her death, but not less than \$5,000 annually. A surviving spouse will also receive \$100 per month for each dependent child. If there is no surviving spouse, or the surviving spouse remarries, each surviving dependent child will receive 25% of the spouse's benefit. If there is no surviving spouse or dependent children, then the surviving dependent parents each receive 50% of what would have been paid to the spouse.

The benefits payable to the surviving spouse of a member for a non-duty related death with less than twenty years of service are monthly payments in which the annual benefit is equal to 2.75% of the total salary which would have been earned by said member during twenty-five years of service in the Department. If there is no surviving spouse, or the surviving spouse remarries, each surviving dependent child will receive 25% of the spouse's benefit. If there is no surviving spouse or dependent children, then the surviving dependent parents each receive 50% of what would have been paid to the spouse.

STATE POLICE RETIREMENT SYSTEM (PLAN B)

SUMMARY OF PLAN PROVISIONS 2007

MEMBERSHIP The West Virginia State Police Retirement System, commonly referred to as Plan B, was established by the enactment of Chapter 15, Article 2A of the West Virginia Code during the 1994 Legislative Session for all state troopers hired on or after March 12, 1994. Civilian employees of the West Virginia State Police are members of the Public Employees Retirement System. State troopers hired before March 12, 1994 are not eligible for membership in Plan B.

Age	Years of Service	Benefit
55	20 or more years of credited service (excluding military service)	Full Benefits
Less than 55	20 or more years of credited service (excluding military service)	Reduced Benefits
62	10 or more years of credited service	Full Benefits

BENEFIT FORMULA Final Average Salary x Credited Years of Service x 2.75%
Final Average Salary is the average highest annual compensation received for employment with the Department, including compensation paid for overtime service, received by the member during any five calendar years within the member's last ten years of service. This benefit is payable during the lifetime of the retired member.

CONTRIBUTION RATES Active members of Plan B contribute 12% of their base salary, tax deferred, into the retirement plan. The employer contributes 12% of base salary into the plan. Members of this retirement system are not covered by Social Security or Workers' Compensation.

INTEREST Interest accrues at 4%.

COST OF LIVING ADJUSTMENT Every member of the Department who is 63 years of age or older and who is retired under normal retirement criteria will receive an annual retirement annuity adjustment of 1% payable on July 1 of each year. If the member is retired for less than one year on that July 1, the first annuity adjustment will be a pro rata share of the full year's annuity adjustment.

Every member of the Department who is retired under disability retirement criteria and every surviving spouse receiving a benefit under the provisions of this retirement system is eligible to receive the annual retirement annuity adjustment of 1% payable on July 1 of each year.

STATE POLICE RETIREMENT SYSTEM (PLAN B)

SUMMARY OF PLAN PROVISIONS 2007 (CONTINUED)

DISABILITY BENEFITS **TOTAL DUTY DISABILITY** - A member of the Department may qualify for a total duty disability if, in the opinion of the Board, the member has become physically or mentally permanently disabled and incapacitated from all types of gainful employment by injury, illness or disease resulting from any occupational risk or hazard inherent in or peculiar to the services required of members of the Department, and such disability was incurred pursuant to or while the member was engaged in the performance of his or her duties as a member of the Department. The benefit payable during the lifetime of the member for a total duty related disability is an amount equal to the base salary received by the member in the preceding twelve-month employment period.

PARTIAL DUTY DISABILITY - A member of the Department may qualify for a partial duty disability if, in the opinion of the Board, the member has become physically or mentally permanently disabled by injury, illness or disease resulting from any occupational risk or hazard inherent in or peculiar to the services required of members of the Department, and such disability was incurred pursuant to or while the member was or shall be engaged in the performance of his or her duties as a member of the Department and is by reason of such cause unable to perform adequately the duties required of him or her as a member of the Department, but is able to engage in other gainful employment in a field other than law enforcement. The benefit payable during the lifetime of the member for a partial duty related disability, or until the member attains the age of fifty-five or until such disability shall sooner terminate, is an amount equal to six-tenths of the base salary received in the preceding twelve-month employment period, but not less than \$6,000 annually. At age fifty-five, the member shall receive a regular retirement benefit as it would apply to his or her final average salary based on earnings from the Department through the day immediately preceding his or her disability.

NON-DUTY DISABILITY - Any member while in active service of the Department may qualify for a non-duty disability who has, in the opinion of the Board, become permanently disabled and is unable to adequately perform the duties required of a member of the Department from any cause other than those set forth in the duty related disability provisions, and not due to vicious habits, intemperance or willful misconduct on the member's part. The benefit payable during the lifetime of the member for a non-duty related disability, or until the member attains the age of 55, is an amount equal to one-half the base salary received in the preceding twelve-month employment period. At age 55, the member shall receive a regular retirement benefit as it would apply to his or her final average salary based on earnings from the Department through the day immediately preceding his or her disability.

CONTINUED DISABILITY - The Board may require subsequent medical evaluations to determine if a disability retiree has fully or partially recovered from such disability. The Board may also require a disability benefit recipient to file an annual statement of earnings and any other information required in rules adopted by the Board.

DEATH BENEFITS **DUTY RELATED** - The benefits payable to the surviving spouse for a duty related pre-retirement death, or to the surviving spouse of a member who dies after having been retired with a duty related disability are monthly payments for his or her lifetime in an amount equal to nine-tenths of the base salary received in the preceding twelve-month period by the deceased member, but not less than \$10,000 annually. A surviving spouse will also receive \$150 per month for each dependent child. If there is no surviving spouse, each surviving dependent child will receive one-third of the spouse's benefit. If there is no surviving spouse or dependent children, then the surviving dependent parents each receive one-half of what would have been paid to the spouse.

DEPENDENT CHILD SCHOLARSHIP - Any person qualified as a surviving dependent child of a member who died in the performance of duty or of a member who dies after having been retired with a duty related disability shall be entitled to receive a scholarship to be applied to the career development education of that dependent at a West Virginia institution.

NON-DUTY RELATED - The benefits payable to the surviving spouse of a member who dies after a normal or a non-duty related disability retirement, or after the member served twenty years, is an amount equal to two-thirds of the retirement benefit the deceased member was receiving while in retirement status, or would have been entitled to receive to the same effect as if such member had been retired immediately prior to the time of his or her death, but not less than \$5,000 annually. A surviving spouse will also receive \$100 per month for each dependent child. If there is no surviving spouse, or the surviving spouse dies or remarries, each surviving dependent child will receive one-fourth of the spouse's benefit. If there is no surviving spouse or dependent children, then the surviving dependent parents each receive one-half of what would have been paid to the spouse.

The benefits payable to the surviving spouse of a member for a non-duty related death with less than twenty years of service are monthly payments in which the annual benefit is a sum equal to one-half of the base salary received in the preceding twelve-month employment period by the deceased member. If there is no surviving spouse, or the surviving spouse dies or remarries, each surviving dependent child will receive one-fourth of the spouse's benefit. If there is no surviving spouse or dependent children, then the surviving dependent parents each receive one-half of what would have been paid to the spouse.

STATE POLICE RETIREMENT SYSTEM (PLAN B)

SUMMARY OF PLAN PROVISIONS 2008

MEMBERSHIP The West Virginia State Police Retirement System, commonly referred to as Plan B, was established by the enactment of Chapter 15, Article 2A of the West Virginia Code during the 1994 Legislative Session for all state troopers hired on or after March 12, 1994. Civilian employees of the West Virginia State Police are members of the Public Employees Retirement System. State troopers hired before March 12, 1994 are not eligible for membership in Plan B.

RETIREMENT BENEFITS	Age	Years of Service	Benefit
	55	20 or more years of credited service (excluding military service)	Full Benefits
	Less than 55	20 or more years of credited service (excluding military service)	Reduced Benefits
	62	10 or more years of credited service	Full Benefits

BENEFIT FORMULA Final Average Salary x Credited Years of Service x 2.75%
Final Average Salary is the average highest annual compensation received for employment with the Department, including compensation paid for overtime service, received by the member during any five calendar years within the member's last ten years of service. This benefit is payable during the lifetime of the retired member.

CONTRIBUTION RATES Active members of Plan B contribute 12% of their base salary, tax deferred, into the retirement plan. The employer contributes 12% of base salary into the plan. Members of this retirement system are not covered by Social Security or Workers' Compensation.

INTEREST Interest accrues at 4%.

COST OF LIVING ADJUSTMENT Every member of the Department who is 63 years of age or older and who is retired under normal retirement criteria will receive an annual retirement annuity adjustment of 1% payable on July 1 of each year. If the member is retired for less than one year on that July 1, the first annuity adjustment will be a pro rata share of the full year's annuity adjustment.

Every member of the Department who is retired under disability retirement criteria and every surviving spouse receiving a benefit under the provisions of this retirement system is eligible to receive the annual retirement annuity adjustment of 1% payable on July 1 of each year.

LEGISLATIVE AMENDMENTS EFFECTIVE JUNE 6, 2008

RETIREMENT BENEFITS	Age	Years of Service	Benefit
	50	25 or more years of credited service (excluding military service)	Full Benefits
	52	20 or more years of credited service (excluding military service)	Full Benefits
	Less than 52	20 or more years of credited service (excluding military service)	Reduced Benefits
	62	10 or more years of credited service	Full Benefits

COST OF LIVING ADJUSTMENT Every retiree of the system who is 63 years of age or older and who is retired under normal retirement criteria will receive an annual retirement annuity adjustment of 1% payable on July 1 of each year. If the retiree is retired for less than one year on that July 1, the first annuity adjustment will be a pro rata share of the full year's annuity adjustment.

Every retiree of the system who is retired under disability retirement criteria and every surviving spouse receiving a benefit under the provisions of this retirement system is eligible to receive the annual retirement annuity adjustment of 1%, payable on July 1 of each year following commencement of benefits.

STATE POLICE RETIREMENT SYSTEM (PLAN B)

SUMMARY OF PLAN PROVISIONS 2008 (CONTINUED)

DISABILITY BENEFITS The effect of 2008 Legislative Amendments on Plan B Disability Benefits was to clarify the definition and usage of the following terms: “employee”, “member”, “retirant”, “retiree”, “fund”, “system”, “retirement system”, “base salary” and “agency”.

DEATH BENEFITS The effect of 2008 Legislative Amendments on Plan B Death Benefits was to provide that surviving spouse benefits be annualized when the deceased member was not employed with a participating agency for twelve full months prior to death. Further, the amendments provide for accumulated contributions to be paid to a named beneficiary or beneficiaries when the deceased member had no surviving spouse, dependent children or dependent parents or to be paid to the estate of the deceased member.

DEPUTY SHERIFF RETIREMENT SYSTEM (DSRS)

SUMMARY OF PLAN PROVISIONS 2007-2008

MEMBERSHIP The Deputy Sheriff Retirement System (DSRS), a multiple-employer defined benefit employee retirement system, was established for all deputy sheriffs hired on or after July 1, 1998. Deputy Sheriffs employed prior to July 1, 1998 were eligible to transfer their PERS service to DSRS. Service as a sheriff may also be considered covered employment under certain circumstances. Chapter 7, Article 14D of the West Virginia Code establishes the plan provisions for DSRS.

Age	Years of Service	Benefit
50 while still in covered employment	Rule of 70 = Age plus service equal 70 (excluding military service)	Full Benefits
60 while still in covered employment	Completion of 5 years of service (excluding military service)	Full Benefits
62	Completion of 5 or more years of service (excluding military service)	Full Benefits
50 and not in covered employment	20 years of service	Full Benefits
40	20 years of service	Reduced Benefits

BENEFIT FORMULA Final Average Salary x Years of Credited Service x 2.25%
Final average salary refers to the average of the highest annual compensation received for covered employment by the member during any five consecutive plan years within the member's last ten years of service.

CONTRIBUTION RATES Active members contribute 8.5% of their monthly salary, tax deferred, and the Sheriff's Office of the county in which the member is employed in covered employment contributes an additional 10.5% of the member's monthly salary. In addition, the Sheriff's Office contributes certain fees charged for reports and other services provided by the Sheriff's Offices. A member is vested after completion of 60 months covered employment.

INTEREST Interest accrues at 4%.

Option	Description
Straight Life Annuity	A lifetime annuity payable monthly to the member determined under the regular benefit formula without adjustment.
Option A - True Joint and Survivor Annuity	A reduced annuity payable monthly to the member. Upon the death of either the member or the named survivor, the annuity is further reduced to either 50%, 66 2/3%, 75% or 100% of the original monthly amount dependent on the original option elected by the member. The reduced benefit is payable to the surviving member or survivor for the remainder of their life.
Option B - Joint and Survivor Annuity	A reduced annuity payable monthly to the member. Upon the death of the member, a reduced annuity of either 50%, 66 2/3%, 75% or 100% of the original monthly amount, dependent on the original option elected by the member, is payable to the named survivor. There is no change in the original monthly amount if the named survivor dies first.
Option C - Ten Years Certain and Life Annuity	A reduced annuity payable monthly to the member. If the member dies before receiving 120 monthly payments, the remainder of the 120 monthly payments shall be payable to the member's beneficiary or the member's estate.
Option D - Level Income Annuity	An increased annuity payable monthly to the member until the member attains Social Security Retirement Age. After Social Security Retirement Age, the benefit is reduced by the estimated Primary Insurance Amount determined at retirement. The reduced benefit is payable monthly for the remaining lifetime of the member. There are no death benefits under this option.

DEPUTY SHERIFF RETIREMENT SYSTEM (DSRS)

SUMMARY OF PLAN PROVISIONS 2007-2008 (CONTINUED)

DISABILITY BENEFITS **TOTALLY DISABLED** means a member's inability to engage in substantial gainful activity by reason of any medically determined physical or mental impairment that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than 12 months. A member is totally disabled only if his/her physical or mental impairment is so severe that he/she is not only unable to perform his/her previous work as a deputy sheriff but also cannot, considering the member's age, education and work experience, engage in any other kind of substantial gainful employment which exists in the state.

PARTIALLY DISABLED means a member's inability to engage in the duties of deputy sheriff by reason of any medically determinable physical or mental impairment that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than 12 months. A member may be determined partially disabled and maintain the ability to engage in other gainful employment which exists within the state but which ability would not enable him/her to earn an amount at least equal to $\frac{2}{3}$ of the average annual compensation earned by all active members of this plan during the plan year ending the most recent 30th day of June.

DUTY RELATED DISABILITY BENEFITS:

TOTAL DUTY: 90% of the member's average full monthly compensation for the 12 month contributory period preceding his/her disability award until age 65, then reverts to a normal retirement.

**Effective June 8, 2007, a total duty disability retirement award will no longer revert to a normal retirement at age 65.*

PARTIAL DUTY: 45% of the member's average full monthly compensation for the 12 month contributory period preceding his/her disability award until age 60, then reverts to normal retirement.

NON DUTY RELATED DISABILITY BENEFITS:

TOTAL NON-DUTY: 66 $\frac{2}{3}$ % of the member's average full monthly compensation for the 12 month contributory period preceding his/her disability award until age 60, then reverts to normal retirement.

PARTIAL NON-DUTY: 33 $\frac{1}{3}$ % of the member's average full monthly compensation for the 12 month contributory period preceding his/her disability award until age 60, then reverts to normal retirement.

DEATH BENEFITS **DUTY RELATED** - The surviving spouse of any member who, while in covered employment, has died or dies by reason of injury, illness or disease resulting from an occupational risk or hazard inherent in or peculiar to the service required of members, while the member was or is engaged in the performance of his/her duties as a deputy sheriff, or the surviving spouse of a member who dies from any cause after having been retired with a duty related disability shall be entitled to receive the greater of $\frac{2}{3}$ of the annual compensation received in the preceding 12 month period by the deceased member or; if the member dies after his/her early or normal retirement age the monthly amount the spouse would have received had the member retired the day before his/her death and elected a 100% Joint and Survivor annuity with the spouse as the joint annuitant, and then died.

NON DUTY RELATED - The surviving spouse of any member who has been a member for at least 10 years, while in covered employment, who has died or dies from non-duty related causes and not due to vicious habits, intemperance or willful misconduct on his/her part shall receive the greater of 50% of the annual compensation received in the preceding 12 month period by the deceased member; or if the member dies after his/her early or normal retirement age, the monthly amount which the spouse would have received had the member retired the day before his/her death, elected a 100% Joint and Survivor annuity with the spouse as the joint annuitant, and then died.

DEPENDENT BENEFITS - A surviving spouse of a member who dies of a duty or non-duty related death is also entitled to receive \$100 monthly for each dependent child. If the surviving spouse dies, or if there is no surviving spouse, the fund shall pay monthly to each dependent child a sum equal to $\frac{1}{4}$ of the surviving spouse's entitlement. If there is neither a surviving spouse nor a dependent child, the fund shall pay to the dependent parents of the deceased member a sum equal to what the surviving spouse would have received without children. When there is only one dependent parent surviving, that parent is entitled to receive $\frac{1}{2}$ the amount which both parents would have been entitled to receive.

DEPENDENT CHILD SCHOLARSHIP - Any person qualifying as a dependent child of a deceased member or retirant of this retirement system shall be entitled to receive scholarship monies to be applied to the career development education of that dependent at a West Virginia institution.

BURIAL BENEFITS - Any member who dies as a result of any duty-related illness or injury is entitled to receive a lump sum burial benefit of \$5,000, to be paid to the member's spouse, or to the member's estate if not married. Any unspent balance shall be distributed as part of the member's estate.

EMERGENCY MEDICAL SERVICES RETIREMENT SYSTEM (EMSRS)

SUMMARY OF PLAN PROVISIONS 2008

MEMBERSHIP In March of 2007, the WV Legislature created the WV Emergency Medical Services Retirement System Act. The legislation provided for a voluntary participation election and mandated that certain participation levels be reached by December 31, 2007, in order for the provisions of the Emergency Medical Services Retirement System to become effective.

At the close of the election period, fifteen licensed EMS public employers, including twelve eligible Public Employees Retirement System (PERS) political subdivisions and three eligible Non-PERS political subdivisions, passed corporate resolutions to become participating employers. The West Virginia Emergency Medical Services Retirement System (EMSRS) became effective January 1, 2008, establishing a retirement system for all emergency medical services officers hired into covered employment on or after January 1, 2008.

Emergency medical services officers employed and participating in PERS prior to January 1, 2008, were eligible to transfer their PERS service to EMSRS. Emergency medical services officers employed by Non-PERS participating political subdivisions were eligible to purchase service worked prior to joining EMSRS. Chapter 16, Article 5V of the West Virginia Code established the plan provisions for EMSRS.

Age	Years of Service	Benefit
50	20 or more years contributory service	Full Benefits
50	When age plus contributory service equals 70 while still in covered employment	Full Benefits
60	10 years contributory service while still in covered employment	Full Benefits
62	5 years contributory service	Full Benefits
45	20 years contributory service	Reduced Benefits

Statute prohibits any payout of benefits from the EMSRS fund prior to January 1, 2011, with the exception of duty disability retirement.

BENEFIT FORMULA If plan is less than 75% funded:
 2.6% x FAS x Years of Service for years 1-20
 2.0% x FAS x Years of Service for years 21-25
 1.0% x FAS x Years of Service for years 26-30

If plan is 75% or more funded:
 2.75% x FAS x Years of Service for years 1-20
 2.0% x FAS x Years of Service for years 21-25
 1.0% x FAS x Years of Service for years 26-30

CONTRIBUTION RATES An active member of EMSRS contributes 8.5% of his or her monthly gross salary, tax deferred, to the plan. The employer contributes an additional 10.5% of the member's gross monthly salary for total combined contributions equal to 19%. As provided for in statute, the CPRB may increase the employee's contribution rate to 10.5% if the EMSRS plan does not reach a 70% funded level by July 1, 2012.

INTEREST Interest accrues at 4%.

Option	Description
Straight Life Annuity	A lifetime annuity payable monthly to the member determined under the regular benefit formula with no adjustment.
Option A-Contingent Joint and Survivor Annuity	A life annuity payable during the joint lifetime of the member and his or her named survivor. Upon the death of the member, the named survivor shall receive a lifetime annuity in a reduced amount equal to 50%, 66 ² / ₃ %, 75% or 100% of the amount paid while both were living, as selected by the member.
Option B-Ten Years Certain and Life Annuity	A reduced annuity payable monthly to the member. If the member dies before receiving 120 monthly payments, the remainder of the 120 monthly payments shall be payable to the member's beneficiary or the member's estate.

EMERGENCY MEDICAL SERVICES RETIREMENT SYSTEM (EMSRS)

SUMMARY OF PLAN PROVISIONS 2008 (CONTINUED)

DISABILITY BENEFITS **TOTALLY DISABLED** means a member's inability to engage in substantial gainful activity by reason of any medically determined physical or mental impairment that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than twelve months. A member is totally disabled only if his or her physical or mental impairment is so severe that he or she is not only unable to perform his or her previous work as an emergency medical services officer but also cannot, considering his or her age, education and work experience, engage in any other kind of substantial gainful employment which exists in the State.

DUTY RELATED DISABILITY - Any member of EMSRS who becomes totally disabled while in covered employment by injury, illness or disease as a result of an occupational risk or hazard while performing the services required of an emergency medical services officer and who is determined by two physicians, one of whom shall be named by the CPRB, to be unable to perform adequately the duties required of an emergency medical services officer is entitled to receive a duty disability benefit. The benefit payable for a duty related disability is an amount equal to 90% of the member's last 12 full months average salary until age 65, then "normal retirement" plus $\frac{1}{2}$ time disability service. EMSRS duty disability is payable beginning July 1, 2008.

NON DUTY RELATED DISABILITY - Any member of EMSRS who becomes totally disabled while in covered employment from any cause other than a duty related injury, illness or disease and which cause is not due to vicious habits or willful misconduct is entitled to receive a non-duty disability benefit, provided that it is determined by two physicians, one of whom shall be named by the CPRB, that he or she is unable to perform adequately the duties required of an emergency medical services officer. The benefit payable for a non-duty related disability is an amount equal to 66 $\frac{2}{3}$ % of the member's last 12 months average salary until age 60, then normal retirement plus $\frac{1}{2}$ time disability service. EMSRS non-duty disability is payable beginning January 1, 2011.

DEATH BENEFITS **DUTY RELATED** - The surviving spouse of any member who dies while in covered employment by injury, illness or disease as a result of an occupational risk or hazard while performing the services required of an emergency medical services officer is entitled to receive in equal monthly installments during his or her lifetime an amount equal to the greater of $\frac{2}{3}$ of the annual compensation received in the preceding 12 month period by the deceased member or; if the member dies after his/her early or normal retirement age the monthly amount the spouse would have received had the member retired the day before his/her death and elected a 100% Joint and Survivor annuity with the spouse as the joint annuitant, and then died.

NON DUTY RELATED - The surviving spouse of any member who has been a member for at least 10 years, while in covered employment, who has died or dies from non-duty related causes and not due to vicious habits, intemperance or willful misconduct on his/her part shall receive in equal monthly installments during his or her lifetime an amount equal to the greater of 50% of the annual compensation received in the preceding 12 month period by the deceased member; or if the member dies after his/her early or normal retirement age, the monthly amount which the spouse would have received had the member retired the day before his/her death, elected a 100% Joint and Survivor annuity with the spouse as joint annuitant, and then died.

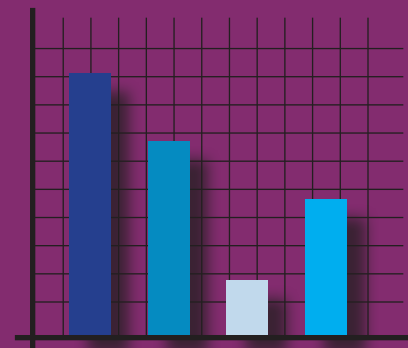
DEPENDENT BENEFITS - A surviving spouse of a member who dies of a duty or non-duty related death is also entitled to receive \$100 monthly for each dependent child. If the surviving spouse dies, or if there is no surviving spouse, the fund shall pay monthly to each dependent child a sum equal to 100% of the surviving spouse's entitlement divided by the number of dependent children. If there is neither a surviving spouse nor a dependent child, the fund shall pay to the dependent parents of the deceased member a sum equal to what the surviving spouse would have received without children. When there is only one dependent parent surviving, that parent is entitled to receive $\frac{1}{2}$ the amount which both parents would have been entitled to receive.

DEPENDENT CHILD SCHOLARSHIP - Any person qualifying as a dependent child of a deceased member or retirant of this retirement system shall be entitled to receive scholarship monies to be applied to the career development education of that dependent at a West Virginia institution.

BURIAL BENEFITS - Any member who dies as a result of any duty-related illness or injury is entitled to receive a lump sum burial benefit of \$5,000, to be paid to the member's spouse, or to the member's estate if not married. Any unspent balance shall be distributed as a part of the member's estate.

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ACTUARIAL FIGURES AND STATISTICS



ACTUARIAL INFORMATION

VALUATION DATE - All valuations were completed as of July 1, 2007 and July 1, 2008 for the 2007 and 2008 years.

ACTUARIAL COST METHOD - All Valuations were completed applying the entry Age Past Service with Aggregate Normal Cost actuarial cost method.

ASSET VALUATION METHOD - All plan assets are valued at reported Market Value as of July 1, 2007 or July 1, 2008 and adjusted for accrued amounts.

AMORTIZATION METHODOLOGY AND REMAINING PAST SERVICE AMORTIZATION PERIOD - Differs by plan based on statutory funding or targeted funding and is summarized below:

PSDDRS (PLAN A) - The total of the normal Cost plus the amortization of the unfunded past service is calculated to be paid as a level dollar amount, through June 30, 2025.

SPRS (PLAN B) - Normal Cost is amortized as a level percentage of future base payroll of the active membership group as of the Valuation date. Employer contributions of 12.0% of base payroll are first applied to pay the Normal Cost with the remaining contributions applied to amortize the unfunded past service. Contributions are sufficient if the unfunded past service will be fully amortized by June 30, 2030 based on level dollar funding. As of the valuation date, contributions were sufficient to cover the funding required to meet the sufficiency test.

JUDICIAL SYSTEM (JRS) - Normal Cost is amortized as a level percentage of future payrolls of the active membership group plus the PERS members eligible to elect a transfer to JRS as of the Valuation date. Past service was fully funded in both 2007 and 2008.

PUBLIC EMPLOYEES (PERS) - Normal Cost is amortized as a level percentage of future payrolls of the active membership group as of the Valuation date. Employer contributions of 10.5% of payroll are first applied to the normal Cost with the remaining contributions applied to amortize the unfunded past service. Contributions are sufficient if the unfunded past service will be fully amortized on level dollar funding basis through June 30, 2035. As of the Valuation date, contributions were sufficient to cover unfunded past service amortization and will meet the funding sufficiency test.

TEACHERS' DEFINED BENEFIT (TRS) - Normal Cost is amortized as a level percentage of future payrolls of the active membership group as of the Valuation date. Unfunded past service is amortized as a level dollar amount through June 30, 2034.

DEPUTY SHERIFF (DSRS) - Normal Cost is amortized as a level percentage of future payrolls of the active membership group as of the Valuation date. Employer contribution of 10.5% of base payroll plus certain dedicated fees are first applied to pay the Normal Cost with the remaining contributions applied to amortize the unfunded past service. Contributions are sufficient if the unfunded past service will be fully amortized by June 30, 2029. Payments are based on a level percentage of future payroll funding, including anticipated future hires. As of the Valuation date, contributions were sufficient to meet the sufficiency test. Based on the current contribution rate, the unfunded past service would be amortized by June 30, 2021 instead of the targeted sufficiency day of June 30, 2029.

FUNDING LEVELS FOR DB PLANS AS OF JUNE 30, 2007

	PSDDRS Plan A	SPRS Plan B	JRS	PERS	TRS	DSRS
Actuarial Value of Assets	\$513,009,000	\$40,350,000	\$104,127,000	\$4,293,296,000	\$3,665,993,000	\$93,983,000
Unfunded Accrued Liability	\$14,384,000	\$436,000	(\$8,109,000)	\$132,755,000	\$3,476,718,000	\$15,743,000
Funded Percentage	97.3%	98.9%	108.4%	97.0%	51.3%	85.7%

RETIREMENT PLAN RUNNING STATISTICS AS OF JUNE 30, 2007

	PSDDRS Plan A	SPRS Plan B	JRS	PERS	TRS	DSRS
Actives	191	449	71	35,873	19,529	893
Retirees	651	8	53	20,514	28,040	197
Vested Termination	7	3	2	3,658	3,259	46
UAL (in millions)	\$14.4	\$0.4	(\$8.1)	\$132.8	\$3,476.7	\$15.7
Percent Funded	97.3%	98.9%	93.6%	97.0%	51.3%	85.7%
Actuarial Value of Assets (in millions)	\$513.0	\$40.4	\$85.9	\$4,293.3	\$3,666.0	\$94.0

FUNDING LEVELS FOR DB PLANS AS OF JUNE 30, 2008

	EMSRS	PSDDRS Plan A	SPRS Plan B	JRS	PERS	TRS	DSRS
Actuarial Value of Assets	\$15,675,000	\$459,182,000	\$41,564,000	\$100,186,000	\$3,939,059,000	\$4,133,883,000	\$89,852,000
Unfunded Accrued Liability	\$5,532,000	\$88,441,000	\$9,824,000	(\$2,221,000)	\$737,968,000	\$4,134,695,000	\$29,886,000
Funded Percentage	73.9%	83.9%	98.9%	102.3%	84.2%	50.0%	75.0%

RETIREMENT PLAN RUNNING STATISTICS AS OF JUNE 30, 2008

	EMSRS	PSDDRS Plan A	SPRS Plan B	JRS	PERS	TRS	DSRS
Actives	475	173	455	71	35,491	35,219	913
Retirees	0	662	12	49	20,912	28,522	227
Vested Termination	3	10	5	2	3,863	1,761	47
UAL (in millions)	5.5	\$88.4	\$9.8	(\$2.2)	\$738.0	\$4,134.7	\$29.9
Percent Funded	73.9%	83.9%	80.9%	102.3%	84.2%	50.0%	75.0%
Actuarial Value of Assets (in millions)	15.7	\$459.2	\$41.6	\$100.2	\$3,939.1	\$4,133.9	\$89.9

DEFINED BENEFIT RETIREMENT PLAN FIGURES AS OF JUNE 30, 2007

	PSDDRS Plan A	SPRS Plan B	JRS	PERS	TRS	DSRS
NEW RETIREES						
Number of New Retirements	11	1	3	1107	1535	13
Average Years of Service	27.20	24.75	26.22	24.09	30.87	31.06
Average Monthly Benefit	\$5,171	\$2,753	\$7,250	\$1,462	\$2,072	\$2,385
Average Age	49.36	60	61.33	60.23	59.11	53.15
Average Monthly Salary Receiving at Retirement	N/A	\$4,045	N/A	\$2,986	\$3,465	\$3,407
ALL RETIREES						
Number of Retirees	671	7	55	20,684	29,738	195
Average Years of Service	25.26	N/A	19.12	20.79	26.79	26.27
Average Monthly Benefit	\$3,277	\$1,567	\$5,829	\$901	\$1,251	\$1,706
ACTIVE MEMBERS	191	449	60	35,716	21,016	893
INACTIVE MEMBERS	10	83	3	13,567	2,836	154
WITHDRAWALS						
Number of Withdrawals	4	14	0	2,229	207	68
Amount of Withdrawals	\$129,585	\$214,054	\$0	\$9,190,514	\$3,603,416	\$392,570

DEFINED BENEFIT RETIREMENT PLAN FIGURES AS OF JUNE 30, 2008

	PSDDRS Plan A	SPRS Plan B	JRS	PERS	TRS	DSRS	EMSRS
NEW RETIREES							
Number of New Retirements	14	1	0	1114	1386	29	0
Average Years of Service	24.34	13.25	0	23.86	31.32	24.86	0
Average Monthly Benefit	\$4,898	\$3,709	\$0	\$1,510	\$2,146	\$1,982	0
Average Age	45.28	36	0	60.02	59.38	51.06	0
Average Monthly Salary Receiving at Retirement	N/A	\$3,326	0	\$3,121	\$3,511	\$3,057	0
ALL RETIREES							
Number of Retirees	676	12	51	21,171	30,290	227	0
Average Years of Service	25.23	N/A	18.63	21.04	27.07	26.23	0
Average Monthly Benefit	\$3,415	\$1,857	\$5,917	\$945	\$1,307	\$1,727	0
ACTIVE MEMBERS	173	455	60	35,486	21,405	831	405
INACTIVE MEMBERS	13	97	3	14,547	2,731	243	4
WITHDRAWALS							
Number of Withdrawals	0	21	0	2,086	279	53	3
Amount of Withdrawals	\$0	\$365,861	\$0	\$9,457,893	\$4,346,384	\$558,241	\$15,830

FINANCIALS



ASSETS BY INVESTMENT OPTION WITH WEIGHTED PERCENTAGE OF TOTAL

	6/30/2007		6/30/2008	
Total Participants	21,533		21,431	
Vanguard Money Market Fund	\$58,095,393	6.36%	\$59,214,318	6.37%
Bond Fund of America	\$85,448,081	9.36%	\$82,528,379	8.88%
Franklin Income Fund	\$94,457,728	10.34%	\$95,131,790	10.23%
BlackRock Large Cap Value	\$71,341,127	7.81%	\$71,250,753	7.66%
Growth Fund of America	\$139,351,824	15.26%	\$142,808,949	15.36%
Federated Max-Cap	\$64,817,597	7.10%	\$63,445,659	6.82%
Ranier Small/Mid Cap Equity Fund	\$10,239,710	1.12%	\$11,879,457	1.28%
Columbia Small Cap Z	\$8,098,287	0.89%	\$8,981,490	0.96%
EuroPacific Growth A	\$18,997,743	2.08%	\$19,794,557	2.13%
Conservative Profile Portfolio	\$29,885,254	3.27%	\$31,307,907	3.37%
Moderate Profile Portfolio	\$21,654,974	2.37%	\$21,551,893	2.32%
Aggressive Profile Portfolio	\$22,158,667	2.43%	\$23,539,675	2.53%
VALIC	\$288,601,051	31.61%	\$298,333,213	32.09%
Total	\$913,147,436	100%	\$929,768,040	100%

RATES OF RETURN FOR THE INVESTMENT OPTION

	Rate of Return for Quarter Ending June 30, 2008	Rate of Return for 1 Year Ending June 30, 2008	Rate of Return for 3 Years Ending June 30, 2008
Vanguard Money Market	0.59	4.11	4.45
Bond Fund of America	0.06	0.74	2.83
Franklin Income Fund	0.25	-5.74	5.74
BlackRock Large Cap Value	-0.37	-15.44	5.37
Growth Fund of America	1.24	-5.25	8.85
Federated Max-Cap	-2.41	-13.20	4.15
Ranier Small/Mid Cap Equity Fund	4.34	-8.30	12.90
Columbia Small Cap Z	0.76	-14.22	5.17
EuroPacific Growth A	-2.35	-4.18	16.13
Conservative Profile Portfolio	0.11	-2.05	4.99
Moderate Profile Portfolio	-0.06	-5.01	6.99
Aggressive Profile Portfolio	0.57	-6.67	9.76
VALIC Fixed Annuity Option	“Minimum guaranteed rate of 4.5%”	“Minimum guaranteed return of 4.5%”	“Minimum guaranteed rate of 4.5%”

The performance data quoted represents past performance and is not a guarantee or prediction of future results.

Rate of Return = Income dividend interest plus appreciation or depreciation during the period.

Note: The rates of return shown are for funds in which the retirement program participates; returns credited to individual accounts will vary due to timing of contributions and withdrawals. (Parentheses indicate negative return.)

SCHEDULE OF FUNDING PROGRESS IN THOUSANDS

	Actuarial Valuation Date	PSDDRS Plan A	SPRS Plan B	JRS	PERS	TRS	DSRS	EMS
Actuarial Value of Assets	June 30, 2006	\$452,794	\$30,747	\$85,932	\$3,700,186	\$2,174,464	\$77,899	N/A
	June 30, 2007	\$513,009	\$40,350	\$104,127	\$4,293,296	\$3,665,993	\$93,983	N/A
	June 30, 2008	\$459,182	\$41,564	\$100,186	\$3,939,059	\$4,133,883	\$89,852	\$14,323*
Actuarial Accrued Liability (AAL) Entry Age (B)	June 30, 2006	\$506,828	\$33,552	\$91,820	\$4,264,700	\$6,877,872	\$103,748	N/A
	June 30, 2007	\$527,393	\$40,786	\$96,018	\$4,426,051	\$7,142,711	\$109,726	N/A
	June 30, 2008	\$547,623	\$51,388	\$97,965	\$4,677,027	\$8,268,578	\$119,738	\$19,492*
(Over Funded) Unfunded AAL (UAAL)(B-A)	June 30, 2006	\$54,034	\$2,805	\$5,888	\$564,514	\$4,703,408	\$25,849	
	June 30, 2007	\$14,384	\$436	\$(8,109)	\$132,755	\$3,476,718	\$15,743	\$5,169*
	June 30, 2008	\$88,441	\$9,824	\$(2,221)	\$737,968	\$4,134,695	\$29,885	
Funded Ratio (AB)	June 30, 2006	89.3%	91.6%	93.6%	86.8%	31.6%	75.1%	
	June 30, 2007	97.3%	98.9%	108.4%	97.0%	51.3%	85.7%	73.5%*
	June 30, 2008	83.9%	80.9%	102.3%	84.2%	50.0%	75.0%	
Covered Payroll (C)	June 30, 2006	\$11,128	\$15,870	\$8,029	\$1,159,715	\$759,206	\$31,967	
	June 30, 2007	\$10,997	\$18,850	\$8,261	\$1,191,130	\$828,939	\$34,605	\$17,181*
	June 30, 2008	\$10,400	\$20,285	\$8,261	\$1,219,388	\$1,409,437	\$37,366	
UAAL as a Percentage of Covered Payroll ((B-A)/C)	June 30, 2006	485.6%	17.7%	73.3%	48.7%	619.5%	80.9%	
	June 30, 2007	130.8%	2.3%	0.0%	11.1%	419.4%	45.5%	30.1%*
	June 30, 2008	850.4%	48.4%	0.0%	60.5%	293.4%	80.0%	

* As of January 1, 2008

SCHEDULE OF CONTRIBUTIONS FROM ERs AND OTHER CONTRIBUTING ENTITIES IN THOUSANDS

	Year Ended	PSDDRS Plan A	SPRS Plan B	JRS	PERS	TRS	DSRS
Expected/Required Contributions	June 30, 2006	\$10,567	\$2,434	\$4,104	\$124,033	\$347,802	\$3,608
	June 30, 2007	\$6,227	\$1,904	\$3,088	\$121,770	\$327,068	\$3,857
	June 30, 2008	\$5,693	\$1,717	\$2,508	\$125,069	\$345,412	\$4,134
Percentage Contributed	June 30, 2006	724.46%	106.06%	240.59%	107.71%	190.10%	102.49%
	June 30, 2007	96.74%	114.29%	195.40%	101.17%	454.15%	100.96%
	June 30, 2008	94.01%	102.49%	164.67%	102.08%	107.52%	104.30%

STATEMENT OF PLAN NET ASSETS - PENSION FUNDS (IN THOUSANDS) JUNE 30, 2007

	Public Employees' Retirement System	Teachers' Retirement System	Public Safety Death, Disability and Retirement System	State Police Retirement System
<u>ASSETS</u>				
Cash	\$185	\$-	\$-	\$-
Investments at fair value	4,289,067	3,638,376	512,726	40,353
Contributions receivable	4,312	19,668	-	-
Participant loans receivable	-	7,362	-	-
Appropriation receivable	-	-	-	-
Miscellaneous revenue receivable	-	622	286	-
Total assets	4,293,564	3,666,028	513,012	40,353
<u>LIABILITIES AND PLAN NET ASSETS</u>				
Liabilities:				
Accrued expenses and other payables	268	35	3	3
Net assets held in trust for pension benefits (see schedule of funding progress)	\$4,293,296	\$3,665,993	\$513,009	\$40,350

	Deputy Sheriff Retirement System	Judges' Retirement System	Teachers' Defined Contribution Retirement System	Total
	\$-	\$-	\$3,097	\$3,282
	93,013	104,127	894,443	9,572,105
	555	-	10,959	35,494
	352	-	-	7,714
	51	-	-	51
	15	-	-	923
	93,986	104,127	908,499	9,619,569
	3	-	653	965
	\$93,983	\$104,127	\$907,846	\$9,618,604

STATEMENT OF PLAN NET ASSETS - PENSION FUNDS (IN THOUSANDS) JUNE 30, 2008

	Public Employees' Retirement System	Teachers' Retirement System	Public Safety Death, Disability and Retirement System	State Police Retirement System
<u>ASSETS</u>				
Cash	\$183	\$-	\$2	\$-
Investments at fair value	3,934,489	3,347,966	459,056	41,564
Contributions receivable	4,529	22,521	-	-
Participant loans receivable	-	7,502	-	-
Appropriation receivable	-	-	128	-
Miscellaneous revenue receivable	-	627	-	-
Total assets	3,939,201	3,378,616	459,186	41,564
<u>LIABILITIES AND PLAN NET ASSETS</u>				
Liabilities:				
Accrued expenses and other payables	142	100	4	-
Net assets held in trust for pension benefits (see schedule of funding progress)	\$3,939,059	\$3,378,516	\$459,182	\$41,564

	Deputy Sheriff Retirement System	Judges' Retirement System	Emergency Medical Services Retirement System	Teachers' Defined Contribution Retirement System	TOTAL
	\$-	\$-	\$-	\$7,185	\$7,370
	88,794	100,189	15,416	930,310	8,917,784
	569	-	259	10,423	38,301
	437	-	-	-	7,939
	51	-	-	-	179
	1	-	-	-	628
	89,852	100,189	15,675	947,918	8,972,201
	-	3	-	1,249	1,498
	\$89,852	\$100,186	\$15,675	\$946,669	\$8,970,703

STATEMENT OF CHANGES IN PLAN NET ASSETS - PENSION FUNDS (IN THOUSANDS) YEAR ENDED JUNE 30, 2007

	Public Employees' Retirement System	Teachers' Retirement System	Public Safety Death, Disability and Retirement System	State Police Retirement System
<u>ADDITIONS:</u>				
Contributions:				
Member contributions	\$52,239	\$49,923	\$1,029	\$2,176
Employer contributions	121,183	1,482,184	5,360	2,175
Total contributions	173,422	1,532,107	6,389	4,351
<u>INVESTMENT INCOME:</u>				
Net decrease in fair value of investments	612,613	344,824	74,267	5,345
Interest	32,885	21,817	3,854	287
Net investment income	645,498	366,641	78,121	5,632
Other income	4,600	4,399	680	-
Total additions	823,520	1,903,147	85,190	9,983
<u>DEDUCTIONS AND TRANSFERS:</u>				
Benefit expense	217,540	404,875	24,794	135
Refunds of contributions	9,216	3,326	130	214
Transfers to (from) plans	(443)	449	-	-
Administrative expenses	4,097	2,968	51	31
Total deductions and transfers	230,410	411,618	24,975	380
Net increase in plan net assets	593,110	1,491,529	60,215	9,603
<u>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS:</u>				
Beginning of year	3,700,186	2,174,464	452,794	30,747
End of year	\$4,293,296	\$3,665,993	\$513,009	\$40,350

	Deputy Sheriff Retirement System	Judges' Retirement System	Teachers' Defined Contribution Retirement System	TOTAL
	\$2,837	\$733	\$30,599	\$139,536
	3,365	6,034	55,072	1,675,373
	6,202	6,767	85,671	1,814,909
	12,993	14,433	94,294	1,158,769
	717	779	-	60,339
	13,710	15,212	94,294	1,219,108
	541	-	-	10,220
	20,453	21,979	179,965	3,044,237
	3,891	3,801	-	655,036
	389	-	18,233	31,508
	18	(24)	-	-
	71	7	2,182	9,407
	4,369	3,784	20,415	695,951
	16,084	18,195	159,550	2,348,286
	77,899	85,932	748,296	7,270,318
	\$93,983	\$104,127	\$907,846	\$9,618,604

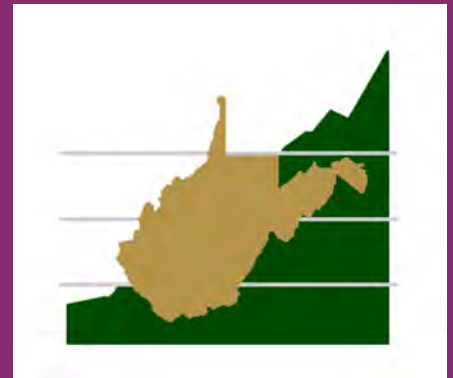
STATEMENT OF CHANGES IN PLAN NET ASSETS - PENSION FUNDS (IN THOUSANDS) YEAR ENDED JUNE 30, 2008

	Public Employees' Retirement System	Teachers' Retirement System	Public Safety Death, Disability and Retirement System	State Police Retirement System
<u>ADDITIONS:</u>				
Contributions:				
Member contributions	\$53,958	\$52,916	\$989	\$2,339
Employer contributions	125,992	368,883	1,701	2,339
Total contributions	179,950	421,799	2,690	4,678
<u>INVESTMENT INCOME (LOSS):</u>				
Net decrease in fair value of investments	(393,745)	(370,464)	(47,811)	(4,020)
Interest	116,956	99,103	13,891	1,186
Net investment income (loss)	(276,789)	(271,361)	(33,920)	(2,834)
Other income	3,308	3,625	3,656	-
Total additions	(93,531)	154,063	(27,574)	1,844
<u>DEDUCTIONS AND TRANSFERS:</u>				
Benefit expense	232,807	434,285	26,202	232
Refunds of contributions	9,448	3,748	-	366
Transfers to (from) plans	14,263	436	-	-
Administrative expenses	4,188	3,071	51	32
Total deductions and transfers	260,706	441,540	26,253	630
Net increase (decrease) in plan net assets	(354,237)	(287,477)	(53,827)	1,214
<u>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS:</u>				
Beginning of year	4,293,296	3,665,993	513,009	40,350
End of year	\$3,939,059	\$3,378,516	\$459,182	\$41,564

	Deputy Sheriff Retirement System	Judges' Retirement System	Emergency Medical Services Retirement System	Teachers' Defined Contribution Retirement System	TOTAL
	\$3,006	\$736	\$722	\$34,110	\$148,776
	3,724	6,034	917	52,982	562,572
	6,730	6,770	1,639	87,092	711,348
	(9,015)	(9,943)	(643)	(83,466)	(919,107)
	2,661	2,908	22	55,394	292,121
	(6,354)	(7,035)	(621)	(28,072)	(626,986)
	553	-	-	-	11,142
	929	(265)	1,018	59,020	95,504
	4,434	3,669	-	-	701,629
	552	-	16	17,598	31,728
	-	-	(14,673)	(26)	-
	74	7	-	2,625	10,048
	5,060	3,676	(14,657)	20,197	743,405
	(4,131)	(3,941)	15,675	38,823	(647,901)
	93,983	104,127	-	907,846	9,618,604
	\$89,852	\$100,186	\$15,675	\$946,669	\$8,970,703

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WVIMB



WEST VIRGINIA INVESTMENT MANAGEMENT BOARD (WVIMB)

The following portion of the West Virginia Consolidated Public Retirement Board 2007/2008 Annual Report has been submitted by the West Virginia Investment Management Board (WVIMB). WVIMB is the entity fiduciarily responsible, by statute, for the prudent investment of the defined benefit pension plans administered by the WVCPRB.

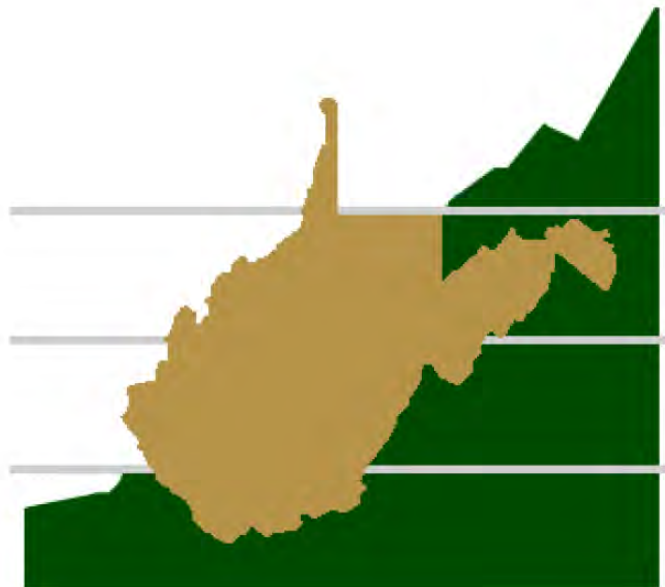
Contact WVIMB for more information concerning plan investment.

H. Craig Slaughter, Executive Director

West Virginia Investment Management Board
500 Virginia Street, East, Suite 200
Charleston, West Virginia 25301
Phone: (304) 345-2672
Fax: (304) 345-5939

For more information via E-mail: info@wvimb.org

**West Virginia
Investment Management Board**



2007 Annual Report

Death, Disability and Retirement Fund for Deputy Sheriffs

History

The Death, Disability and Retirement Fund for Deputy Sheriffs (Deputy Sheriffs) was created in 1998.

Liquidity Needs

Deputy Sheriffs currently has positive net cash flows.

Investment Objectives

The investment objectives are as follows:

- Exceed the actuarial interest rate assumption of 7.5 percent per annum, net of fees.
- Preserve the current well-funded position while not subjecting the Deputy Sheriffs to an undue level of risk.

Asset Allocation

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for the Deputy Sheriffs. Policy targets are established on a market value basis.

Asset Class	Policy Target
Domestic Equity	42.0%
International Equity	18.0%
Total Equity	60.0%
Fixed Income	40.0%
Cash (included in Fixed Income above)	\$250,000*

**IMB staff has authority to change the cash target plus or minus 10 percent, as necessary, in consultation with appropriate representative(s) from the Death, Disability and Retirement Fund for Deputy Sheriffs.*

Death, Disability and Retirement Fund for Deputy Sheriffs (continued)

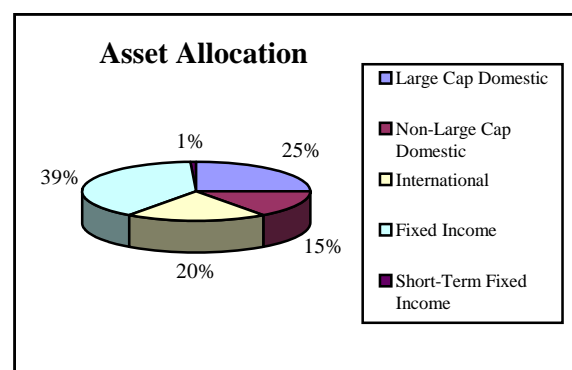
Financial Highlights

Progression of Plan Balance (in \$000s)

June 30, 2006	\$	77,075
Contributions		6,619
Withdrawals		(4,358)
Net		<u>2,261</u>
Investment income		684
Net unrealized appreciation		<u>12,993</u>
June 30, 2007	\$	<u><u>93,013</u></u>

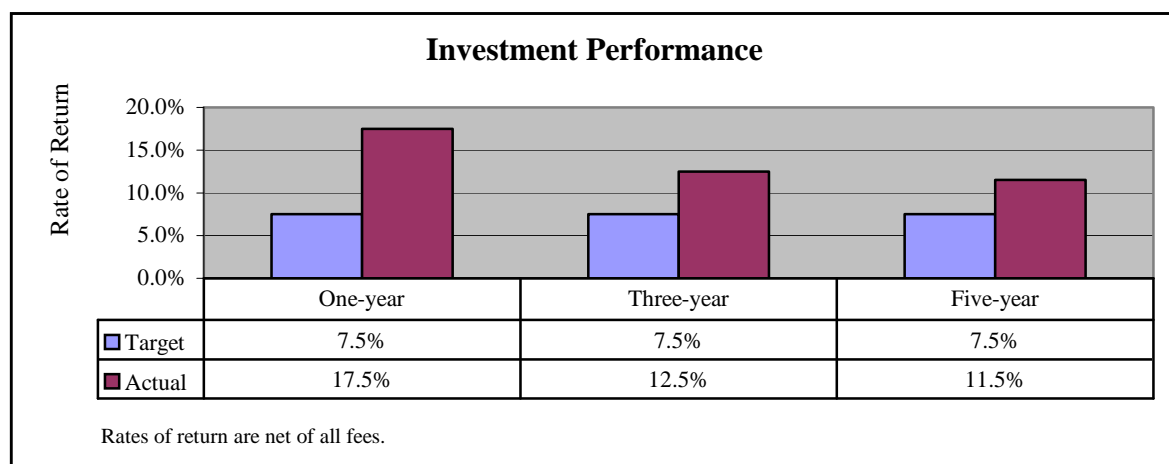
Asset Allocation (in \$000s)

Large Cap Domestic	\$	23,627	25%
Non-Large Cap Domestic		14,209	15%
International		18,701	20%
Fixed Income		35,995	39%
Short-Term Fixed Income		481	1%
Total	\$	<u><u>93,013</u></u>	<u>100%</u>



Investment Performance

The IMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals.



Judges' Retirement System

History

The Judges' Retirement System (Judges) was created in 1949.

Liquidity Needs

Judges currently has a positive cash flow.

Investment Objectives

The investment objectives are as follows:

- Exceed the actuarial interest rate assumption of 7.5 percent per annum, net of fees.
- Reduce the unfunded liability while maintaining adequate liquidity to satisfy benefit payments while not subjecting Judges to an undue level of risk.

Asset Allocation

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for Judges. Policy targets are established on a market value basis.

Asset Class	Policy Target
Domestic Equity	42.0%
International Equity	18.0%
Total Equity	60.0%
Fixed Income	40.0%
Cash (included in Fixed Income Above)	\$500,000*

**IMB staff has authority to change the cash target plus or minus 10 percent, as necessary, in consultation with appropriate representative(s) from the Judges' Retirement System.*

Judges' Retirement System (continued)

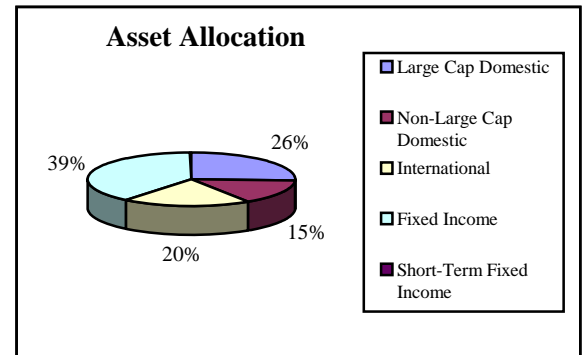
Financial Highlights

Progression of Plan Balance (in \$000s)

June 30, 2006	\$ 85,932
Contributions	6,821
Withdrawals	(3,837)
Net	<u>2,984</u>
Investment income	778
Net unrealized appreciation	14,433
June 30, 2007	<u><u>\$ 104,127</u></u>

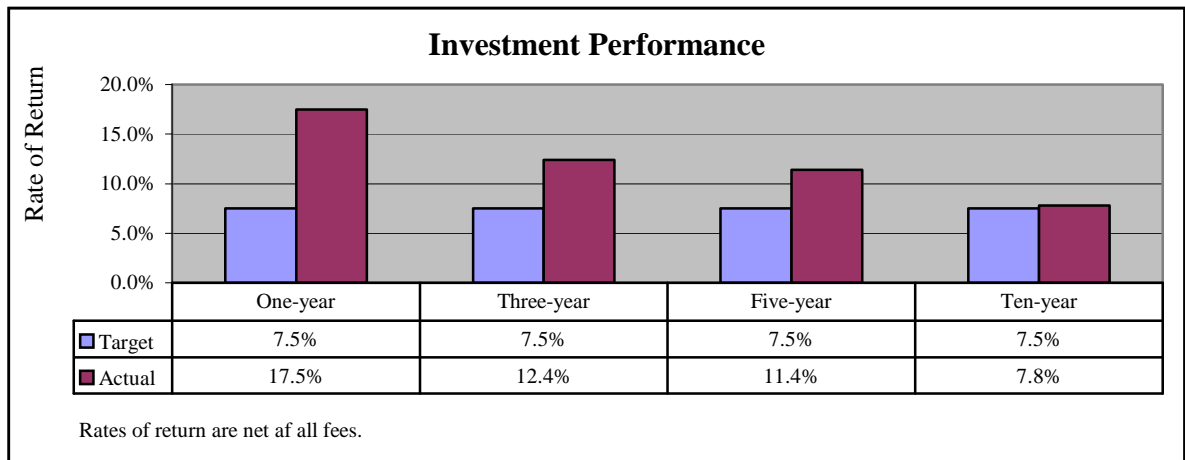
Asset Allocation (in \$000s)

Large Cap Domestic	\$ 26,586	26%
Non-Large Cap Domestic	15,973	15%
International	21,026	20%
Fixed Income	40,263	39%
Short-Term Fixed Income	279	0%
Total	<u><u>\$ 104,127</u></u>	<u><u>100%</u></u>



Investment Performance

The IMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals.



Public Employees' Retirement System

History

The Public Employees' Retirement System (PERS) was created in 1961.

Liquidity Needs

PERS is expected to have modest liquidity needs of approximately 1 percent to 2 percent per year for the foreseeable future.

Investment Objectives

The investment objectives are as follows:

- Exceed the actuarial interest rate assumption of 7.5 percent per annum, net of fees.
- Reduce the unfunded liability while maintaining adequate liquidity to satisfy benefit payments and not subjecting PERS to an undue level of risk.

Asset Allocation

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for PERS. Policy targets are established on a market value basis.

Asset Class	Policy Target
Domestic Equity	42.0%
International Equity	18.0%
Total Equity	60.0%
Fixed Income	40.0%
Cash (included in Fixed Income Above)	\$19,000,000*

**IMB staff has authority to change the cash target plus or minus 10 percent, as necessary, in consultation with appropriate representative(s) from the Public Employees' Retirement System.*

Public Employees' Retirement System (continued)

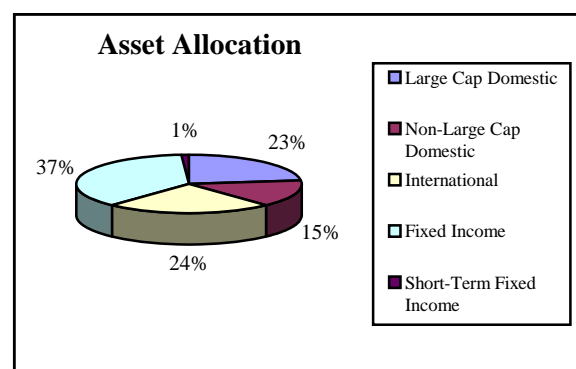
Financial Highlights

Progression of Plan Balance (in \$000s)

June 30, 2006	\$ 3,696,027
Contributions	173,789
Withdrawals	(226,247)
Net	<u>(52,458)</u>
Investment income	32,885
Net unrealized appreciation	612,613
June 30, 2007	<u><u>\$ 4,289,067</u></u>

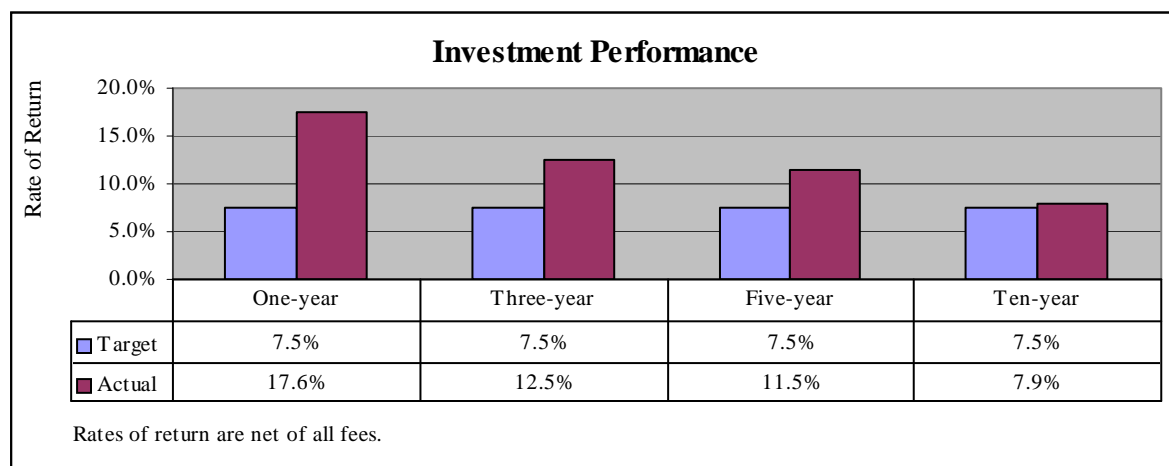
Asset Allocation (in \$000s)

Large Cap Domestic	\$ 975,720	23%
Non-Large Cap Domestic	661,559	15%
International	1,025,178	24%
Fixed Income	1,607,578	37%
Short-Term Fixed Income	19,032	1%
Total	<u><u>\$ 4,289,067</u></u>	<u>100%</u>



Investment Performance

The IMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals.



Public Safety Death, Disability and Retirement Fund (Plan A)

History

The Public Safety Death, Disability and Retirement Fund (Public Safety) was created in 1925.

Liquidity Needs

Public Safety is expected to experience a modestly negative cash flow position.

Investment Objectives

The investment objectives are as follows:

- Exceed the actuarial interest rate assumption of 7.5 percent per annum, net of fees.
- Reduce the unfunded liability while maintaining adequate liquidity to satisfy benefit payments while not subjecting Public Safety to an undue level of risk.

Asset Allocation

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for Public Safety. Policy targets are established on a market value basis.

Asset Class	Policy Target
Domestic Equity	42.0%
International Equity	18.0%
Total Equity	60.0%
Fixed Income	40.0%
Cash (included in Fixed Income Above)	\$2,300,000*

**IMB staff has authority to change the cash target plus or minus 10 percent, as necessary, in consultation with appropriate representative(s) from the Public Safety Death, Disability and Retirement Fund.*

Public Safety Death, Disability and Retirement Fund (Plan A) (continued)

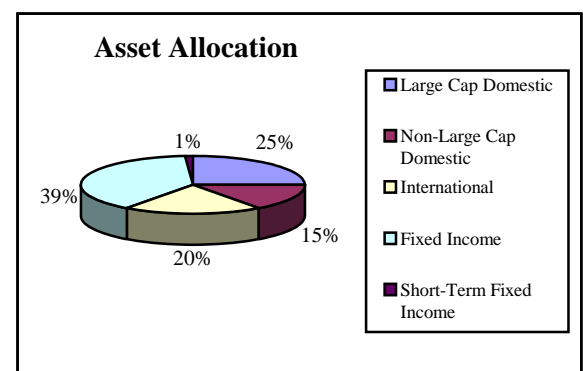
Financial Highlights

Progression of Plan Balance (in \$000s)

June 30, 2006	\$ 452,366
Contributions	7,548
Withdrawals	<u>(25,309)</u>
Net	(17,761)
Investment income	3,854
Net unrealized appreciation	<u>74,267</u>
June 30, 2007	<u><u>\$ 512,726</u></u>

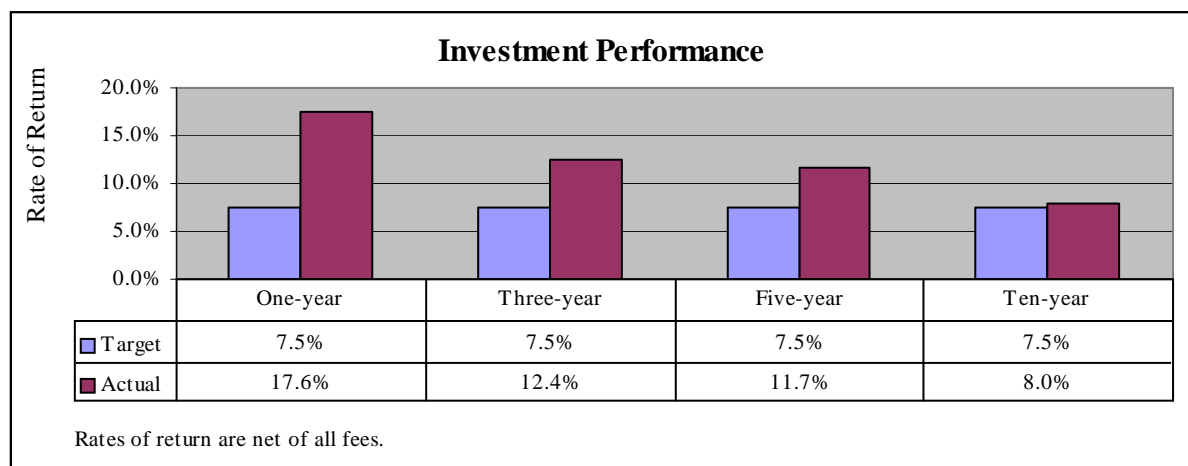
Asset Allocation (in \$000s)

Large Cap Domestic	\$ 129,958	25%
Non-Large Cap Domestic	78,391	15%
International	103,138	20%
Fixed Income	197,309	39%
Short-Term Fixed Income	3,930	1%
Total	<u><u>\$ 512,726</u></u>	<u>100%</u>



Investment Performance

The IMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals.



State Police Retirement System (Plan B)

History

The State Police Retirement System (State Police) was created in 1994.

Liquidity Needs

State Police is expected to be in a positive net cash flow position for the foreseeable future.

Investment Objectives

The investment objectives are as follows:

- Exceed the actuarial interest rate assumption of 7.5 percent per annum, net of fees.
- Reduce the unfunded liability while maintaining adequate liquidity to satisfy benefit payments and not subjecting State Police to an undue level of risk

Asset Allocation

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for State Police. Policy targets are established on a market value basis.

Asset Class	Policy Target
Domestic Equity	42.0%
International Equity	18.0%
Total Equity	60.0%
Fixed Income	40.0%
Cash (included in Fixed Income Above)	\$50,000*

**IMB staff has authority to change the cash target plus or minus 10 percent, as necessary, in consultation with appropriate representative(s) from the State Police Retirement System.*

State Police Retirement System (Plan B) (continued)

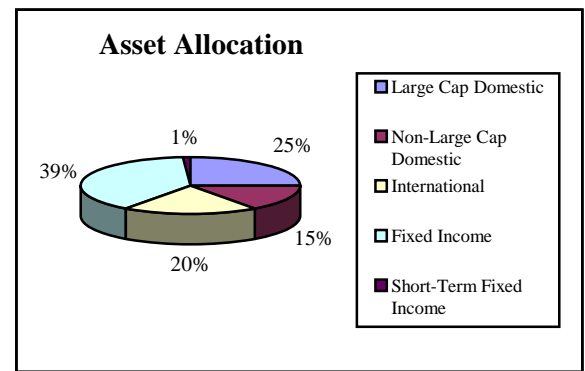
Financial Highlights

Progression of Plan Balance (in \$000s)

June 30, 2006	\$ 30,744
Contributions	4,274
Withdrawals	(297)
Net	3,977
Investment income	287
Net unrealized appreciation	5,345
June 30, 2007	\$ 40,353

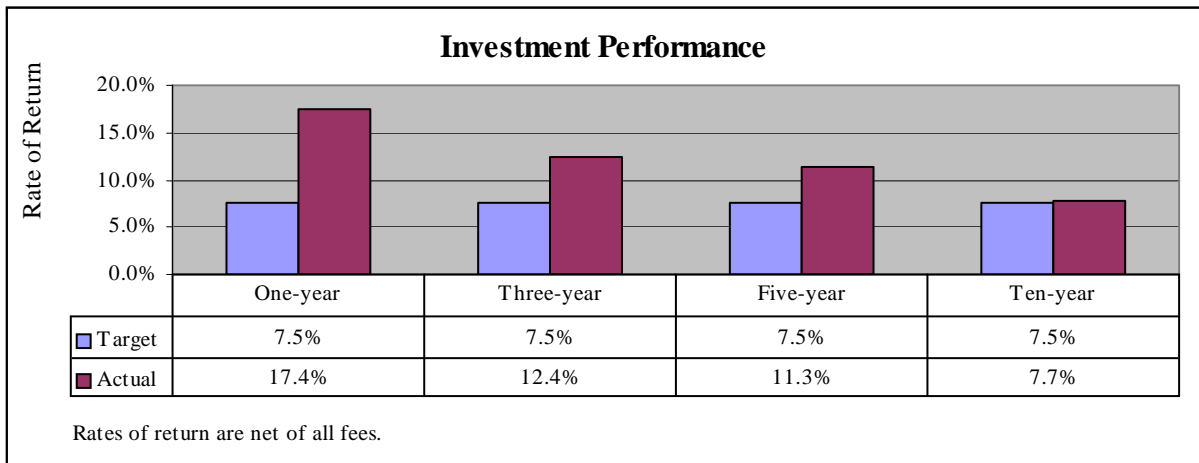
Asset Allocation (in \$000s)

Large Cap Domestic	\$ 10,154	25%
Non-Large Cap Domestic	6,096	15%
International	8,023	20%
Fixed Income	15,516	39%
Short-Term Fixed Income	564	1%
Total	\$ 40,353	100%



Investment Performance

The IMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals.



Teachers' Retirement System and Teachers' Employers Contribution Collection Account

History

The Teachers' Retirement System (TRS) was created in 1941. It was closed to new members in 1991, but reopened to first-time hires as of July 1, 2005. Employees hired from 1991 through June 30, 2005, joined the Teachers Defined Contribution Plan. Members of the Teachers' Defined Contribution Plan voted in March 2006 to merge into the Teachers' Retirement System effective July 1, 2006. This merger is pending until certain judicial challenges are resolved.

A new account, Teachers' Employers Contribution Collection Account (TECCA), was established in fiscal year 2007 which is a holding account for temporary, reserve cash on a month-to-month basis. Due to its short-term nature, assets are entirely invested in the Short-Term Fixed Income pool.

Liquidity Needs

TRS has a very dynamic net cash flow position, which is attributable to: (1) a current positive net cash flow position, and (2) substantial liquidity needs of at least 10 percent per year beginning in plan year 2014.

Investment Objectives

The investment objectives are as follows:

- Exceed the actuarial interest rate assumption of 7.5 percent per annum, net of fees.
- Reduce the unfunded liability while maintaining adequate liquidity to satisfy benefit payments while not subjecting TRS to an undue level of risk.

Asset Allocation

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for TRS. Policy targets are established on a market value basis.

Asset Class	Policy Target
Domestic Equity	42.0%
International Equity	18.0%
Total Equity	60.0%
Fixed Income	40.0%
Cash (included in Fixed Income Above)	\$25,000,000*

**IMB staff has authority to change the cash target plus or minus 10 percent, as necessary, in consultation with appropriate representative(s) from the Teachers' Retirement System.*

Teachers' Retirement System

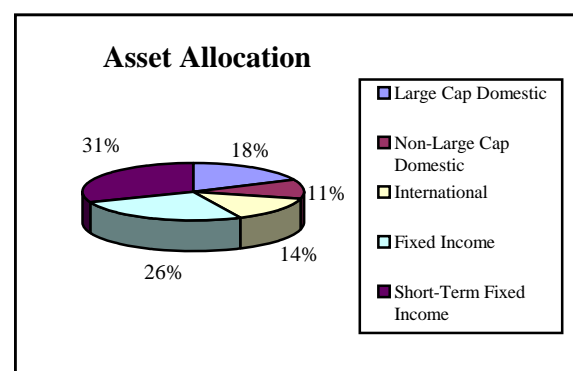
Financial Highlights

Progression of Plan Balance (in \$000s)

June 30, 2006	\$ 2,079,390
Contributions	1,604,295
Withdrawals	(410,878)
Net	<u>1,193,417</u>
Investment income	20,591
Net unrealized appreciation	344,824
June 30, 2007	<u><u>\$ 3,638,222</u></u>

Asset Allocation (in \$000s)

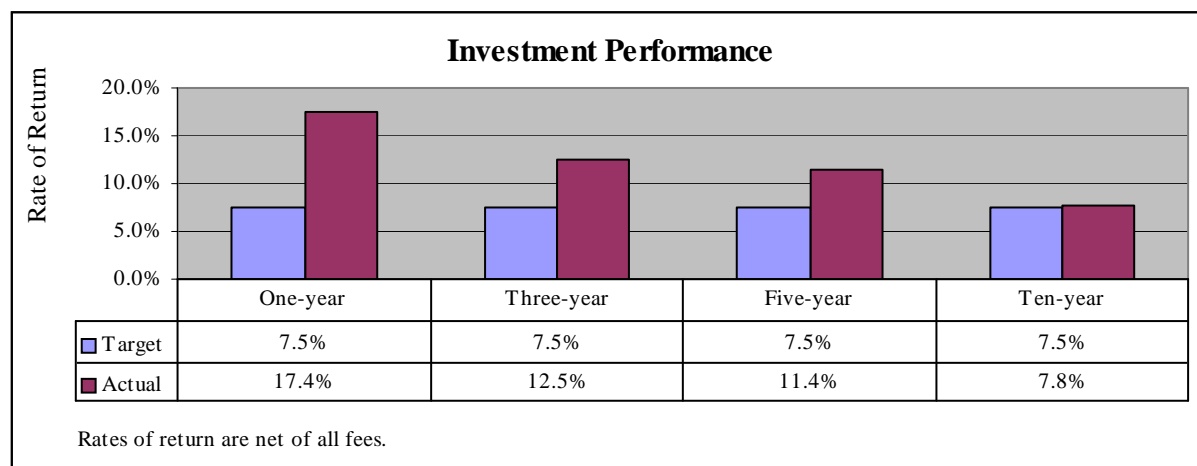
Large Cap Domestic	\$ 649,125	18%
Non-Large Cap Domestic	390,047	11%
International	512,189	14%
Fixed Income	969,804	26%
Short-Term Fixed Income	1,117,057	31%
Total	<u><u>\$ 3,638,222</u></u>	<u>100%</u>



**Allocation percentages reflect significant contributions of cash made to the Teachers' Retirement System in June 2007. Target asset allocation levels were met upon investment of these moneys on July 5, 2007.*

Investment Performance

The IMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals.



Teachers' Employers Contribution Collection Account

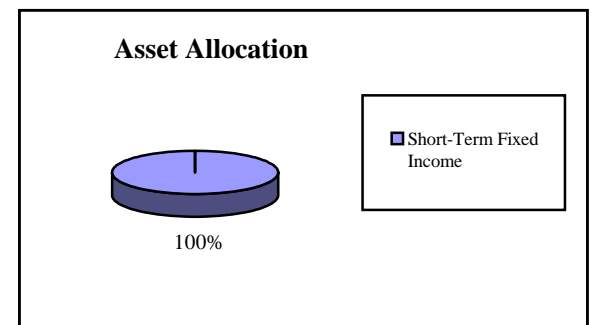
Financial Highlights

Progression of Plan Balance (in \$000s)

June 30, 2006	\$	-
Contributions		132,914
Withdrawals		<u>(133,206)</u>
Net		(292)
Investment income		445
Net unrealized appreciation		<u>-</u>
June 30, 2007	\$	<u><u>153</u></u>

Asset Allocation (in \$000s)

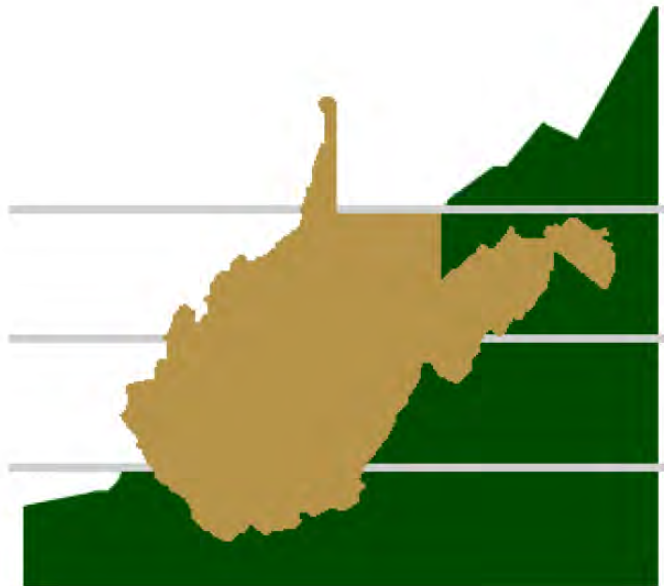
Short-Term Fixed Income	\$	153	100%
Total	\$	<u>153</u>	<u>100%</u>



Investment Performance

Investment performance for the period from March 19, 2007 through June 30, 2007 was 1.5 percent. TECCA has no defined target rate of return.

**West Virginia
Investment Management Board**



2008 Annual Report

Death, Disability and Retirement Fund for Deputy Sheriffs

History

The Death, Disability and Retirement Fund for Deputy Sheriffs (Deputy Sheriffs) was created in 1998.

Liquidity Needs

Deputy Sheriffs currently has positive net cash flows.

Investment Objectives

The investment objectives are as follows:

- Exceed the actuarial interest rate assumption of 7.5 percent per annum, net of fees.
- Preserve the current well-funded position while not subjecting the Deputy Sheriffs to an undue level of risk.

Asset Allocation

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for the Deputy Sheriffs. Policy targets are established on a market value basis.

Asset Class	Policy Target
Domestic Equity	25.0%
International Equity	25.0%
Total Equity	50.0%
Fixed Income	20.0%
Private Equity	10.0%
Hedge Fund	10.0%
Real Estate	10.0%
Cash (included in Fixed Income above)	\$250,000*

**IMB staff has authority to change the cash target plus or minus 10 percent, as necessary, in consultation with appropriate representative(s) from the Death, Disability and Retirement Fund for Deputy Sheriffs.*

Death, Disability and Retirement Fund for Deputy Sheriffs (continued)

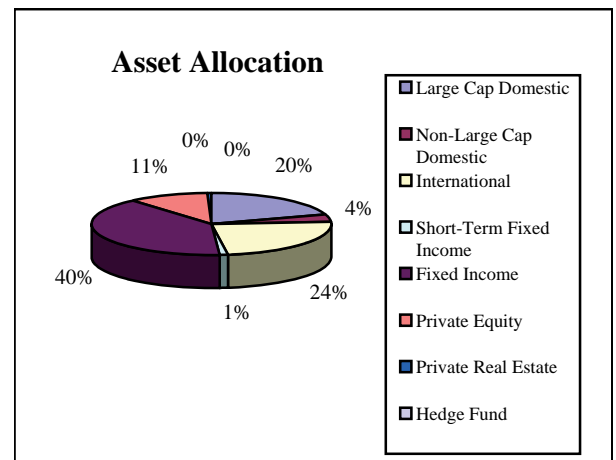
Financial Highlights

Progression of Plan Balance (in \$000s)

June 30, 2007	\$ 93,013
Contributions	6,791
Withdrawals	(4,619)
Net	2,172
Investment income	7,527
Net unrealized depreciation	(13,918)
June 30, 2008	\$ 88,794

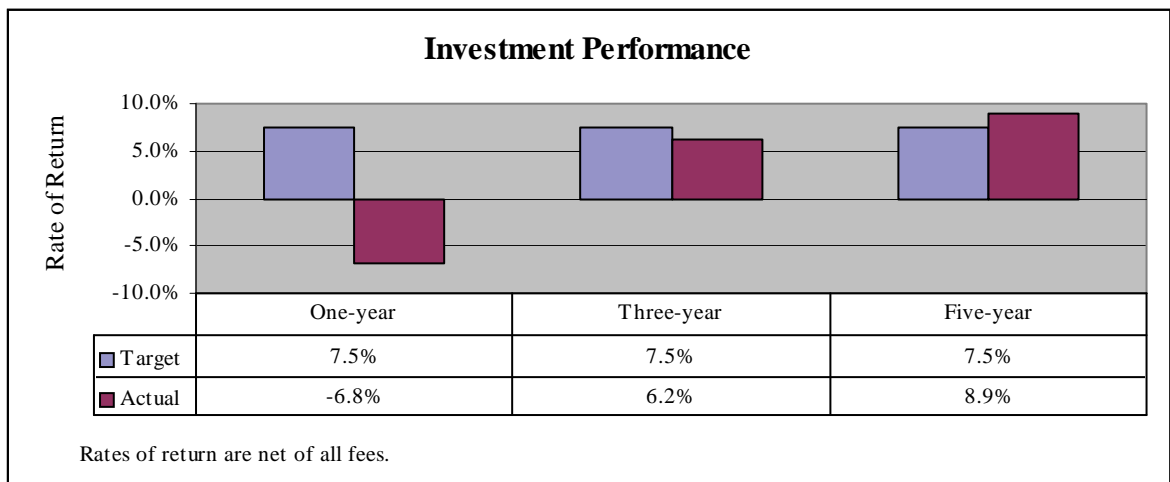
Asset Allocation (in \$000s)

Large Cap Domestic	\$ 17,890	20%
Non-Large Cap Domestic	3,460	4%
International	21,131	24%
Short-Term Fixed Income	532	1%
Fixed Income	35,807	40%
Private Equity	9,598	11%
Private Real Estate	377	0%
Hedge Fund	(1)	0%
Total	\$ 88,794	100%



Investment Performance

The IMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals.



Judges' Retirement System

History

The Judges' Retirement System (Judges) was created in 1949.

Liquidity Needs

Judges currently has a positive cash flow.

Investment Objectives

The investment objectives are as follows:

- Exceed the actuarial interest rate assumption of 7.5 percent per annum, net of fees.
- Reduce the unfunded liability while maintaining adequate liquidity to satisfy benefit payments while not subjecting Judges to an undue level of risk.

Asset Allocation

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for Judges. Policy targets are established on a market value basis.

Asset Class	Policy Target
Domestic Equity	25.0%
International Equity	25.0%
Total Equity	50.0%
Fixed Income	20.0%
Private Equity	10.0%
Hedge Fund	10.0%
Real Estate	10.0%
Cash (included in Fixed Income Above)	\$500,000*

**IMB staff has authority to change the cash target plus or minus 10 percent, as necessary, in consultation with appropriate representative(s) from the Judges' Retirement System.*

Judges' Retirement System (continued)

Financial Highlights

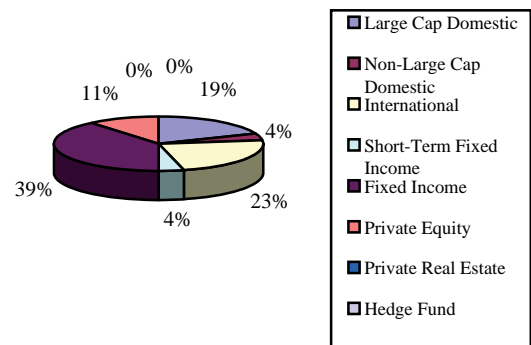
Progression of Plan Balance (in \$000s)

June 30, 2007	\$ 104,127
Contributions	6,779
Withdrawals	(3,683)
Net	3,096
Investment income	8,306
Net unrealized depreciation	(15,340)
June 30, 2008	<u>\$ 100,189</u>

Asset Allocation (in \$000s)

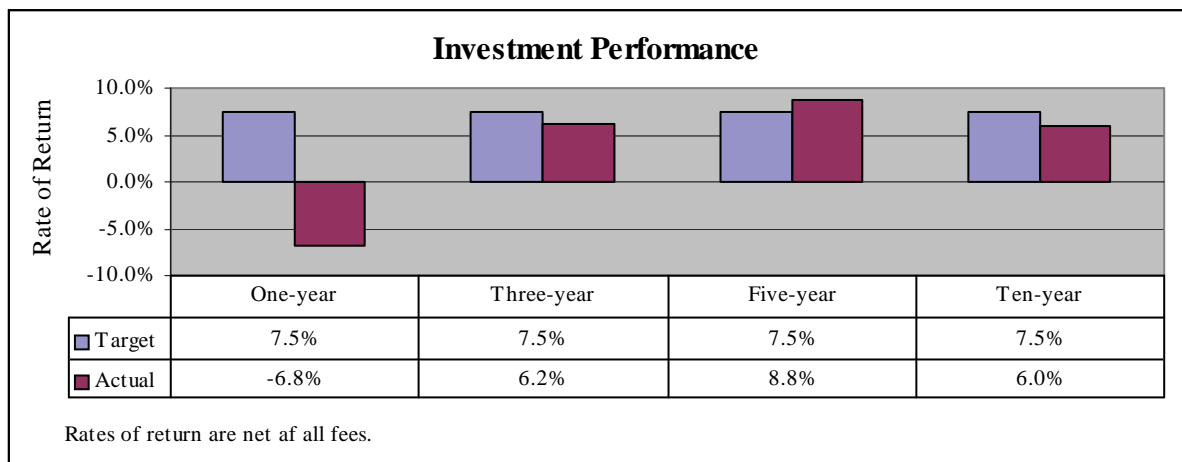
Large Cap Domestic	\$ 19,416	19%
Non-Large Cap Domestic	3,781	4%
International	23,465	23%
Short-Term Fixed Income	3,880	4%
Fixed Income	38,568	39%
Private Equity	10,664	11%
Private Real Estate	416	0%
Hedge Fund	(1)	0%
Total	<u>\$ 100,189</u>	<u>100%</u>

Asset Allocation



Investment Performance

The IMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals.



Public Employees' Retirement System

History

The Public Employees' Retirement System (PERS) was created in 1961.

Liquidity Needs

PERS is expected to have modest liquidity needs of approximately 1 percent to 2 percent per year for the foreseeable future.

Investment Objectives

The investment objectives are as follows:

- Exceed the actuarial interest rate assumption of 7.5 percent per annum, net of fees.
- Reduce the unfunded liability while maintaining adequate liquidity to satisfy benefit payments and not subjecting PERS to an undue level of risk.

Asset Allocation

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for PERS. Policy targets are established on a market value basis.

Asset Class	Policy Target
Domestic Equity	25.0%
International Equity	25.0%
Total Equity	50.0%
Fixed Income	20.0%
Private Equity	10.0%
Hedge Fund	10.0%
Real Estate	10.0%
Cash (included in Fixed Income Above)	\$19,000,000*

**IMB staff has authority to change the cash target plus or minus 10 percent, as necessary, in consultation with appropriate representative(s) from the Public Employees' Retirement System.*

Public Employees' Retirement System (continued)

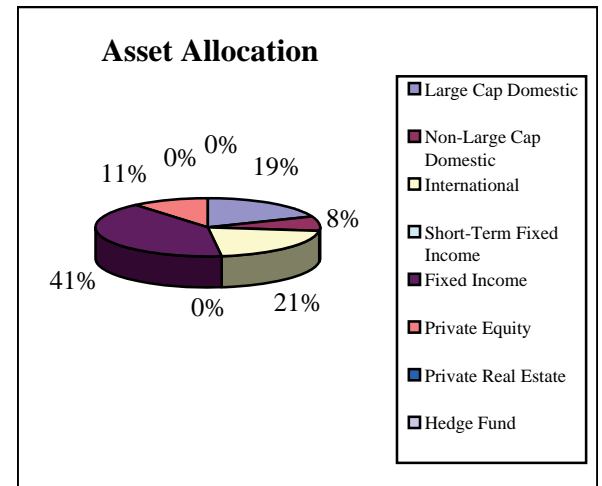
Financial Highlights

Progression of Plan Balance (in \$000s)

June 30, 2007	\$ 4,289,067
Contributions	175,556
Transfers Out	(14,673)
Withdrawals	(238,671)
Net	<u>(77,788)</u>
Investment income	331,524
Net unrealized depreciation	(608,313)
June 30, 2008	<u><u>\$ 3,934,490</u></u>

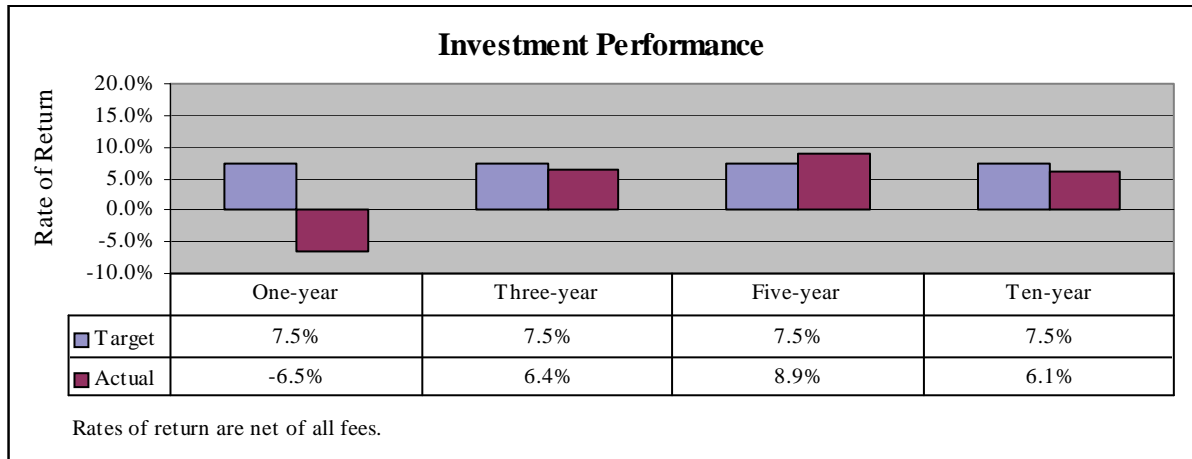
Asset Allocation (in \$000s)

Large Cap Domestic	\$ 761,063	19%
Non-Large Cap Domestic	295,601	8%
International	814,233	21%
Short-Term Fixed Income	16,763	0%
Fixed Income	1,599,167	41%
Private Equity	430,956	11%
Private Real Estate	16,860	0%
Hedge Fund	(153)	0%
Total	<u><u>\$ 3,934,490</u></u>	<u>100%</u>



Investment Performance

The IMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals.



Public Safety Death, Disability and Retirement Fund (Plan A)

History

The Public Safety Death, Disability and Retirement Fund (Public Safety) was created in 1925.

Liquidity Needs

Public Safety is expected to experience a modestly negative cash flow position.

Investment Objectives

The investment objectives are as follows:

- Exceed the actuarial interest rate assumption of 7.5 percent per annum, net of fees.
- Reduce the unfunded liability while maintaining adequate liquidity to satisfy benefit payments while not subjecting Public Safety to an undue level of risk.

Asset Allocation

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for Public Safety. Policy targets are established on a market value basis.

Asset Class	Policy Target
Domestic Equity	25.0%
International Equity	25.0%
Total Equity	50.0%
Fixed Income	20.0%
Private Equity	10.0%
Hedge Fund	10.0%
Real Estate	10.0%
Cash (included in Fixed Income Above)	\$2,300,000*

**IMB staff has authority to change the cash target plus or minus 10 percent, as necessary, in consultation with appropriate representative(s) from the Public Safety Death, Disability and Retirement Fund.*

Public Safety Death, Disability and Retirement Fund (Plan A) (continued)

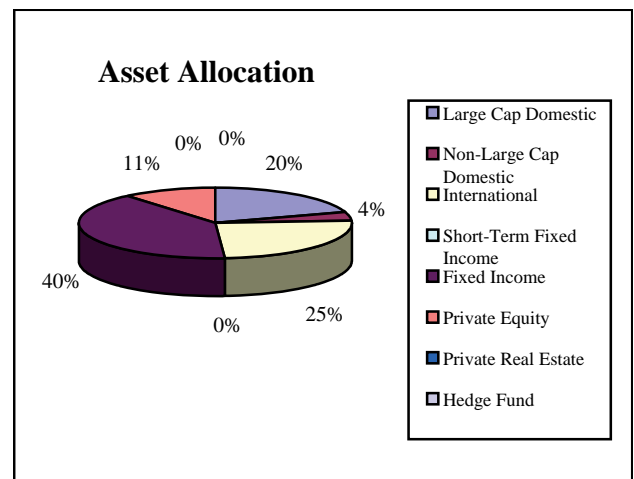
Financial Highlights

Progression of Plan Balance (in \$000s)

June 30, 2007	\$ 512,726
Contributions	6,663
Withdrawals	(26,412)
Net	(19,749)
Investment income	39,654
Net unrealized depreciation	(73,575)
June 30, 2008	<u>\$ 459,056</u>

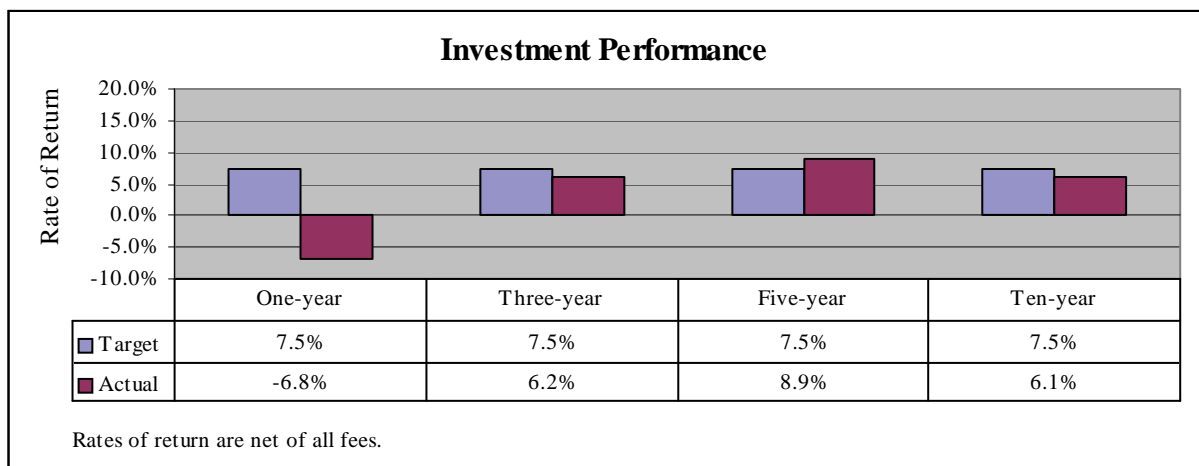
Asset Allocation (in \$000s)

Large Cap Domestic	\$ 92,491	20%
Non-Large Cap Domestic	17,999	4%
International	112,860	25%
Short-Term Fixed Income	384	0%
Fixed Income	182,580	40%
Private Equity	50,771	11%
Private Real Estate	1,976	0%
Hedge Fund	(5)	0%
Total	<u>\$ 459,056</u>	<u>100%</u>



Investment Performance

The IMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals.



State Police Retirement System (Plan B)

History

The State Police Retirement System (State Police) was created in 1994.

Liquidity Needs

State Police is expected to be in a positive net cash flow position for the foreseeable future.

Investment Objectives

The investment objectives are as follows:

- Exceed the actuarial interest rate assumption of 7.5 percent per annum, net of fees.
- Reduce the unfunded liability while maintaining adequate liquidity to satisfy benefit payments and not subjecting State Police to an undue level of risk

Asset Allocation

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for State Police. Policy targets are established on a market value basis.

Asset Class	Policy Target
Domestic Equity	25.0%
International Equity	25.0%
Total Equity	50.0%
Fixed Income	20.0%
Private Equity	10.0%
Hedge Fund	10.0%
Real Estate	10.0%
Cash (included in Fixed Income Above)	\$50,000*

**IMB staff has authority to change the cash target plus or minus 10 percent, as necessary, in consultation with appropriate representative(s) from the State Police Retirement System.*

State Police Retirement System (Plan B) (continued)

Financial Highlights

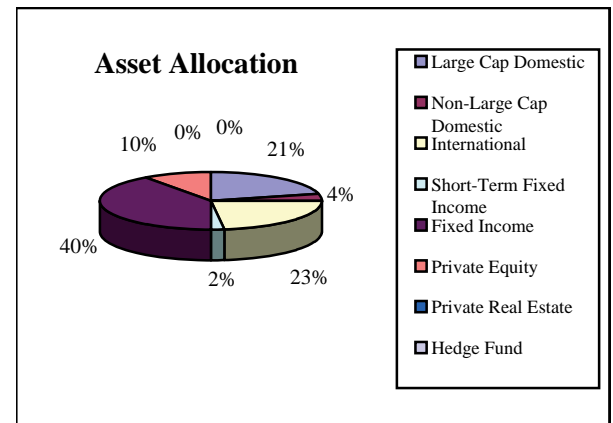
Progression of Plan Balance (in \$000s)

June 30, 2007	\$	40,353
Contributions		4,580
Withdrawals		(534)
Net		<u>4,046</u>
Investment income		3,390
Net unrealized depreciation		(6,225)
June 30, 2008	\$	<u><u>41,564</u></u>

Asset Allocation (in \$000s)

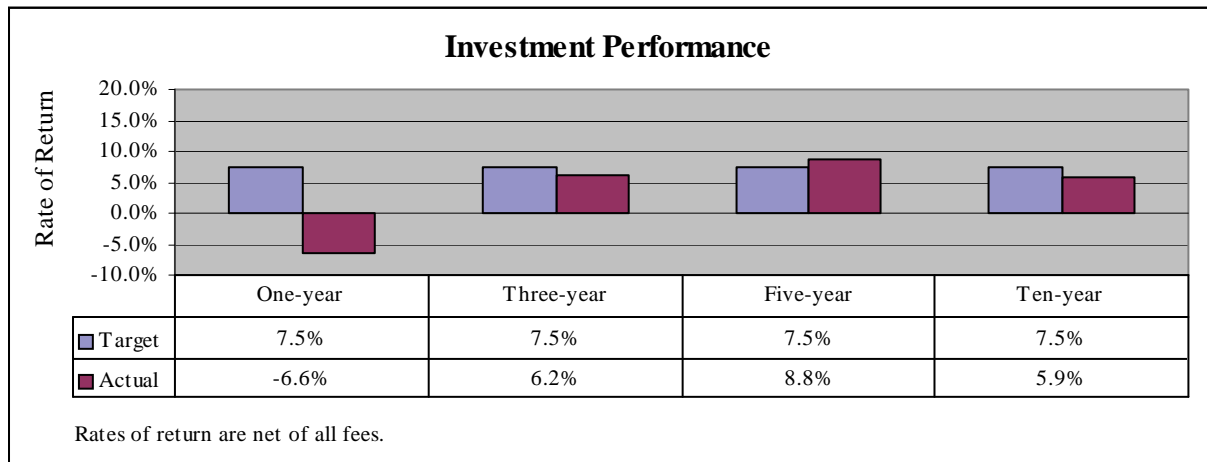
Large Cap Domestic	\$	8,487	21%
Non-Large Cap Domestic		1,593	4%
International		9,449	23%
Short-Term Fixed Income		870	2%
Fixed Income		16,670	40%
Private Equity		4,324	10%
Private Real Estate		171	0%
Hedge Fund		*	0%
Total	\$	<u><u>41,564</u></u>	<u>100%</u>

* - Hedge Fund balance is less than \$1,000.



Investment Performance

The IMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals.



Teachers' Retirement System and Teachers' Employers Contribution Collection Account

History

The Teachers' Retirement System (TRS) was created in 1941. It was closed to new members in 1991, but reopened to first-time hires as of July 1, 2005. Employees hired from 1991 through June 30, 2005, joined the Teachers Defined Contribution Plan. In the spring of 2008, more than seventy-eight percent of the participants in the Teachers' Defined Contribution Plan elected to transfer into the TRS. This transfer will occur in July 2008.

The Teachers' Employers Contribution Collection Account (TECCA) is a holding account for temporary reserve cash. Due to its short-term nature, assets are entirely invested in the Short-Term Fixed Income pool.

Liquidity Needs

TRS has a very dynamic net cash flow position, which is attributable to: (1) a current positive net cash flow position, and (2) substantial liquidity needs of at least 10 percent per year beginning in plan year 2014.

Investment Objectives

The investment objectives are as follows:

- Exceed the actuarial interest rate assumption of 7.5 percent per annum, net of fees.
- Reduce the unfunded liability while maintaining adequate liquidity to satisfy benefit payments while not subjecting TRS to an undue level of risk.

Asset Allocation

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for TRS. Policy targets are established on a market value basis.

Asset Class	Policy Target
Domestic Equity	25.0%
International Equity	25.0%
Total Equity	50.0%
Fixed Income	20.0%
Private Equity	10.0%
Hedge Fund	10.0%
Real Estate	10.0%
Cash (included in Fixed Income Above)	\$25,000,000*

**IMB staff has authority to change the cash target plus or minus 10 percent, as necessary, in consultation with appropriate representative(s) from the Teachers' Retirement System.*

Teachers' Retirement System

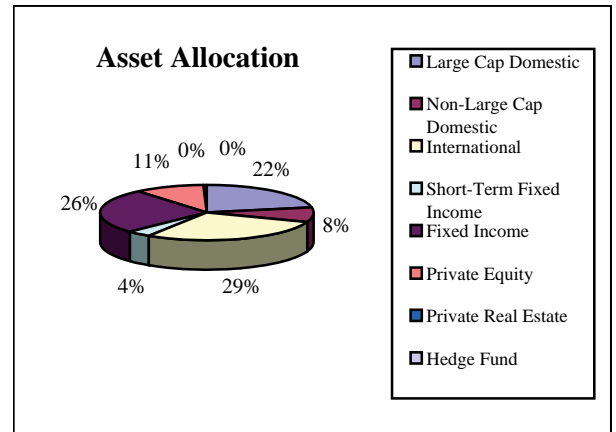
Financial Highlights

Progression of Plan Balance (in \$000s)

June 30, 2007	\$ 3,638,222
Contributions	425,383
Withdrawals	(443,082)
Net	(17,699)
Investment income	279,549
Net unrealized depreciation	(552,464)
June 30, 2008	<u>\$ 3,347,608</u>

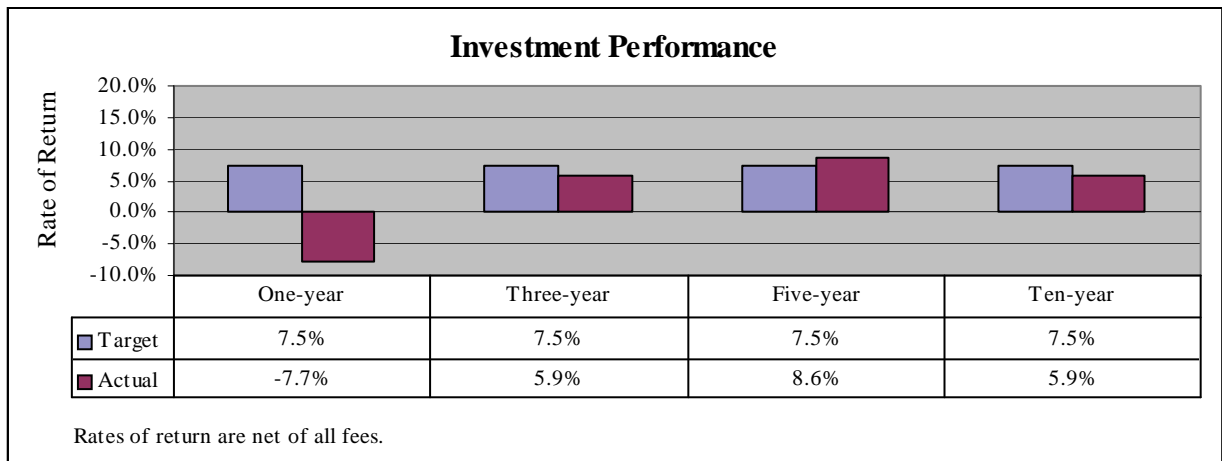
Asset Allocation (in \$000s)

Large Cap Domestic	\$ 736,142	22%
Non-Large Cap Domestic	283,987	8%
International	963,898	29%
Short-Term Fixed Income	117,883	4%
Fixed Income	870,421	26%
Private Equity	361,210	11%
Private Real Estate	14,099	0%
Hedge Fund	(32)	0%
Total	<u>\$ 3,347,608</u>	<u>100%</u>



Investment Performance

The IMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals.



Teachers' Employers Contribution Collection Account

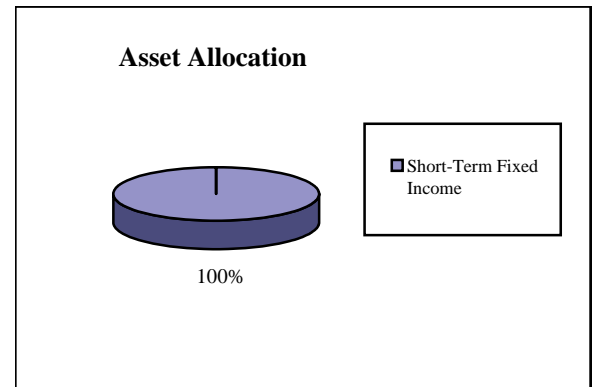
Financial Highlights

Progression of Plan Balance (in \$000s)

June 30, 2007	\$	153
Contributions		317,495
Withdrawals		<u>(318,126)</u>
Net		(631)
Investment income		<u>837</u>
June 30, 2008	\$	<u><u>359</u></u>

Asset Allocation (in \$000s)

Short-Term Fixed Income	\$	359	100%
Total	\$	<u><u>359</u></u>	<u><u>100%</u></u>



Investment Performance

Investment performance for the one-year period ended June 30, 2008 was 4.0 percent. TECCA has no defined target rate of return.

Emergency Medical Services Retirement System

History

The Emergency Medical Services Retirement System (EMSRS) was created under the Emergency Medical Services Retirement System Act effective January 1, 2008, under *West Virginia Code §16-5V-4*. EMSRS members with benefits earned in the Public Employees Retirement System (PERS) transfer their full membership and benefits under PERS to EMSRS on the effective date.

Liquidity Needs

The EMSRS is expected to have no liquidity needs for at least three years. In fiscal year 2012, cash distributions may commence, but liquidity needs are still expected to be minimal.

Investment Objectives

The investment objectives are as follows:

- Exceed the actuarial interest rate assumption of 7.5 percent per annum, net of fees.
- Maintain adequate liquidity to satisfy benefit payments and not subject the EMSRS to an undue level of risk.

Asset Allocation

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for EMSRS. Policy targets are established on a market value basis.

Asset Class	Policy Target
Domestic Equity	25.0%
International Equity	25.0%
Total Equity	50.0%
Fixed Income	20.0%
Private Equity	10.0%
Hedge Fund	10.0%
Real Estate	10.0%

Emergency Medical Services Retirement System (continued)

Financial Highlights

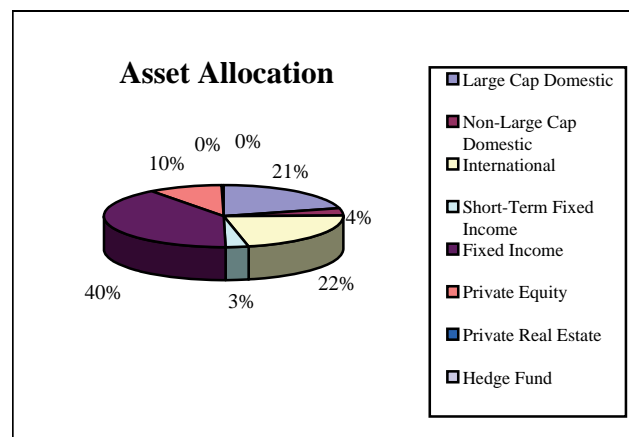
Progression of Plan Balance (in \$000s)

June 30, 2007	\$	-
Contributions		1,380
Transfers In		14,673
Withdrawals		(16)
Net		16,037
Investment income		22
Net unrealized depreciation		(643)
June 30, 2008	\$	15,416

Asset Allocation (in \$000s)

Large Cap Domestic	\$	3,220	21%
Non-Large Cap Domestic		574	4%
International		3,386	22%
Short-Term Fixed Income		483	3%
Fixed Income		6,179	40%
Private Equity		1,538	10%
Private Real Estate		36	0%
Hedge Fund		*	0%
Total	\$	15,416	100%

* - Hedge Fund balance is less than \$1,000.



Investment Performance

Investment performance for the period of April 1, 2008 through June 30, 2008 was negative 3.7 percent. EMSRS has no defined target rate of return.

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