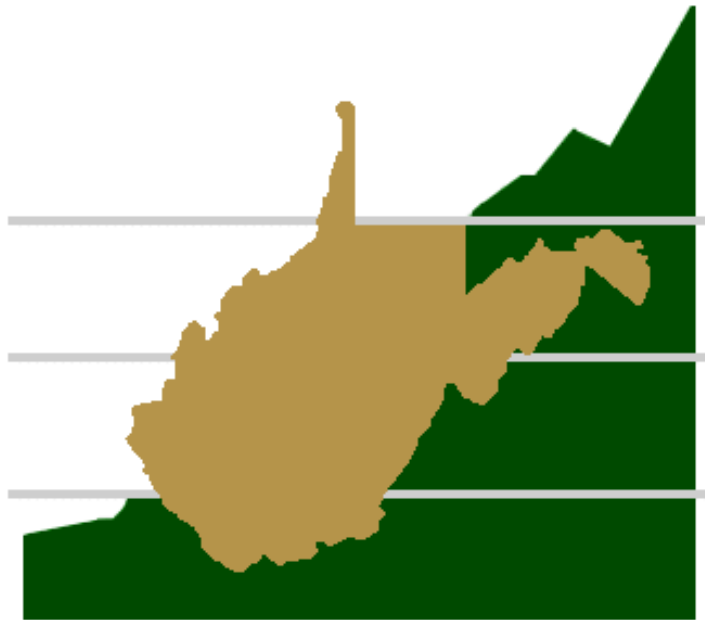

West Virginia Investment Management Board



2004 Annual Report

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Introduction

West Virginia Investment Management Board

*One Cantley Drive · Suite 3
Charleston, West Virginia 25314*

*Phone: (304) 345-2672
Fax: (304) 345-5939
Web: www.wvimb.org*

August 25, 2004

Dear Fellow West Virginians:

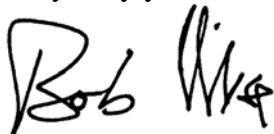
On behalf of the Board of trustees of the West Virginia Investment Management Board, I am pleased to present the Board's annual financial report for the fiscal year ending June 30, 2004. Please note that additional information about the Investment Management Board can be accessed electronically at its website, www.wvimb.org.

This is the fourth year I have had the privilege of presiding over the Investment Management Board as its Chairman. It was functioning well prior to my tenure as Chairman and I am pleased to announce it has continued to do so. For fiscal year 2004, returns on long-term assets came in at 15.2 percent, using the performance of the Public Employees' Retirement System as a proxy for all long-term assets. The real testament, however, to the quality of the Investment Management Board's performance is its return since the bursting of the bubble in the stock market in early 2000. Again, using the Public Employees' Retirement System's performance as a proxy for long-term assets, the Investment Management Board produced a three-year return of 5.5 percent. At a time when the stock markets were losing money, this is an excellent return on investment.

The performance of the Board under my tenure is due to the quality and diligence of my fellow trustees and the Investment Management Board's staff. Trustees include: Steven L. Angel, Richard E. Boyle, Jr., State Auditor Glen B. Gainer III, Samme L. Gee, Carlyle D. Farnsworth, David A. Haney, Roger D. Hunter, Patrick D. Kelly, State Treasurer John D. Perdue, John T. Poffenbarger, Marie L. Prezioso, and William T. Tracy. Note that I recently reappointed Marie L. Prezioso and William T. Tracy to six-year terms ending 2010.

I wish to thank the staff of the Investment Management Board for its dedicated service. I am pleased, as are the other trustees, with their professionalism, commitment to our mission, and customer focus.

Very truly yours,



Bob Wise
Governor, State of West Virginia
Chairman, Board of Trustees

West Virginia Investment Management Board

500 Virginia Street, East, Suite 200
Charleston, West Virginia 25301

Phone: (304) 345-2672
Fax: (304) 345-5939
Web: www.wvimb.org

September 8, 2004

Dear Board Members:

Fiscal year 2004 was a good year in absolute terms, with a total return for long-term assets rising into double digits. In relative terms, the Investment Management Board continued to perform well versus the market and its peers.

The Investment Management Board's primary short-term investment vehicle and its principal source of operating cash for the State and some of its political subdivisions, the Consolidated Fund, added \$16,394,000 in value over the course of the fiscal year. Since the Consolidated Fund is primarily made up of general and special revenue accounts, preservation of principal, not return, is the primary objective of the Fund. This goal is managed by the risk limitations on the portfolios making up the Fund. In fiscal year 2004, the goal of preserving the assets in the Consolidated Fund was achieved.

The remaining assets of the Investment Management Board are those of participants with longer time horizons. These include the defined benefit pension plans, employment security plans and other trust assets. Herein, these plans are generally referred to as the "participant plans." In fiscal year 2004, the performance of the participant plans was positive on both an absolute and relative basis.

The markets picked up where they had left off at the end of fiscal year 2003. The first two quarters of the fiscal year saw extremely strong performance from stocks before settling into a trading range. In the last two quarters of the fiscal year, the S&P 500 was only up 3.4 percent, but 19.1 percent for the entire fiscal year. Similarly, the NASDAQ Composite was up only 2.22 percent for the last half of the year, while posting a 26.19 percent return for the full fiscal year. The fixed-income markets, by contrast, struggled to break even in fiscal year 2004. As the economy appeared to be gaining strength, worries over inflation began to take hold, driving interest rates up. The return for the Lehman Aggregate was .3 percent for the year.

Although fixed-income markets struggled, the stock markets were strong enough to lift fiscal year returns for long-term assets to the 14 and 15 percent range. The one-year returns for the defined benefit pension plans ranged from 15 percent for the State Police

Retirement Plan to 15.7 percent for the Public Safety Retirement System. Note that differences in returns for the various pension plans are a function of the differences in the timing of cash flows into and out of each plan and in relative levels of cash equivalent securities necessary to make benefit payments. Returns for the Pneumoconiosis Fund were 5.6 percent while the Workers' Compensation Employers' Excess Liability Fund returned 10.3 percent. Although the difference in the timing of cash flows is a factor in the differences in returns of these insurance assets, the difference in the respective plans' allocation to stocks plays a much greater role. Only 20 percent of the Pneumoconiosis Fund is allocated to stocks while the Workers' Compensation Employers' Excess Liability Fund has an allocation of 40 percent. This was a long-term strategic decision based upon the relative needs of each plan. The larger Workers' Compensation Fund was not considered a long-term asset for fiscal year 2004. With its long-term funding uncertain, the Board modified the asset allocation in the later part of fiscal year 2003 to create a dedicated fixed-income portfolio with maturities structured to match cash outflows over the ensuing two and one-half years. This step was taken to provide a window of time in which the State could work out a solution to the Workers' Compensation funding problems. Returns for all the participant plans can be found in the pages that follow.

Past performance is interesting and helpful to review, but it is, for lack of a better term, "history." The more important issue is the future. The Investment Management Board is constantly thinking about the future, but always in the context of the principles upon which the portfolio was founded. First, and foremost, is the recognition that the participant plans have long time horizons. Consequently, the focus should be on performance over ten-, fifteen-, and twenty-year periods as opposed to relative short-term, one- and two-year periods. As a long-term investor, the inevitable ups and downs in the market from year to year are expected, and are of relatively little consequence. Because of this long-term perspective, it is important one not get caught up in the day-to-day volatility inherent in the markets. The Board, however, also recognizes that the markets are ever changing. Investing is always a risky proposition. The goal is to control the risk and maximize the return for the level of risk one is willing to assume.

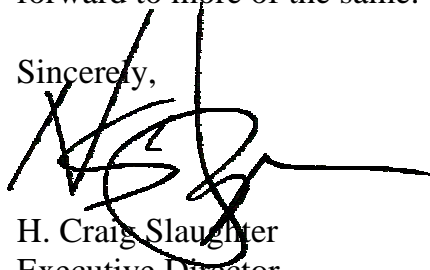
In 1998, with these principles in mind, the Investment Management Board constructed a portfolio that is more diversified than the average institutional portfolio, favors a value-style of investing, and minimizes transaction costs. The result is a slightly more conservative portfolio than the average. As the Board and its portfolio mature, it constantly looks for ways to work within the natural bounds of a portfolio to maximize returns. This is especially important given market return expectations for the future. The out-performance of both equity and fixed-income markets through the 1980s and 1990s

Board Members
Page 3 of 3
September 8, 2004

suggests that expectations should be reduced for the intermediate future. Assuming this is true, it will be a difficult job ensuring that participant plan assets produce a return adequate to ensure the funding of obligations to beneficiaries.

As we move forward into the future, the conservative nature of the portfolio will, in all likelihood, cause it to underperform its peers on occasion. In periods when stocks are up, especially technology stocks, the Board's overall performance may perform less well than its peers. Moreover, its allocation to stocks is more conservative than the average public fund. Additionally, there may be periods when the value style of investing is out of favor as in the late 1990s. The Investment Management Board, however, designed the portfolio to outperform in the long run. So far it has performed as expected. We look forward to more of the same.

Sincerely,

A handwritten signature in black ink, appearing to be 'H. Craig Slaughter', written over a circular stamp or seal.

H. Craig Slaughter
Executive Director

HCS:jah

The Organization

BOARD OF TRUSTEES

Robert E. Wise, Jr., Chairman
Governor of the State of West Virginia

John T. Poffenbarger, Vice-Chairman
General Counsel, West Virginia Department of Administration

Samme L. Gee, Secretary
Partner in the law firm of Jackson Kelly PLLC

Stephen L. Angel
Principal, Blennerhassett Junior High School, Parkersburg, West Virginia

Richard E. Boyle, Jr.
Attorney in the law firm of Kay Casto & Chaney PLLC

Carlyle D. Farnsworth
Retired, former President of United National Bank in Wheeling, West Virginia

Glen B. Gainer III
Auditor of the State of West Virginia

David A. Haney
Executive Director of the West Virginia Education Association

Roger D. Hunter
Partner in the law firm of Neely & Hunter

Patrick D. Kelly
Partner in the law firm of Steptoe & Johnson

John D. Perdue
Treasurer of the State of West Virginia

Marie L. Prezioso
Senior Vice President and Manager, Public Finance Office of Ferris, Baker Watts, Inc.,
Charleston, West Virginia

William T. Tracy
Partner in the accounting firm of Hess, Stewart & Campbell

REPRESENTATIVES AND COMMITTEE MEMBERS¹

Public Employees' Retirement System

Fredric W. Thomas, Representative

General Accounting Supervisor for the West Virginia Department of Transportation

Keith Chapman, Committee Member

District Comptroller for the West Virginia Division of Highways

Patricia Hamilton, Committee Member

Executive Director for the West Virginia Association of Counties

Teachers' Retirement System

Tony Lautar, Jr., Representative

Mentally Impaired Specialist, Wood County Schools, Parkersburg, West Virginia

Robert L. Brown, Committee Member

Interim Executive Secretary for the West Virginia School Service Personnel Association

Thomas J. Vogel, Committee Member

Math and Finance Teacher at Capital High School

Workers' Compensation Fund and Pneumoconiosis Fund

Melinda Ashworth-Kiss, Representative

Chief Financial Officer for the West Virginia Workers' Compensation Commission

J. Chris Howat, Committee Member

Director of Financial Accounting for the West Virginia Workers' Compensation Commission

Department of Public Safety, Death, Disability and Retirement Fund

George J. Spangler, Representative

Retired, Captain, West Virginia State Police

West Virginia State Police Retirement System

Vacant, Representative

Deputy Sheriffs' Retirement System

David D. Gentry, Representative

Retired Deputy Sheriff

Terry Miller, Committee Member

Lieutenant, Wood County Sheriff's Department

Paul O'Dell, Jr., Committee Member

Corporal, Nicholas County Sheriff's Department

Judges' Retirement System

Vacant, Representative

¹By statute, the Consolidated Public Retirement Board and the West Virginia Workers' Compensation Commission are responsible for appointing a representative for each plan who may select a committee of up to three individuals. The representative and committee members work with the Investment Management Board to develop the investment policy for their respective plan. They are appointed on an annual basis.

STAFF MEMBERS

Executive Staff —

H. Craig Slaughter, Executive Director

Matthew E. Jones, Chief Financial Officer / Chief Operating Officer

Kristy Watson, Chief Investment Officer

Operations Division —

Roger Summerfield, Director of Operations

Accounting —

Brian DuBois, Investment Accountant Supervisor

Brian Thaxton, Investment Accountant

Leigh Ann Moore, Investment Accountant

Betty Hammack, Investment Accountant

Julie Thompson, Performance Accountant

Trade Processing and Settlement —

Denise Baker, Trade Analyst Supervisor

Linda Davis, Trade Analyst

Karin Polk, Trade Analyst

Investment Division —

Tom Sauvageot, Fixed Income Investment Officer

Rodney Livingston, Public Equity Investment Officer

Support Staff —

Jo Ann Harrison, Administrative Assistant to the Executive Director

Felicia Thomas, Administrative Assistant to the Chief Financial Officer

Milly Torman, Administrative Assistant to the Chief Investment Officer

Jane Heitz, Secretary/Receptionist

Technology —

John Cole, Director of Technology

Rick Greathouse, Information Systems Specialist

Internal Audit —

Melissa Petit, Internal Auditor

HISTORY

The West Virginia Investment Management Board (WVIMB or Board) came into existence in the spring of 1997 after years of hard work modernizing the State's investment management structure. This structural modernization was widely perceived as a necessary precursor to the passage of a constitutional referendum to allow investment in stocks. The risks in stocks were perceived to be too great to allow anything but a modern, professional entity to manage. Although the West Virginia Investment Management Board's predecessors, the Board of Investments and the West Virginia Trust Fund, Inc., brought about vast improvements, they fell short in one or more areas. With the West Virginia Investment Management Board, the State achieved the ideal balance between control and independence that will allow efficient and prudent investment management well into the future.

The beginning of the modern era in the State's investment management goes back to the late 70's with the consolidation of investment authority for the State's defined benefit plans, employment security plans, and other assets into the Board of Investments. One of the goals of the legislation was to achieve efficiencies that size brings by commingling like assets at the time into a long-term pool, the Consolidated Pension Fund, and a short-term pool, the Consolidated Fund. Although the commingling of the Consolidated Fund was accomplished to the extent practical, the commingling of the assets intended for the Consolidated Pension Fund did not occur for over ten years. The State Treasurer, under this legislative mandate, was the staff agency for the Board of Investments, and the Board itself was made up of the Treasurer, the Governor, and the State Auditor. The changing dynamics of the types of monies that the State has to invest dictated the need for a revised fund structure with an elimination of the term Consolidated Pension Fund as the longer term investment option. The statute was revised during the 2001 session of the West Virginia Legislature to specifically clarify that any monies could be invested in any of the investment pools established by the West Virginia Investment Management Board. The Consolidated Fund still exists and represents the investment pools established for the investment of those monies currently needed to fund state governmental operations or those monies that are required by other statutory provisions to be invested in the Consolidated Fund.

Although a step in the right direction, the initial Board of Investments did not include enough control features. After a few problems in the 1980s, principally involving the Consolidated Fund, the Board was expanded to seven members, adding four members from the private sector including an attorney experienced in financial matters and a Certified Public Accountant. In the fall of 1990, the Legislature took a huge leap forward by creating a staff for the Board of Investments separate from the Treasury. This provided clear accountability; something that did not exist previously, as the staff for the Board was controlled by the Treasurer, who was in turn elected by the people. Other very important control features included a statutory requirement for an Internal Auditor, an annual external audit by a nationally-recognized accounting firm, and monthly reporting requirements to government leaders, in accordance with Generally Accepted Accounting Principles. This last feature dictated that all pools with a weighted average maturity in excess of 90 days must be marked-to-market, something that had not been done in the 80s. At the same time, the Board made its first tepid step towards a diversified portfolio by statutorily allowing 20 percent of the Consolidated Pension Fund portfolio to be invested in stock domiciled in the United States.

Although the Board made some initial stock purchases in 1993 (that were subsequently liquidated at a gain), the statute was challenged and the court ruled that it was unconstitutional. In an ill-fated effort to satisfy the constitutional strictures, the Legislature carved out the assets then grouped as the Consolidated Pension Fund and placed them in a trust to be managed by a new entity called the West Virginia Trust Fund, Inc. While the creation of the trust did not satisfy the constitutional concerns of the State Supreme Court, it brought a couple of very important changes. The Legislature, demonstrating incredible managerial foresight, granted the West Virginia Trust Fund, Inc. control over its own budget. With the same impeccable foresight, the Legislature imposed personal fiduciary liability on its Board and staff. Of no less importance was the creation of representative roles for members of the retirement systems and employment security systems. With the merger of the Board of Investments and the West Virginia Trust Fund, Inc. in 1997, the West Virginia Investment Management Board was created and the modernization process was complete. All of the improvements made in the Board of Investments and the West Virginia Trust Fund, Inc. were incorporated into the new entity. Fiduciary responsibility demands professionalism. The West Virginia Investment Management Board applies prudent, modern, and professional management to the investment process.

STATUTORY MANDATE

The West Virginia Investment Management Board was created during the 1997 legislative session and is cited as the West Virginia Investment Management Board Act (the Act). The legislative findings of the Act make it clear that the WVIMB was intended to be a professional, apolitical, financial management organization dedicated to the interests of the State's teachers, public employees and workers in general. The Act was intended to give the WVIMB "...the authority to develop, implement and maintain an efficient and modern system for the investment and management of the State's money." In order to accomplish this purpose, the Act further stated that the WVIMB must "...operate as an independent board with its own full-time staff of financial professionals immune to changing political climates..." West Virginia Code §12-6-1(a)(b). The Act also mandates that the assets of the Consolidated Pension Plan, the Defined Benefit Plans for Teachers, Deputy Sheriffs, Public Employees and the Workers' Compensation Fund and the Coal Workers' Pneumoconiosis Fund, are "declared to be irrevocable trusts, available for no use or purpose other than for the benefit of those public employees...workers, miners and their beneficiaries..." West Virginia Code §12-6-1(c)(d). The WVIMB is further "empowered by this Article to act as Trustee of the irrevocable trusts created by this Article, and to manage and invest other state funds," West Virginia Code §12-6-1a(f).

The standard of care mandated by the Statute is that codified in the "Uniform Prudent Investor Act" as Article 6C of Chapter 44 of the West Virginia Code. The WVIMB is further subject to the following requirements:

- (a) Trustees shall discharge their duties with respect to the 401(a) Plans for the exclusive purpose of providing benefits to participants and their beneficiaries;
- (b) Trustees shall diversify fund investments so as to minimize the risk of large losses unless, under the circumstances, it is clearly prudent not to do so;
- (c) Trustees shall defray reasonable expenses of investing and operating the funds under management;
- (d) Trustees shall discharge their duties in accordance with the trust documents and instruments governing the trusts or other funds under the management insofar as the documents and instruments are consistent with provisions of this Article, and
- (e) The duties of the Board apply only with respect to those assets deposited with or otherwise held by it, West Virginia Code §12-6-11.

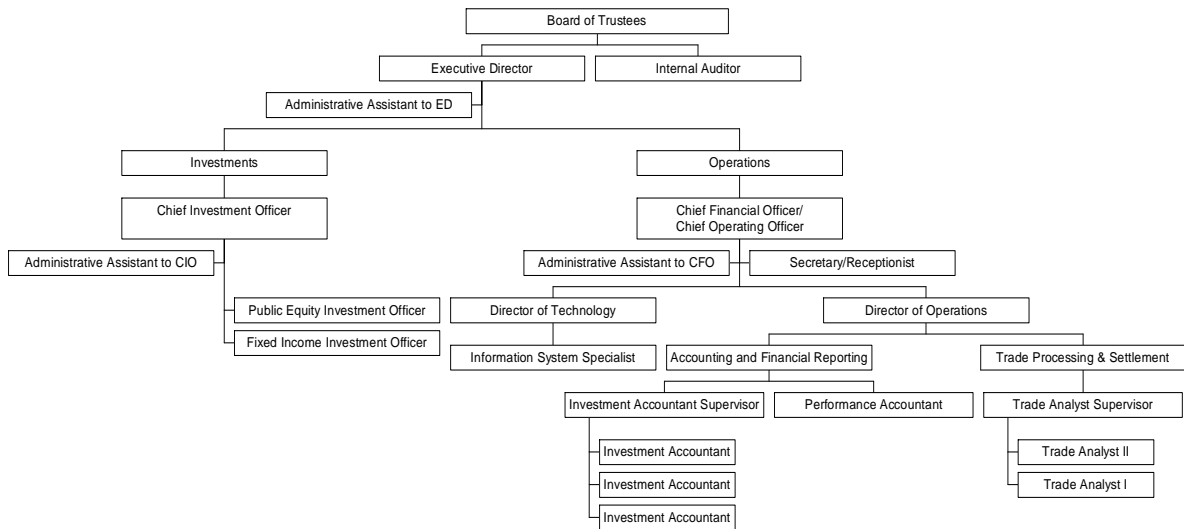
ADMINISTRATIVE MANDATE

Governance of the West Virginia Investment Management Board is vested, by statute, in a thirteen-member Board of Trustees. Three members of the Board serve by virtue of their office: the Governor, the Auditor, and the Treasurer. The other ten are appointed by the Governor and confirmed by the Senate. All appointees must have experience in pension management, institutional management or financial markets. In addition, one must be an attorney experienced in finance and investment matters and another must be a Certified Public Accountant. Only six of the ten appointed Trustees may be from the same political party. The Governor serves as Chairman of the Board. A Vice-Chairman is elected by the Trustees. A Secretary, who need not be a member of the Board, is also elected by the Trustees to keep a record of the proceedings of the Board.

A member of each defined benefit retirement plan is designated by the Consolidated Public Retirement Board to represent the plan's interests. Likewise, the West Virginia Workers' Compensation Commission designates a representative to the WVIMB for the Pneumoconiosis Fund and the Workers' Compensation Funds. Each of the representatives may designate up to three persons to comprise a committee representing their respective plans' beneficiaries. The representatives and committee members do not have a vote, but have the right to be heard at the annual meetings of the Board of Trustees and are subject to the same code of conduct and requirements of confidentiality that apply to the Trustees.

The day-to-day management of the West Virginia Investment Management Board is delegated to the Executive Director, who is appointed by the Board and serves at its will and pleasure. The Executive Director acts as an advisor to the Board on all matters pertaining to its business and, with the approval of the Board, contracts for professional services and employs the remaining staff needed to operate the West Virginia Investment Management Board.

The staff of the Board is divided into two principal divisions—Operations and Investments. See organization chart on following page.



The Operations Division is focused on providing the back office support necessary for the organization to function on a day-to-day basis. The Investment Division is structured to devote its time and resources to staying current with new developments and research in the investment field and being prepared to apply this knowledge to the investment of assets for the WVIMB.

INVESTMENT PHILOSOPHY

The primary objective of the Consolidated Fund is to provide liquid investment alternatives for the State, State agencies, the Municipal Bond Commission and local governments.

The primary objective of the other investment pools is to provide benefits to its participants and beneficiaries. Based on general beliefs about the long-term investment return available from a well-diversified, prudently invested portfolio, the Board has adopted specific investment objectives for each individual plan.

In order to achieve a specified real rate of return for the Fund, the Board relies on the prevailing financial theory, which currently is an investment strategy utilizing an appropriate long-term diversified asset allocation model. A prudently allocated investment program possesses a certain level of diversification, which produces risk reduction. In terms of level of impact, diversification should be considered along the following lines: (i) asset classes [stocks, bonds, cash, etc.], (ii) geography/country, (iii) industry, and (iv) maturity. Asset allocation modeling should also take into consideration specific unique circumstances of each participant plan, such as size, liquidity needs, and financial condition (funded status) of each participant plan as well as general business conditions. The factors mentioned here are not intended to be limiting; rather, they are outlined as a general indication of the importance of diversification to proper asset allocation. The Board determines the proper allocation among asset classes and managers, based on advice and analysis provided by staff and/or an external investment consultant.

The Board recognizes that even though its investments are subject to short-term volatility, it is critical that a long-term investment focus be maintained. This prevents ad hoc revisions to its philosophy and policies in reaction to either speculation or short-term market fluctuations. In order to preserve this long-term view, the Board has adopted the following formal review schedule:

Agenda Item	Review Schedule
Investment Performance	Quarterly
Investment Policy	Every Year
Broad Asset Allocation	Every Three Years
Within-Class Asset Allocation	Every Three Years

The Board may hire investment managers to implement its objectives. These managers will be given specific tactical roles within the overall strategic investment plan. Depending on their assignments, the managers may be judged on some or all of the following: (i) consistency of philosophy, style and key personnel, (ii) performance relative to an appropriate index or proxy group, and (iii) ability to add incremental value after costs. The Board shall monitor performance and supervise all fund managers.

In determining its philosophy towards risk, the Board considers, in addition to its fiduciary obligations and statutory requirements, each entity's purpose and characteristics, financial

condition, liquidity needs, sources and level of contributions, income and general business conditions. Based upon these many factors, the Board identifies whether a more aggressive or more conservative approach is warranted, on an individual plan-by-plan basis.

Investment Objectives

The Board, at its annual meeting...shall review, establish and modify, if necessary, the investment objectives of the individual participant plans, as incorporated in the investment policy statements of the respective trusts so as to provide for the financial security of the trust funds giving consideration to the following: (1) Preservation of Capital; (2) Diversification; (3) Risk Tolerance; (4) Rate of Return; (5) Stability; (6) Turnover; (7) Liquidity; and (8) Reasonable Costs of Fees. West Virginia Code §12-6-12f.

Participant Plans

The Board's objective is to manage the Participant Plans' moneys in an efficient and economical manner, managing risk as it seeks to achieve the specific goals set out in each Participant Plans' investment program.

Consolidated Fund

The Board's objective is to manage the State's money in an efficient and economical manner. Realizing the majority of the funds are for operating expenses of the State, they have designed an investment strategy that addresses the short-term liquidity needs of the various pools and participants, limiting risk but still allowing for the higher total rate of return.

Participant Directed Accounts

The Board acts as custodian of certain assets which must be invested in accordance to specific legal requirements. The Board does not have control or authority over the investment decisions related to these funds. Accordingly, the Board's investment objective for these accounts is to timely execute the investment decisions as directed by the account's owner.

*Investment Objectives and
Financial Highlights*

Short-Term Fixed Income Pool

Objectives

The Short-Term Fixed Income Pool was created to maintain sufficient liquidity to meet the daily disbursements requested by the Participant Plans and to invest any contributions until the time the money is transferred to other asset classes without sustaining capital losses while earning a small return above inflation. The portfolio is structured as a money market fund where the goal is a stable dollar value per share, thus preserving principal. The risk factor on this portfolio is low and managed through numerous maturity restrictions, diversification guidelines, and credit limits. The participants are paid on an income basis that includes interest income and realized gains and losses.

Management Structure

The Short-Term Fixed Income Pool is managed by Banc One Investment Advisors Corporation.

Financial Highlights

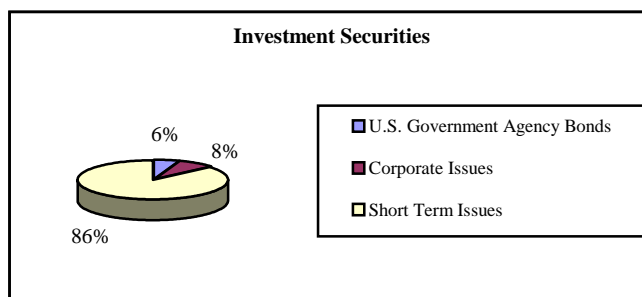
Short-Term Fixed Income Pool

Progression of Net Assets (in \$000's)

Net Assets - June 30, 2003	\$	463,019
Net increase from operations		1,330
Income distributions to unitholders		(1,330)
Net decrease from unit transactions		(320,626)
Net Assets - June 30, 2004	\$	<u>142,393</u>

Investment Securities (in \$000's)

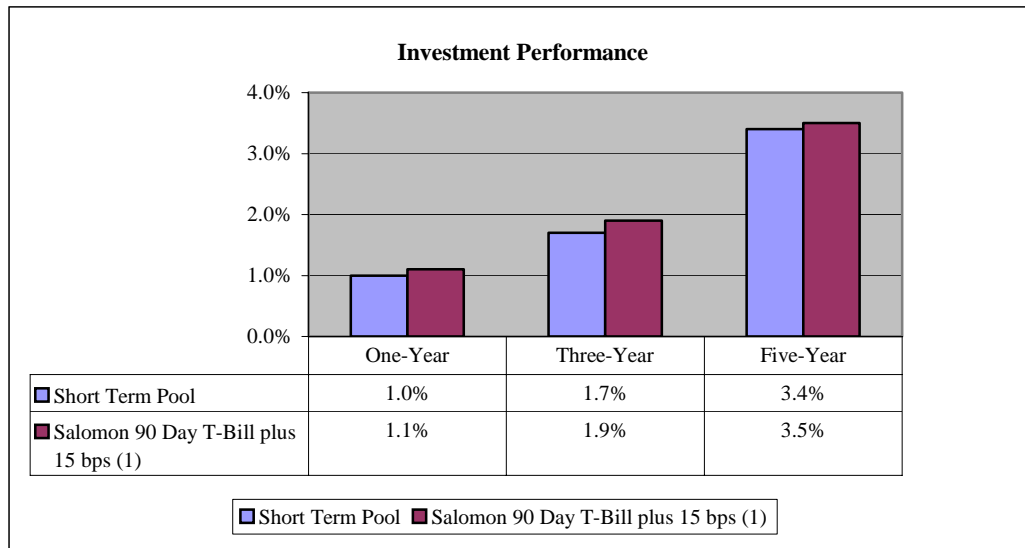
	<u>Carrying Value</u>
U.S. Government Agency Bonds	\$ 8,336
Corporate Issues	11,681
Short Term Issues	127,042
Total	\$ <u>147,059</u>



Short-Term Fixed Income Pool (continued)

Investment Performance

The WVIMB 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.



(1) The three and five year values are a blend of the Salomon 180 day T-Bill plus 20 basis points through June 30, 2002 and the Salomon 90 day T-Bill plus 15 basis points for Fiscal Year 2004.

Rates of return are net of investment manager fees.

Expenses

The WVIMB charges each investment pool for its direct investment-related expense and an allocated share of other expenses. The Short-Term Fixed Income Pool's expenses for the year divided by the average net assets are as follows:

Expense Category	Expense Ratio (in basis points)
Investment advisor fees	2.9
Trustee fees	0.0
Custodian bank fees	0.3
Management fees	1.2
Fiduciary bond fees	0.0
Professional service fees	0.3
Total expenses	<u>4.7</u>

Dedicated Fixed Income Pool

Objectives

The Dedicated Fixed Income Pool was created to hold high quality, low risk fixed income securities with laddered maturities timed to meet the projected cash flow needs of the state's Worker's Compensation Fund. The Worker's Compensation Fund is the sole participant of this pool.

Management Structure

The Dedicated Fixed Income Pool is managed by Banc One Investment Advisors Corporation.

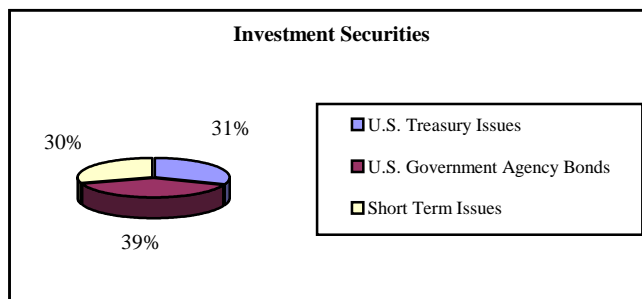
Financial Highlights

Progression of Net Assets (in \$000's)

Net Assets - June 30, 2003	\$	-
Net increase from operations		7,060
Income distributions to unitholders		(9,502)
Net increase from unit transactions		834,148
Net Assets - June 30, 2004	\$	<u>831,706</u>

Investment Securities (in \$000's)

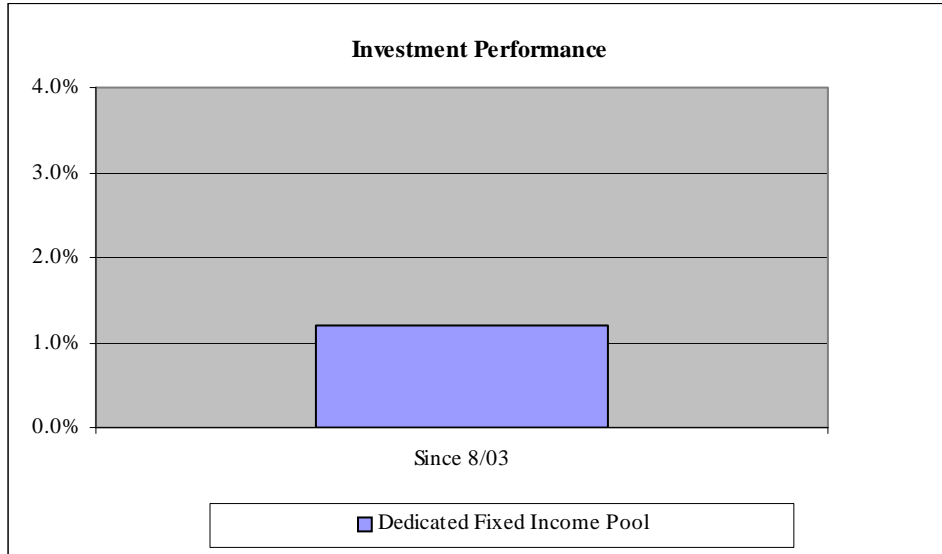
	Fair Value
U.S. Treasury Issues	\$ 255,490
U.S. Government Agency Bonds	325,059
Short Term Issues	245,337
Total	\$ <u>825,886</u>



Dedicated Fixed Income Pool (continued)

Investment Performance

The WVIMB 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.



Rates of return are net of investment manager fees.

Dedicated Fixed Income Pool (continued)

Expenses

The WVIMB charges each investment pool for its direct investment-related expense and an allocated share of other expenses. The Dedicated Fixed Income Pool's expenses for the year divided by the average net assets are as follows:

Expense Category	Expense Ratio (in basis points)
Investment advisor fees	2.7
Trustee fees	0.1
Custodian bank fees	0.2
Management fees	3.1
Fiduciary bond fees	0.0
Professional service fees	0.9
Total expenses	<u>7.0</u>

Fixed Income Pool

Objectives

The main objective of the Fixed Income Pool, which, in the aggregate, comprises a core bond portfolio, is to generate investment income, provide stability and diversification, but not at the expense of total return.

Management Structure

The Fixed Income Pool is co-managed by the following firms, each having a specific investment style which, in the aggregate, comprises the core Fixed Income Pool.

<i>Manager</i>	<i>%</i>	<i>Style</i>
Western Asset Management	60%	Core Plus
Barclays Global Investors	40%	Passive Customized Blend

Financial Highlights

Three separate investment pools have been established to comply with specific legal and accounting requirements. Individually, these pools, as reflected on the audited financial statements, are the Fixed Income Pool, the Fixed Income Qualified Pool, and the Fixed Income Nonqualified Pool. These pools are combined for the following financial highlights.

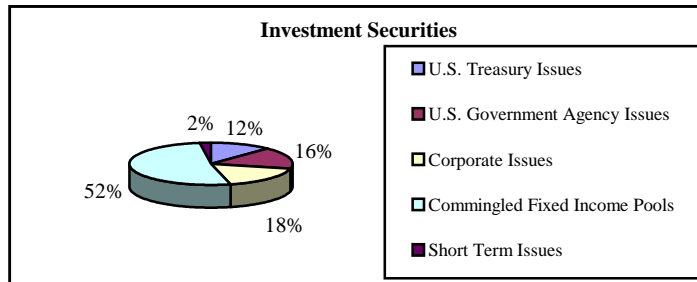
Progression of Net Assets (in \$000's)

Net Assets - June 30, 2003	\$ 1,997,853
Net increase from operations	10,818
Income distributions to unitholders	(107,145)
Net increase from unit transactions	150,851
Net Assets - June 30, 2004	<u>\$ 2,052,377</u>

Fixed Income Pool (continued)

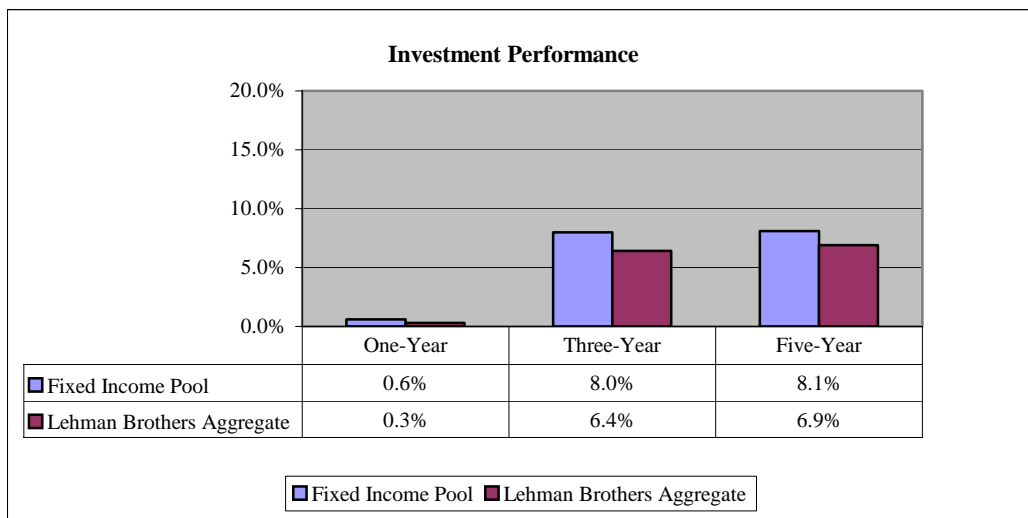
Investment Securities (in \$000's)

	Fair Value
U.S. Treasury Issues	\$ 252,359
U.S. Government Agency Issues	338,764
Corporate Issues	367,477
Commingled Fixed Income Pools	1,074,050
Short Term Issues	43,390
Total	<u>\$ 2,076,040</u>



Investment Performance

The WVIMB 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.



Rates of return are net of investment manager fees.

Fixed Income Pool (continued)

Expenses

The WVIMB charges each investment pool for its direct investment-related expense and an allocated share of other expenses. The Fixed Income Pool's expenses for the year divided by the average net assets are as follows:

Expense Category	Expense Ratio (in basis points)
Investment advisor fees	14.3
Trustee fees	0.1
Custodian bank fees	0.3
Management fees	3.1
Fiduciary bond fees	0.0
Professional service fees	0.9
Total expenses	<u>18.7</u>

Equity Pool

Objectives

The main objective for the Equity Pool is to provide for long-term growth for all participants.

Management Structure

The Equity Pool is comprised of three separate sub-asset classes, which, when taken in aggregate, enable adequate diversification. These sub-asset classes are listed in the table below with their strategic allocations:

Equity Class	Strategic Allocation
Domestic Large Capitalization	40.0%
Domestic Non-Large Capitalization- Core	10.0%
Domestic Non-Large Capitalization- Value	20.0%
International-Development Markets	25.0%
International-Emerging Markets	5.0%

Each of these subclasses have multiple investment managers, each managing in accordance with a particular investment style. These managers are as follows:

<i>Manager</i>	<i>Style</i>
<u>Domestic Large Capitalization</u>	
State Street Global Advisors	Passive Core
Chartwell Investment Partners	Concentrated Value
Alliance Capital Management, LP	Concentrated Growth
<u>Non-Large Capitalization</u>	
Domestic Non-Large Cap Value	
Brandywine Asset Management	Structured Value
Aronson + Johnson + Ortiz, LP	Relative Value
Domestic Non-Large Cap Core	
Westfield Capital Management	Small/Mid Cap Growth
Wellington Management Company, LLP	Core
<u>International</u>	
Developed Markets	
Silchester International Investors	Developed country, bottom-up value
TT International	Developed country, top-down
Mastholm Asset Management	Developed country, bottom-up growth
Emerging Markets	
Capital International	Emerging market growth

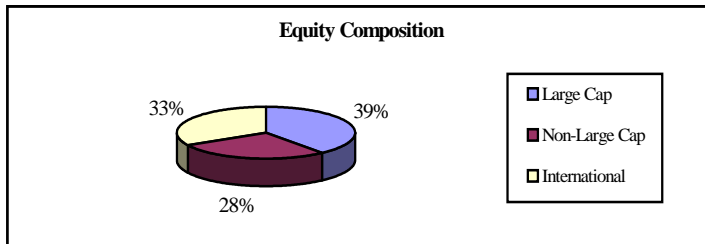
Equity Pool (continued)

Financial Highlights

Separate investment pools have been established to comply with specific legal and accounting requirements. These pools are individually reported in the audited financial statements and have been combined in the following financial highlights as follows:

<u>Composite</u>	<u>Individual Pools per Audited Financial Statements</u>
Large Cap	Large Cap Domestic Pool
Non-Large Cap	Non-Large Cap Domestic Pool
International	International Qualified Pool International Nonqualified Pool International Equity Pool

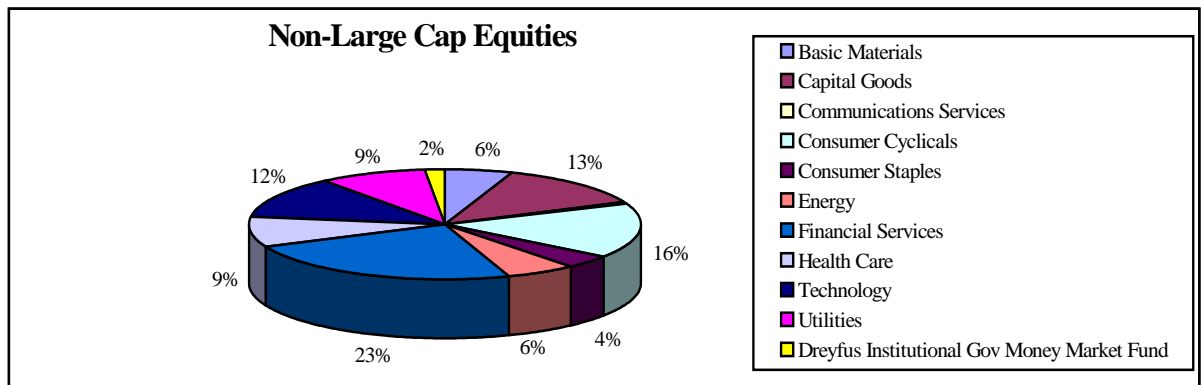
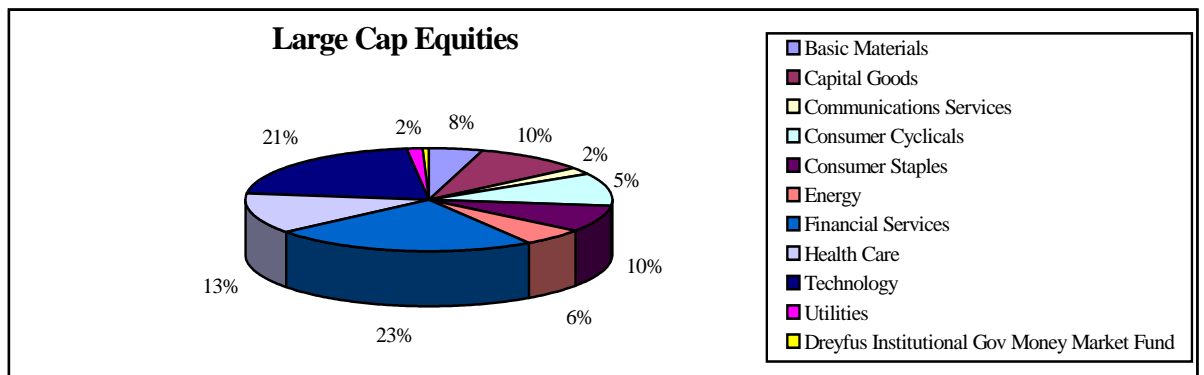
Progression of Net Assets (in \$000's)	Large Cap	Non-Large Cap	International
Net Assets - June 30, 2003	\$ 1,141,436	\$ 913,059	\$ 868,846
Net increase from operations	190,109	234,772	228,523
Income distributions to unitholders	-	-	(6,501)
Net decrease from unit transactions	(126,422)	(301,202)	(74,094)
Net Assets - June 30, 2004	<u>\$ 1,205,123</u>	<u>\$ 846,629</u>	<u>\$ 1,016,774</u>



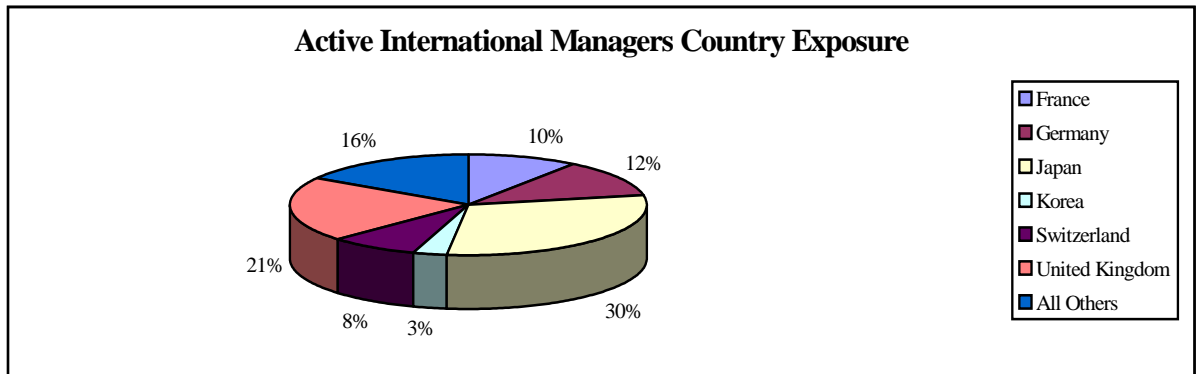
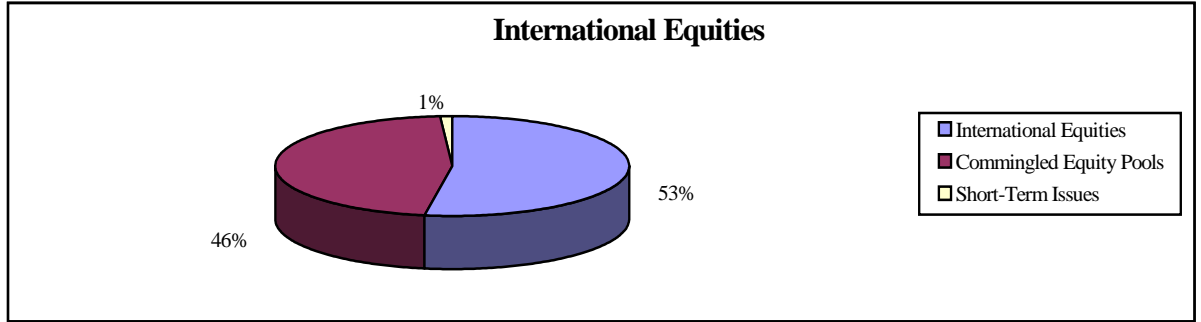
Equity Pool (continued)

Investment Securities (in \$000's)

	Fair Value		
	Large Cap	Non-Large Cap	International
Domestic Equities	\$ 1,200,286	\$ 828,041	\$ -
International Equities	-	-	529,972
Commingled Equity Pools	-	-	469,593
Short-Term Issues	5,099	15,164	11,732
Total	<u>\$ 1,205,385</u>	<u>\$ 843,205</u>	<u>\$ 1,011,297</u>



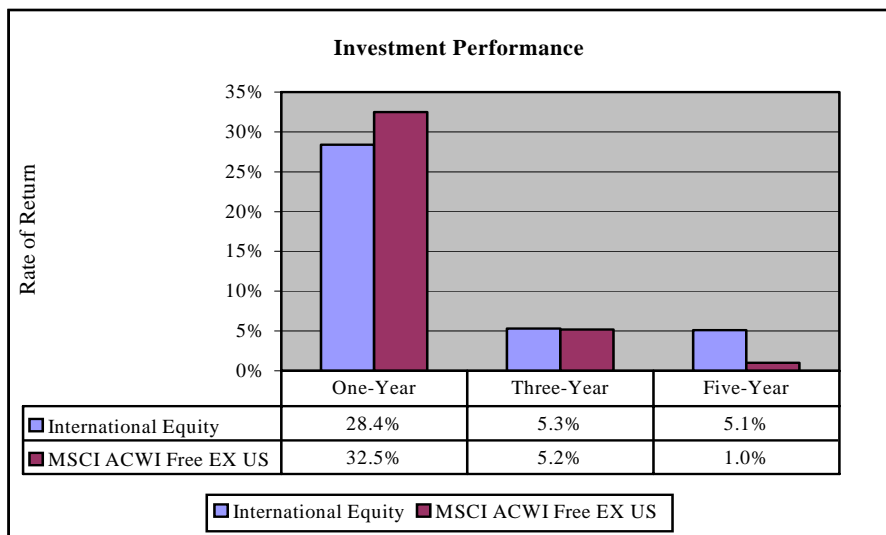
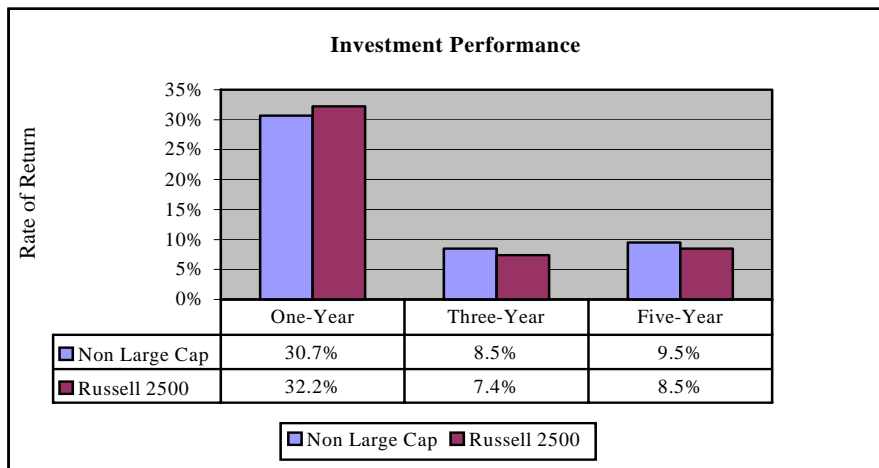
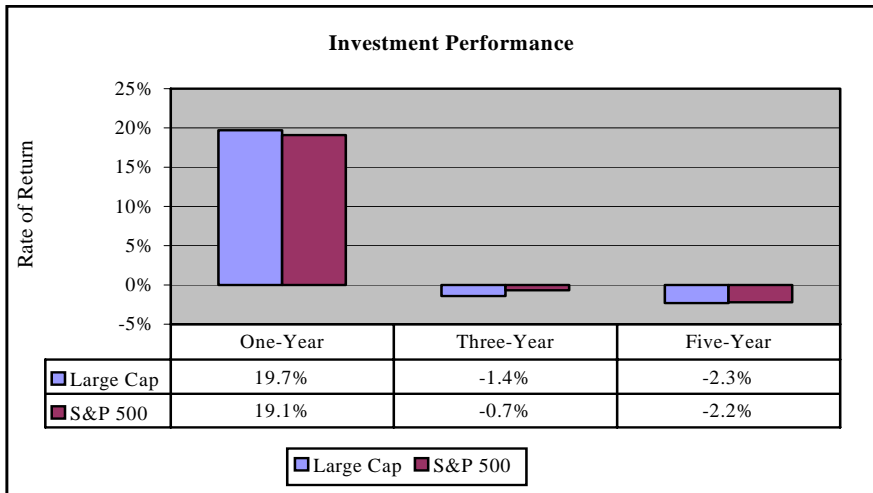
Equity Pool (continued)



Investment Performance

The WVIMB 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.

Equity Pool (continued)



Rates of return are net of investment manager fees.

Equity Pool (continued)

Expenses

The WVIMB charges each investment pool for its direct investment-related expense and an allocated share of other expenses. The Equity Pool's expenses for the year divided by the average net assets are as follows:

Expense Category	Expense Ratios (in basis points)		
	Large Cap	Non-Large Cap	International
Investment advisor fees	2.9	42.9	45.9
Trustee fees	0.1	0.1	0.1
Custodian bank fees	0.2	0.7	2.6
Management fees	2.8	2.5	2.3
Fiduciary bond fees	0.0	0.0	0.0
Professional service fees	0.8	0.7	0.6
Total expenses	<u>6.8</u>	<u>46.9</u>	<u>51.5</u>

Cash Liquidity Pool

Objectives

The Cash Liquidity Pool was created to invest the majority of the State and local government operating funds. The objective of the portfolio is to maintain sufficient liquidity to meet the daily disbursement needs of the State and participants while earning a small return above inflation. The portfolio is structured as a money market fund with the goal being the preservation of principal. The risk factor on this portfolio is low and managed through numerous maturity restrictions, diversification guidelines, and credit limits. The participants are paid on an income basis, which includes interest income and realized gains and losses.

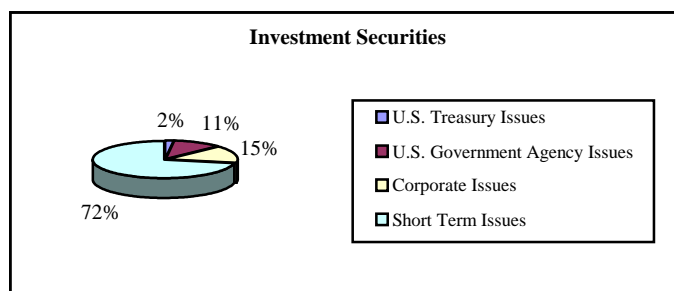
Financial Highlights

Progression of Net Assets (in \$000's)

Net Assets - June 30, 2003	\$ 1,021,086
Net increase from operations	13,239
Income distributions to unitholders	(13,239)
Net increase from unit transactions	374,864
Net Assets - June 30, 2004	<u>\$ 1,395,950</u>

Investment Securities (in \$000's)

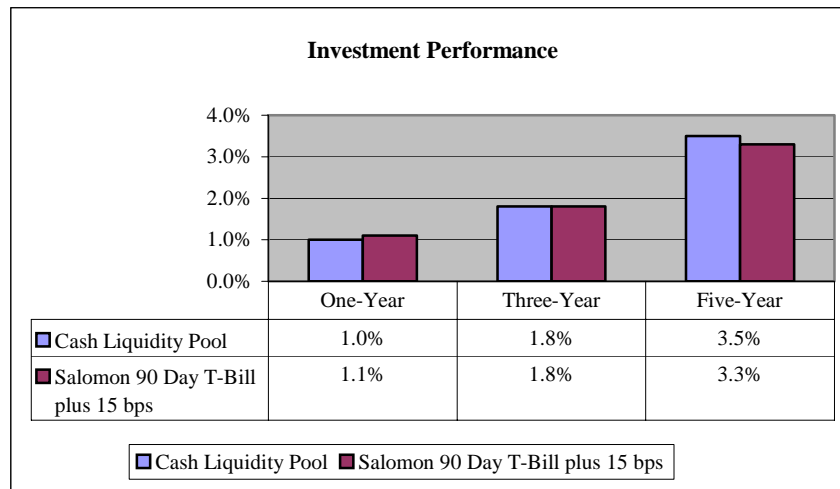
	<u>Carrying Value</u>
U.S. Treasury Issues	\$ 26,057
U.S. Government Agency Issues	155,758
Corporate Issues	208,957
Short Term Issues	1,002,478
Total	<u>\$ 1,393,250</u>



Cash Liquidity Pool (continued)

Investment Performance

The WVIMB 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.



Rates of return are net of investment manager fees.

Expenses

The WVIMB charges each investment pool for its direct investment-related expense and an allocated share of other expenses. The Cash Liquidity Pool's expenses for the year divided by the average net assets are as follows:

Expense Category	Expense Ratio (in basis points)
Investment advisor fees	3.9
Trustee fees	0.1
Custodian bank fees	0.2
Management fees	3.6
Fiduciary bond fees	0.0
Professional service fees	0.7
Total expenses	<u>8.5</u>

Government Money Market Pool

Objectives

The Government Money Market Pool was created to invest moneys of the State in U.S. Government securities. The objective of the portfolio is to maintain sufficient liquidity to meet the daily disbursements of the participants while earning a small return above inflation. The portfolio is structured as a money market fund with the goal being a stable dollar value per share, thus preserving capital. The risk factor on this portfolio is low and managed through maturity restrictions. The default risk has been practically eliminated through the purchase of securities which the market considers default free. The participants are paid on an income basis that includes interest income and realized gains and losses.

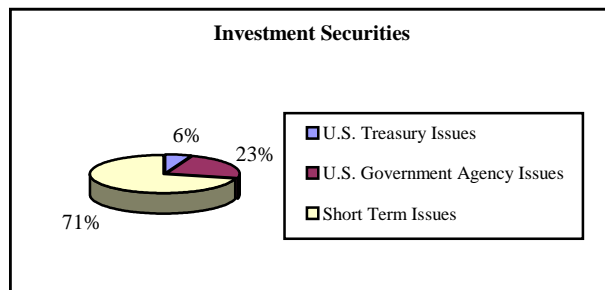
Financial Highlights

Progression of Net Assets (in \$000's)

Net Assets - June 30, 2003	\$ 137,972
Net increase from operations	1,641
Income distributions to unitholders	(1,645)
Net increase from unit transactions	13,150
Net Assets - June 30, 2004	<u>\$ 151,118</u>

Investment Securities (in \$000's)

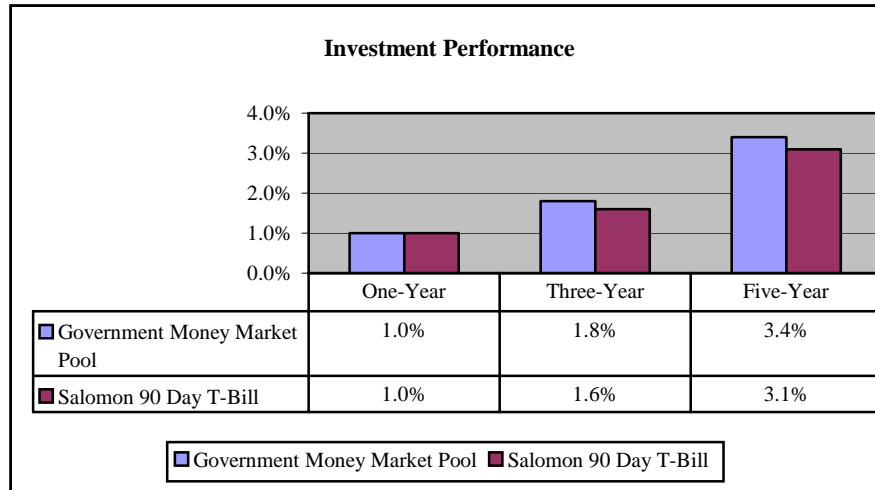
	<u>Carrying Value</u>
U.S. Treasury Issues	\$ 9,016
U.S. Government Agency Issues	33,998
Short Term Issues	107,977
Total	<u>\$ 150,991</u>



Government Money Market Pool (continued)

Investment Performance

The WVIMB 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.



Rates of return are net of investment manager fees.

Expenses

The WVIMB charges each investment pool for its direct investment-related expense and an allocated share of other expenses. The Government Money Market Pool’s expenses for the year divided by the average net assets are as follows:

Expense Category	Expense Ratio (in basis points)
Investment advisor fees	3.5
Trustee fees	0.1
Custodian bank fees	0.5
Management fees	4.4
Fiduciary bond fees	0.1
Professional service fees	0.9
Total expenses	<u>9.5</u>

Enhanced Yield Pool

Objectives

The Enhanced Yield Pool was created to invest restricted moneys of the State which have a perceived longer term investment horizon. The goal of the portfolio is to earn an incremental return over the Cash Liquidity Pool with an objective of capital growth rather than current income. The portfolio strikes a monthly Net Asset Value unit price and is structured to allow participants monthly withdrawals and deposits. The risk factor on this portfolio is slightly higher than the Cash Liquidity Pool.

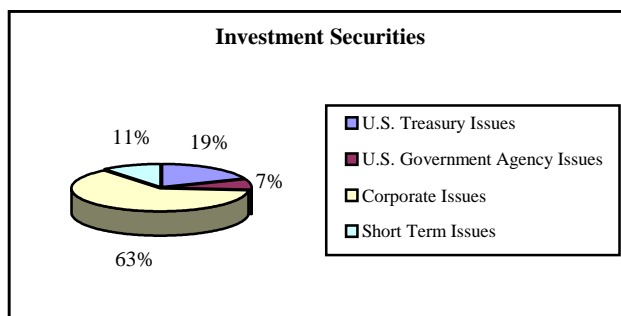
Financial Highlights

Progression of Net Assets (in \$000's)

Net Assets - June 30, 2003	\$ 383,067
Net increase from operations	1,189
Income distributions to unitholders	(15,944)
Net decrease from unit transactions	(15,237)
Net Assets - June 30, 2004	<u>\$ 353,075</u>

Investment Securities (in \$000's)

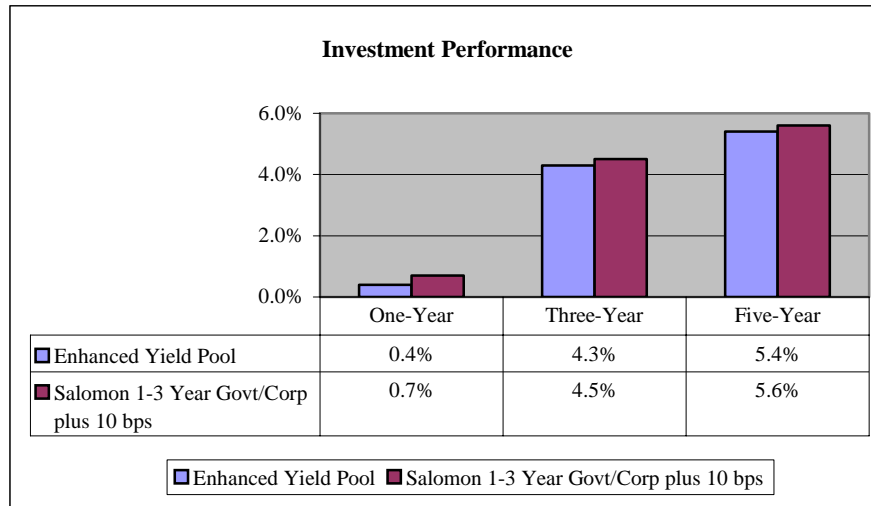
	<u>Fair Value</u>
U.S. Treasury Issues	\$ 66,712
U.S. Government Agency Issues	25,646
Corporate Issues	220,580
Short Term Issues	37,678
Total	<u>\$ 350,616</u>



Enhanced Yield Pool (continued)

Investment Performance

The WVIMB 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.



Rates of return are net of investment manager fees.

Expenses

The WVIMB charges each investment pool for its direct investment-related expense and an allocated share of other expenses. The Enhanced Pool's expenses for the year divided by the average net assets are as follows:

Expense Category	Expense Ratio (in basis points)
Investment advisor fees	6.5
Trustee fees	0.1
Custodian bank fees	0.3
Management fees	3.6
Fiduciary bond fees	0.0
Professional service fees	0.7
Total expenses	<u>11.2</u>

Special Purpose Pools

Objectives

The Board operates two special purpose pools: the Loss Amortization Pool and the Loan Pool.

Loss Amortization

This pool was created to account for those participant claims on the general operating funds of the State of West Virginia which exceeded the underlying assets of the other pools. This excess of participant claims on net assets over underlying assets occurred as a result of the distributions of earnings to participants in various investment pools, mainly the Unrestricted Pool (predecessor to the Cash Liquidity Pool), in excess of the true investment income experience of the pools, principally in 1987 and 1988.

Loans

This pool is comprised of loans made by the State. The \$1 unit price is utilized for accounting purposes only.

Pool	June 30, 2004 Net Asset Value (in \$000's)
<i>Special Purpose Pools</i>	
Loss Amortization	\$137,969
Loans	140,080

Participant Directed Accounts

Objectives

The Participant Directed Accounts are portfolios set up for individual agencies that cannot commingle their moneys with other investors. The Board does not set objectives for these pools as the purchase of specific securities is made for the agency at their request. The Board acts only as custodian on these accounts.

Pool	June 30, 2004 Net Asset Value (in \$000's)
<i>Single Agency Pools</i>	
Municipal Bond Commission	\$74,681
Lottery Defeasance	3,043
School Fund	1,385
EDA Insurance	457

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Participant Plans

Death, Disability and Retirement Fund for Deputy Sheriffs'

Creation

The Death, Disability and Retirement Fund for Deputy Sheriffs' (the Plan) was established in 1998. Initial contributions were received on August 31, 1998.

Investment Objectives

The Plan's investment objectives are as follows:

- To exceed the actuarial interest rate assumption of 7.5 percent per annum, net of fees.
- To achieve a total real rate of return of at least 4.0 percent per annum, net of fees.
- Preserve the current well-funded position while not subjecting the Plan to an undue level of risk.

Asset Allocation

Based upon the WVIMB's determination of the appropriate risk tolerance for the Plan, the Board has adopted the following broad asset allocation guidelines for the assets managed for the Death, Disability and Retirement Fund for Deputy Sheriffs'. (Policy targets have been established on a market value basis.)

Asset Class	Policy Target
Domestic Large Cap Equity	24.0%
Domestic Non-Large Cap Equity	18.0%
International Equity	18.0%
Total Equity	60.0%
Domestic Fixed Income	40.0%
Cash (included in FI above)	\$225,000

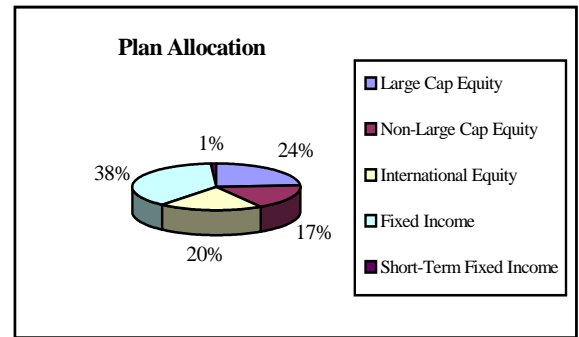
Death, Disability and Retirement Fund for Deputy Sheriffs' (continued)

Progression of Plan Balance

	(in \$000's)
June 30, 2003	\$ 48,766
Contributions	4,757
Withdrawals	(2,100)
Net	<u>2,657</u>
Investment income	529
Net unrealized appreciation	7,077
June 30, 2004	<u><u>\$ 59,029</u></u>

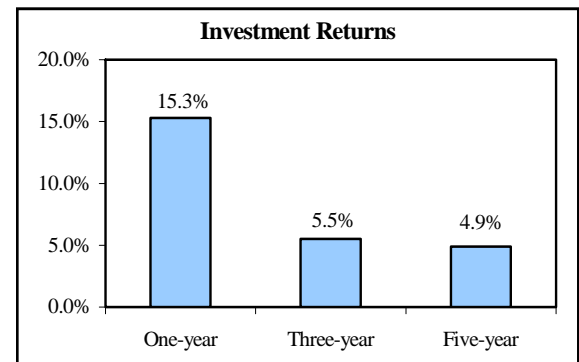
Asset Allocation (actual)

	Asset Value (in \$000's)	Percentage
Large Cap Equity	\$ 14,284	24%
Non-Large Cap Equity	9,911	17%
International Equity	11,594	20%
Fixed Income	22,595	38%
Short-Term Fixed Income	645	1%
Total	<u><u>\$ 59,029</u></u>	<u>100%</u>



Investment Performance

Investment Returns	
One-year	15.3%
Three-year	5.5%
Five-year	4.9%



Rate of return is net of all fees.

The WVIMB 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

Creation

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

Investment Objectives

The Plan's investment objectives are as follows:

- To exceed the actuarial interest rate assumption of 6.5 percent per annum, net of fees.
- To achieve a total real rate of return of at least 4.0 percent per annum, net of fees.
- Reduce the unfunded liability while maintaining adequate liquidity to satisfy benefit payments while not subjecting the Plan to an undue level of risk.

Asset Allocation

Based upon the WVIMB's determination of the appropriate risk tolerance for the Plan, the Board has adopted the following broad asset allocation guidelines for the assets managed for the Judges' Retirement System. (Policy targets have been established on a market value basis.)

Asset Class	Policy Target
Domestic Large Cap Equity	24.0%
Domestic Non-Large Cap Equity	18.0%
International Equity	18.0%
Total Equity	60.0%
Domestic Fixed Income	40.0%
Cash (included in FI above)	\$525,000

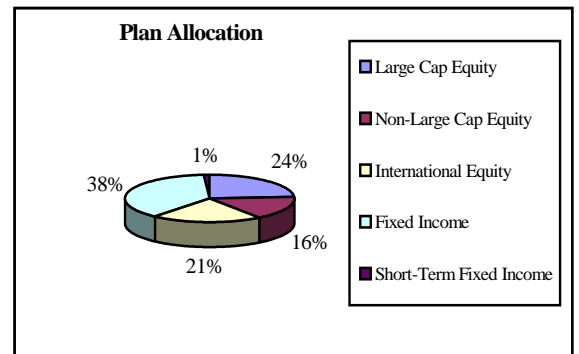
Judges' Retirement System (continued)

Progression of Plan Balance

	(in \$000's)
June 30, 2003	\$ 52,779
Contributions	5,848
Withdrawals	(3,265)
Net	<u>2,583</u>
Investment income	569
Net unrealized appreciation	7,609
June 30, 2004	<u><u>\$ 63,540</u></u>

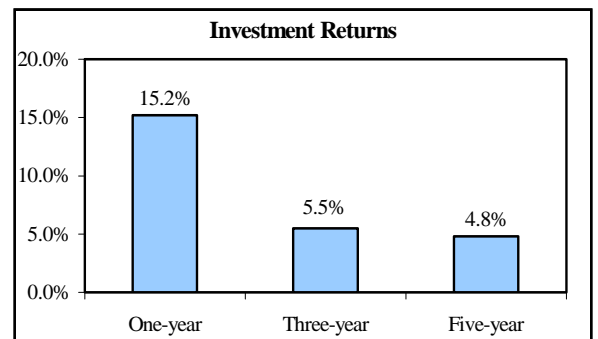
Asset Allocation (actual)

	Asset Value (in \$000's)	Percentage
Large Cap Equity	\$ 15,483	24%
Non-Large Cap Equity	10,577	16%
International Equity	13,146	21%
Fixed Income	23,946	38%
Short-Term Fixed Income	388	1%
Total	<u><u>\$ 63,540</u></u>	<u>100%</u>



Investment Performance

Investment Returns	
One-year	15.2%
Three-year	5.5%
Five-year	4.8%



Rates of return are net of all fees.

The WVIMB 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

Creation

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

Investment Objectives

The Plan's investment objectives are as follows:

- To exceed the actuarial interest rate assumption of 7.5 percent per annum, net of fees.
- To achieve a total real rate of return of at least 4.0 percent per annum, net of fees.
- Reduce the unfunded liability while maintaining adequate liquidity to satisfy benefit payments while not subjecting the Plan to an undue level of risk.

Asset Allocation

Based upon the WVIMB's determination of the appropriate risk tolerance for the Plan, the Board has adopted the following broad asset allocation guidelines for the assets managed for the Public Employees' Retirement System. (Policy targets have been established on a market value basis.)

Asset Class	Policy Target
Domestic Large Cap Equity	24.0%
Domestic Non-Large Cap Equity	18.0%
International Equity	18.0%
Total Equity	60.0%
Domestic Fixed Income	40.0%
Cash (included in FI above)	\$19,500,000

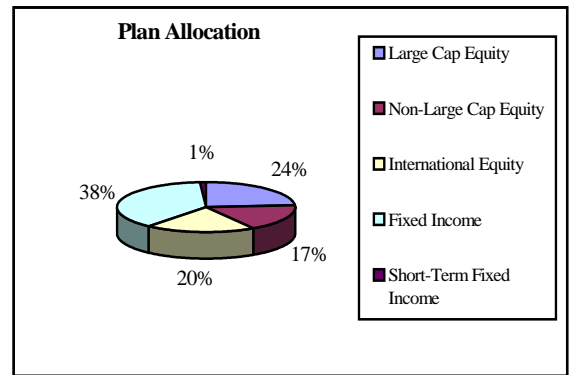
Public Employees' Retirement System (continued)

Progression of Plan Balance

	(in \$000's)
June 30, 2003	\$ 2,695,890
Contributions	156,198
Withdrawals	(173,160)
Net	<u>(16,962)</u>
Investment income	28,737
Net unrealized appreciation	379,089
June 30, 2004	<u><u>\$ 3,086,754</u></u>

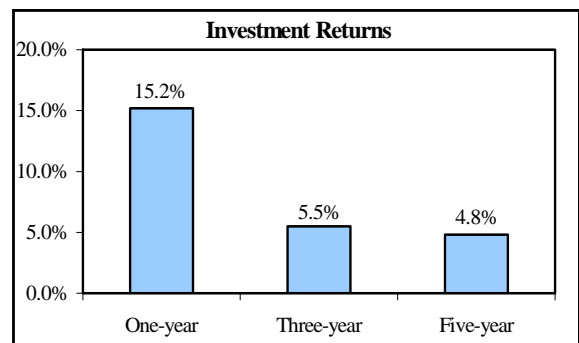
Asset Allocation (actual)

	Asset Value (in \$000's)	Percentage
Large Cap Equity	\$ 735,349	24%
Non-Large Cap Equity	521,447	17%
International Equity	625,694	20%
Fixed Income	1,184,467	38%
Short-Term Fixed Income	19,797	1%
Total	<u><u>\$ 3,086,754</u></u>	<u>100%</u>



Investment Performance

Investment Returns	
One-year	15.2%
Three-year	5.5%
Five-year	4.8%



Rates of return are net of all fees.

The WVIMB 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

Creation

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

Investment Objectives

The Plan's investment objectives are as follows:

- To exceed the actuarial interest rate assumption of 7.5 percent per annum, net of fees.
- To achieve a total real rate of return of at least 4.0 percent per annum, net of fees.
- Reduce the unfunded liability while maintaining adequate liquidity to satisfy benefit payments while not subjecting the Plan to an undue level of risk.

Asset Allocation

Based upon the WVIMB's determination of the appropriate risk tolerance for the Plan, the Board has adopted the following broad asset allocation guidelines for the assets managed for the Public Safety Death, Disability and Retirement Fund. (Policy targets have been established on a market value basis.)

Asset Class	Policy Target
Domestic Large Cap Equity	24.0%
Domestic Non-Large Cap Equity	18.0%
International Equity	18.0%
Total Equity	60.0%
Domestic Fixed Income	40.0%
Cash (included in FI above)	\$3,000,000

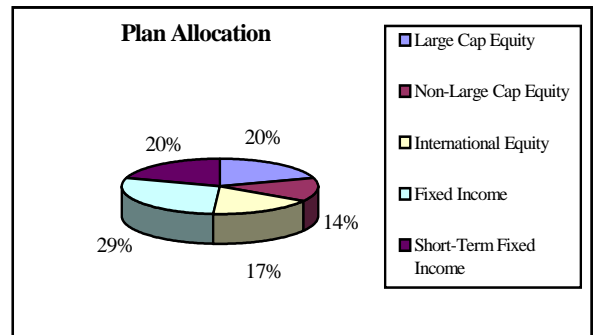
Public Safety Death, Disability and Retirement Fund (continued)

Progression of Plan Balance

	(in \$000's)
June 30, 2003	\$ 97,397
Contributions	27,560
Withdrawals	<u>(21,580)</u>
Net	5,980
Investment income	940
Net unrealized appreciation	<u>13,633</u>
June 30, 2004	<u><u>\$ 117,950</u></u>

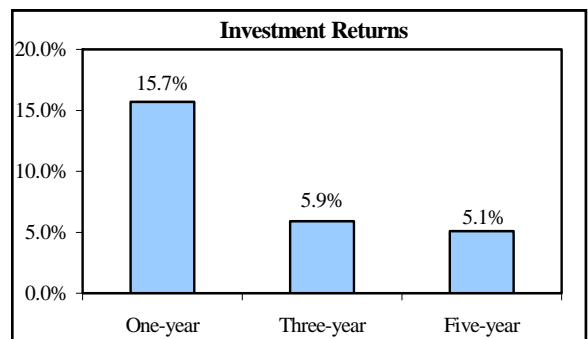
Asset Allocation (actual)

	Asset Value (in \$000's)	Percentage
Large Cap Equity	\$ 23,157	20%
Non-Large Cap Equity	16,698	14%
International Equity	20,198	17%
Fixed Income	34,850	29%
Short-Term Fixed Income	23,047	20%
Total	<u><u>\$ 117,950</u></u>	100%



Investment Performance

Investment Returns	
One-year	15.7%
Three-year	5.9%
Five-year	5.1%



Rates of return are net of all fees.

The WVIMB 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

Creation

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

Investment Objectives

The Plan's investment objectives are as follows:

- To exceed the actuarial interest rate assumption of 7.5 percent per annum, net of fees.
- To achieve a total real rate of return of at least 4.0 percent per annum, net of fees.
- Preserve the current surplus position while not subjecting the Plan to an undue level of risk.

Asset Allocation

Based upon the WVIMB's determination of the appropriate risk tolerance for the Plan, the Board has adopted the following broad asset allocation guidelines for the assets managed for the State Police Retirement System. (Policy targets have been established on a market value basis.)

Asset Class	Policy Target
Domestic Large Cap Equity	24.0%
Domestic Non-Large Cap Equity	18.0%
International Equity	18.0%
Total Equity	60.0%
Domestic Fixed Income	40.0%
Cash (included in FI above)	\$50,000

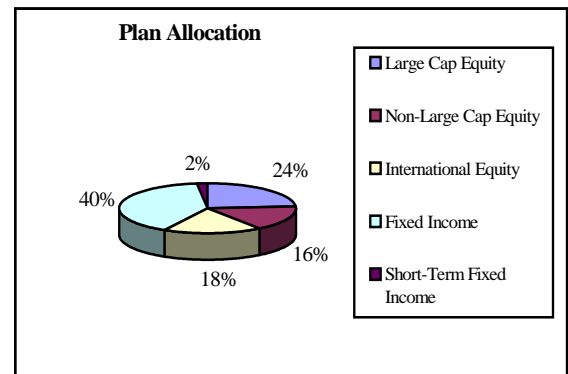
State Police Retirement System (continued)

Progression of Plan Balance

	(in \$000's)
June 30, 2003	\$ 14,753
Contributions	2,742
Withdrawals	(75)
Net	<u>2,667</u>
Investment income	166
Net unrealized appreciation	2,164
June 30, 2004	<u>\$ 19,750</u>

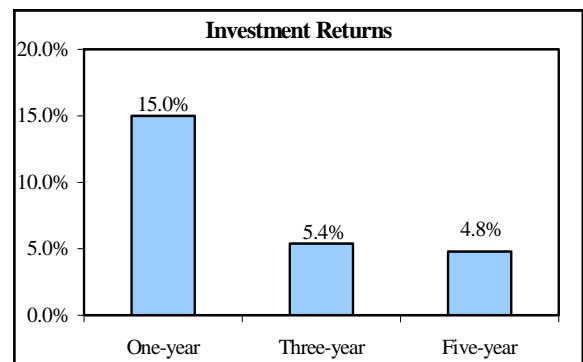
Asset Allocation (actual)

	Asset Value (in \$000's)	Percentage
Large Cap Equity	\$ 4,747	24%
Non-Large Cap Equity	3,219	16%
International Equity	3,630	18%
Fixed Income	7,819	40%
Short-Term Fixed Income	335	2%
Total	<u>\$ 19,750</u>	<u>100%</u>



Investment Performance

Investment Returns	
One-year	15.0%
Three-year	5.4%
Five-year	4.8%



Rates of return are net of all fees.

The WVIMB 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

Creation

The Teachers' Retirement System (the Plan) was created in 1941.

Investment Objectives

The Plan's investment objectives are as follows:

- To exceed the actuarial interest rate assumption of 7.5 percent per annum, net of fees.
- To achieve a total real rate of return of at least 4.0 percent per annum, net of fees.
- Reduce the unfunded liability while maintaining adequate liquidity to satisfy benefit payments while not subjecting the Plan to an undue level of risk.

Asset Allocation

Based upon the WVIMB's determination of the appropriate risk tolerance for the Plan, the Board has adopted the following broad asset allocation guidelines for the assets managed for the Teachers' Retirement System. (Policy targets have been established on a market value basis.)

Asset Class	Policy Target
Domestic Large Cap Equity	24.0%
Domestic Non-Large Cap Equity	18.0%
International Equity	18.0%
Total Equity	60.0%
Domestic Fixed Income	40.0%
Cash (included in FI above)	\$35,250,000

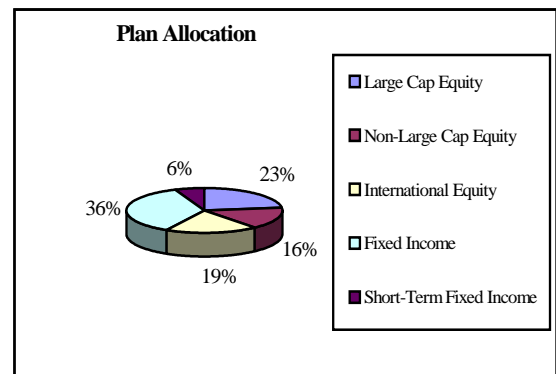
Teachers' Retirement System (continued)

Progression of Plan Balance

	(in \$000's)
June 30, 2003	\$ 1,158,296
Contributions	375,665
Withdrawals	(317,555)
Net	<u>58,110</u>
Investment income	11,907
Net unrealized appreciation	163,582
June 30, 2004	<u><u>\$ 1,391,895</u></u>

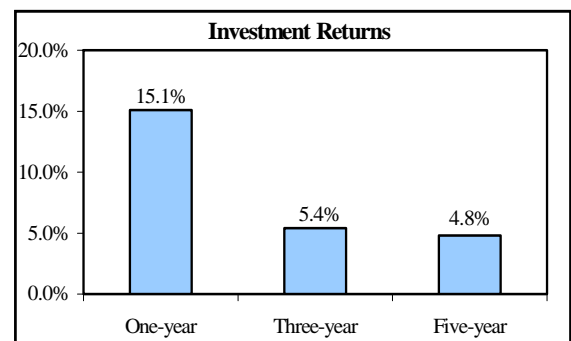
Asset Allocation (actual)

	Asset Value (in \$000's)	Percentage
Large Cap Equity	\$ 323,577	23%
Non-Large Cap Equity	223,905	16%
International Equity	270,017	19%
Fixed Income	491,541	36%
Short-Term Fixed Income	82,855	6%
Total	<u><u>\$ 1,391,895</u></u>	100%



Investment Performance

Investment Returns	
One-year	15.1%
Three-year	5.4%
Five-year	4.8%



Rates of return are net of all fees.

The WVIMB 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.

Workers' Compensation Fund

Creation

The Workers' Compensation Fund (the Plan) was formed in 1913.

Investment Objectives

The Plan's investment objective is as follows:

- To meet all projected cash flow needs as determined by the West Virginia Workers' Compensation Commission through June 2006.

Asset Allocation

A Fixed Income portfolio has been constructed to provide investment maturities to coincide with the Plan's projected cash flow needs.

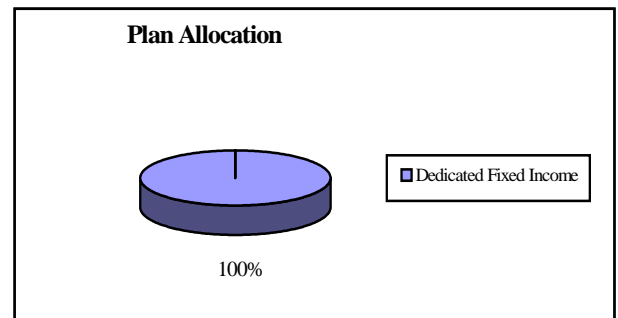
Workers' Compensation Fund

Progression of Plan Balance

	(in \$000's)
June 30, 2003	\$ -
Contributions	462,836
Withdrawals	(498,413)
Net	<u>(35,577)</u>
Interfund transfers from Workers' Compensation Funds I,II, and III	687,625
Statutory transfer from Pneumoconiosis Fund	170,000
Investment income	10,461
Net unrealized depreciation	(803)
June 30, 2004	<u><u>\$ 831,706</u></u>

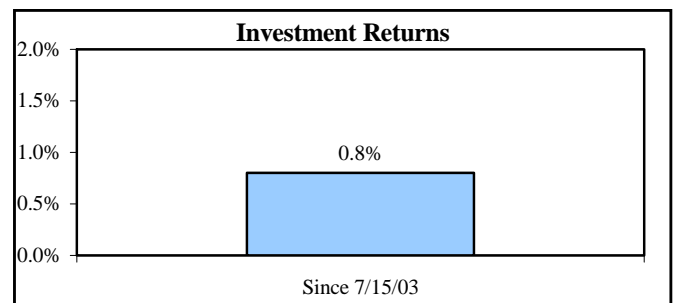
Asset Allocation (actual)

	Asset Value (in \$000's)	Percentage
Dedicated Fixed Income	\$ 831,706	100%



Investment Performance

Investment Returns
Since 7/15/03 0.8%



Rates of return are net of all fees.

The WVIMB 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.

Workers' Compensation Fund (continued)

Workers' Compensation Fund I

Progression of Plan Balance

	(in \$000's)
June 30, 2003	\$ 62,890
Contributions	12,966
Withdrawals	(11,101)
Net	<u>1,865</u>
Interfund transfer to Workers Compensation Fund	(64,778)
Investment income	23
Net unrealized depreciation	-
June 30, 2004	<u><u>\$ -</u></u>

Workers' Compensation Fund II

Progression of Plan Balance

	(in \$000's)
June 30, 2003	\$ 453,881
Contributions	-
Withdrawals	-
Net	<u>-</u>
Interfund transfer to Workers Compensation Fund	(454,038)
Investment income	2,377
Net unrealized depreciation	(2,220)
June 30, 2004	<u><u>\$ -</u></u>

Workers' Compensation Fund III

Progression of Plan Balance

	(in \$000's)
June 30, 2003	\$ 168,751
Contributions	-
Withdrawals	-
Net	<u>-</u>
Interfund transfer to Workers Compensation Fund	(168,809)
Investment income	1,470
Net unrealized depreciation	(1,412)
June 30, 2004	<u><u>\$ -</u></u>

Rates of return are net of all fees.

The WVIMB 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.

Pneumoconiosis Fund

Creation

The Pneumoconiosis Fund (the Plan) was formed in 1974 to provide Coal Operators insurance coverage for their potential liability under the Federal Coal Mine Health and Safety Act of 1969.

Investment Objectives

The Plan's investment objectives are as follows:

- To exceed the actuarial interest rate assumption of 6.5 percent per annum, net of fees.
- Preserve the Fund's current surplus position.

Asset Allocation

Based upon the WVIMB's determination of the appropriate risk tolerance for the Plan, the Board has adopted the following broad asset allocation guidelines for the assets managed for the Pneumoconiosis Fund. (Policy targets have been established on a market value basis.)

Asset Class	Policy Target
Domestic Large Cap Equity	8.0%
Domestic Non-Large Cap Equity	6.0%
International Equity	6.0%
Total Equity	20.0%
Domestic Fixed Income	75.0%
Cash and Cash Equivalents	5.0%

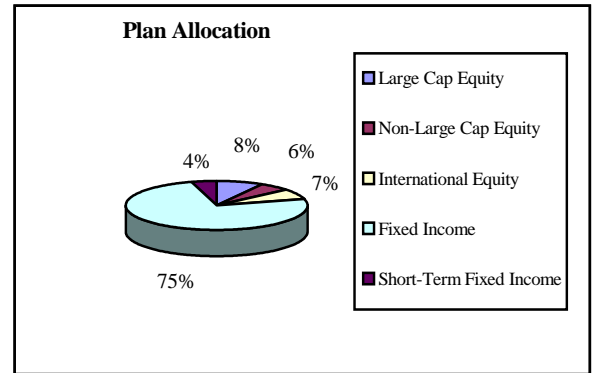
Pneumoconiosis Fund (continued)

Progression of Plan Balance

	(in \$000's)
June 30, 2003	\$ 389,558
Contributions	6,604
Withdrawals	(10,426)
Net	<u>(3,822)</u>
Statutory transfer to	
Workers' Comensation Fund	(170,000)
Investment income	40,036
Net unrealized depreciation	(27,668)
June 30, 2004	<u><u>\$ 228,104</u></u>

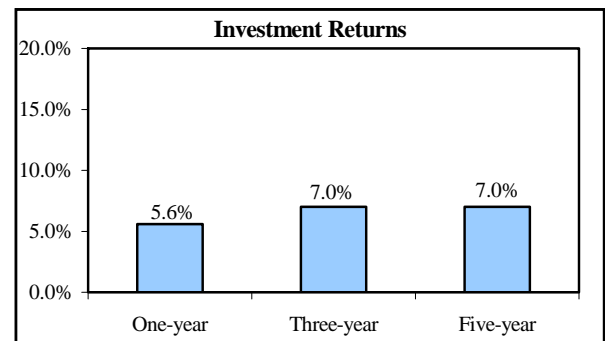
Asset Allocation (actual)

	Asset Value (in \$000's)	Percentage
Large Cap Equity	\$ 18,729	8%
Non-Large Cap Equity	12,985	6%
International Equity	15,810	7%
Fixed Income	170,362	75%
Short-Term Fixed Income	10,218	4%
Total	<u><u>\$ 228,104</u></u>	100%



Investment Performance

Investment Returns	
One-year	5.6%
Three-year	7.0%
Five-year	7.0%



Rates of return are net of all fees.

The WVIMB 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.

Workers' Compensation Employers Excess Liability Fund

Creation

The Workers' Compensation Employers Excess Liability Fund (the Plan) was created in 1983 to provide insurance for employers who are liable for any excess damages not covered by regular Workers' Compensation. This is a voluntary fund with limited participation.

Investment Objectives

The Plan's investment objectives are as follows:

- To exceed the actuarial interest rate assumption of 6.5 percent per annum, net of fees.
- Provide adequate liquidity to meet cash flow requirements.

Asset Allocation

Based upon the WVIMB's determination of the appropriate risk tolerance for the Plan, the Board has adopted the following broad asset allocation guidelines for the assets managed for the Workers' Compensation Employers Excess Liability Fund. (Policy targets have been established on a market value basis.)

Asset Class	Policy Target
Domestic Large Cap Equity	16.0%
Domestic Non-Large Cap Equity	12.0%
International Equity	12.0%
Total Equity	40.0%
Domestic Fixed Income	60.0%
Cash (included in FI above)	\$1,250,000

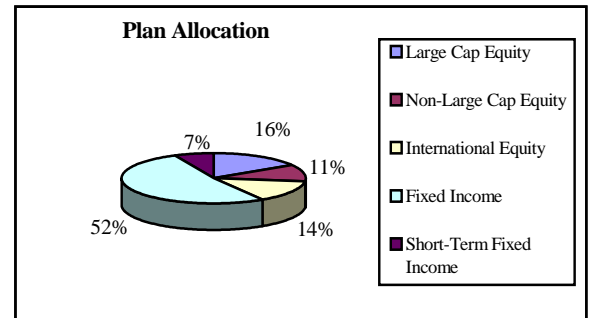
Workers' Compensation Employers Excess Liability Fund (continued)

Progression of Plan Balance

	(in \$000's)
June 30, 2003	\$ 13,261
Contributions	4,080
Withdrawals	(360)
Net	<u>3,720</u>
Investment income	2,496
Net unrealized appreciation	(979)
June 30, 2004	<u><u>\$ 18,498</u></u>

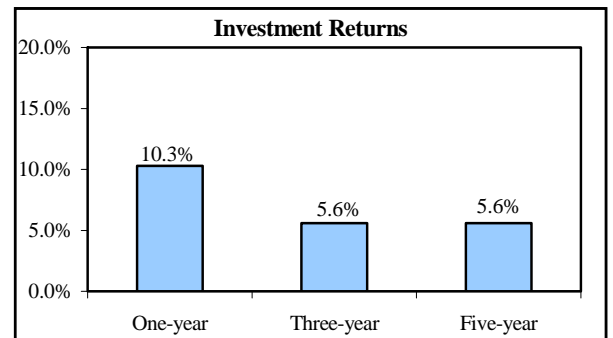
Asset Allocation (actual)

	Asset Value (in \$000's)	Percentage
Large Cap Equity	\$ 3,019	16%
Non-Large Cap Equity	1,958	11%
International Equity	2,509	14%
Fixed Income	9,688	52%
Short-Term Fixed Income	1,324	7%
Total	<u><u>\$ 18,498</u></u>	<u>100%</u>



Investment Performance

Investment Returns	
One-year	10.3%
Three-year	5.6%
Five-year	5.6%



Rates of return are net of all fees.

The WVIMB 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.

Wildlife Endowment Fund

Creation

The Wildlife Endowment Fund (the Plan) was created in 1998. The objective of the Wildlife Endowment Fund is to supplement the Division of Natural Resources annual budget in support of various statewide projects.

Investment Objectives

The Plan's investment objectives are as follows:

- To achieve a total real rate of return of at least 4.0 percent per annum, net of fees.
- Provide adequate liquidity to meet cash flow requirements.

Asset Allocation

Based upon the Board's determination of the appropriate risk tolerance for the Plan, the Board has adopted the following broad asset allocation guidelines for the assets managed for the Wildlife Endowment Fund. (Policy targets have been established on a market value basis.)

Asset Class	Policy Target
Domestic Large Cap Equity	24.0%
Domestic Non-Large Cap Equity	18.0%
International Equity	18.0%
Total Equity	60.0%
Domestic Fixed Income	40.0%
Cash and Cash Equivalents	0.0%

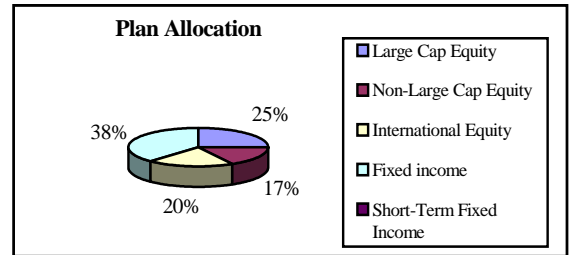
Wildlife Endowment Fund (continued)

Progression of Plan Balance

	(in \$000's)
June 30, 2003	\$ 24,346
Contributions	2,505
Withdrawals	-
Net	<u>2,505</u>
Investment income	2,738
Net unrealized appreciation	<u>1,129</u>
June 30, 2004	<u><u>\$ 30,718</u></u>

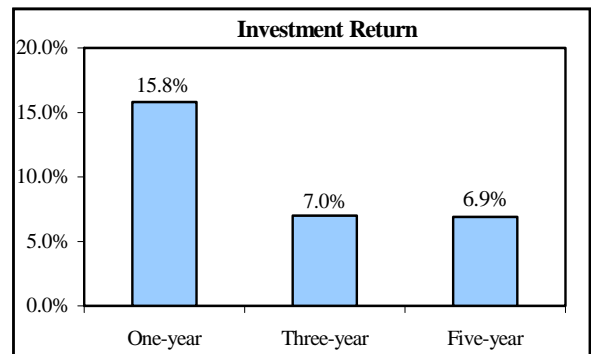
Asset Allocation

	Asset Value (in \$000's)	Percentage
Large Cap Equity	\$ 7,611	25%
Non-Large Cap Equity	5,097	17%
International Equity	6,157	20%
Fixed income	11,751	38%
Short-Term Fixed Income	102	0%
Total	<u><u>\$ 30,718</u></u>	<u>100%</u>



Investment Performance

Investment Return	
One-year	15.8%
Three-year	7.0%
Five-year	6.9%



Rates of return are net of all fees.

The WVIMB 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.

West Virginia Prepaid Tuition Trust Fund including the West Virginia Prepaid Tuition Trust Escrow Account

Creation

The Prepaid Tuition Trust Fund was established in 1997 with the objective of enhancing and improving higher education in the state of West Virginia. This is accomplished by providing individuals and organizations a means for paying future college tuition and fees in advance at a rate set today.

Effective March 2003, the Prepaid Tuition Trust Fund was closed to new contracts unless or until the Legislature authorizes the Fund to reopen. The Prepaid Tuition Trust Escrow Account was created in 2003 to guarantee payment of existing prepaid tuition plan contracts for a period of 10 years ending June 30, 2013.

Investment Objectives

The investment objectives for the West Virginia Prepaid Tuition Trust Fund and the West Virginia Prepaid Tuition Escrow Account are as follows:

- To meet or exceed the actuarial interest rate assumption of 7.25 percent per annum, net of fees.
- To generate long term, net of fee, returns that exceed the plan's liquidity needs.
- To build and maintain an actuarial surplus at a level recommended by the actuaries.

Asset Allocation

The WVIMB has adopted the West Virginia Prepaid Tuition Trust Fund's asset allocation plan and invests these assets under the following broad asset allocation guidelines. (Policy targets have been established on a market value basis.)

Asset Class	Policy Target
Domestic Large Cap Equity	24.0%
Domestic Non-Large Cap Equity	18.0%
International Equity	18.0%
Total Equity	60.0%
Domestic Fixed Income	40.0%
Cash (included in FI above)	\$10,000

The West Virginia Prepaid Tuition Trust Escrow Account is mandated by law to be 100 percent invested in Fixed Income Securities.

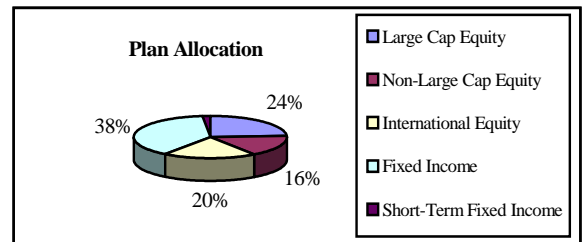
West Virginia Prepaid Tuition Trust Fund (continued)

Progression of Plan Balance

	(in \$000's)
June 30, 2003	\$ 63,920
Contributions	7,380
Withdrawals	-
Net	<u>7,380</u>
Investment income	8,448
Net unrealized appreciation	<u>2,095</u>
June 30, 2004	<u><u>\$ 81,843</u></u>

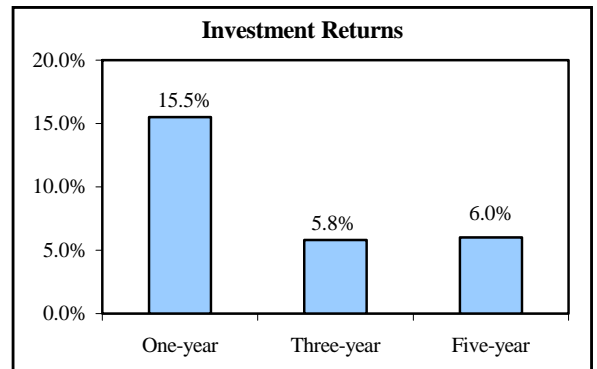
Asset Allocation (actual)

	Asset Value (in \$000's)	Percentage
Large Cap Equity	\$ 19,658	24%
Non-Large Cap Equity	13,523	16%
International Equity	16,183	20%
Fixed Income	31,169	38%
Short-Term Fixed Income	1,310	2%
Total	<u><u>\$ 81,843</u></u>	<u>100%</u>



Investment Performance

Investment Return	
One-year	15.5%
Three-year	5.8%
Five-year	6.0%



Rates of return are net of all fees.

The WVIMB 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.

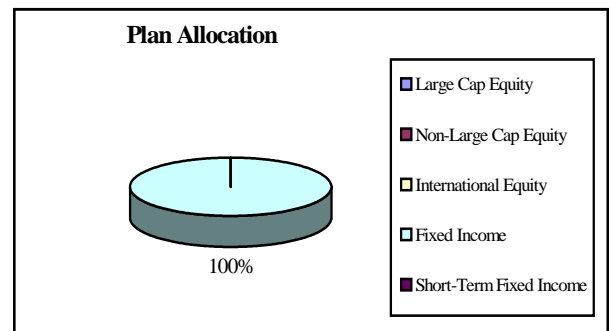
West Virginia Prepaid Tuition Trust Escrow Account

Progression of Plan Balance

	(in \$000's)
June 30, 2003	\$ -
Contributions	500
Withdrawals	-
Net	<u>500</u>
Investment income	6
Net unrealized appreciation	(7)
June 30, 2004	<u><u>\$ 499</u></u>

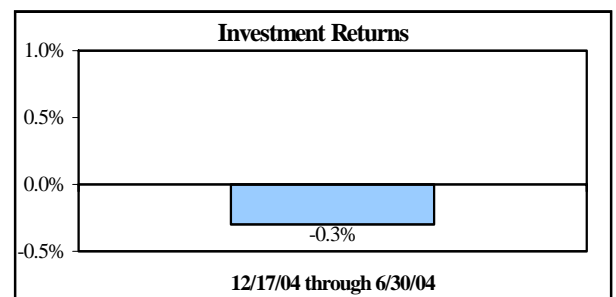
Asset Allocation (actual)

	Asset Value (in \$000's)	Percentage
Large Cap Equity	\$ -	0%
Non-Large Cap Equity	-	0%
International Equity	-	0%
Fixed Income	497	100%
Short-Term Fixed Income	2	0%
Total	<u><u>\$ 499</u></u>	<u>100%</u>



Investment Performance

Investment Returns	
12/17/04 through 6/30/04	-0.3%



Rates of return are net of all fees.

The WVIMB 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.

Tobacco Settlement Medical Trust Fund

Creation

The Tobacco Settlement Medical Trust Fund was established in 1999 and began participating in the investment pools on August 1, 2001. Prior to this date, these funds were invested as part of the Consolidated Fund. The main objective of the Tobacco Settlement Medical Trust is to stabilize the States' health related programs and delivery systems. They are also intended to be used "for the purpose of educating the public about the health risks associated with tobacco usage and for the establishment of a program designed to reduce and stop the use of tobacco by the citizens of this state and in particular by teenagers".

Investment Objectives:

The Plan's investment objective is as follows:

- To achieve a total real rate of return of at least 4.0 percent per annum, net of fees.

Asset Allocation

Based upon the Board's determination of the appropriate risk tolerance for the Plan, the Board has adopted the following broad asset allocation guidelines for the assets managed for the Tobacco Settlement Medical Trust Fund. (Policy targets have been established on a market value basis.)

Asset Class	Policy Target
Domestic Large Cap Equity	24.0%
Domestic Non-Large Cap Equity	18.0%
International Equity	18.0%
Total Equity	60.0%
Domestic Fixed Income	40.0%
Cash and Cash Equivalents	0.0%

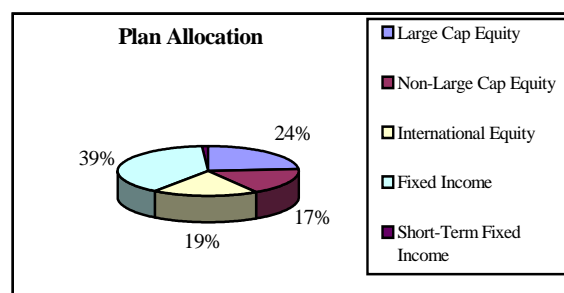
Tobacco Settlement Medical Trust Fund (continued)

Progression of Plan Balance

	(in \$000's)
June 30, 2003	\$ 139,726
Contributions	30,200
Withdrawals	<u>(23,629)</u>
Net	6,571
Investment income	13,576
Net unrealized appreciation	<u>4,847</u>
June 30, 2004	<u><u>\$ 164,720</u></u>

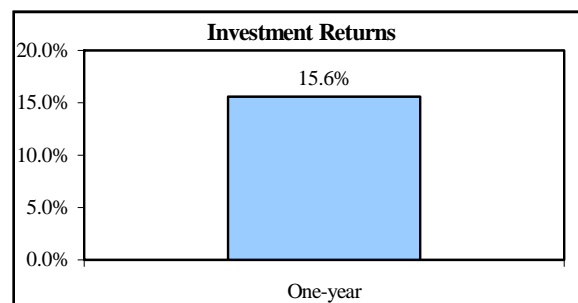
Asset Allocation (actual)

	Asset Value (in \$000's)	Percentage
Large Cap Equity	\$ 39,510	24%
Non-Large Cap Equity	27,309	17%
International Equity	31,839	19%
Fixed Income	63,692	39%
Short-Term Fixed Income	2,370	1%
Total	<u><u>\$ 164,720</u></u>	100%



Investment Performance

Investment Returns	
One-year	15.6%



Rates of return are net of all fees.

The WVIMB 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.

Audited Financial Statements

***West Virginia
Investment Management Board***_____

Investment Pools

Audited Financial Statements

June 30, 2004

West Virginia Investment Management Board

Financial Statements
June 30, 2004

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Independent Auditors' Report

Board of Trustees
West Virginia Investment Management Board:

We have audited the accompanying statements of assets and liabilities, including the schedules of investments in securities, of the individual investment pools managed by the West Virginia Investment Management Board (the WVIMB) as of June 30, 2004 and the related statements of operations and changes in net assets for the year then ended, except for the Dedicated Fixed Income Pool which is for the period from July 15, 2003 (date of inception) to June 30, 2004 and the Department of Transportation Pool which is for the period from July 1, 2003 to May 27, 2004 (date of liquidation). These financial statements are the responsibility of the WVIMB's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the individual investment pools managed by the WVIMB as of June 30, 2004 and the results of their operations and changes in their net assets for the year then ended, except for the Dedicated Fixed Income Pool which is for the period from July 15, 2003 (date of inception) to June 30, 2004 and the Department of Transportation Pool which is for the period from July 1, 2003 to May 27, 2004 (date of liquidation), in conformity with accounting principles generally accepted in the United States of America.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included on pages 74 and 75 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

KPMG LLP

August 11, 2004



KPMG LLP, a U.S. limited liability partnership, is the U.S. member firm of KPMG International, a Swiss cooperative.

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West Virginia Investment Management Board

Statement of Assets and Liabilities

June 30, 2004

(Dollars in thousands, except Investment Unit Data)

	Large Cap Domestic	Non-Large Cap Domestic	
Assets			
Investment securities:			
At amortized cost			
At fair value	\$ 1,205,385	\$ 843,205	
Cash	-	11	
Collateral for securities loaned, at fair value (Note 4)	38,943	57,396	
Receivables:			
Accrued interest	-	-	
Investments sold	51	12,749	
Dividends	1,053	537	
Securities lending income	4	10	
Foreign tax withholding	-	-	
Due from broker - variation margin	-	10	
Unrealized gain on foreign currency exchange contracts (Note 7)	-	-	
Total assets	1,245,436	913,918	
Liabilities			
Accrued expenses	176	846	
Payable for investments purchased	1,194	9,047	
Payable upon return of securities loaned (Note 4)	38,943	57,396	
Total liabilities	40,313	67,289	
Net assets at value	\$ 1,205,123	\$ 846,629	
Net assets			
Paid-in capital	\$ 1,047,238	\$ 412,054	
Accumulated undistributed net investment income (loss)	49,035	156,879	
Accumulated undistributed net realized gain (loss) from investments	(54,620)	138,405	
Accumulated undistributed net realized gain from foreign currency transactions	-	-	
Unrealized net appreciation (depreciation) of investments	163,470	139,291	
Unrealized net appreciation on translation of assets and liabilities in foreign currencies	-	-	
Net assets at value	\$ 1,205,123	\$ 846,629	
Investment unit data:			
Units outstanding	123,646,482	53,057,135	
Net asset value, unit price	\$9.75	\$15.96	

See accompanying notes to financial statements.

<u>International Qualified</u>	<u>International Nonqualified</u>	<u>International Equity</u>
\$ 305,149	\$ 24,833	\$ 681,315
-	-	7,554
-	-	65,499
-	-	-
-	-	9,669
-	-	362
-	-	32
-	-	431
-	-	-
-	-	230
305,149	24,833	765,092
154	1	481
-	-	12,165
-	-	65,499
154	1	78,145
\$ 304,995	\$ 24,832	\$ 686,947
\$ 165,221	\$ 3,829	\$ 639,415
(5,964)	(222)	38,288
(2,931)	8,676	(89,082)
-	-	41,610
148,669	12,549	46,034
-	-	10,682
\$ 304,995	\$ 24,832	\$ 686,947
14,194,343	1,210,231	56,550,721
\$21.49	\$20.52	\$12.15

West Virginia Investment Management Board
Statement of Assets and Liabilities (Continued)

June 30, 2004

(Dollars in thousands, except Investment Unit Data)

	Short-Term Fixed Income	Dedicated Fixed Income	
Assets			
Investment securities:			
At amortized cost	\$ 147,059		
At fair value		\$ 825,886	
Cash	-	-	
Collateral for securities loaned, at fair value (Note 4)	15,162	490,021	
Receivables:			
Accrued interest	308	5,586	
Investments sold	-	-	
Dividends	32	229	
Securities lending income	2	57	
Foreign tax withholding	-	-	
Due from broker - variation margin	-	-	
Unrealized gain on foreign currency exchange contracts (Note 7)	-	-	
Total assets	162,563	1,321,779	
Liabilities			
Accrued expenses	9	52	
Payable for investments purchased	4,999	-	
Payable upon return of securities loaned (Note 4)	15,162	490,021	
Total liabilities	20,170	490,073	
Net assets at value	\$ 142,393	\$ 831,706	
Net assets			
Paid-in capital	\$ 142,393	\$ 834,148	
Accumulated undistributed net investment income (loss)	-	1,063	
Accumulated undistributed net realized gain (loss) from investments	-	-	
Accumulated undistributed net realized gain from foreign currency transactions	-	-	
Unrealized net appreciation (depreciation) of investments	-	(3,505)	
Unrealized net appreciation on translation of assets and liabilities in foreign currencies	-	-	
Net assets at value	\$ 142,393	\$ 831,706	
Investment unit data:			
Units outstanding	142,393,112	83,450,687	
Net asset value, unit price	\$1.00	\$9.97	

See accompanying notes to financial statements.

<u>Fixed Income</u>	<u>Fixed Income Qualified</u>	<u>Fixed Income Nonqualified</u>
\$ 1,241,970	\$ 717,124	\$ 116,946
-	-	-
393,931	-	-
8,980	-	-
30,417	-	-
6	-	-
50	-	-
-	-	-
10	-	-
-	-	-
1,675,364	717,124	116,946
578	50	11
62,487	-	-
393,931	-	-
456,996	50	11
\$ 1,218,368	\$ 717,074	\$ 116,935
\$ 1,008,336	\$ 535,296	\$ 84,441
3,884	1,102	(59)
190,522	101,337	20,777
-	-	-
15,626	79,339	11,776
-	-	-
\$ 1,218,368	\$ 717,074	\$ 116,935
106,218,292	51,458,239	14,198,254
\$11.47	\$13.94	\$8.24

West Virginia Investment Management Board
Statement of Assets and Liabilities (Continued)

June 30, 2004

(Dollars in thousands, except Investment Unit Data)

	Cash Liquidity	Government Money Market
Assets		
Investment securities:		
At amortized cost	\$ 1,393,250	\$ 150,991
At fair value		
Cash	-	-
Collateral for securities loaned, at fair value (Note 4)	215,879	28,990
Receivables:		
Accrued interest	2,628	136
Investments sold	-	-
Dividends	135	-
Securities lending income	27	4
Foreign tax withholding	-	-
Due from broker - variation margin	-	-
Unrealized gain on foreign currency exchange contracts (Note 7)	-	-
Total assets	1,611,919	180,121
Liabilities		
Accrued expenses	90	13
Payable for investments purchased	-	-
Payable upon return of securities loaned (Note 4)	215,879	28,990
Total liabilities	215,969	29,003
Net assets at value	\$ 1,395,950	\$ 151,118
Net assets		
Paid-in capital	\$ 1,395,950	\$ 151,118
Accumulated undistributed net investment income (loss)	-	-
Accumulated undistributed net realized gain (loss) from investments	-	-
Accumulated undistributed net realized gain from foreign currency transactions	-	-
Unrealized net appreciation (depreciation) of investments	-	-
Unrealized net appreciation on translation of assets and liabilities in foreign currencies	-	-
Net assets at value	\$ 1,395,950	\$ 151,118
Investment unit data:		
Units outstanding	1,395,950,524	151,117,990
Net asset value, unit price	\$1.00	\$1.00

See accompanying notes to financial statements.

<u>Enhanced Yield</u>	<u>Loss Amortization</u>	<u>Loans</u>
		\$ 139,684
\$ 350,616	\$ 137,969	
-	-	19
68,042	-	-
2,464	-	373
-	-	-
-	-	10
30	-	-
-	-	-
-	-	-
-	-	-
<u>421,152</u>	<u>137,969</u>	<u>140,086</u>
35	-	6
-	-	-
<u>68,042</u>	<u>-</u>	<u>-</u>
<u>68,077</u>	<u>-</u>	<u>6</u>
<u>\$ 353,075</u>	<u>\$ 137,969</u>	<u>\$ 140,080</u>
\$ 355,717	\$ 183,415	\$ 140,080
774	-	-
(1,149)	(42,060)	-
-	-	-
(2,267)	(3,386)	-
-	-	-
<u>\$ 353,075</u>	<u>\$ 137,969</u>	<u>\$ 140,080</u>
<u>3,519,768</u>	<u>183,415,000</u>	<u>140,080,410</u>
<u>\$100.31</u>	<u>\$0.75</u>	<u>\$1.00</u>

West Virginia Investment Management Board
Statement of Assets and Liabilities (Continued)

June 30, 2004

(Dollars in thousands, except Investment Unit Data)

	<u>Municipal Bond Commission</u>	<u>Lottery Defeasance</u>
Assets		
Investment securities:		
At amortized cost	\$ 74,179	
At fair value		\$ 3,043
Cash	-	-
Collateral for securities loaned, at fair value (Note 4)	-	-
Receivables:		
Accrued interest	503	-
Investments sold	-	-
Dividends	-	-
Securities lending income	-	-
Foreign tax withholding	-	-
Due from broker - variation margin	-	-
Unrealized gain on foreign currency exchange contracts (Note 7)	-	-
Total assets	74,682	3,043
Liabilities		
Accrued expenses	1	-
Payable for investments purchased	-	-
Payable upon return of securities loaned (Note 4)	-	-
Total liabilities	1	-
Net assets at value	\$ 74,681	\$ 3,043

See accompanying notes to financial statements.

<u>School Fund</u>	<u>EDA Insurance</u>
\$ 1,384	\$ 457
-	-
-	-
-	-
-	-
1	-
-	-
-	-
-	-
<u>-</u>	<u>-</u>
1,385	457
-	-
-	-
<u>-</u>	<u>-</u>
<u>\$ 1,385</u>	<u>\$ 457</u>

West Virginia Investment Management Board
Schedule of Investments in Securities

June 30, 2004

(Dollars in thousands, except Share Data)

Security Name	Shares	Cost	Fair Value*
EQUITY SECURITIES			
Large Cap Domestic			
<i>Equities</i>			
<i>Basic Materials</i>			
Alcoa Inc	385,115	\$ 10,758	\$ 12,720
Ball Corporation	34,800	2,238	2,507
Ecolab Inc	22,602	587	716
Engelhard Corporation	73,900	2,135	2,388
Freeport-McMoRan Copper & Gold	300,200	9,812	9,952
Georgia-Pacific Corp	52,600	1,373	1,945
International Paper Company	237,765	9,904	10,628
Louisiana-Pacific Corporation	86,800	1,545	2,053
Monsanto Company	169,530	4,190	6,527
Phelps Dodge Corporation	27,100	1,957	2,101
Rohm & Haas Company	16,600	622	690
Sealed Air Corporation	39,419	591	2,100
Sigma-Aldrich Corporation	13,300	764	793
Temple-Inland Inc	4,800	284	332
United States Steel Corp	43,100	1,084	1,514
		47,844	56,966
<i>Capital Goods</i>			
3M Co	72,200	5,530	6,499
American Standard Companies	38,400	898	1,548
Apollo Group	27,600	1,628	2,437
Burlington Northern Santa Fe	107,500	3,360	3,770
Cendant Corp	160,444	2,876	3,928
Cooper Industries Ltd	2,200	112	131
Danaher Corp	22,776	707	1,181
Deere & Company	52,400	2,232	3,675
Dover Corp	5,300	156	223
Emerson Electric Co	21,600	1,101	1,373
Equifax Inc	84,400	2,151	2,089
General Dynamics Corp	46,900	4,195	4,657
General Electric Company	1,366,750	44,092	44,283
Honeywell International Inc	301,139	9,049	11,031
Lockheed Martin Corp	40,939	2,616	2,132
Masco Corporation	346,160	8,377	10,793
Rockwell Collins	49,200	931	1,639
Textron Inc	21,865	1,020	1,298
Thomas & Betts Corporation	3,000	46	82
Tyco International Ltd	141,867	1,919	4,701
United Parcel Service Inc	58,600	3,588	4,405
United Technologies Corp	47,700	3,186	4,364
Waste Management Inc	76,600	1,678	2,348
		101,448	118,587

A - Adjustable rate security.

* The fair value is not determined for Loans. The fair value reported equals amortized cost.

** Denotes assets pledged for initial margin requirements on open futures contracts.

See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

Security Name	Shares	Cost	Fair Value*
<i>Communication Services</i>			
AT&T Corp	160,300	2,173	2,295
BellSouth Corporation	189,700	5,484	4,974
Nextel Communications Inc	8,900	62	237
SBC Communications Inc	235,200	6,822	5,704
Sprint Corporation	124,349	2,085	2,189
Verizon Communications	270,795	10,174	9,800
		<u>26,800</u>	<u>25,199</u>
<i>Consumer Cyclical</i>			
AutoZone Inc	30,629	2,116	2,453
Bed Bath & Beyond Inc	136,300	5,401	5,241
Best Buy Co Inc	29,900	949	1,517
Black & Decker Corporation	59,400	3,077	3,691
Centex Corporation	26,000	1,228	1,190
Clear Channel Communications	67,900	2,369	2,509
Comcast Corp	44,468	918	1,250
Disney Walt Company	98,600	2,190	2,513
Dollar General Corporation	25,000	429	489
Eastman Kodak Co	2,900	85	78
ebay Inc	143,910	8,182	13,232
Federated Dept Stores Inc	73,300	2,667	3,599
Ford Motor Company	269,314	3,166	4,215
Fortune Brands Inc	15,300	796	1,154
Gap Inc	112,000	2,387	2,716
Hasbro Inc	120,500	1,764	2,289
Hilton Hotels Corp	155,000	2,726	2,892
Home Depot Inc	237,796	7,701	8,370
International Game Technology	10,800	208	417
Jones Apparel Group Inc	7,100	242	280
KB Home	33,800	2,025	2,320
Leggett & Platt Inc	14,700	331	393
Limited Inc	47,272	859	884
Lowe's Corp Inc	147,400	6,509	7,746
May Department Stores Co	8,400	278	231
McDonald's Corporation	206,700	4,933	5,374
Meredith Corp	23,800	1,046	1,308
New York Times Company	35,200	1,654	1,574
Nike Inc	23,192	1,169	1,757
RadioShack Corp	106,974	2,845	3,063
Scripps EW Company	75,430	7,554	7,920
Sherwin-Williams Co	91,300	2,666	3,793
Stanley Works	45,200	1,629	2,060
Staples Inc	120,385	2,735	3,540
Starwood Hotels & Resorts Inc	52,400	2,158	2,350
Time Warner Inc	488,996	7,097	8,597
VF Corp	8,291	320	404
Viacom Inc	237,070	9,237	8,468
Wendys International Inc	35,800	1,393	1,247
Yum Brands Inc	16,700	483	622
		<u>105,522</u>	<u>123,746</u>

A - Adjustable rate security.

* The fair value is not determined for Loans. The fair value reported equals amortized cost.

** Denotes assets pledged for initial margin requirements on open futures contracts.

See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

Security Name	Shares	Cost	Fair Value*
<i>Consumer Staples</i>			
Alberto Culver Company	6,300	261	316
Altria Group Inc	82,756	3,998	4,142
Anheuser-Busch Company Inc	62,600	3,036	3,380
Avon Products Inc	183,400	6,140	8,462
Clorox Company	9,750	375	524
Coca-Cola Company	150,600	7,163	7,602
Coca-Cola Enterprises	16,000	426	464
Colgate-Palmolive Co	80,600	4,235	4,711
Coors Adolph Company	28,500	1,913	2,062
Gillette Company	126,800	4,320	5,376
Heinz HJ Company	24,197	842	948
Hershey Foods Corp	69,600	2,580	3,220
Kroger Co	55,000	1,071	1,001
Loews Corp	11,900	627	714
Pepsi Bottling Group Inc	123,488	3,296	3,771
Pepsico Inc	147,998	6,482	7,974
Proctor & Gamble Company	319,600	14,979	17,399
Reynolds RJ Tobacco Holdings	2,100	133	142
Sara Lee Corp	58,900	1,104	1,354
Wal-Mart Stores	485,299	24,655	25,604
Walgreen Co	9,300	313	337
		87,949	99,503
<i>Energy</i>			
Amerada Hess Corp	27,100	1,551	2,146
BP PLC	145,195	6,806	7,778
Baker Hughes Inc	24,700	923	930
Burlington Resources Inc	22,600	753	818
ChevronTexaco Corp	91,815	6,747	8,641
ConocoPhillips	2,400	179	183
Exxon Mobil Corporation	626,015	24,225	27,801
Halliburton Company	417,540	9,696	12,635
Marathon Oil Corp	23,300	565	882
Occidental Petroleum Corp	28,180	763	1,364
Schlumberger Ltd	13,400	785	851
Sunoco Inc	55,700	2,269	3,544
Transocean Inc	6,100	180	177
Unocal Corp	18,352	599	697
		56,041	68,447
<i>Financial Services</i>			
ACE Ltd	26,942	836	1,139
AFLAC Inc	93,443	2,919	3,813
Allstate Corp	100,085	3,300	4,659
Ambac Financial Group Inc	8,859	577	651
American Express	147,270	5,966	7,567
American International Grp Inc	365,786	22,549	26,073
AmSouth Bancorporation	57,100	1,287	1,454
BB&T Corp	109,700	4,035	4,056
Bank of America Corporation	317,008	22,164	26,825
Bank One Corporation	69,100	2,677	3,524

A - Adjustable rate security.

** The fair value is not determined for Loans. The fair value reported equals amortized cost.*

*** Denotes assets pledged for initial margin requirements on open futures contracts.*

See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

Security Name	Shares	Cost	Fair Value*
Bear Stearns Companies Inc	42,900	3,507	3,617
Capital One Financial Corp	52,000	2,219	3,556
Charter One Financial Inc	31,345	939	1,385
Chubb Corp	39,000	2,390	2,659
Cincinnati Financial Corp	68,250	2,853	2,970
Citigroup Inc	834,528	30,508	38,806
Comerica Inc	29,007	1,651	1,592
Countrywide Financial Corp	47,449	2,101	3,333
Federal Home Loan Mort Corp	160,864	9,064	10,183
Federal National Mortgage Assn	57,875	4,334	4,130
Franklin Resources Inc	19,700	676	987
Goldman Sachs Group Inc	2,200	213	207
Hartford Financial Services Gp	147,660	7,620	10,150
JP Morgan Chase & Co	537,130	18,723	20,825
Lehman Brothers Holdings Inc	43,800	2,826	3,296
Lincoln National Corp	29,114	1,016	1,376
MBIA Inc	11,100	550	634
MBNA Corporation	721,463	16,285	18,607
MGIC Investments Corp	11,442	706	868
Merrill Lynch & Company Inc	88,499	3,646	4,777
MetLife Inc	24,660	683	884
Morgan Stanley Dean Witter Co	213,435	10,395	11,263
National City Corporation	69,600	2,202	2,437
PNC Financial Services Group	27,700	1,155	1,470
Principal Financial Group Inc	110,361	3,775	3,838
Progressive Corp	82,960	6,246	7,076
ProLogis Trust	1,100	33	36
Providian Financial Corp	169,133	801	2,481
Regions Financial Corp	79,300	2,911	2,898
SLM Corp	14,900	596	603
St Paul Travelers Co Inc	3,857	143	156
US Bancorp	190,764	4,154	5,257
Wachovia Corporation	157,100	6,148	6,991
Washington Mutual Inc	108,600	3,986	4,196
Wells Fargo Company	76,900	3,707	4,401
XL Capital Ltd	154,995	11,372	11,696
		236,444	279,402
<i>Health Care</i>			
Abbott Laboratories	70,100	2,715	2,857
AmerisourceBergen Corp	4,200	256	251
Amgen Inc	196,400	8,623	10,718
Anthem Inc	23,510	1,785	2,106
Bard CR Inc	64,000	1,755	3,626
Bausch & Lomb Inc	52,100	2,233	3,390
Baxter International Inc	500	15	17
Biogen Idec Inc	22,500	976	1,423
Boston Scientific Corp	175,620	7,602	7,517
Bristol-Myers Squibb Company	25,177	590	617
Cardinal Health Inc	37,100	2,410	2,599
Caremark Rx Inc	9,100	302	300

A - Adjustable rate security.

** The fair value is not determined for Loans. The fair value reported equals amortized cost.*

*** Denotes assets pledged for initial margin requirements on open futures contracts.*

See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

Security Name	Shares	Cost	Fair Value*
Forest Laboratories Inc	151,888	8,144	8,601
Guidant Corp	15,200	552	849
Humana Inc	55,400	1,212	936
IMS Health Inc	21,600	342	506
Johnson & Johnson	258,295	14,030	14,387
King Pharmaceuticals Inc	15,200	237	174
Lilly Eli and Company	34,200	2,230	2,391
Manor Care Inc	69,339	1,523	2,266
Medco Health Solutions Inc	24,650	556	924
Medtronic Inc	92,100	4,259	4,487
Merck & Co Inc	218,100	10,468	10,360
Pfizer Inc	992,894	33,911	34,036
St Jude Medical Inc	151,598	10,739	11,468
Unitedhealth Group Inc	265,846	11,920	16,549
Watson Pharmaceuticals Inc	5,900	144	159
Wellpoint Health Networks Inc	13,100	981	1,467
Wyeth	264,035	10,431	9,548
		140,941	154,529
<i>Technology</i>			
Accenture Ltd	471,430	10,516	12,955
Altera Corporation	94,900	1,219	2,103
Analog Devices Inc	11,200	270	527
Applied Materials Inc	271,300	5,814	5,323
Automatic Data Processing Inc	66,365	2,467	2,779
BMC Software Inc	175,000	3,407	3,238
Broadcom Corp	110,600	4,840	5,154
Cisco Systems Inc	807,940	14,403	19,148
Citrix Systems Inc	104,100	1,460	2,119
Computer Associates Inter	14,500	210	407
Convergys Corp	125,800	2,057	1,937
Dell Inc	456,755	12,196	16,361
EMC Corporation	232,800	1,695	2,654
Electronic Arts Inc	161,380	7,637	8,803
First Data Corp	193,095	7,480	8,597
Fiserv Inc	33,200	1,126	1,291
Hewlett-Packard Company	541,435	11,141	11,424
Intel Corporation	831,000	18,199	22,936
International Business Machs	137,300	9,974	12,103
Jabil Circuit Inc	85,000	1,597	2,140
Juniper Networks Inc	321,030	8,007	7,888
LSI Logic Corporation	22,700	218	173
Lexmark International Inc	42,800	3,600	4,131
Maxim Integrated Products Inc	13,200	714	692
Microsoft Corporation	1,161,502	29,661	33,172
Motorola Inc	320,500	4,075	5,849
NCR Corporation	52,200	2,104	2,589
National Semiconductor Corp	28,600	240	629
Oracle Corporation	122,825	1,314	1,465
Qualcomm Inc	22,100	1,266	1,613
Sanmina Corporation	246,800	2,769	2,246

A - Adjustable rate security.

** The fair value is not determined for Loans. The fair value reported equals amortized cost.*

*** Denotes assets pledged for initial margin requirements on open futures contracts.*

See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

Security Name	Shares	Cost	Fair Value*
Scientific-Atlanta Inc	47,500	1,218	1,639
Solectron Corp	1,490,240	8,727	9,642
Symantec Corporation	167,950	7,526	7,353
Taiwan Semiconductor Mfg	605,003	5,473	5,028
Tektronix Inc	32,600	557	1,109
Texas Instruments Inc	183,800	5,542	4,444
Xilinx Inc	99,900	3,174	3,328
Xerox Corporation	195,179	2,144	2,830
Yahoo! Inc	454,258	10,387	16,535
		<u>216,424</u>	<u>254,354</u>
<i>Utilities</i>			
Allegheny Energy Inc	213,500	2,083	3,290
Cinergy Corp	35,500	1,196	1,349
Dominion Resources Inc	18,300	1,081	1,154
Duke Energy Corp	36,300	908	737
Dynegy Inc	94,000	479	400
Entergy Corporation	32,200	1,534	1,804
Exelon Corp	136,800	4,420	4,554
Kinder Morgan Inc	6,000	244	356
PG&E Corp	12,093	168	338
Public Service Enterprise Grp	11,395	394	456
Sempra Energy	19,100	412	658
Southern Company	152,900	4,484	4,457
		<u>17,403</u>	<u>19,553</u>
Total Equities	99.6%	1,036,816	1,200,286
<i>Short-term Issues</i>			
Dreyfus Institutional Government Money Market Fund	5,098,638	5,099	5,099
Total Short-term Issues	0.4%	5,099	5,099
Total Large Cap Domestic		<u>\$ 1,041,915</u>	<u>\$ 1,205,385</u>
Non-Large Cap Domestic			
<i>Equities</i>			
<i>Basic Materials</i>			
Agrium Inc	154,300	\$ 1,774	\$ 2,245
Albemarle Corporation	7,900	226	250
Ball Corporation	7,400	483	533
Cabot Corporation	12,200	279	497
Caraustar Industries Inc	41,000	550	579
Carpenter Technology Corp	34,900	911	1,188
Cleveland-Cliffs Inc	16,300	489	919
Commercial Metals Company	62,800	973	2,038
Cytec Industries Inc	4,600	120	209
Eagle Materials Inc	14,900	874	1,058
Engelhard Corporation	42,400	1,216	1,370
Ferro Corporation	13,300	304	355

A - Adjustable rate security.

* The fair value is not determined for Loans. The fair value reported equals amortized cost.

** Denotes assets pledged for initial margin requirements on open futures contracts.

See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

Security Name	Shares	Cost	Fair Value*
Fuller HB Company	8,500	195	241
Glatfelter PH Company	24,200	332	341
Hercules Inc	79,800	878	973
Lafarge Corporation	71,200	2,256	3,083
Louisiana-Pacific Corporation	100,600	1,638	2,379
Lubrizol Corporation	59,100	1,844	2,164
MacDermid Inc	29,100	607	985
Massey Energy Company	30,000	339	846
Methanex Corporation	154,700	1,797	2,051
Minerals Technology Inc	4,900	207	284
Mueller Industries Inc	41,200	1,470	1,475
Owens-Illinois Inc	78,500	557	1,316
Peabody Energy Corp	95,600	4,187	5,353
PolyOne Corporation	19,100	127	142
Potlatch Corporation	12,600	516	525
Quanex Corporation	54,700	1,770	2,664
Schweitzer-Mauduit Intl Inc	33,700	751	1,032
Silgan Holdings Inc	22,100	670	891
Southern Peru Copper Corp	45,600	1,828	1,885
Steel Dynamics Inc	67,400	1,356	1,930
Temple-Inland Inc	18,600	1,016	1,288
United States Steel Corp	112,500	2,938	3,951
Wausau-Mosinee Paper Corp	33,400	401	578
		35,879	47,618
<i>Capital Goods</i>			
Actuant Corp	85,800	2,484	3,345
Acuity Brands Inc	75,200	1,593	2,030
Axiom Corporation	49,300	1,214	1,224
Albany International Corp	21,700	606	728
Ametek Inc	175,900	4,243	5,435
Apollo Group	42,900	1,974	3,758
Arkansas Best Corporation	37,400	1,171	1,231
Bemis Company Inc	21,400	594	605
Briggs & Stratton Corporation	34,100	2,363	3,013
Brink's Company	63,900	1,753	2,189
Career Education Corp	82,900	2,939	3,777
Delta and Pine Land Company	5,500	120	121
Deluxe Corporation	106,900	4,244	4,650
DHB Industries Inc	108,600	977	1,649
Dionex Corp	4,500	225	248
Dollar Thrifty Automotive Grp	38,600	1,025	1,059
Engineered Support Systems Inc	2,750	89	161
Equifax Inc	32,200	743	797
ESCO Technologies Inc	7,000	270	374
ExpressJet Holdings Inc	205,600	2,675	2,496
Fleetwood Enterprises Inc	32,600	411	474
Flowsolve Corp	1,300	23	32
Forward Air Corporation	6,400	177	239
FTI Consulting Inc	12,900	193	213
FuelCell Energy Inc	16,600	231	194

A - Adjustable rate security.

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*** Denotes assets pledged for initial margin requirements on open futures contracts.*

See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

Security Name	Shares	Cost	Fair Value*
General Maritime Corp	79,300	1,689	2,176
Genlyte Group Inc	16,280	589	1,024
Gen-Probe Inc	24,800	906	1,174
Graco Inc	86,450	1,686	2,684
GrafTech Int'l Ltd	11,000	132	115
Harland John H Co	35,000	922	1,027
Harmonic Inc	43,600	482	371
Harsco Corporation	5,000	226	235
HNI Corp	49,900	1,382	2,112
Hubbell Inc	13,100	565	612
Hughes Supply Inc	9,900	484	583
Hunt JB Transport Services Inc	23,400	767	903
IKON Office Solutions Inc	177,000	1,497	2,030
Imagistics International Inc	44,000	1,282	1,558
Ionics Inc	5,100	124	144
Jackson Hewitt Tax Service Inc	36,200	615	634
LECG Corp	116,100	2,313	2,010
Lennox International Inc	70,600	945	1,278
Martin Marietta Materials Inc	10,100	447	448
Mettler-Toledo International	6,100	300	300
Monster Worldwide Inc	132,900	3,013	3,418
Moog Inc	11,795	273	438
NACCO Industries Inc	17,000	832	1,615
NCI Building Systems Inc	64,700	1,954	2,106
NCO Group Inc	29,271	655	781
Oshkosh Truck Corporation	2,300	68	132
Pentair Inc	26,200	545	881
Pinnacle Airlines Corp	23,500	321	266
Precision Castparts Corp	54,200	1,601	2,964
PRG-Schultz Intl Inc	24,400	233	133
Primus Telecommunications Grp	21,000	159	107
Reliance Steel & Aluminum Co	50,100	1,808	2,020
Republic Services Inc	149,800	3,522	4,335
Resources Connection Inc	21,900	457	856
Ryder System Inc	49,400	1,359	1,979
School Specialty Inc	16,000	467	581
Simpson Manufacturing Co	7,400	283	415
Sirva Inc	17,200	318	396
SkyWest Inc	56,800	952	989
Tecumseh Products Company	16,100	591	663
Teledyne Technologies Inc	52,500	885	1,051
Thomas Industries Inc	12,400	348	412
Trex Company Inc	5,200	185	196
United Defense Industries Inc	71,300	2,027	2,495
Universal Forest Products Inc	21,500	405	690
URS Corp	43,300	654	1,186
USF Corp	10,600	377	372
Valassis Communications Inc	62,400	1,636	1,901
Vishay Intertechnology Inc	63,300	1,132	1,176
Wabtec Corporation	172,200	2,909	3,106

A - Adjustable rate security.

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See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

Security Name	Shares	Cost	Fair Value*
Washington Group Int'l Inc	26,300	867	944
Waste Connections Inc	106,500	2,625	3,159
Watson Wyatt & Co Holdings	27,000	562	720
Watts Industries Inc	10,435	179	281
West Corp	5,800	144	152
Yellow Roadway Corp	21,900	580	873
York International	70,300	1,993	2,887
		86,609	108,136
<i>Communication Services</i>			
Alamosa Holdings Inc	132,800	1,016	976
Citizens Communications Co	16,500	162	200
General Communications Inc	31,100	284	247
Nextel Partners Inc	28,600	334	455
NII Holdings Inc	34,200	1,078	1,152
PTEK Holdings Inc	43,300	425	499
Rural Cellular Corporation	15,900	148	141
		3,447	3,670
<i>Consumer Cyclical</i>			
Aaron Rents Inc	63,100	1,024	2,091
Abercrombie & Fitch Co	64,500	1,600	2,499
AC Moore Arts & Crafts Inc	37,300	748	1,026
ADVO Inc	12,400	280	408
American Axle & Manufacturing	5,000	122	182
American Eagle Outfitters Inc	20,900	443	604
American Greetings Corp	74,875	1,258	1,736
AnnTaylor Stores Corporation	6,600	185	191
Applica Inc	89,300	1,215	795
Argosy Gaming Company	27,200	974	1,023
ArvinMeritor Inc	87,600	1,724	1,714
Ask Jeeves Inc	8,500	236	332
Autoliv Inc	26,600	920	1,123
Aztar Corporation	41,430	625	1,160
Bandag Inc	6,200	265	276
Bandag Inc	1,600	53	67
Barnes & Noble Inc	87,300	1,913	2,966
Beazer Homes USA Inc	4,200	342	421
Bebe Stores Inc	8,100	120	162
Blockbuster Inc	12,600	192	191
Bob Evans Farms Inc	44,200	1,262	1,210
Borders Group Inc	94,000	1,729	2,203
Borg-Warner Automotive Inc	66,800	2,191	2,924
Brown Shoe Company Inc	20,700	618	847
Brunswick Corporation	46,800	1,672	1,909
Buckle Inc	25,900	517	732
Burlington Coat Factory	53,500	848	1,033
Callaway Golf Company	14,400	215	163
Cato Corporation	24,100	520	541
CEC Entertainment Inc	68,550	2,125	2,023
Cedar Fair	10,800	352	341
Centex Corporation	17,200	563	787

A - Adjustable rate security.

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See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

Security Name	Shares	Cost	Fair Value*
Charming Shoppes Inc	162,100	1,255	1,448
Citadel Broadcasting Co	23,100	362	337
CKE Restaurants Inc	127,300	1,752	1,697
Claire's Stores Inc	23,200	404	503
Cole Kenneth Productions Inc	6,100	209	209
Cooper Tire & Rubber Company	1,800	28	41
Copart Inc	40,500	963	1,081
Cost Plus Inc California	83,650	2,342	2,714
Cumulus Media Inc	23,300	383	392
Dana Corporation	248,000	2,885	4,861
Dillard's Inc	50,500	915	1,126
DR Horton Inc	135,850	2,799	3,858
Dura Automotive Systems Inc	88,500	997	810
Electronics Boutique Hldg Corp	400	10	11
Foot Locker Inc	75,200	889	1,830
Furniture Brands International	70,500	1,885	1,766
Genesco Inc	41,800	786	988
Group 1 Automotive Inc	28,200	1,011	937
GTECH Holdings Corporation	15,500	595	718
Guitar Center Inc	26,100	637	1,161
Handleman Company	71,000	1,427	1,644
Hearst-Argyle Television Inc	25,100	593	647
Hollywood Entertainment Corp	72,606	994	970
Hovnanian Enterprises Inc	16,900	555	587
Jack in the Box Inc	46,000	1,060	1,366
JAKKS Pacific Inc	4,800	63	100
Journal Register Company	11,200	225	224
KB Home	41,600	2,203	2,855
Kellwood Company	2,200	91	96
Lancaster Colony Corp	7,100	300	296
Landry's Seafood Restaurants	11,500	334	344
La-Z-Boy Inc	61,300	1,418	1,102
Leapfrog Enterprises Inc	11,300	336	225
Lear Corporation	5,600	248	330
Lee Enterprises Inc	6,400	229	307
Libbey Inc	16,300	419	452
Lin TV Corp	25,300	584	536
Maytag Corporation	99,700	2,538	2,444
Meritage Corporation	13,700	650	943
Michaels Stores Inc	18,000	798	990
Monaco Coach Corp	62,600	1,757	1,763
Movie Gallery Inc	98,100	1,872	1,918
Neiman Marcus Group Inc	5,200	267	289
NVR Inc	5,000	2,339	2,421
Panera Bread Company	9,100	379	326
Papa John's International Inc	21,400	591	632
Payless ShoeSource Inc	40,900	618	610
PF Changs China Bistro Inc	83,900	3,512	3,452
Phillips Van Heusen Corp	36,800	492	708
Pier 1 Imports Inc	11,800	224	209

A - Adjustable rate security.

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See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

Security Name	Shares	Cost	Fair Value*
Polaris Industries Inc	80,900	3,033	3,883
Rare Hospitality International	10,200	212	254
Regal Entertainment Group	65,200	1,149	1,180
Regent Communications Inc	75,600	455	468
Rent-A-Center Inc	22,950	678	687
Royal Caribbean Cruises Ltd	73,100	2,141	3,173
Russell Corporation	39,080	756	702
Ryan's Restaurant Group Inc	92,600	1,508	1,463
Ryland Group Inc	42,400	3,556	3,316
Scholastic Corporation	10,200	317	305
Scripps EW Company	18,000	1,435	1,890
ShopKo Stores Inc	36,645	406	518
Sirius Satellite Radio Inc	75,200	228	232
Sonic Automotive Inc	36,800	843	815
Stage Stores Inc	67,200	2,015	2,531
Standard Pacific Corp	71,095	2,741	3,505
Stanley Works	28,700	1,192	1,308
Superior Industries Intl Inc	29,800	1,035	997
Timberland Company	29,100	1,797	1,880
Toro Company	32,000	1,951	2,242
United Auto Group Inc	9,700	277	297
Visteon Corporation	237,000	2,492	2,766
WCI Communities Inc	77,700	1,632	1,733
Westwood One Inc	139,100	4,196	3,311
Williams Sonoma Inc	107,600	2,992	3,546
Wolverine World Wide Inc	76,300	1,973	2,003
World Wrestling Federation	5,100	69	65
Zale Corporation	77,900	1,722	2,124
		117,875	136,148
<i>Consumer Staples</i>			
American Italian Pasta Co	8,400	260	256
BJ's Wholesale Club Inc	83,900	1,415	2,098
Bunge Limited	5,700	225	222
Chiquita Brands International	22,000	392	460
Coors Adolph Company	64,900	3,593	4,695
Corn Products International	48,300	2,165	2,248
Del Monte Foods Co	263,500	2,414	2,677
DIMON Inc	54,100	378	309
Hain Celestial Group Inc	3,800	82	69
Heidrick & Struggles Int'l Inc	36,800	960	1,092
Hormel Foods Corp	8,200	209	255
Ingram Micro Inc	149,900	2,685	2,169
Interstate Bakeries Corp	12,100	192	131
Loews Corp	16,500	357	405
Nu Skin Enterprises Inc	39,900	402	1,010
Pathmark Stores Inc	61,700	452	470
Performance Food Group Co	84,400	2,915	2,240
Rayovac Corporation	76,200	1,530	2,141
Ruddick Corp	126,500	2,039	2,840
Sensient Technologies Corp	58,800	1,247	1,263

A - Adjustable rate security.

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See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

<u>Security Name</u>	<u>Shares</u>	<u>Cost</u>	<u>Fair Value*</u>
Supervalu Inc	90,300	2,004	2,764
Universal Corporation	31,500	1,363	1,605
Wild Oats Markets Inc	50,650	634	713
		<u>27,913</u>	<u>32,132</u>
<i>Energy</i>			
Amerada Hess Corp	51,400	3,688	4,070
Berry Petroleum Co	25,100	447	738
Cabot Oil & Gas Corporation	23,000	625	973
Chesapeake Energy Corp	326,300	3,028	4,803
Cimarex Energy Co	52,000	1,307	1,572
Denbury Resources Inc	95,000	1,755	1,990
Encore Acquisition Co	21,900	503	611
Forest Oil Corp	41,600	1,092	1,137
Houston Exploration Co	69,600	2,826	3,608
Kerr-McGee Corporation	14,800	704	796
Magnum Hunter Resources Inc	118,100	1,297	1,226
Newfield Exploration Company	76,100	2,952	4,242
Offshore Logistics Inc	20,300	416	571
Oil States International Inc	58,700	734	898
OMI Corp	151,700	950	1,805
Patina Oil & Gas Corporation	4,800	43	143
PetroKazakhstan Inc	32,800	961	893
Pioneer Natural Resources Co	83,700	2,875	2,936
Plains Exploration & Prod Co	42,000	697	771
Pogo Producing Co	11,300	486	558
Premcor Inc	53,400	1,433	2,003
Range Resources Corporation	4,300	53	63
Stone Energy Corporation	33,400	1,263	1,526
Sunoco Inc	27,600	1,112	1,756
Teekay Shipping Corporation	24,000	734	897
Tesoro Petroleum Corporation	95,900	690	2,647
Tidewater Inc	8,400	273	250
Varco International Inc	175,300	3,114	3,837
Veritas DGC Inc	97,400	933	2,255
Vintage Petroleum Inc	24,800	265	421
Whiting Petroleum Corp	15,700	253	395
		<u>37,509</u>	<u>50,391</u>
<i>Financial Services</i>			
1st Source Corp	1,300	30	32
21st Century Insurance Grp	24,800	352	321
Acadia Realty	21,600	178	297
Accredited Home Lenders Hldg	58,700	2,069	1,652
Affiliated Managers Group Inc	38,900	1,931	1,959
Alfa Corp	44,554	600	624
Allmerica Financial Corp	29,800	978	1,007
AMCORE Financial Inc	26,000	625	784
American Capital Strategies	26,500	656	743
American Financial Group	92,500	2,182	2,828
American Nat'l Insurance Co	8,200	760	757
AmerUs Group Company	49,400	1,286	2,045

A - Adjustable rate security.

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*** Denotes assets pledged for initial margin requirements on open futures contracts.*

See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

Security Name	Shares	Cost	Fair Value*
Anchor BanCorp Wisconsin Inc	27,500	703	727
Annaly Mortgage Management Inc	24,000	502	407
Arbor Realty Trust Inc	8,900	177	178
Arch Capital Group Ltd	57,400	2,043	2,289
Associated Banc-Corp	73,200	1,666	2,169
Astoria Financial Corporation	59,500	1,873	2,177
BancFirst Corporation	21,500	1,016	1,285
BancorpSouth Inc	34,400	748	775
Bank of Hawaii Corp	58,100	1,838	2,627
Bay View Capital Corporation	42,900	132	88
BlackRock Inc	4,300	265	274
Boston Private Finl Hldgs Inc	900	23	21
Boston Properties Inc	7,700	357	386
Bristol West Hldgs Inc	52,200	1,146	950
Brookfield Homes Corp	62,600	1,733	1,639
Brookfield Properties Corp	32,500	609	934
CapitalSource Inc	88,600	1,842	2,166
CB Richard Ellis Grp Inc	8,300	158	159
Central Pacific Financial Corp	27,100	499	745
Chelsea Property Group Inc	11,800	390	770
Chemical Financial Corp	30,176	995	1,113
Chittenden Corporation	2,200	68	77
City National Corporation	51,300	2,303	3,370
Clark Inc	13,100	234	243
Colonial BancGroup Inc	160,600	2,359	2,918
Commerce Group Inc	69,400	2,386	3,426
Commercial Capital Bancorp Inc	9,859	120	171
Commercial Federal Corporation	49,115	1,037	1,331
Commercial Net Lease Realty	19,800	342	341
Community Bank System Inc	5,200	100	119
Community First Bankshares Inc	20,020	542	644
Corus Bankshares Inc	24,865	580	1,022
Countrywide Financial Corp	15,999	497	1,124
Delphi Financial Group Inc	32,600	1,183	1,451
Direct General Corp	46,300	1,608	1,493
Doral Financial Corporation	72,300	1,364	2,494
Downey Financial Corporation	25,800	1,100	1,374
East West Bancorp Inc	108,900	2,021	3,343
Edwards AG Inc	74,000	2,613	2,518
Falcon Financial Invest Trust	21,800	203	170
FBL Financial Group Inc	32,860	656	929
Fidelity National Finl Inc	10,257	248	383
First American Financial Corp	95,200	2,604	2,465
First Citizens BancShares Inc	15,850	1,590	1,934
First Commonwealth Financial	6,800	88	88
First Community Bancorp	6,100	166	234
First Federal Capital Corp	26,900	548	749
First Mariner Bancorp	1,000	19	17
First Niagara Finl Grp	8,593	98	103
First Republic Bank	67,400	2,009	2,904

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See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

Security Name	Shares	Cost	Fair Value*
FirstFed Financial Corporation	20,500	693	853
FirstMerit Corp	100,900	2,385	2,661
Flagstar Bancorp Inc	97,700	1,159	1,942
Fremont General Corporation	97,600	1,222	1,723
Friedman Billings Ramsey Group	20,800	376	412
GATX Corp	71,700	1,898	1,950
Gold Banc Corp Inc	10,000	107	155
Great American Finl Resources	45,200	738	719
Greater Bay Bancorp	161,700	4,060	4,673
GreenPoint Financial Corp	9,800	375	389
Hancock Holding Company	29,500	631	857
Hanmi Financial Corporation	2,400	36	71
Hibernia Corp	195,400	3,319	4,748
Hilb Rogal and Hamilton Co	10,800	366	385
HRPT Properties Trust	50,200	504	503
Hudson United Bancorp	52,000	1,904	1,939
Independence Community Bank	72,300	1,633	2,632
Independent Bank Corp	5,000	109	145
IndyMac Bancorp Inc	195,800	4,941	6,187
Infinity Property & Casualty	63,800	1,994	2,105
International Bancshares Corp	1,423	42	58
Investment Technology Grp Inc	42,300	704	541
IPC Holdings Ltd	56,800	1,901	2,098
Irwin Financial Corp	31,100	755	821
iStar Financial Inc	29,900	1,047	1,196
Jones Lang LaSalle Inc	38,700	959	1,049
Knight Trading Group Inc	129,600	1,797	1,299
LandAmerica Financial Grp Inc	69,400	2,800	2,702
LaSalle Hotel Properties	22,100	392	539
LNR Property Corporation	55,800	1,518	3,027
Mack-Cali Realty Corp	11,700	471	484
MAF Bancorp Inc	17,900	701	764
MainSource Financial Grp Inc	1,012	17	21
MBIA Inc	14,800	582	845
Mercury General Corp	8,400	435	417
Metris Companies Inc	118,100	823	1,026
Municipal Mortgage & Equity	32,800	764	765
NBT Bancorp Inc	16,404	362	366
NetBank Inc	56,498	718	618
New Century Financial Corp	40,900	882	1,915
Novastar Financial Inc	4,400	206	167
Nuveen Investments	7,800	211	209
Odyssey Re Holdings Corp	64,100	1,463	1,538
Old Second Bancorp Inc	4,700	191	248
Pacific Continental Corp	2,000	29	31
PFF Bancorp Inc	44,100	1,704	1,642
Platinum Underwriters Hldg Ltd	26,300	841	800
PMI Group Inc	91,500	2,689	3,982
Prentiss Properties Trust	11,400	380	382
Protective Life Corporation	87,100	2,386	3,368

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** Denotes assets pledged for initial margin requirements on open futures contracts.

See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

Security Name	Shares	Cost	Fair Value*
Provident Bankshares Corp	20,400	611	588
Provident Financial Group Inc	59,000	1,555	2,328
Providian Financial Corp	74,600	895	1,094
PS Business Parks Inc	27,700	996	1,115
R&G Financial Corp	38,400	1,196	1,270
Radian Group Inc	17,700	840	848
Raymond James Financial Inc	71,450	1,708	1,890
Reinsurance Group of America	109,395	3,686	4,447
RenaissanceRe Holdings Ltd	35,900	960	1,937
Republic Bancorp Inc	80,370	1,023	1,117
Riggs National Corporation	18,100	262	382
Riverview Bancorp Inc	7,300	149	151
S&T Bancorp Inc	11,200	333	358
Saul Centers Inc	11,300	268	363
Saxon Capital Inc	24,000	434	548
SCBT Financial Corp	3,500	108	106
Scottish Re Group Ltd	23,000	503	535
Seacoast Banking Corp	8,740	89	183
Sky Financial Group Inc	75,237	1,874	1,861
South Financial Group Inc	63,300	1,757	1,796
Southwest Bancorp of Texas Inc	88,100	3,103	3,887
StanCorp Financial Group Inc	13,400	772	898
State Financial Serv Corp	5,800	129	172
Stewart Information Svcs Corp	20,500	550	692
Strategic Hotel Capital Inc	17,200	241	253
Taylor Capital Group Inc	3,600	76	78
Thornburg Mortgage Inc	26,000	771	701
TierOne Corp	53,200	1,159	1,144
Triad Guaranty Inc	16,403	725	955
Trico Bancshares	4,600	57	86
Trustmark Corp	70,000	1,842	2,024
UICI	140,430	1,978	3,344
UMB Financial Corp	9,700	454	501
UnionBanCal Corporation	18,100	724	1,021
United Bankshares Inc	27,339	828	889
United National Grp Ltd	10,700	207	163
Ventas Inc	22,700	388	530
W Holding Company Inc	60,200	974	1,034
Washington Federal Inc	94,170	2,032	2,260
Webster Financial Corporation	126,200	4,722	5,934
WestCorp	31,900	1,287	1,450
WFS Financial Inc	20,500	959	1,015
Wintrust Financial Corp	60,100	2,637	3,036
Zenith National Insurance Corp	38,800	1,205	1,886
		162,335	197,200
<i>Health Care</i>			
Abgenix Inc	24,400	274	286
Accelrys Inc	7,400	153	73
Accredo Health Inc	4,000	148	156
Advanced Medical Optics Inc	58,000	949	2,469

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See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

Security Name	Shares	Cost	Fair Value*
Advisory Board Company	9,000	286	320
Albany Molecular Research Inc	38,000	578	491
Alkermes Inc	11,500	171	156
Alpharma Inc	6,800	132	139
AMN Healthcare Srvc Inc	33,700	451	515
Andrx Corp	10,600	299	296
Apogent Technologies Inc	6,600	188	211
Applera Corp - Celera Genomics	32,000	374	368
Apria Healthcare Group Inc	36,000	1,071	1,033
Ariad Pharmaceuticals Inc	19,400	160	145
Arrow International Inc	7,600	140	227
AtheroGenics Inc	18,300	160	348
Bausch & Lomb Inc	26,200	1,435	1,705
BioMarin Pharmaceutical Inc	32,800	232	197
Celgene Corporation	112,500	3,138	6,442
Cephalon Inc	8,300	382	448
Cerner Corporation	7,200	282	321
Charles River Laboratories	21,700	1,002	1,060
Conmed Corporation	11,000	218	301
Connetics Corporation	9,200	130	186
Covance Inc	15,400	372	594
CV Therapeutics Inc	19,900	459	334
Cytokinetics Inc	4,900	77	73
Cytyc Corporation	160,200	3,259	4,064
DaVita Inc	20,400	529	629
Dendrite International Inc	21,400	303	398
Diagnostic Products Corp	12,800	513	562
Exelixis Inc	28,426	242	287
Express Scripts Inc	2,400	178	190
First Health Group Corporation	45,300	878	707
Haemonetics Corporation	21,600	567	640
Health Net Inc	23,800	595	631
Human Genome Science Inc	23,400	320	272
Humana Inc	79,800	1,296	1,349
IDX Systems Corporation	4,200	66	134
ILEX Oncology Inc	6,200	156	155
Incyte Corp	59,500	451	455
Invacare Corp	4,500	150	201
Invitrogen Corporation	15,400	577	1,109
Kendle International Inc	21,300	247	162
King Pharmaceuticals Inc	11,300	196	129
KOS Pharmaceuticals Inc	3,100	107	102
Kosan Biosciences Inc	19,400	180	153
K-V Pharmaceutical Company	8,225	112	208
LifePoint Hospitals Inc	23,300	759	867
Manor Care Inc	156,800	3,926	5,124
Medicines Company	114,800	3,245	3,503
NDCHealth Corporation	107,400	1,783	2,492
Neurogen Corporation	7,200	129	54
NPS Pharmaceuticals Inc	15,100	420	317

A - Adjustable rate security.

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** Denotes assets pledged for initial margin requirements on open futures contracts.

See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

Security Name	Shares	Cost	Fair Value*
Omnicare Inc	96,700	4,106	4,140
OSI Pharmaceuticals Inc	46,000	2,851	3,240
Owens & Minor Inc	47,000	1,032	1,217
PacifiCare Health Systems Inc	135,500	4,463	5,238
Perrigo Company	37,000	421	702
Per-Se Technologies Inc	18,300	200	266
Pharmacopeia Drug Discovery	11,300	80	65
Province Healthcare Company	2,900	47	50
PSS World Medical Inc	92,400	916	1,035
QLT PhotoTherapeutics Inc	78,100	1,357	1,565
Regeneron Pharmaceuticals Inc	17,500	295	184
Respironics Inc	14,800	612	870
Santarus Inc	151,800	1,832	2,239
Seattle Genetics Inc	4,700	39	33
Sierra Health Services Inc	41,000	1,305	1,833
Sola International Inc	38,400	595	662
Sunrise Assisted Living Inc	1,300	31	51
Symbion Inc	6,700	123	117
Telik Inc	10,331	139	247
Transkaryotic Therapies Inc	12,200	158	183
Triad Hospitals Inc	79,300	2,650	2,952
TriZetto Group Inc	13,600	127	91
Universal Health Services Inc	27,400	1,210	1,257
US Oncology Inc	72,900	574	1,073
VCA Antech Inc	4,200	175	188
Vertex Pharmaceuticals Inc	11,000	177	119
VISX Incorporated	40,100	583	1,071
Zoll Medical Corporation	13,800	433	484
ZymoGenetics Inc	20,700	372	393
		61,348	75,353
<i>Technology</i>			
Activision Inc	121,700	1,574	1,935
ADTRAN Inc	16,900	550	564
Alliance Data Systems Corp	117,700	3,528	4,973
Amphenol Corp	23,100	562	770
Andrew Corporation	10,800	196	216
Anixter International Inc	38,600	1,192	1,314
Arrow Electronics Inc	93,400	2,432	2,505
Ascential Software Corp	157,200	3,182	2,514
Aspect Communications Corp	11,900	200	169
Asyst Technologies Inc	43,300	402	448
Atheros Communications	20,500	323	216
Atmel Corporation	58,900	396	349
ATMI Inc	109,700	2,889	2,996
Autodesk Inc	52,300	1,225	2,239
Avnet Inc	141,400	1,965	3,210
BEA Systems Inc	27,100	215	223
Benchmark Electronics Inc	6,900	158	201
BISYS Group Inc	76,800	1,019	1,080
Black Box Corporation	39,400	1,594	1,862

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See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

Security Name	Shares	Cost	Fair Value*
Celestica Inc	50,800	958	1,013
CheckFree Corporation	80,600	1,914	2,418
Checkpoint Systems Inc	10,600	159	190
Citrix Systems Inc	14,900	332	303
CommScope Inc	78,700	1,269	1,688
Concur Technologies	255,900	2,555	2,738
Convergys Corp	163,500	2,435	2,518
Credence Systems Corporation	79,900	1,034	1,103
Cree Inc	15,500	347	359
CSG Systems International Inc	3,800	54	79
DST Systems Inc	10,200	467	491
EarthLink Inc	101,600	983	1,052
Electronics for Imaging Inc	6,400	164	181
Embarcadero Technologies Inc	12,400	156	153
Fairchild Semiconductor Corp	17,600	209	288
FormFactor Inc	43,700	845	981
Foundry Networks Inc	10,900	218	153
Gartner Group Inc	120,900	1,353	1,598
Harris Corporation	7,600	384	386
Hutchinson Technology Inc	46,500	1,301	1,143
Hyperion Solutions Corporation	13,500	310	590
InFocus Corp	115,500	1,230	982
InterDigital Communications	10,800	266	203
International Rectifier Corp	3,700	152	153
Macromedia Inc	18,600	392	457
ManTech International Corp	18,900	497	355
Maximus Inc	14,300	437	507
Maxtor Corporation	200,900	1,430	1,332
MedQuist Inc	6,260	102	71
MEMC Electronic Materials Inc	75,600	696	747
Micrel Inc	42,400	481	515
National Semiconductor Corp	37,400	321	822
NCR Corporation	6,400	300	317
NVIDIA Corporation	163,100	3,547	3,339
ON Semiconductor Corp	170,300	675	855
Paxar Corporation	24,100	236	470
Perot Systems Corporation	13,000	145	173
Plantronics Inc	30,600	711	1,288
Polycom Inc	54,200	1,027	1,215
Power Integrations Inc	75,900	1,405	1,890
Quest Software Inc	67,100	820	866
Red Hat Inc	40,000	246	919
Reynolds and Reynolds Company	4,900	143	113
Roper Industries Inc	77,300	3,873	4,398
RSA Security Inc	155,200	2,037	3,177
S1 Corporation	24,700	198	246
SanDisk Corporation	9,800	392	213
Scientific-Atlanta Inc	19,700	665	680
Semtech Corporation	175,900	2,907	4,141
SERENA Software Inc	32,600	690	622

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See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

Security Name	Shares	Cost	Fair Value*
Sierra Wireless Inc	19,700	454	729
Silicon Laboratories Inc	3,300	176	153
Silicon Storage Technology	71,600	978	737
Siliconix Inc	13,400	620	665
Skyworks Solutions Inc	27,000	237	236
SRA International Inc	104,800	3,198	4,435
Storage Technology Corp	10,400	233	302
Synopsys Inc	17,900	525	509
Tektronix Inc	11,000	345	374
Thermo Electron Corporation	168,800	3,393	5,189
THQ Inc	58,500	1,218	1,340
Transaction Systems Architects	133,600	2,362	2,876
United Online Inc	20,100	335	354
Varian Semiconductor Equipment	97,700	2,580	3,767
WebMethods Inc	44,200	366	379
Western Digital Corp	255,000	2,874	2,208
		86,964	102,528
<i>Utilities</i>			
AGL Resources Inc	81,900	2,151	2,379
Alliant Energy Corp	130,800	2,716	3,411
Atmos Energy Corp	68,900	1,722	1,764
Avista Corporation	71,000	906	1,308
Black Hills Corporation	40,900	1,258	1,288
CenterPoint Energy Inc	29,600	270	340
Cleco Corporation	92,600	1,640	1,665
Dobson Communications Corp	47,600	167	155
DPL Inc	175,200	2,875	3,402
Duquesne Light Holdings Inc	91,000	1,397	1,757
El Paso Electric Company	65,400	781	1,010
Energen Corporation	22,600	971	1,085
Energy East Corporation	52,500	1,273	1,273
Equitable Resources Inc	17,400	719	900
Great Plains Energy Inc	115,700	3,414	3,436
Hawaiian Electric Inds Inc	91,200	2,069	2,380
IDACORP Inc	71,300	1,845	1,925
MDU Resources Group Inc	130,600	3,044	3,138
National Fuel Gas Company	149,200	3,990	3,730
New Jersey Resources Corp	9,100	350	378
NICOR Inc	52,800	1,962	1,794
Northeast Utilities	293,900	5,163	5,722
Northwest Natural Gas Co	6,800	199	207
NSTAR	71,400	3,351	3,419
NUI Corp	38,300	626	559
OGE Energy Corp	119,500	2,609	3,044
ONEOK Inc	128,400	2,598	2,824
Peoples Energy Corporation	44,600	1,954	1,880
PEPCO Holdings	89,300	1,645	1,632
PNM Resources	176,550	3,160	3,667
Reliant Resources Inc	97,700	649	1,058
SCANA Corporation	43,300	1,554	1,575

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See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

<u>Security Name</u>		<u>Shares</u>	<u>Cost</u>	<u>Fair Value*</u>
Sierra Pacific Resources		115,467	1,023	890
South Jersey Industries Inc		8,400	331	370
Southwest Gas Corporation		1,200	27	29
Texas Genco Holdings Inc		51,000	1,574	2,300
UGI Corporation		38,400	1,201	1,233
Unisource Energy Corporation		48,900	1,221	1,215
Vectren Corp		56,200	1,345	1,410
Westar Energy Inc		17,900	357	356
WGL Holdings Inc		68,100	1,897	1,956
WPS Resources Corp		21,600	877	1,001
			<u>68,881</u>	<u>74,865</u>
Total Equities	98.2%		688,760	828,041
Short-term Issues				
Dreyfus Institutional Government Money Market Fund		15,039,019	15,039	15,039
United States Treasury Bill **		125	125	125
Total Short-term Issues	1.8%		<u>15,164</u>	<u>15,164</u>
Total Non-Large Cap Domestic			<u>\$ 703,924</u>	<u>\$ 843,205</u>
International Qualified				
Commingled Equity Pools				
Silchester International Investors' Value Equity Group Trust		8,762,536	\$ 156,480	\$ 305,149
Total Commingled Equity Pools	100.0%		<u>156,480</u>	<u>305,149</u>
Total International Qualified			<u>\$ 156,480</u>	<u>\$ 305,149</u>
International Nonqualified				
Commingled Equity Pools				
Silchester International Investors' Value Equity Trust		671,846	\$ 12,284	\$ 24,833
Total Commingled Equity Pools	100.0%		<u>12,284</u>	<u>24,833</u>
Total International Nonqualified			<u>\$ 12,284</u>	<u>\$ 24,833</u>
International Equity				
Commingled Equity Pools				
Capital International Inc Emerging Markets Growth Fund		2,352,328	\$ 135,221	\$ 139,611
Total Commingled Equity Pools	20.5%		135,221	139,611

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See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

Security Name	Shares	Cost	Fair Value*
<i>Equities</i>			
<i>Australia</i>			
Ancor Limited	385,337	2,187	1,871
<i>Belgium</i>			
Umicore	66,729	3,896	4,201
<i>Canada</i>			
Talisman Energy Inc	566,100	7,857	12,287
<i>China - Shanghai</i>			
China Telecom Corp Ltd	2,760,000	815	964
<i>Finland</i>			
TietoEnator Oyj	57,580	1,697	1,748
UPM-Kymmene Oyj	148,100	2,745	2,818
		4,442	4,566
<i>France</i>			
Atos Origin	104,654	6,406	6,723
Aventis	81,161	6,080	6,127
Bouygues SA	176,700	6,159	5,916
Credit Agricole SA	135,657	2,394	3,301
European Aeronautic Defence	112,901	2,904	3,143
Groupe Danone	29,196	2,461	2,547
JC Decaux SA	79,200	1,681	1,695
Lagardere SCA	80,955	4,914	5,058
Sanofi-Synthelabo SA	65,960	4,434	4,181
Societe Television Francaise 1	170,700	5,497	5,377
Technip	18,030	2,235	2,446
Vivendi Universal	172,911	3,968	4,796
		49,133	51,310
<i>Germany</i>			
Bayerische Motoren Werke AG	133,967	5,843	5,928
Deutsche Post AG	154,856	3,272	3,339
Deutsche Telekom AG	434,233	6,767	7,629
Fresenius AG	103,310	6,466	7,841
Heidelberger Druckmaschinen AG	66,100	2,085	2,187
Man AG	192,400	6,969	7,018
Muenchener Rueckversicherungs	82,680	7,985	8,963
Porsche AG	5,407	3,288	3,618
SAP AG	23,200	3,611	3,867
Siemens AG	121,507	7,311	8,744
United Internet AG	102,027	2,390	2,849
		55,987	61,983
<i>Hong Kong</i>			
China Resources Enterprise Ltd	734,000	1,018	889
Henderson Land Development Co	333,000	1,592	1,434
PCCW Ltd	1,525,000	1,098	1,036
		3,708	3,359

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See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

Security Name	Shares	Cost	Fair Value*
<i>Italy</i>			
Capitalia SpA	1,348,441	3,959	4,216
ENI SpA	162,800	3,233	3,233
Saipem	186,718	1,348	1,699
		<u>8,540</u>	<u>9,148</u>
<i>Japan</i>			
Aeon Co Ltd	41,000	1,817	1,646
Ajinomoto Co Inc	236,000	2,856	2,842
Bandai Co Ltd	5,100	138	139
Bank of Yokohama Ltd	520,000	2,650	3,250
Bridgestone Corporation	122,000	1,743	2,292
Citizen Watch Co Ltd	49,000	548	555
Credit Saison Co Ltd	71,600	2,099	2,152
Daikan Industries Ltd	11,000	279	295
Daiwa House Industry Co Ltd	270,000	3,298	3,133
DDI Corporation	284	1,677	1,624
Fast Retailing Co Ltd	75,900	4,088	6,142
Fuji Television Network Inc	1,300	3,319	2,979
Goodwill Group Inc	1,362	3,374	3,545
HIS Co Ltd	8,500	258	259
Isetan Company Ltd	239,000	3,604	3,441
Itochu Corp	607,000	2,862	2,726
JGC Corporation	59,000	546	568
Kajima Corp	390,000	1,427	1,448
Keyence Corporation	1,200	289	274
Lawson Inc	13,700	548	565
Marui Company Ltd	272,000	3,753	3,664
Millea Holdings Inc	240	3,467	3,563
Mitsubishi Tokyo Finl Grp Inc	805	6,058	7,451
Mitsui & Company Ltd	526,000	3,942	3,938
Mitsui Fudosan Co Ltd	325,000	3,837	3,896
Mitsui Trust Hldgs Inc	316,000	2,041	2,317
Mizuho Financial Grp Inc	2,397	7,709	10,874
Nippon Electric Glass Co Ltd	253,000	4,314	5,310
Nomura Research Institute Ltd	1,400	145	149
Orix Corporation	30,600	3,323	3,505
Promise Company Ltd	55,850	3,775	3,726
Rakuten Inc	269	2,088	2,054
ResortTrust Inc	6,400	181	183
Secom Co Ltd	219,000	8,067	9,293
Sekisui Chemical Co Ltd	1,303,900	7,024	11,006
Shohkoh Fund & Co Ltd	25,430	4,647	5,104
Sumitomo Mitsui Financial Grp	726	3,764	4,977
Sumitomo Realty & Development	690,000	6,656	8,550
Sumitomo Trust & Banking Co	1,405,000	8,307	10,005
T&D Holdings Inc	41,750	1,728	2,085
Takashimaya Co LTD	373,200	3,490	4,316
Tokyu Corporation	368,000	1,922	1,885

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See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

Security Name	Shares	Cost	Fair Value*
Tostem Corporation	87,000	1,715	1,878
UFJ Holdings Inc	1,143	5,940	5,049
West Japan Railway Company	905	3,589	3,649
		138,902	158,302
<i>Korea</i>			
Hyundai Motor Co Ltd	30,050	1,077	1,156
Kookmin Bank	93,760	2,739	2,913
Samsung Electronics	26,101	12,001	10,775
Samsung Fire & Marine Ins Co	16,990	1,092	1,087
Samsung Securities Co Ltd	51,747	1,245	849
		18,154	16,780
<i>Malaysia</i>			
Commerce Asset Hldg Berhad	891,000	1,081	1,140
IOI Corp Berhad	369,400	884	792
		1,965	1,932
<i>Netherlands</i>			
IHC Caland NV	33,586	1,690	1,562
Koninklijke Philips Electronic	432,666	10,726	11,649
		12,416	13,211
<i>Norway</i>			
Statoil ASA	216,000	2,919	2,742
<i>Portugal</i>			
PT Multimedia Servicos	74,335	1,652	1,628
<i>Singapore</i>			
CapitaCommercial Trust	185,562	69	116
Capitaland Ltd	1,099,000	1,047	874
DBS Group Holdings Ltd	260,000	2,320	2,174
Singapore Press Holdings Ltd	665,975	1,935	1,608
Venture Corp Ltd	125,000	1,547	1,306
		6,918	6,078
<i>Spain</i>			
Antena 3 de Television SA	37,700	1,897	1,995
Repsol SA	127,206	2,776	2,786
		4,673	4,781
<i>Sweden</i>			
Hennes & Mauritz AB	106,100	2,730	2,739
Telefonaktiebolaget LM	2,815,500	7,873	8,297
		10,603	11,036
<i>Switzerland</i>			
Actelion Ltd	26,000	2,722	2,989
Credit Suisse Group	232,529	5,370	8,262
Holcim Ltd	49,562	2,574	2,695
Serono SA	8,045	4,713	5,068
Swiss Re	52,203	3,406	3,391
Syngenta AG	94,500	6,554	7,923
UBS AG	96,622	4,592	6,808
Xstrata PLC	215,159	1,971	2,876
Zurich Financial Services AG	21,204	1,929	3,348
		33,831	43,360

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See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

Security Name	Shares	Cost	Fair Value*
<i>Taiwan</i>			
D-Link Corp	632,000	792	738
First Financial Hldg Co Ltd	3,905,000	3,067	2,832
		3,859	3,570
<i>Thailand</i>			
Kasikornbank PCL	758,500	932	965
Kasikornbank Public Co Ltd	766,800	930	947
Siam Cement Public Co Ltd	305,500	1,835	1,734
		3,697	3,646
<i>United Kingdom</i>			
Abbey National PLC	537,658	4,255	5,004
BOC Group PLC	316,559	4,484	5,299
British Airways PLC	860,434	4,390	4,299
British American Tobacco PLC	339,372	5,159	5,259
British Sky Broadcasting Gp PLC	881,800	10,083	9,947
Cadbury Schweppes PLC	690,500	5,618	5,957
Carnival PLC	83,447	3,109	4,053
Diageo PLC	120,185	1,639	1,621
Enterprise Inns PLC	908,100	8,503	9,469
HBOS	751,054	8,445	9,296
InterContinental Hotels Group	377,664	3,582	3,990
ITV PLC	2,006,451	3,527	4,203
mm02 PLC	2,913,805	2,573	4,901
Rolls Royce Grp PLC	862,195	3,707	3,936
Royal Bank of Scotland Group	85,600	2,593	2,465
Standard Chartered PLC	375,818	4,994	6,120
Tesco PLC	3,350,266	14,615	16,177
United Business Media PLC	304,100	2,690	2,796
Willis Group Holdings Ltd	106,800	3,365	4,000
WPP Group PLC	435,700	4,385	4,425
		101,716	113,217
Total Equities	77.8%	477,870	529,972
<i>Short-term Issues</i>			
Dreyfus Institutional Government Money Market Fund	11,731,568	11,732	11,732
Total Short-term Issues	1.7%	11,732	11,732
Total International Equity		<u>\$ 624,823</u>	<u>\$ 681,315</u>

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See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

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(Dollars in thousands, except Share Data)

Security Name	Coupon	Yield	Maturity	Par Value or Shares	Amortized Cost	Fair Value*
FIXED INCOME SECURITIES						
Short-Term Fixed Income						
<i>U. S. Government Agency Bonds</i>						
Federal Home Loan Bank	6.250 %	1.329 %	08/13/2004	\$ 1,025	\$ 1,031	\$ 1,031
Federal Home Loan Bank	4.625	1.331	08/13/2004	1,400	1,405	1,406
Federal Home Loan Bank	1.250	1.325	08/13/2004	400	400	400
Federal National Mortgage Assn	1.219 A	1.221	02/14/2005	2,500	2,500	2,499
Federal Home Loan Bank	1.400	1.414	04/15/2005	1,000	1,000	995
Federal National Mortgage Assn	1.550	1.550	05/04/2005	2,000	2,000	1,994
Total U. S. Government Agency Bonds	5.7%				8,336	8,325
<i>Corporate Bonds</i>						
Abbott Laboratories	5.125	1.297	07/01/2004	1,000	1,000	1,000
Commercial Credit Company	7.875	1.152	07/15/2004	600	602	601
Wells Fargo Company	6.625	1.099	07/15/2004	2,685	2,691	2,688
Commercial Credit Company	6.500	1.185	08/01/2004	225	226	226
3M Company	4.250	1.209	09/01/2004	375	377	376
Heller Financial Inc	7.125	1.184	09/28/2004	150	152	152
Amoco BP Co North America	6.250	1.322	10/15/2004	2,500	2,535	2,530
duPont EI de Nemours Co	6.750	1.197	10/15/2004	1,018	1,034	1,032
Pfizer Inc	3.625	1.209	11/01/2004	1,201	1,211	1,209
Proctor & Gamble Company	6.600	1.237	12/15/2004	360	369	368
Associates Corp NA	6.100	1.978	01/15/2005	1,000	1,022	1,022
Salomon Smith Barney Holdings	6.250	1.295	01/15/2005	450	462	460
Total Corporate Bonds	7.9%				11,681	11,664
<i>Short-term Issues</i>						
Fairway Finance Corp	0.000	1.521	07/01/2004	5,000	5,000	5,000
Goldman Sachs Repurchase Agreement	1.450	1.450	07/01/2004	20,000	20,000	20,000
Rabobank USA Fin Corp	0.000	1.419	07/01/2004	5,000	5,000	5,000
UBS Finance (DE) LLC	0.000	1.440	07/01/2004	5,000	5,000	5,000
Old Line Funding Corp	0.000	1.096	07/07/2004	2,500	2,500	2,500
Westpac Capital Corp	0.000	1.117	07/07/2004	2,200	2,200	2,200
Sheffield Receivables	0.000	1.116	07/08/2004	2,500	2,499	2,499
United States Treasury Bill	0.000	0.938	07/08/2004	5,500	5,499	5,499
Amsterdam Funding Corp	0.000	1.127	07/12/2004	2,500	2,499	2,499
Bavaria Universal Funding	0.000	1.248	07/14/2004	1,500	1,499	1,499
United States Treasury Bill	0.000	1.101	07/15/2004	2,000	1,999	1,999
Windmill Funding Corporation	0.000	1.218	07/15/2004	2,500	2,499	2,499
Paradigm Funding LLC	0.000	1.127	07/16/2004	2,500	2,499	2,499
Atlantis One Funding	0.000	1.138	07/19/2004	475	475	475
Nordea NA Inc	0.000	1.138	07/19/2004	977	976	976
Fairway Finance Corp	0.000	1.128	07/26/2004	1,546	1,545	1,545
Morgan Stanley Dean Witter	0.000	1.269	07/26/2004	2,500	2,498	2,498
United States Treasury Bill	0.000	1.076	07/29/2004	12,000	11,990	11,990
United States Treasury Bill	0.000	1.132	08/05/2004	2,000	1,998	1,998

A - Adjustable rate security.

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** Denotes assets pledged for initial margin requirements on open futures contracts.

See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

<u>Security Name</u>	<u>Coupon</u>	<u>Yield</u>	<u>Maturity</u>	<u>Par Value or Shares</u>	<u>Amortized Cost</u>	<u>Fair Value*</u>
Galaxy Funding Inc	0.000	1.241	08/18/2004	1,500	1,497	1,497
Mane Funding Corp	0.000	1.271	08/23/2004	2,000	1,996	1,996
Federal National Mortgage Assn	0.000	1.445	09/15/2004	530	528	528
Greyhawk Funding LLC	0.000	1.547	09/20/2004	1,500	1,495	1,495
One Group Institutional Prime Money Market Fund		1.233		43,351,112	43,351	43,351
Total Short-Term Issues	86.4%				127,042	127,042
Total Short-Term Fixed Income					<u>\$ 147,059</u>	<u>\$ 147,031</u>
Dedicated Fixed Income						
<i>U. S. Treasury Issues</i>						
United States Treasury Note	2.125 %	1.096 %	08/31/2004	\$ 54,969	\$ 55,062	\$ 55,073
United States Treasury Note	1.875	1.127	09/30/2004	7,790	7,804	7,802
United States Treasury Note	2.000	1.209	11/30/2004	56,305	56,489	56,412
United States Treasury Note	1.500	1.333	02/28/2005	5,551	5,557	5,540
United States Treasury Note	1.250	1.417	05/31/2005	31,866	31,818	31,647
United States Treasury Note	5.750	1.585	11/15/2005	44,712	47,230	46,766
United States Treasury Note	5.625	1.884	02/15/2006	48,436	51,320	50,873
United States Treasury Note	2.000	2.024	05/15/2006	1,393	1,392	1,377
Total U. S. Treasury Issues	30.9%				256,672	255,490
<i>U. S. Government Agency Bonds</i>						
Federal Home Loan Bank	3.875	1.335	12/15/2004	7,750	7,839	7,826
Federal Home Loan Mort Corp	3.875	1.467	02/15/2005	25,000	25,372	25,304
Federal National Mortgage Assn	7.125	1.452	02/15/2005	25,000	25,877	25,814
Federal National Mortgage Assn	3.875	1.460	03/15/2005	7,863	7,996	7,969
Federal Home Loan Mort Corp	1.750	1.551	05/15/2005	25,000	25,043	24,915
Federal Home Loan Mort Corp	4.250	1.603	06/15/2005	11,560	11,849	11,779
Federal National Mortgage Assn	5.750	1.593	06/15/2005	2,554	2,654	2,641
Federal Home Loan Mort Corp	7.000	1.611	07/15/2005	19,390	20,462	20,327
Federal National Mortgage Assn	7.000	1.650	07/15/2005	25,000	26,371	26,207
Federal Home Loan Bank	3.250	1.627	08/15/2005	25,000	25,450	25,251
Federal Home Loan Mort Corp	2.875	1.694	09/15/2005	14,228	14,428	14,304
Federal National Mortgage Assn	2.875	1.744	10/15/2005	25,000	25,359	25,137
Federal Home Loan Bank	2.500	2.003	12/15/2005	25,000	25,177	24,954
Federal Home Loan Bank	2.500	2.203	03/15/2006	25,000	25,124	24,883
Federal Home Loan Mort Corp	2.375	2.263	04/15/2006	12,703	12,728	12,598
Federal Home Loan Bank	2.250	2.340	05/15/2006	25,000	24,959	24,697
Federal National Mortgage Assn	2.250	2.269	05/15/2006	20,701	20,694	20,453
Total U. S. Government Agency Bonds	39.4%				327,382	325,059

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See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

Security Name	Coupon	Yield	Maturity	Par Value or Shares	Amortized Cost	Fair Value*
Short-term Issues						
One Group Institutional Prime Money Market Fund		1.233		245,337,111	245,337	245,337
Total Short-Term Issues	29.7%				245,337	245,337
Total Dedicated Fixed Income					\$ 829,391	\$ 825,886
Fixed Income						
Commingled Fixed Income Pools						
Western Asset Strategic EMD LLC				6,855,835	\$ 91,959	\$ 101,610
Western Asset High Yield Fund				13,579,004	139,049	138,370
Total Commingled Fixed Income Pools	19.3%				231,008	239,980
U. S. Treasury Issues						
United States Treasury Note	3.875 %	3.723 %	05/15/2009	\$ 42,540	\$ 42,825	\$ 42,697
United States Treasury Note	4.000	4.022	06/15/2009	31,400	31,370	31,673
United States Treasury Note	4.250	4.671	11/15/2013	6,060	5,868	5,901
United States Treasury Inflation Protection Bond	2.000	1.717	01/15/2014	24,162	24,479	24,027
United States Treasury Bond	8.000	4.801	11/15/2021	26,010	35,738	34,098
United States Treasury Strip - Prin	0.000	5.781	02/15/2023	11,600	4,014	4,087
United States Treasury Bond	6.250	5.465	08/15/2023	8,630	9,427	9,560
United States Treasury Strip - Prin	0.000	5.047	11/15/2026	1,740	570	493
United States Treasury Strip - Prin	0.000	5.625	08/15/2027	1,740	482	473
United States Treasury Inflation Protection Bond	3.625	2.884	04/15/2028	48,582	54,731	59,285
United States Treasury Bond	6.250	4.884	05/15/2030	19,880	23,836	22,266
United States Treasury Bond	5.375	5.177	02/15/2031	17,645	18,140	17,799
Total U. S. Treasury Issues	20.3%				251,480	252,359
U. S. Government Agency Issues						
U. S. Government Agency Bonds						
Federal Home Loan Bank	2.750	2.796	05/15/2006	3,020	3,017	3,007
Federal Home Loan Bank	1.875	2.119	06/15/2006	1,910	1,901	1,871
Federal Home Loan Bank	3.500	3.403	11/15/2007	3,010	3,019	3,007
Student Loan Marketing Assn	3.410 A	3.410	04/01/2009	4,150	4,150	4,070
Federal Home Loan Mort Corp	3.375	3.463	04/15/2009	3,580	3,566	3,452
Federal National Mortgage Assn	6.125	4.413	03/15/2012	1,200	1,333	1,295
Federal Home Loan Bank	5.250	5.328	06/18/2014	1,510	1,501	1,517
Federal National Mortgage Assn	2.800	2.808	03/01/2019	2,100	2,098	2,081
Federal National Mortgage Assn	3.000	3.000	04/26/2019	6,040	6,040	5,986
Government Natl Mortgage Assn	1.680 A	1.677	08/20/2031	463	463	464
Total U.S. Government Agency Bonds					27,088	26,750

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See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

Security Name	Coupon	Yield	Maturity	Par Value or Shares	Amortized Cost	Fair Value*
U. S. Government Agency Mortgage Backed Issues						
FHLMC Mortgage Pools	5.890	4.346	01/07/2033	63,974	64,310	64,242
FNMA Mortgage Pools	6.185	2.769	10/16/2024	70,655	73,887	73,436
GNMA Mortgage Pools	5.818	3.851	11/10/2032	171,556	173,572	173,622
Total U. S. Government Agency Mortgage Backed Issues					311,769	311,300
U. S. Government Agency CMOs						
Federal Home Loan Mort Corp	7.000	7.079	01/25/2021	695	693	714
Total U. S. Government Agency CMOs					693	714
Total U. S. Government Agency Issues					339,550	338,764
<i>Corporate Issues</i>						
U. S. Corporate Bonds						
Korea Deposit Insurance	2.500	2.299	12/11/2005	1,800	1,805	1,989
British Telecom PLC	7.875	7.913	12/15/2005	5,000	4,997	5,346
Toyota Motor Credit Corp	2.800	2.800	01/18/2006	2,310	2,310	2,314
Countrywide Home Loan	1.400 A	1.400	02/17/2006	2,230	2,230	2,230
Republic of Italy	2.500	2.576	03/31/2006	1,990	1,987	1,978
Pacific Gas & Electric Corp	1.879 A	1.879	04/03/2006	1,150	1,150	1,151
SBC Communications Inc	5.750	2.684	05/02/2006	1,810	1,909	1,894
Tyco International Group SA	5.800	9.726	08/01/2006	1,125	1,043	1,173
Sprint Capital Corp	4.780 A	3.984	08/17/2006	2,990	3,040	3,048
Liberty Media Corp	3.020 A	2.882	09/17/2006	5,970	5,989	6,081
FirstEnergy Corp	5.500	3.875	11/15/2006	1,770	1,835	1,831
Bank Of America Corp	5.250	5.173	02/01/2007	1,900	1,904	1,982
Household Finance Corporation	7.875	6.422	03/01/2007	2,700	2,795	2,983
Comcast Cable Communication	8.375	4.600	05/01/2007	2,000	2,198	2,235
Kraft Foods Inc	5.250	3.349	06/01/2007	3,000	3,157	3,120
Merrill Lynch & Company Inc	3.375	3.386	09/14/2007	1,505	1,504	1,490
ChevronTexaco Capital Co	3.500	3.721	09/17/2007	1,000	993	999
CIT Group Holdings	5.750	5.763	09/25/2007	2,400	2,399	2,529
General Motors Acceptance Corp	4.375	4.415	12/10/2007	610	609	601
Kredit Fuer Wiederaufbau	3.375	3.385	01/23/2008	5,330	5,328	5,293
Dominion Resources Inc	4.125	4.153	02/15/2008	280	280	280
US Bancorp	3.125	3.167	03/15/2008	1,620	1,618	1,576
Diageo Capital PLC	3.375	3.540	03/20/2008	3,280	3,261	3,212
Dryden Investor Trust	7.157	6.704	07/23/2008	791	799	841
Niagra Mohawk Power Corp	7.750	4.736	10/01/2008	2,600	2,898	2,927
General Motors Nova Fin	6.850	6.889	10/15/2008	4,710	4,703	4,938
Tyco International Group SA	6.125	10.558	11/01/2008	160	136	170
Sprint Capital Corp	6.125	8.326	11/15/2008	2,220	2,044	2,333
Waste Management Inc	6.500	5.357	11/15/2008	1,468	1,533	1,587
Ford Motor Credit Company	5.800	7.381	01/12/2009	200	188	202
First Chicago	6.375	6.162	01/30/2009	700	706	756
Chase Manhattan Corporation	6.000	5.627	02/15/2009	310	315	329
Bank One Corp	6.000	6.131	02/17/2009	1,200	1,194	1,275
Atlantic Richfield Co	5.900	4.235	04/15/2009	1,345	1,441	1,444

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See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

Security Name	Coupon	Yield	Maturity	Par Value or Shares	Amortized Cost	Fair Value*
DTE Energy Company	6.650	4.300	04/15/2009	3,000	3,302	3,203
RJR Nabisco Inc	7.875	8.036	05/15/2009	10,600	10,532	10,706
Caterpillar Fin Serv Crp	4.500	4.559	06/15/2009	1,265	1,262	1,271
Electronic Data Systems	7.125	6.127	10/15/2009	2,690	2,810	2,815
Ford Motor Credit Company	7.375	7.516	10/28/2009	370	368	395
Dominion Resources Inc	5.125	5.202	12/15/2009	900	897	911
Southern Natural Gas Co	8.875	6.489	03/15/2010	510	567	557
Ford Motor Credit Company	7.875	7.524	06/15/2010	4,490	4,560	4,886
Household Finance Corporation	8.000	6.765	07/15/2010	2,130	2,259	2,471
Calpine Corp	8.625	13.561	08/15/2010	180	144	117
JP Morgan Chase & Co	4.500	4.539	11/15/2010	2,200	2,195	2,141
Raytheon Company	6.000	5.004	12/15/2010	70	74	74
United Mexican States	8.375	6.891	01/14/2011	9,310	10,016	10,520
Union Pacific Corp	6.650	5.135	01/15/2011	1,530	1,657	1,671
Ford Motor Credit Company	7.375	7.594	02/01/2011	715	707	754
Calpine Corp	8.500	13.848	02/15/2011	150	116	98
Wal-Mart Stores	4.125	4.195	02/15/2011	3,340	3,327	3,224
Anadarko Finance Co	6.750	5.169	05/01/2011	4,500	4,905	4,949
Sonat Inc	7.625	7.444	07/15/2011	2,730	2,757	2,437
Sara Lee Corp	6.250	4.890	09/15/2011	860	930	930
Devon Financing Corp ULC	6.875	4.971	09/30/2011	460	513	501
Bristol-Myers Squibb Company	5.750	5.691	10/01/2011	2,560	2,569	2,668
Household Finance Corporation	6.375	5.707	10/15/2011	120	125	128
Tyco International Group SA	6.375	8.603	10/15/2011	2,690	2,368	2,788
Bank One Corporation	5.900	6.087	11/15/2011	3,235	3,199	3,362
FirstEnergy Corp	6.450	6.602	11/15/2011	280	278	290
DaimlerChrysler NA Holdings	7.300	6.090	01/15/2012	3,100	3,324	3,383
Goldman Sachs Group Inc	6.600	6.556	01/15/2012	2,710	2,717	2,916
Lehman Brothers Holdings	6.625	5.436	01/18/2012	3,480	3,733	3,779
Boeing Capital Corp	6.500	5.117	02/15/2012	340	369	366
Dynegy Holdings Inc	8.750	8.605	02/15/2012	2,080	2,096	1,976
Citigroup Inc	6.000	5.995	02/21/2012	900	900	954
Target Corp	5.875	5.183	03/01/2012	2,500	2,608	2,643
Commonwealth Edison	6.150	4.735	03/15/2012	2,000	2,181	2,136
JP Morgan Chase & Co	6.625	6.670	03/15/2012	1,540	1,536	1,665
Weyerhaeuser Company	6.750	6.840	03/15/2012	970	965	1,050
MeadWestvaco Corp	6.850	6.237	04/01/2012	1,060	1,099	1,134
Morgan Stanley Dean Witter Co	6.600	5.476	04/01/2012	3,615	3,869	3,894
Apache Corporation	6.250	4.583	04/15/2012	2,140	2,371	2,328
Bank Of America Corp	6.250	6.282	04/15/2012	1,560	1,557	1,664
Union Pacific Corp	6.500	5.180	04/15/2012	1,210	1,311	1,303
XTO Energy Inc	7.500	4.796	04/15/2012	1,115	1,309	1,258
AT&T Corp Wireless Services	8.125	5.710	05/01/2012	480	552	555
Household Finance Corporation	7.000	5.660	05/15/2012	20	22	22
Verizon Global Funding Corp	6.875	4.979	06/15/2012	90	101	98
Viacom Inc	5.625	5.645	08/15/2012	1,500	1,498	1,532
Citigroup Inc	5.625	4.981	08/27/2012	5,850	6,099	6,014
Seariver Maritime Inc	0.000	3.908	09/01/2012	3,180	2,318	2,101
Verizon Global Funding Corp	7.375	5.135	09/01/2012	2,550	2,927	2,868
Wells Fargo Company	5.125	4.707	09/01/2012	6,150	6,323	6,112

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West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

Security Name	Coupon	Yield	Maturity	Par Value or Shares	Amortized Cost	Fair Value*
Dominion Resources Inc	5.700	5.554	09/17/2012	1,150	1,161	1,170
Cox Communications Inc	7.125	5.106	10/01/2012	225	255	247
Exelon Corp	4.750	4.637	10/01/2012	1,200	1,209	1,171
Detroit Edison Company	5.200	5.223	10/15/2012	630	629	626
Raytheon Company	5.500	5.334	11/15/2012	40	40	40
Waste Management Inc	6.375	5.111	11/15/2012	1,730	1,877	1,830
Household Finance Corporation	6.375	6.462	11/27/2012	440	438	467
International Business Machs	4.750	4.464	11/29/2012	3,360	3,427	3,281
JP Morgan Chase & Co	5.750	5.462	01/02/2013	50	51	51
Boeing Capital Corp	5.800	5.277	01/15/2013	315	326	324
General Electric Capital Corp	5.450	5.054	01/15/2013	4,570	4,694	4,633
General Electric Company	5.000	5.048	02/01/2013	3,250	3,239	3,199
Tenet Healthcare Corporation	7.375	7.700	02/01/2013	429	420	388
TXU Energy Co	7.000	7.000	03/15/2013	560	560	610
Ontario Electricity	7.450	4.404	03/31/2013	3,950	4,816	4,646
Raytheon Company	5.375	5.463	04/01/2013	410	408	409
Cox Communications Inc	4.625	4.706	06/01/2013	690	686	636
Sara Lee Corp	3.875	5.328	06/15/2013	550	494	496
General Motors Corp	7.125	7.220	07/15/2013	390	388	400
Deutsche Telekom Int Fin	5.250	5.301	07/22/2013	2,155	2,147	2,098
Electronic Data Systems Corp	6.000	6.567	08/01/2013	170	163	162
Kraft Foods Inc	5.250	5.462	10/01/2013	2,500	2,462	2,431
Intelsat Ltd	6.500	8.190	11/01/2013	450	401	398
Altria Group Inc	7.000	6.418	11/04/2013	1,180	1,227	1,203
DaimlerChrysler NA Holdings	6.500	6.504	11/15/2013	1,200	1,200	1,228
Eastman Kodak Co	7.250	7.265	11/15/2013	435	435	442
Telecom Italia Capital	5.250	5.287	11/15/2013	1,165	1,162	1,127
Cleveland Electric Illum	5.650	5.733	12/15/2013	240	239	234
International Paper Company	5.500	5.530	01/15/2014	485	484	477
Export Import Bk Korea	5.250	5.344	02/10/2014	855	849	820
Comcast Corp	6.500	6.463	01/15/2015	3,940	3,951	4,083
Oncor Electric Delivery	6.375	6.472	01/15/2015	540	536	569
Cox Communications Inc	5.500	5.581	10/01/2015	155	154	149
Hydro-Quebec	7.500	5.062	04/01/2016	3,410	4,140	4,056
Tennessee Valley Authority	6.250	4.935	12/15/2017	1,220	1,376	1,314
El Paso Corp	0.000	4.778	02/28/2021	2,430	1,107	1,163
Delta Air Lines	6.718	6.666	01/02/2023	1,740	1,745	1,792
WMX Technologies Inc	7.100	6.889	08/01/2026	2,110	2,160	2,215
Altria Group Inc	7.750	7.158	01/15/2027	2,330	2,483	2,382
Tyco International Group SA	6.875	9.583	01/15/2029	200	149	209
Phillips Petroleum Co	7.000	5.326	03/30/2029	235	289	260
Conoco Inc	6.950	6.567	04/15/2029	4,830	5,054	5,317
Lockheed Martin Corp	8.500	8.535	12/01/2029	675	673	847
Tennessee Valley Authority	7.125	7.246	05/01/2030	3,060	3,017	3,573
El Paso Corporation	7.800	14.266	08/01/2031	510	284	409
Kraft Foods Inc	6.500	5.721	11/01/2031	2,000	2,214	2,009
FirstEnergy Corp	7.375	7.104	11/15/2031	3,930	4,057	4,096
El Paso Corporation	7.750	7.814	01/15/2032	1,370	1,360	1,099
Southern Natural Gas Co	8.000	9.182	03/01/2032	1,450	1,277	1,363
Williams Companies Inc	8.750	8.882	03/15/2032	2,350	2,318	2,350

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** Denotes assets pledged for initial margin requirements on open futures contracts.

See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

<u>Security Name</u>	<u>Coupon</u>	<u>Yield</u>	<u>Maturity</u>	<u>Par Value or Shares</u>	<u>Amortized Cost</u>	<u>Fair Value*</u>
Devon Energy Corporation	7.950	6.408	04/15/2032	2,390	2,865	2,761
Waste Management Inc	7.750	7.781	05/15/2032	770	767	877
El Paso Natural Gas	8.375	8.455	06/15/2032	1,470	1,457	1,404
Credit Suisse FB USA Inc	7.125	7.204	07/15/2032	2,220	2,199	2,460
United Mexican States	7.500	8.048	04/08/2033	26,556	24,926	25,705
Time Warner Entertainment Co	8.375	8.068	07/15/2033	7,500	7,757	8,780
Pacific Gas & Electric Corp	6.050	6.070	03/01/2034	1,710	1,705	1,608
IBJ Preferred Capital Co LLC	8.790 A	8.571	12/29/2049	6,380	6,426	6,986
Total U. S. Corporate Bonds					306,853	312,835
Corporate Asset Backed Issues						
M&I Auto Loan Trust	2.310	2.323	02/20/2008	2,980	2,980	2,969
Systems 2001 Asset Trust	6.664	6.076	09/15/2013	3,285	3,374	3,543
Pegasus Aviation Lease Sec	8.370	17.655	07/25/2017	500	295	315
IndyMac Residential Asset Sec	4.750	4.403	02/25/2019	16,549	16,680	16,230
CS First Boston Mtg Secs Corp	7.590	7.624	07/25/2026	4,015	4,006	4,009
Structured Asset Securities Co	7.750	6.384	02/25/2028	4,462	4,609	4,819
Asset Securitization Corp	6.920	5.693	02/14/2029	6,545	6,692	6,808
Commercial Mortgage Accept Co	6.570	6.062	12/15/2030	9,400	9,534	10,072
Commercial Mortgage Lease	6.746	5.249	06/20/2031	5,433	5,896	5,877
Total Corporate Asset Backed Issues					54,066	54,642
Total Corporate Issues	29.6%				360,919	367,477
<i>Futures Commissions</i>						
Euro 90 Day Future				-	1	-
US Treasury 5Yr Note Future				-	1	-
US Treasury 10Yr Note Future				-	2	-
US Treasury Bond Future				-	1	-
Total Futures Commissions					5	-
<i>Short-term Issues</i>						
Nomura Securities International Repurchase Agreement	1.600	1.600	07/01/2004	33,000	33,000	33,000
Ford Motor Credit Co	2.050 A	2.050	08/17/2004	2,890	2,890	2,890
Federal National Mortgage Assn **	0.000	1.055	09/08/2004	710	709	708
Altria Group Inc	1.870 A	1.892	10/22/2004	3,540	3,540	3,539
Hertz Corp	2.019	2.019	03/24/2005	2,810	2,810	2,810
Dreyfus Cash Management Institutional Fund		1.128		443,042	443	443
Total Short-term Issues	3.5%				43,392	43,390
Total Fixed Income					\$ 1,226,354	\$ 1,241,970

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See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

Security Name	Coupon	Yield	Maturity	Par Value or Shares	Amortized Cost	Fair Value*
Fixed Income Qualified						
<i>Commingled Fixed Income Pools</i>						
Barclay's Global Investors Qualified Mortgage Index				4,959,140	\$ 125,519	\$ 143,912
Barclay's Global Investors Qualified Intermediate Corp				14,315,285	369,129	429,499
Barclay's Global Investors Qualified 7-10 Yr TB Index				14,316,091	143,137	143,713
Total Commingled Fixed Income	100.0%				637,785	717,124
Total Fixed Income Qualified					\$ 637,785	\$ 717,124
Fixed Income Nonqualified						
<i>Commingled Fixed Income Pools</i>						
Barclay's Global Investors Non-Qualified Mortgage Index				943,757	\$ 20,784	\$ 23,469
Barclay's Global Investors Non-Qualified Intermediate Corp				3,424,719	61,042	70,040
Barclay's Global Investors Non-Qualified 7-10 Yr TB Index				2,323,176	23,344	23,437
Total Commingled Fixed Income Pools	100.0%				105,170	116,946
Total Fixed Income Nonqualified					\$ 105,170	\$ 116,946
Cash Liquidity						
<i>U. S. Treasury Issues</i>						
United States Treasury Note	2.250 %	1.246 %	07/31/2004	\$ 30,000	\$ 3,002	\$ 3,004
United States Treasury Note	1.125	1.039	08/31/2004	80,000	8,014	8,015
United States Treasury Note	1.125	1.294	10/31/2004	150,000	15,041	15,033
Total U. S. Treasury Issues	1.9%				26,057	26,052
<i>U. S. Government Agency Bonds</i>						
Federal Home Loan Mort Corp	4.500	1.350	08/15/2004	58,800	5,903	5,903
Federal National Mortgage Assn	6.500	1.255	08/15/2004	132,500	13,335	13,338
Federal Home Loan Bank	3.875	1.791	12/15/2004	150,000	15,141	15,146
Federal National Mortgage Assn	1.235 A	1.245	01/28/2005	175,000	17,499	17,497
Federal National Mortgage Assn	1.219 A	1.221	02/14/2005	145,000	14,500	14,495
Federal National Mortgage Assn	1.330	1.978	02/23/2005	50,000	4,979	4,984
Federal National Mortgage Assn	1.400	1.400	02/25/2005	100,000	10,000	9,976
Federal Home Loan Bank	1.500	1.500	03/01/2005	50,000	5,000	4,990
Federal Home Loan Bank	1.500	1.500	03/08/2005	74,000	7,400	7,380
Federal Home Loan Bank	1.250 A	1.377	03/29/2005	50,000	5,002	4,981
Federal National Mortgage Assn	1.400	1.396	03/29/2005	80,000	8,000	7,974
Federal Home Loan Bank	1.400	1.414	04/15/2005	50,000	4,999	4,973
Federal Home Loan Bank	1.350	1.350	04/29/2005	100,000	10,000	9,943
Federal Home Loan Bank	1.550	1.550	05/04/2005	30,000	3,000	2,989
Federal Home Loan Bank	1.500	1.500	05/04/2005	30,000	3,000	2,988
Federal National Mortgage Assn	1.550	1.550	05/04/2005	100,000	10,000	9,968

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See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

Security Name	Coupon	Yield	Maturity	Par Value or Shares	Amortized Cost	Fair Value*
Federal Home Loan Bank	1.650	1.650	05/17/2005	50,000	5,000	4,980
Federal National Mortgage Assn	1.750	1.750	05/23/2005	65,000	6,500	6,479
Federal National Mortgage Assn	1.850	1.850	06/03/2005	65,000	6,500	6,484
Total U. S. Government Agency Bonds	11.2%				155,758	155,468
<i>Corporate Bonds</i>						
Abbott Laboratories	5.125	1.297	07/01/2004	50,000	5,000	5,000
Wells Fargo Company	6.625	1.088	07/15/2004	55,200	5,532	5,527
Toyota Motor Credit Corp	5.030	1.098	07/16/2004	50,000	5,008	5,005
Wal-Mart Stores	6.550	1.210	08/10/2004	100,000	10,058	10,048
Aristar Inc	7.375	1.133	09/01/2004	59,900	6,052	6,042
3M Company	4.250	1.239	09/01/2004	30,000	3,015	3,011
Royal Bk of Scotland NY	1.250 A	1.267	09/27/2004	150,000	14,999	14,998
Salomon Smith Barney Holdings	1.459 A	1.112	10/25/2004	100,000	10,011	10,008
WestDeutsche Landesbank	1.315 A	1.069	11/01/2004	100,000	10,000	10,000
Associates Corp NA	8.625	1.765	11/15/2004	43,000	4,409	4,405
K2 LLC	1.110 A	1.120	12/07/2004	100,000	10,000	10,000
Fortis Bank	1.141 A	1.171	12/13/2004	70,000	6,999	6,998
Proctor & Gamble Company	6.600	1.308	12/15/2004	73,200	7,496	7,478
Toyota Motor Credit Corp	1.494 A	1.494	12/23/2004	140,000	14,000	14,000
Associates Corp NA	6.100	1.978	01/15/2005	40,000	4,088	4,088
General Electric Capital Corp	4.250	1.799	01/28/2005	150,000	15,209	15,188
BNP Paribas	1.100 A	1.121	02/08/2005	185,000	18,498	18,496
Deutsche Bank NY	1.310 A	1.210	02/18/2005	71,600	7,165	7,167
Wal-Mart Stores	1.238 A	1.217	02/22/2005	80,000	8,001	7,999
Links Finance LLC	1.340	1.440	02/22/2005	50,000	4,997	4,978
Fortis Bank	1.056 A	1.086	03/04/2005	120,000	11,998	11,996
HBOS Treasury Svcs PLC	1.519 A	1.414	03/14/2005	90,000	9,007	9,004
Links Finance LLC	1.510	1.400	03/15/2005	100,000	10,007	9,953
BP Capital Markets PLC	4.000	1.343	04/29/2005	72,500	7,408	7,343
Total Corporate Bonds	15.0%				208,957	208,732
<i>Short Term Issues</i>						
Deutsche Bank Securities Repurchase Agreement	1.300	1.300	07/01/2004	74,756	74,756	74,756
Goldman Sachs Repurchase Agreement	1.450	1.450	07/01/2004	50,000	50,000	50,000
Federal Home Loan Mort Corp	0.000	1.217	07/01/2004	250,000	25,000	25,000
GE Capital Intl Funding	0.000	1.095	07/01/2004	80,000	8,000	8,000
Rabobank USA Fin Corp	0.000	1.419	07/01/2004	250,000	25,000	25,000
UBS Finance (DE) LLC	0.000	1.440	07/01/2004	250,000	25,000	25,000
United States Treasury Bill	0.000	0.949	07/01/2004	350,000	35,000	35,000
Federal Home Loan Mort Corp	0.000	1.060	07/06/2004	70,000	6,999	6,999
RWE AG	0.000	1.097	07/06/2004	150,000	14,998	14,998
Barton Capital Corp	0.000	1.187	07/07/2004	150,000	14,997	14,997
Federal Home Loan Bank	0.000	1.065	07/07/2004	100,000	9,998	9,998
Federal National Mortgage Assn	0.000	1.157	07/07/2004	100,000	9,998	9,998
Greyhawk Funding LLC	0.000	1.087	07/07/2004	50,000	4,999	4,999
Siemens Capital Co LLC	0.000	1.056	07/07/2004	175,000	17,497	17,497
Variable Funding Capital	0.000	1.177	07/07/2004	150,000	14,997	14,997

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West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

Security Name	Coupon	Yield	Maturity	Par Value or Shares	Amortized Cost	Fair Value*
Amsterdam Funding Corp	0.000	1.096	07/08/2004	150,000	14,997	14,997
Citigroup Global Markets	0.000	1.136	07/08/2004	90,000	8,998	8,998
Sheffield Receivables	0.000	1.116	07/08/2004	200,000	19,996	19,996
Triple A One Funding Corp	0.000	1.147	07/08/2004	155,000	15,497	15,497
United States Treasury Bill	0.000	0.968	07/08/2004	610,000	60,989	60,989
Westpac Capital Corp	0.000	1.117	07/08/2004	30,000	2,999	2,999
Gemini Securitization Corp	0.000	1.097	07/09/2004	100,000	9,998	9,998
Old Line Funding Corp	0.000	1.097	07/09/2004	44,360	4,435	4,435
National Australia Funding	0.000	1.157	07/12/2004	150,000	14,995	14,995
Amsterdam Funding Corp	0.000	1.228	07/13/2004	46,090	4,607	4,607
Morgan Stanley Dean Witter	0.000	1.217	07/13/2004	150,000	14,994	14,994
Wells Fargo Bank NA	1.130	1.130	07/13/2004	80,000	8,000	8,000
Bavaria Universal Funding	0.000	1.248	07/14/2004	100,000	9,995	9,995
Receivables Capital Corp	0.000	1.228	07/14/2004	150,000	14,993	14,993
Amsterdam Funding Corp	0.000	1.238	07/15/2004	150,000	14,993	14,993
Atlantis One Funding	0.000	1.127	07/15/2004	50,000	4,998	4,998
Dorada Finance Inc	0.000	1.088	07/15/2004	150,000	14,994	14,994
Federal Home Loan Mort Corp	0.000	1.125	07/15/2004	40,000	3,998	3,998
Old Line Funding Corp	0.000	1.137	07/15/2004	100,000	9,996	9,996
State Street Bank & Trust	1.130	1.130	07/15/2004	180,000	18,000	18,000
United States Treasury Bill	0.000	1.029	07/15/2004	110,000	10,996	10,996
Windmill Funding Corporation	0.000	1.218	07/15/2004	100,000	9,995	9,995
Nordea NA Inc	0.000	1.112	07/16/2004	98,000	9,795	9,795
Paradigm Funding LLC	0.000	1.127	07/16/2004	150,000	14,993	14,993
Greyhawk Funding LLC	0.000	1.269	07/19/2004	46,100	4,607	4,607
K2 LLC	0.000	1.119	07/19/2004	100,000	9,994	9,994
Atlantis One Funding	0.000	1.158	07/21/2004	100,000	9,994	9,994
Wells Fargo Bank NA	1.230	1.230	07/21/2004	50,000	5,000	5,000
American Express Centurion	1.250	1.250	07/22/2004	150,000	15,000	15,000
First Tennessee Bank	1.220	1.220	07/22/2004	150,000	15,000	15,000
Thunder Bay Funding Inc	0.000	1.269	07/22/2004	150,000	14,989	14,989
United States Treasury Bill	0.000	1.006	07/22/2004	270,000	26,984	26,984
Falcon Asset Sec Corp	0.000	1.269	07/23/2004	150,000	14,988	14,988
Morgan Stanley Dean Witter	0.000	1.269	07/26/2004	200,000	19,983	19,983
Old Line Funding Corp	0.000	1.279	07/29/2004	150,000	14,985	14,985
United States Treasury Bill	0.000	1.076	07/29/2004	190,000	18,984	18,984
United States Treasury Bill	0.000	1.132	08/05/2004	150,000	14,984	14,984
Spintab Swedmortgage AB	0.000	1.169	08/06/2004	41,000	4,095	4,095
Atlantis One Funding	0.000	1.320	08/11/2004	50,000	4,993	4,993
United States Treasury Bill	0.000	1.132	08/12/2004	55,000	5,493	5,493
Galaxy Funding Inc	0.000	1.241	08/18/2004	100,000	9,984	9,984
United States Treasury Bill	0.000	1.074	08/19/2004	340,000	33,951	33,951
Marshall & Ilsley Bank	1.210	1.210	08/23/2004	250,000	25,000	25,000
Mane Funding Corp	0.000	1.271	08/23/2004	150,000	14,972	14,972
Federal National Mortgage Assn	0.000	1.445	09/15/2004	20,000	1,994	1,994
Greyhawk Funding LLC	0.000	1.547	09/20/2004	50,000	4,983	4,982
Fairway Finance Corp	0.000	1.526	09/21/2004	100,000	9,966	9,963
United States Treasury Bill	0.000	1.307	09/23/2004	80,000	7,976	7,977
Federal Home Loan Mort Corp	0.000	1.216	12/03/2004	30,000	2,985	2,981

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West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

<u>Security Name</u>	<u>Coupon</u>	<u>Yield</u>	<u>Maturity</u>	<u>Par Value or Shares</u>	<u>Amortized Cost</u>	<u>Fair Value*</u>
Federal National Mortgage Assn	0.000	1.102	12/15/2004	88,500	8,806	8,789
One Group Institutional Prime Money Market Fund		1.233		26,291	26,291	26,291
Dreyfus Cash Management Institutional Fund		1.128		6,998	7	7
Total Short Term Issues	71.9%				1,002,478	1,002,454
Total Cash Liquidity					<u>\$ 1,393,250</u>	<u>\$ 1,392,706</u>
Government Money Market						
<i>U. S. Treasury Issues</i>						
United States Treasury Note	2.250 %	1.133 %	07/31/2004	\$ 4,000	\$ 4,004	\$ 4,005
United States Treasury Note	2.125	1.039	08/31/2004	2,000	2,004	2,004
United States Treasury Note	2.125	1.294	10/31/2004	3,000	3,008	3,007
Total U. S. Treasury Issues	6.0%				9,016	9,016
<i>U. S. Government Agency Bonds</i>						
Federal National Mortgage Assn	1.045 A	1.087	10/28/2004	6,000	5,999	5,998
Federal Home Loan Bank		1.510	12/08/2004	2,000	2,000	1,998
Federal National Mortgage Assn	1.430 A	1.455	12/15/2004	6,000	5,999	5,999
Federal Home Loan Bank	1.530 A	1.040	01/05/2005	6,000	6,000	6,000
Federal National Mortgage Assn	1.235 A	1.245	01/28/2005	5,000	5,000	4,999
Federal Home Loan Mort Corp	1.420	1.420	03/01/2005	2,000	2,000	1,994
Federal Home Loan Bank	1.500	1.500	03/08/2005	1,500	1,500	1,496
Federal National Mortgage Assn	1.400	1.396	03/29/2005	2,000	2,000	1,993
Federal Home Loan Bank	1.350	1.350	04/29/2005	2,000	2,000	1,989
Federal National Mortgage Assn	1.850	1.850	06/03/2005	1,500	1,500	1,496
Total U. S. Government Agency Bonds	22.5%				33,998	33,962
<i>Short-term Issues</i>						
Deutsche Bank Securities Repurchase Agreement	1.250	1.250	07/01/2004	38,929	38,929	38,929
Federal National Mortgage Assn	0.000	1.005	07/01/2004	5,700	5,700	5,700
Federal Home Loan Mort Corp	0.000	1.054	07/06/2004	5,000	4,999	4,999
Federal Home Loan Bank	0.000	1.065	07/07/2004	5,000	4,999	4,999
United States Treasury Bill	0.000	0.950	07/08/2004	5,000	4,999	4,999
Federal Home Loan Mort Corp	0.000	1.125	07/15/2004	3,000	2,999	2,999
United States Treasury Bill	0.000	1.020	07/15/2004	5,000	4,998	4,998
United States Treasury Bill	0.000	0.958	07/22/2004	2,000	1,999	1,999
Federal National Mortgage Assn	0.000	1.048	08/04/2004	4,000	3,996	3,996
Federal National Mortgage Assn	0.000	1.169	08/11/2004	6,060	6,052	6,052
Federal National Mortgage Assn	0.000	1.084	08/18/2004	3,000	2,996	2,996
United States Treasury Bill	0.000	1.040	08/26/2004	7,500	7,488	7,488
Federal National Mortgage Assn	0.000	1.424	09/01/2004	4,000	3,990	3,992
United States Treasury Bill	0.000	1.307	09/23/2004	2,500	2,493	2,493
Federal Home Loan Bank	0.000	1.471	11/26/2004	5,000	4,970	4,971
Federal National Mortgage Assn	0.000	1.167	12/10/2004	2,500	2,487	2,483

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West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

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Security Name	Coupon	Yield	Maturity	Par Value or Shares	Amortized Cost	Fair Value*
Federal National Mortgage Assn	0.000	1.102	12/15/2004	1,900	1,891	1,887
Federal National Mortgage Assn	0.000	1.185	12/16/2004	2,000	1,989	1,986
Dreyfus Cash Management Treasury Institutional Fund		0.996		3,365	3	3
Total Short-term Issues	71.5%				107,977	107,969
Total Government Money Market					\$ 150,991	\$ 150,947
Enhanced Yield						
<i>U. S. Treasury Issues</i>						
United States Treasury Note	6.750 %	3.862 %	05/15/2005	\$ 1,000	\$ 1,024	\$ 1,041
United States Treasury Note	2.000	1.948	08/31/2005	13,500	13,508	13,471
United States Treasury Note	1.625	1.765	09/30/2005	10,500	10,482	10,424
United States Treasury Note	1.875	1.839	12/31/2005	8,200	8,204	8,134
United States Treasury Note	1.500	1.624	03/31/2006	5,000	4,989	4,911
United States Treasury Note	2.375	1.852	08/15/2006	13,500	13,646	13,391
United States Treasury Note	2.625	2.283	11/15/2006	7,000	7,055	6,954
United States Treasury Note	3.000	2.797	02/15/2008	8,500	8,559	8,386
Total U. S. Treasury Issues	19.0%				67,467	66,712
<i>U. S. Government Agency Bonds</i>						
Federal National Mortgage Assn	7.875	4.752	02/24/2005	1,250	1,275	1,298
Federal National Mortgage Assn	5.875	5.053	02/02/2006	935	947	981
Federal National Mortgage Assn	5.875	5.065	02/14/2006	818	828	858
Federal National Mortgage Assn	6.625	5.095	03/21/2006	262	268	279
Student Loan Marketing Assn	3.500	3.537	09/30/2006	8,815	8,808	8,860
Federal National Mortgage Assn	2.375	2.111	02/15/2007	5,500	5,537	5,368
Federal Home Loan Mort Corp	5.750	3.195	04/15/2008	7,500	8,179	8,002
Total U. S. Government Agency Bonds	7.3%				25,842	25,646
<i>Corporate Issues</i>						
U. S. Corporate Bonds						
Countrywide Home Loan	6.770	4.535	08/11/2004	270	271	271
Textron Financial Corp	7.125	5.427	12/09/2004	600	604	612
Goldman Sachs Group Inc	7.500	5.077	01/28/2005	250	253	257
GTE North Inc	6.400	5.112	02/15/2005	600	605	615
Newcourt Credit Group Inc	6.875	6.613	02/16/2005	500	501	514
Ford Motor Credit Company	7.500	6.395	03/15/2005	2,200	2,216	2,273
Lehman Brothers Holdings Inc	8.750	5.431	03/15/2005	1,310	1,340	1,367
General Electric Capital Corp	8.850	5.462	04/01/2005	600	615	628
Nations Bank Corp	7.625	5.130	04/15/2005	200	204	208
Norwest Financial Inc	7.500	5.151	04/15/2005	2,770	2,820	2,880
Citicorp	7.625	4.855	05/01/2005	625	639	652
Lehman Brothers Inc	11.625	5.660	05/15/2005	500	525	537
National City Corporation	7.200	5.352	05/15/2005	125	127	130
Commercial Credit Company	6.500	5.146	06/01/2005	425	430	440
Norwest Corp	6.500	5.127	06/01/2005	122	123	126

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** Denotes assets pledged for initial margin requirements on open futures contracts.

See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

Security Name	Coupon	Yield	Maturity	Par Value or Shares	Amortized Cost	Fair Value*
Wachovia Corp	6.800	4.879	06/01/2005	560	570	581
Morgan Stanley Dean Witter Co	7.750	4.985	06/15/2005	1,651	1,693	1,732
Washington Mutual Fin Associates Corp NA	8.250	5.094	06/15/2005	500	515	526
Bear Stearns Companies Inc	6.000	5.196	07/15/2005	100	101	103
C & P Telephone	6.250	5.257	07/15/2005	1,000	1,010	1,037
JP Morgan Chase & Co	6.125	5.989	07/15/2005	100	100	104
Goldman Sachs Group Inc	6.500	5.088	08/01/2005	600	609	624
Bear Stearns Companies Inc	7.625	5.270	08/17/2005	1,080	1,107	1,135
US Bancorp	6.875	5.360	10/01/2005	650	662	684
Chase Manhattan Corporation	6.750	5.598	10/15/2005	260	264	273
Morgan JP & Co Inc	6.000	5.517	11/01/2005	700	704	732
Dean Witter Discovery & Co	6.250	5.567	12/15/2005	265	267	279
Caterpillar Financial Services	6.300	5.333	01/15/2006	877	889	925
SunTrust Bank	2.650	1.829	01/30/2006	5,000	5,064	4,992
CIT Group Inc	2.125	2.127	01/30/2006	5,000	4,997	4,967
Household Finance Corporation	6.500	2.759	02/07/2006	3,000	3,175	3,161
Dow Chemical Company	3.375	2.401	02/21/2006	5,825	5,916	5,862
National City Bank	8.625	6.489	04/01/2006	120	124	131
HBOS Treasury Svcs PLC	2.500	2.156	04/17/2006	4,000	4,024	3,983
SunTrust Bank	2.250	2.532	05/01/2006	3,930	3,910	3,904
Merrill Lynch & Company Inc	2.500	2.541	05/04/2006	3,000	2,998	2,970
American General Finance Corp	2.490	2.527	05/05/2006	5,000	4,997	5,005
First Union Corporation	5.875	2.377	07/14/2006	5,000	5,346	5,252
Countrywide Home Loan	7.500	5.749	07/15/2006	2,400	2,480	2,609
Coca-Cola Enterprises	5.500	2.925	08/01/2006	5,000	5,259	5,211
First National Bank of Boston	2.500	2.573	09/15/2006	5,000	4,992	4,921
Textron Financial Corp	7.375	5.570	09/15/2006	200	207	218
Conoco Funding Co	2.690	2.690	10/03/2006	3,500	3,500	3,446
Goldman Sachs	5.450	2.395	10/15/2006	4,000	4,271	4,187
Diageo Finance BV	2.850	2.869	10/27/2006	4,500	4,498	4,459
Verizon Wireless Capital	3.000	3.011	12/15/2006	2,160	2,159	2,137
Morgan Stanley Dean Witter	5.375	3.075	12/15/2006	5,650	5,955	5,890
Washington Mutual Inc	1.280 A	1.280	01/12/2007	5,000	5,000	5,005
Nationwide Building Society	5.625	3.248	01/15/2007	6,265	6,625	6,554
Marshall & Ilsley Corp	2.625	2.689	01/30/2007	3,450	3,445	3,370
Boeing Capital Corp	2.625	2.690	02/09/2007	9,850	9,834	9,648
Countrywide Home Loan	5.750	3.236	02/15/2007	5,425	5,765	5,717
US Bank NA	2.875	2.924	02/15/2007	3,525	3,521	3,457
Pfizer Inc	2.400	2.440	03/12/2007	4,300	4,296	4,177
GlaxoSmithKline Cap PLC	2.500	2.534	03/15/2007	2,500	2,498	2,446
John Deere Capital Corp	2.375	2.394	04/16/2007	5,000	4,997	4,859
US Bancorp	3.625	3.719	05/25/2007	12,575	12,543	12,552
US Bancorp	3.125	3.167	03/15/2008	5,000	4,993	4,863
Total U. S. Corporate Bonds					157,153	156,198
Corporate Asset Backed Issues						
Ford Credit Auto Owner Trust	5.360	4.600	06/15/2005	297	297	298
Daimler Chrysler Auto Trust	5.400	4.290	03/06/2006	361	362	363
Whole Auto Loan Trust	1.400	1.407	04/15/2006	4,310	4,310	4,304

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See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

<u>Security Name</u>	<u>Coupon</u>	<u>Yield</u>	<u>Maturity</u>	<u>Par Value or Shares</u>	<u>Amortized Cost</u>	<u>Fair Value*</u>
BMW Vehicle Owner Trust	5.110	4.494	05/25/2006	67	67	67
Americredit Automobile Rec	4.230	4.271	10/06/2006	1,053	1,053	1,061
Nissan Auto Rec Owner Trust	5.350	4.081	10/15/2006	303	303	304
Chase Credit Card Master Trust	6.660	4.472	01/15/2007	405	407	409
MBNA Master Credit Card Trust	6.550	3.905	01/15/2007	220	221	221
Daimler Chrysler Auto Trust	3.780	5.059	02/06/2007	100	99	101
Capital Auto Rec Asset Trust	1.440	1.452	02/15/2007	5,000	5,000	4,969
Nissan Auto Rec Owner Trust	4.800	4.152	02/15/2007	222	222	224
Nissan Auto Rec Owner Trust	2.230	2.246	03/15/2007	4,000	4,000	3,984
Household Automotive Trust	7.430	5.860	04/17/2007	1,260	1,271	1,286
Honda Auto Rec Owner Trust	2.190	2.206	05/15/2007	2,000	2,000	1,986
Household Automotive Trust	7.160	3.967	05/17/2007	300	303	308
Chase Manhattan Auto Owner Tr	6.260	4.343	06/15/2007	129	130	129
Mellon Auto Grantor Trust	6.390	4.966	07/15/2007	18	18	18
Chase Manhattan Auto Owner Tr	1.820	1.828	07/16/2007	7,000	7,000	6,950
World Omni Auto Rec Trust	5.510	4.453	07/20/2007	115	115	115
Volkswagen Auto Loan Trust	2.270	2.281	10/22/2007	5,000	5,000	4,952
Chase Manhattan Auto Owner Tr	2.260	2.274	11/15/2007	4,000	4,000	3,972
Nissan Auto Rec Owner Trust	2.010	2.024	11/15/2007	3,000	3,000	2,946
John Deere Owner Trust	2.320	2.340	12/17/2007	4,000	3,999	3,938
Chase Manhattan Auto Owner Tr	5.070	4.722	02/15/2008	120	121	122
Honda Auto Recev Owner Trust	2.400	2.420	02/21/2008	5,675	5,674	5,620
Capital One Auto Finance Trust	5.400	4.658	05/15/2008	582	585	595
Harley-Davidson Eaglemark	7.180	4.272	05/15/2008	802	805	820
Onyx Acceptance Auto Trust	5.230	4.327	05/15/2008	655	659	665
Americredit Automobile Rec	5.370	4.782	06/12/2008	356	359	363
Sears Credit Acc Master Trust	5.250	3.593	10/16/2008	25	25	25
World Omni Master Owner Trust	1.309 A	1.312	12/15/2008	5,650	5,650	5,654
Sears Credit Acc Master Trust	5.650	4.131	03/17/2009	487	490	494
Sears Credit Acc Master Trust	6.450	4.313	11/17/2009	255	259	262
Harley Davidson Motorcycle	2.760	2.779	05/15/2011	6,750	6,750	6,694
Vanderbilt Mortgage Finance	6.080	4.995	12/07/2015	47	47	48
Oakwood Mortgage Investors Inc	7.765	5.333	05/15/2017	129	130	112
Residential Funding Mort Sec	7.210	5.514	12/25/2025	3	3	3
Total Corporate Asset Backed Issues					64,734	64,382
Total Corporate Issues	62.9%				221,887	220,580
Short-term Issues						
Lehman Brothers Repurchase Agreement	1.250	1.250	07/01/2004	13,741,908	13,742	13,742
Marsh & McLennan Co Inc	0.000	1.310	08/09/2004	5,000	4,993	4,993
Knight-Ridder Inc	0.000	1.300	08/10/2004	5,000	4,993	4,993

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See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

Security Name	Coupon	Yield	Maturity	Par Value or Shares	Amortized Cost	Fair Value*
Britannia Bldg Society	0.000	1.496	09/07/2004	5,000	4,986	4,983
GOVCO INC	0.000	1.475	09/07/2004	4,000	3,989	3,986
Westlb Covered Bond Bk	0.000	1.516	09/16/2004	5,000	4,984	4,981
Total Short-term Issues	10.8%				37,687	37,678
Total Enhanced Yield					<u>\$ 352,883</u>	<u>\$ 350,616</u>
Loss Amortization						
<i>U. S. Treasury Issues</i>						
U. S. Treasury Strip - Prin	0.000 %	4.087 %	08/15/2011	\$ 188,557	\$ 141,355	\$ 137,969
Total U. S. Treasury Issues	100.0%				141,355	137,969
Total Loss Amortization					<u>\$ 141,355</u>	<u>\$ 137,969</u>
Loans						
<i>Loans and Mortgages</i>						
Intergovernmental Loans						
Tax Reappraisal	1.690 %		06/30/2006	\$ 107	\$ 107	\$ 107
WVEDA Revolving Loan	4.030		12/31/2013	111,286	111,286	111,286
WVEDA Non-Recourse Loan	3.000		06/30/2022	14,990	14,990	14,990
Total Intergovernmental Loans					126,383	126,383
FHA/VA Mortgages						
Charleston NB	8.000		04/01/2007	19	19	19
Charleston NB	8.500		03/01/2008	69	69	69
Charleston NB	8.750		10/01/2006	2	2	2
Charleston NB	9.500		09/01/2008	16	16	16
Huntington	8.000		04/01/2007	3	3	3
Huntington	8.500		01/01/2008	14	14	14
Huntington	9.000		01/01/2006	1	1	1
Kissell	8.000		09/01/2007	63	63	63
Kissell	8.500		01/01/2008	67	67	67
Kissell	9.000		03/01/2006	3	3	3
OVB Mortgages	8.000		07/01/2007	12	12	12
OVB Mortgages	8.500		07/01/2008	47	47	47
OVB Mortgages	8.750		07/01/2006	6	6	6
OVB Mortgages	9.000		03/01/2006	5	5	5
OVB Mortgages	9.500		10/01/2008	16	16	16
Charleston NB	8.000		08/01/2005	17	17	17
Charleston NB	8.750		05/01/2006	6	6	6
OVB (FFSL)	8.500		09/01/2005	3	3	3
OVB (FFSL)	9.000		11/01/2005	2	2	2
Home (Atlantic)	8.000		04/01/2007	71	71	71
Home (Atlantic)	8.500		08/01/2014	96	96	96

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See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

<u>Security Name</u>	<u>Coupon</u>	<u>Yield</u>	<u>Maturity</u>	<u>Par Value or Shares</u>	<u>Amortized Cost</u>	<u>Fair Value*</u>
Home (Atlantic)	8.750		05/01/2008	90	90	90
Home (Atlantic)	9.000		02/01/2006	1	1	1
Home (Atlantic)	9.500		03/01/2005	1	1	1
Kissell	8.500		06/01/2006	7	7	7
Mason (Peoples)	8.500		12/01/2006	12	12	12
Total FHA/VA Mortgages					649	649
Total Loans and Mortgages					127,032	127,032
Reserve for uncollectable loans				713	713	713
Loans and Mortgages, net of reserve for uncollectable loans	90.4%				126,319	126,319
Short-term Issues						
Dreyfus Cash Management Institutional Fund		0.907 %		13,365,008	13,365	13,365
Total Short-term Issues	9.6%				13,365	13,365
Total Loans					<u>\$ 139,684</u>	<u>\$ 139,684</u>
Municipal Bond Commission						
U. S. Treasury Issues						
State & Local Government	1.471 %	1.471 %	07/01/2004	\$ 1,215	\$ 1,215	\$ 1,215
United States Treasury Strip - Int	0.000	0.019	08/15/2004	318	318	318
United States Treasury Strip - Int	0.000	5.408	08/15/2004	38	38	38
United States Treasury Note	2.125	0.956	08/31/2004	1,838	1,842	1,841
State & Local Government	5.110	5.110	10/01/2004	33	33	33
State & Local Government	5.730	5.730	10/01/2004	4	4	4
State & Local Government	5.580	5.580	11/01/2004	39	39	39
United States Treasury Bond	11.625	8.876	11/15/2004	6	6	6
United States Treasury Strip - Int	0.000	9.057	11/15/2004	966	935	961
United States Treasury Note	2.000	1.186	11/30/2004	84	84	84
State & Local Government	1.150	1.150	12/01/2004	135	135	135
State & Local Government	6.260	6.260	01/01/2005	19	19	19
United States Treasury Strip - Int	0.000	0.110	02/15/2005	5,337	5,333	5,280
United States Treasury Strip - Int	0.000	5.602	02/15/2005	28	27	28
State & Local Government	5.810	5.810	04/01/2005	664	664	664
State & Local Government	5.160	5.160	04/01/2005	3,829	3,829	3,829
State & Local Government	5.590	5.590	05/01/2005	3,495	3,495	3,495
United States Treasury Strip - Int	0.000	8.139	05/15/2005	114	106	112
United States Treasury Bond	12.000	0.003	05/15/2005	759	839	825
State & Local Government	1.330	1.330	06/01/2005	8,196	8,196	8,196
State & Local Government	5.430	5.430	06/01/2005	1,618	1,618	1,618
State & Local Government	6.240	6.240	07/01/2005	1,270	1,270	1,270
United States Treasury Strip - Prin	0.000	0.543	08/15/2005	178	177	174
United States Treasury Strip - Int	0.000	6.238	08/15/2005	1	1	1
United States Treasury Strip - Int	0.000	5.540	08/15/2005	960	903	938

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West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

<u>Security Name</u>	<u>Coupon</u>	<u>Yield</u>	<u>Maturity</u>	<u>Par Value or Shares</u>	<u>Amortized Cost</u>	<u>Fair Value*</u>
State & Local Government	5.920	5.920	10/01/2005	2	2	2
State & Local Government	5.590	5.590	11/01/2005	29	29	29
United States Treasury Strip - Int	0.000	8.432	11/15/2005	12	11	12
State & Local Government	6.250	6.250	01/01/2006	16	16	16
United States Treasury Strip - Int	0.000	0.013	02/15/2006	5,600	5,599	5,377
State & Local Government	6.010	6.010	04/01/2006	722	722	722
State & Local Government	5.580	5.580	05/01/2006	3,725	3,725	3,725
United States Treasury Strip - Int	0.000	8.172	05/15/2006	114	98	109
United States Treasury Note	6.875	0.002	05/15/2006	834	941	898
State & Local Government	6.260	6.260	07/01/2006	1,362	1,362	1,362
State & Local Government	5.570	5.570	11/01/2006	16	16	16
United States Treasury Strip - Int	0.000	8.475	11/15/2006	9	7	8
State & Local Government	6.270	6.270	01/01/2007	13	13	13
State & Local Government	5.560	5.560	05/01/2007	3,971	3,971	3,971
United States Treasury Strip - Int	0.000	7.469	05/15/2007	57	46	52
United States Treasury Note	6.625	0.001	05/15/2007	894	1,064	979
State & Local Government	6.280	6.280	07/01/2007	1,464	1,464	1,464
United States Treasury Strip - Int	0.000	8.818	11/15/2007	8	6	7
State & Local Government	6.270	6.270	01/01/2008	10	10	10
United States Treasury Strip - Int	0.000	7.529	05/15/2008	59	44	51
United States Treasury Strip - Int	0.000	0.000	05/15/2008	924	924	804
State & Local Government	6.230	6.230	07/01/2008	1,571	1,571	1,571
United States Treasury Strip - Int	0.000	9.018	11/15/2008	6	4	5
State & Local Government	6.160	6.160	01/01/2009	6	6	6
United States Treasury Strip - Int	0.000	0.000	05/15/2009	927	927	767
State & Local Government	6.090	6.090	07/01/2009	1,686	1,686	1,686
United States Treasury Strip - Int	0.000	0.000	05/15/2010	932	932	731
United States Treasury Strip - Int	0.000	0.000	05/15/2011	934	934	692
United States Treasury Strip - Int	0.000	0.000	05/15/2012	938	938	654
United States Treasury Strip - Int	0.000	0.000	05/15/2013	941	941	618
United States Treasury Strip - Int	0.000	0.000	05/15/2014	963	963	594
United States Treasury Strip - Int	0.000	0.000	05/15/2015	973	973	563
United States Treasury Bond	7.250	0.001	05/15/2016	980	1,824	1,185
United States Treasury Bond	8.750	0.001	05/15/2017	1,055	2,243	1,431
United States Treasury Bond	9.125	0.001	05/15/2018	1,138	2,578	1,598
Total U. S. Treasury Issues	91.3%				67,716	62,851
<i>U. S. Government Agency Bonds</i>						
Resolution Funding Corp	0.000	5.098	10/15/2004	61	60	61
Resolution Funding Corp	0.000	5.128	04/15/2005	891	856	877
Resolution Funding Corp	0.000	5.178	10/15/2005	30	28	29
Resolution Funding Corp	0.000	5.328	04/15/2006	941	857	895
Total U. S. Government Agency Bonds	2.4%				1,801	1,862

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See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

Security Name	Coupon	Yield	Maturity	Par Value or Shares	Amortized Cost	Fair Value*
Short Term Issues						
United States Treasury Bill	0.000	4.712	07/01/2004	2,603	2,603	2,603
United States Treasury Bill	0.000	6.377	08/26/2004	1,740	1,723	1,723
United States Treasury Bill	0.000	5.485	09/30/2004	340	336	339
Total Short Term Issues	6.3%				4,662	4,665
Total Municipal Bond Commission					\$ 74,179	\$ 69,378
Lottery Defeasance						
<i>U. S. Treasury Issues</i>						
Certificate Accrual Treasury	0.000 %	10.347 %	08/15/2004	\$ 15	\$ 15	\$ 15
Treasury Investment Growth	0.000	8.188	08/15/2004	130	129	130
United States Treasury Strip - Int	0.000	10.155	08/15/2004	292	288	292
US Treasury Coupon Under Book	0.000	10.377	11/15/2004	222	214	221
United States Treasury Strip - Int	0.000	8.894	11/15/2004	167	162	166
United States Treasury Strip - Int	0.000	10.151	02/15/2005	425	400	420
US Treasury Coupon Under Book	0.000	10.377	05/15/2005	175	160	172
Coupon Treasury Receipt	0.000	8.189	08/15/2005	130	119	127
United States Treasury Strip - Int	0.000	10.159	08/15/2005	307	275	300
United States Treasury Strip - Int	0.000	9.976	11/15/2005	289	253	280
United States Treasury Strip - Int	0.000	9.655	02/15/2006	90	77	86
Principal Treasury Receipt	0.000	10.556	05/15/2006	100	82	95
US Treasury Coupon Under Book	0.000	10.377	05/15/2006	110	91	104
Treasury Investment Growth	0.000	8.179	08/15/2006	130	110	122
United States Treasury Strip - Int	0.000	8.927	08/15/2006	27	22	26
United States Treasury Strip - Int	0.000	8.895	11/15/2006	167	136	156
United States Treasury Strip - Int	0.000	9.388	02/15/2007	63	50	58
Treasury Investment Growth	0.000	8.169	08/15/2007	130	101	116
United States Treasury Strip - Int	0.000	8.927	08/15/2007	27	21	24
United States Treasury Strip - Int	0.000	9.288	11/15/2007	25	18	22
Coupon Treasury Receipt	0.000	8.160	08/15/2008	130	93	111
Total U. S. Treasury Issues	100.0%				2,816	3,043
Total Lottery Defeasance					\$ 2,816	\$ 3,043
School Fund						
<i>Short-term Issues</i>						
Dreyfus Cash Management Institutional Fund		1.128 %		1,383,672	\$ 1,384	\$ 1,384
Total Short-term Issues	100.0%				1,384	1,384
Total School Fund					\$ 1,384	\$ 1,384

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See accompanying notes to financial statements.

West Virginia Investment Management Board
Schedule of Investments in Securities (Continued)

June 30, 2004

(Dollars in thousands, except Share Data)

<u>Security Name</u>	<u>Coupon</u>	<u>Yield</u>	<u>Maturity</u>	<u>Par Value or Shares</u>	<u>Amortized Cost</u>	<u>Fair Value*</u>
EDA Insurance						
<i>Short-term Issues</i>						
U. S. Treasury Bill	0.000 %	1.429 %	12/16/2004	\$ 460	\$ 457	\$ 457
Total Short-term Issues	100.0%				457	457
Total EDA Insurance					<u>\$ 457</u>	<u>\$ 457</u>

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West Virginia Investment Management Board

Statement of Operations

Period Ended June 30, 2004

(Dollars in thousands)

	Large Cap Domestic	Non-Large Cap Domestic
Investment income		
Interest income	\$ 20	\$ 1
Dividend income	17,354	11,631
Less withholding tax	(47)	(1)
Securities lending income	427	554
Shareholder litigation proceeds	-	33
Commission recapture	607	149
Net accretion (amortization)	-	3
Provision for uncollectable loans	-	-
Total investment income	18,361	12,370
Expenses		
Investment advisor fees	(329)	(3,797)
Trustee fees	(8)	(6)
Custodian bank fees	(26)	(65)
Management fees	(310)	(221)
Fiduciary bond fees	(4)	(2)
Professional service fees	(87)	(62)
Securities lending agent fees	(15)	(75)
Securities lending borrower rebates	(334)	(207)
Total expenses	(1,113)	(4,435)
Investment income (loss), net	17,248	7,935
Realized and unrealized gain (loss) from investments and foreign currency		
Net realized gain (loss) from:		
Investments	84,281	149,460
Foreign currency transactions	-	-
Net increase (decrease) in the fair value of:		
Investments	88,580	77,377
Translation of assets and liabilities in foreign currencies	-	-
Net gain (loss) from investments and foreign currency	172,861	226,837
Net increase (decrease) in net assets from operations	\$ 190,109	\$ 234,772

See accompanying notes to financial statements.

<u>International Qualified</u>	<u>International Nonqualified</u>	<u>International Equity</u>
\$ -	\$ -	\$ 62
-	-	12,166
-	-	(844)
-	-	660
-	-	-
-	-	201
-	-	-
-	-	-
-	-	12,245
(1,532)	(215)	(2,569)
(2)	-	(4)
-	-	(249)
(64)	(5)	(147)
(1)	-	(2)
(18)	(2)	(41)
-	-	(94)
-	-	(281)
<u>(1,617)</u>	<u>(222)</u>	<u>(3,387)</u>
(1,617)	(222)	8,858
620	8,676	79,296
-	-	38,028
79,705	(2,038)	23,897
-	-	(6,680)
<u>80,325</u>	<u>6,638</u>	<u>134,541</u>
<u>\$ 78,708</u>	<u>\$ 6,416</u>	<u>\$ 143,399</u>

West Virginia Investment Management Board

Statement of Operations (Continued)

Period Ended June 30, 2004

(Dollars in thousands)

	Short-Term Fixed Income	Dedicated Fixed Income
Investment income		
Interest income	\$ 893	\$ 20,109
Dividend income	828	1,655
Less withholding tax	-	-
Securities lending income	57	2,613
Shareholder litigation proceeds	-	-
Commission recapture	-	-
Net accretion (amortization)	(344)	(11,039)
Provision for uncollectable loans	-	-
Total investment income	1,434	13,338
Expenses		
Investment advisor fees	(36)	(201)
Trustee fees	-	(6)
Custodian bank fees	(4)	(13)
Management fees	(15)	(229)
Fiduciary bond fees	-	(3)
Professional service fees	(4)	(64)
Securities lending agent fees	(2)	(73)
Securities lending borrower rebates	(43)	(2,184)
Total expenses	(104)	(2,773)
Investment income (loss), net	1,330	10,565
Realized and unrealized gain (loss) from investments and foreign currency		
Net realized gain (loss) from:		
Investments	-	-
Foreign currency transactions	-	-
Net increase (decrease) in the fair value of:		
Investments	-	(3,505)
Translation of assets and liabilities in foreign currencies	-	-
Net gain (loss) from investments and foreign currency	-	(3,505)
Net increase (decrease) in net assets from operations	\$ 1,330	\$ 7,060

See accompanying notes to financial statements.

<u>Fixed Income</u>	<u>Fixed Income Qualified</u>	<u>Fixed Income Nonqualified</u>
\$ 55,929	\$ -	\$ -
504	-	-
-	-	-
5,535	-	-
-	-	-
(3,444)	-	-
-	-	-
58,524	-	-
(2,732)	(66)	(12)
(11)	(4)	(1)
(58)	-	-
(422)	(145)	(36)
(5)	(1)	-
(118)	(41)	(10)
(176)	-	-
(4,665)	-	-
(8,187)	(257)	(59)
50,337	(257)	(59)
59,292	26,797	20,778
-	-	-
(102,897)	(22,811)	(20,362)
-	-	-
(43,605)	3,986	416
\$ 6,732	\$ 3,729	\$ 357

West Virginia Investment Management Board

Statement of Operations (Continued)

Period Ended June 30, 2004

(Dollars in thousands)

	Cash Liquidity	Government Money Market
Investment income		
Interest income	\$ 8,345	\$ 611
Dividend income	3,191	58
Less withholding tax	-	-
Securities lending income	2,010	390
Shareholder litigation proceeds	-	-
Commission recapture	-	-
Net accretion (amortization)	2,424	1,075
Provision for uncollectable loans	-	-
Total investment income	15,970	2,134
Expenses		
Investment advisor fees	(487)	(61)
Trustee fees	(9)	(1)
Custodian bank fees	(29)	(8)
Management fees	(445)	(77)
Fiduciary bond fees	(4)	(1)
Professional service fees	(89)	(15)
Securities lending agent fees	(88)	(15)
Securities lending borrower rebates	(1,609)	(319)
Total expenses	(2,760)	(497)
Investment income (loss), net	13,210	1,637
Realized and unrealized gain (loss) from investments and foreign currency		
Net realized gain (loss) from:		
Investments	29	4
Foreign currency transactions	-	-
Net increase (decrease) in the fair value of:		
Investments	-	-
Translation of assets and liabilities in foreign currencies	-	-
Net gain (loss) from investments and foreign currency	29	4
Net increase (decrease) in net assets from operations	\$ 13,239	\$ 1,641

See accompanying notes to financial statements.

<u>Enhanced Yield</u>	<u>Loss Amortization</u>	<u>Loans</u>
\$ 13,709	\$ -	\$ 4,771
261	-	102
-	-	-
2,142	-	-
-	-	-
-	-	-
(2,503)	6,293	-
-	-	(713)
<u>13,609</u>	<u>6,293</u>	<u>4,160</u>
(256)	-	-
(3)	-	(1)
(10)	-	-
(141)	-	(54)
(1)	-	-
(28)	-	(11)
(117)	-	-
(1,619)	-	-
<u>(2,175)</u>	<u>-</u>	<u>(66)</u>
11,434	6,293	4,094
2,935	31,965	(4)
-	-	-
(13,180)	(42,023)	-
-	-	-
<u>(10,245)</u>	<u>(10,058)</u>	<u>(4)</u>
<u>\$ 1,189</u>	<u>\$ (3,765)</u>	<u>\$ 4,090</u>

West Virginia Investment Management Board

Statement of Operations (Continued)

Period Ended June 30, 2004

(Dollars in thousands)

	Municipal Bond Commission	Department of Transportation
Investment income		
Interest income	\$ 2,915	\$ 703
Dividend income	-	-
Less withholding tax	-	-
Securities lending income	-	-
Shareholder litigation proceeds	-	-
Commission recapture	-	-
Net accretion (amortization)	(17)	-
Provision for uncollectable loans	-	-
Total investment income	2,898	703
Expenses		
Investment advisor fees	-	-
Trustee fees	-	-
Custodian bank fees	-	-
Management fees	(24)	(5)
Fiduciary bond fees	-	-
Professional service fees	-	-
Securities lending agent fees	-	-
Securities lending borrower rebates	-	-
Total expenses	(24)	(5)
Investment income (loss), net	2,874	698
Realized and unrealized gain (loss) from investments and foreign currency		
Net realized gain (loss) from:		
Investments	-	-
Foreign currency transactions	-	-
Net increase (decrease) in the fair value of:		
Investments	-	-
Translation of assets and liabilities in foreign currencies	-	-
Net gain (loss) from investments and foreign currency	-	-
Net increase (decrease) in net assets from operations	\$ 2,874	\$ 698

See accompanying notes to financial statements.

<u>Lottery Defeasance</u>	<u>School Fund</u>	<u>EDA Insurance</u>
\$ -	\$ -	\$ -
-	13	-
-	-	-
-	-	-
-	-	-
311	-	4
-	-	-
<u>311</u>	<u>13</u>	<u>4</u>
-	-	-
-	-	-
-	-	-
(1)	-	-
-	-	-
-	-	-
-	-	-
-	-	-
<u>(1)</u>	<u>-</u>	<u>-</u>
<u>310</u>	<u>13</u>	<u>4</u>
-	-	-
-	-	-
(291)	-	-
-	-	-
<u>(291)</u>	<u>-</u>	<u>-</u>
<u>\$ 19</u>	<u>\$ 13</u>	<u>\$ 4</u>

West Virginia Investment Management Board

Statement of Changes in Net Assets

Period Ended June 30, 2004

(Dollars in thousands, except for Unit Transactions)

	Large Cap Domestic	Non-Large Cap Domestic
Operations		
Investment income (loss), net	\$ 17,248	\$ 7,935
Net realized gain (loss) from investments	84,281	149,460
Net realized gain from foreign currency transactions	-	-
Net increase (decrease) in the fair value of investments	88,580	77,377
Net increase in the translation of assets and liabilities in foreign currencies	-	-
Net increase (decrease) in net assets from operations	190,109	234,772
Distributions to unitholders		
Investment income, net	-	-
Net realized gain (loss) on investments	-	-
Total distributions	-	-
Fund unit transactions		
Proceeds from sale of units	157,449	43,393
Reinvestment of distributions	-	-
	157,449	43,393
Amount paid for repurchase of units	(283,871)	(344,595)
Net increase (decrease) in net assets from fund unit transactions	(126,422)	(301,202)
Contributions		
	-	-
Withdrawals		
	-	-
Increase (decrease) in net assets	63,687	(66,430)
Net assets, beginning of period	1,141,436	913,059
Net assets, end of period	\$ 1,205,123	\$ 846,629
Fund unit transactions		
Units sold	17,354,968	3,388,611
Units issued from reinvestment of distributions	-	-
	17,354,968	3,388,611
Units repurchased	(33,892,005)	(25,113,600)
Net increase (decrease) in fund units	(16,537,037)	(21,724,989)

See accompanying notes to financial statements.

<u>International Qualified</u>	<u>International Nonqualified</u>	<u>International Equity</u>
\$ (1,617)	\$ (222)	\$ 8,858
620	8,676	79,296
-	-	38,028
79,705	(2,038)	23,897
-	-	(6,680)
<u>78,708</u>	<u>6,416</u>	<u>143,399</u>
-	1,812	-
-	(8,313)	-
-	(6,501)	-
3,829	7,084	84,388
-	6,501	-
<u>3,829</u>	<u>13,585</u>	<u>84,388</u>
(3,747)	(32,774)	(139,375)
<u>82</u>	<u>(19,189)</u>	<u>(54,987)</u>
-	-	-
-	-	-
<u>78,790</u>	<u>(19,274)</u>	<u>88,412</u>
226,205	44,106	598,535
<u>\$ 304,995</u>	<u>\$ 24,832</u>	<u>\$ 686,947</u>
236,688	427,804	7,369,634
-	369,493	-
<u>236,688</u>	<u>797,297</u>	<u>7,369,634</u>
(232,319)	(2,093,924)	(12,661,473)
<u>4,369</u>	<u>(1,296,627)</u>	<u>(5,291,839)</u>

West Virginia Investment Management Board
Statement of Changes in Net Assets (Continued)

Period Ended June 30, 2004

(Dollars in thousands, except for Unit Transactions)

	Short-Term Fixed Income	Dedicated Fixed Income
Operations		
Investment income (loss), net	\$ 1,330	\$ 10,565
Net realized gain (loss) from investments	-	-
Net realized gain from foreign currency transactions	-	-
Net increase (decrease) in the fair value of investments	-	(3,505)
Net increase in the translation of assets and liabilities in foreign currencies	-	-
Net increase (decrease) in net assets from operations	1,330	7,060
Distributions to unitholders		
Investment income, net	(1,330)	(9,502)
Net realized gain (loss) on investments	-	-
Total distributions	(1,330)	(9,502)
Fund unit transactions		
Proceeds from sale of units	1,267,133	1,323,059
Reinvestment of distributions	1,330	9,502
	1,268,463	1,332,561
Amount paid for repurchase of units	(1,589,089)	(498,413)
Net increase (decrease) in net assets from fund unit transactions	(320,626)	834,148
Contributions		
	-	-
Withdrawals		
	-	-
Increase (decrease) in net assets	(320,626)	831,706
Net assets, beginning of period	463,019	-
Net assets, end of period	\$ 142,393	\$ 831,706
Fund unit transactions		
Units sold	1,267,133,144	132,379,591
Units issued from reinvestment of distributions	1,329,699	950,083
	1,268,462,843	133,329,674
Units repurchased	(1,589,088,839)	(49,878,987)
Net increase (decrease) in fund units	(320,625,996)	83,450,687

See accompanying notes to financial statements.

<u>Fixed Income</u>	<u>Fixed Income Qualified</u>	<u>Fixed Income Nonqualified</u>
\$ 50,337	\$ (257)	\$ (59)
59,292	26,797	20,778
-	-	-
(102,897)	(22,811)	(20,362)
-	-	-
<u>6,732</u>	<u>3,729</u>	<u>357</u>
(50,080)	-	(35,646)
-	-	(21,419)
<u>(50,080)</u>	<u>-</u>	<u>(57,065)</u>
291,868	301,812	92,151
50,080	-	57,065
<u>341,948</u>	<u>301,812</u>	<u>149,216</u>
(483,730)	(32,603)	(125,792)
<u>(141,782)</u>	<u>269,209</u>	<u>23,424</u>
-	-	-
-	-	-
<u>(185,130)</u>	<u>272,938</u>	<u>(33,284)</u>
1,403,498	444,136	150,219
<u>\$ 1,218,368</u>	<u>\$ 717,074</u>	<u>\$ 116,935</u>
24,835,440	21,798,136	8,547,782
4,314,670	-	4,052,447
<u>29,150,110</u>	<u>21,798,136</u>	<u>12,600,229</u>
(41,644,871)	(2,349,702)	(9,140,064)
<u>(12,494,761)</u>	<u>19,448,434</u>	<u>3,460,165</u>

West Virginia Investment Management Board
Statement of Changes in Net Assets (Continued)

Period Ended June 30, 2004

(Dollars in thousands, except for Unit Transactions)

	<u>Cash Liquidity</u>	<u>Government Money Market</u>
Operations		
Investment income (loss), net	\$ 13,210	\$ 1,637
Net realized gain (loss) from investments	29	4
Net realized gain from foreign currency transactions	-	-
Net increase (decrease) in the fair value of investments	-	-
Net increase in the translation of assets and liabilities in foreign currencies	-	-
Net increase (decrease) in net assets from operations	<u>13,239</u>	<u>1,641</u>
Distributions to unitholders		
Investment income, net	(13,208)	(1,641)
Net realized gain (loss) on investments	(31)	(4)
Total distributions	<u>(13,239)</u>	<u>(1,645)</u>
Fund unit transactions		
Proceeds from sale of units	6,939,315	463,628
Reinvestment of distributions	13,239	1,645
	<u>6,952,554</u>	<u>465,273</u>
Amount paid for repurchase of units	<u>(6,577,690)</u>	<u>(452,123)</u>
Net increase (decrease) in net assets from fund unit transactions	<u>374,864</u>	<u>13,150</u>
Contributions		
	-	-
Withdrawals		
	-	-
Increase (decrease) in net assets	<u>374,864</u>	<u>13,146</u>
Net assets, beginning of period	<u>1,021,086</u>	<u>137,972</u>
Net assets, end of period	<u>\$ 1,395,950</u>	<u>\$ 151,118</u>
Fund unit transactions		
Units sold	6,939,315,036	463,628,389
Units issued from reinvestment of distributions	13,239,089	1,645,337
	<u>6,952,554,125</u>	<u>465,273,726</u>
Units repurchased	<u>(6,577,689,301)</u>	<u>(452,123,163)</u>
Net increase (decrease) in fund units	<u>374,864,824</u>	<u>13,150,563</u>

See accompanying notes to financial statements.

<u>Enhanced Yield</u>	<u>Loss Amortization</u>	<u>Loans</u>
\$ 11,434	\$ 6,293	\$ 4,094
2,935	31,965	(4)
-	-	-
(13,180)	(42,023)	-
-	-	-
<u>1,189</u>	<u>(3,765)</u>	<u>4,090</u>
(11,860)	-	(4,068)
(4,084)	-	4
<u>(15,944)</u>	<u>-</u>	<u>(4,064)</u>
119,600	-	6,494
15,944	-	4,064
<u>135,544</u>	<u>-</u>	<u>10,558</u>
(150,781)	-	(4,272)
<u>(15,237)</u>	<u>-</u>	<u>6,286</u>
-	-	-
-	-	-
<u>(29,992)</u>	<u>(3,765)</u>	<u>6,312</u>
<u>383,067</u>	<u>141,734</u>	<u>133,768</u>
<u>\$ 353,075</u>	<u>\$ 137,969</u>	<u>\$ 140,080</u>
1,159,872	-	6,493,758
155,424	-	4,063,531
1,315,296	-	10,557,289
(1,473,308)	-	(4,270,614)
<u>(158,012)</u>	<u>-</u>	<u>6,286,675</u>

West Virginia Investment Management Board
Statement of Changes in Net Assets (Continued)

Period Ended June 30, 2004

(Dollars in thousands, except for Unit Transactions)

	Municipal Bond Commission	Department of Transportation
Operations		
Investment income (loss), net	\$ 2,874	\$ 698
Net realized gain (loss) from investments	-	-
Net realized gain from foreign currency transactions	-	-
Net increase (decrease) in the fair value of investments	-	-
Net increase in the translation of assets and liabilities in foreign currencies	-	-
Net increase (decrease) in net assets from operations	<u>2,874</u>	<u>698</u>
Distributions to unitholders		
Investment income, net	-	-
Net realized gain (loss) on investments	-	-
Total distributions	<u>-</u>	<u>-</u>
Fund unit transactions		
Proceeds from sale of units	-	-
Reinvestment of distributions	-	-
Net increase (decrease) in net assets from fund unit transactions	<u>-</u>	<u>-</u>
Contributions	113,884	-
Withdrawals	(134,919)	(35,098)
Increase (decrease) in net assets	<u>(18,161)</u>	<u>(34,400)</u>
Net assets, beginning of period	92,842	34,400
Net assets, end of period	<u>\$ 74,681</u>	<u>\$ -</u>

See accompanying notes to financial statements.

<u>Lottery Defeasance</u>	<u>School Fund</u>	<u>EDA Insurance</u>
\$ 310	\$ 13	\$ 4
-	-	-
-	-	-
(291)	-	-
-	-	-
<u>19</u>	<u>13</u>	<u>4</u>
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
1	373	-
<u>(1,426)</u>	<u>(808)</u>	<u>(5)</u>
(1,406)	(422)	(1)
4,449	1,807	458
<u>\$ 3,043</u>	<u>\$ 1,385</u>	<u>\$ 457</u>

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West Virginia Investment Management Board

Notes to Financial Statements

NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (Investment Management Board) was organized on April 25, 1997, as a public corporation created by *West Virginia Code § 12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers Compensation and Pneumoconiosis funds, the State's operating funds, and other State and local government funds.

A Board of Trustees, consisting of thirteen members, governs the Investment Management Board. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints Trustees for a term of six years.

The WVIMB operates on a fiscal year that begins July 1 and ends June 30.

The accompanying financial statements reflect only the investments and investment transactions of the investment pools established by the Investment Management Board and do not reflect any other assets or liabilities of the various pool participants or the Investment Management Board.

A brief description of the individual pools within the fund follows:

Large Cap Domestic - The pool's objective is to equal or exceed the S&P 500 Stock Index over a three- to five-year period. Assets of this pool are actively managed by Alliance Capital Management, Chartwell Investment Partners, and State Street Global Advisors.

Non-Large Cap Domestic - This pool invests in the equities of small- to mid-sized companies and its objective is to equal or exceed the Russell 2500 Index over a three- to five-year period. Assets of this pool are managed by Aronson + Johnson + Ortiz, Brandywine Asset Management, Wellington Management Company, and Westfield Capital Management.

International Qualified - Funds of this pool are invested in Silchester International Investors' Value Equity Group Trust. This pool is expected to produce investment returns that exceed the Morgan Stanley Capital International's Europe Australasia Far East (EAFE) Index by 200 basis points on an annualized basis over rolling three- to five-year periods, net of fees. Only "qualified participants" (as defined by the *Internal Revenue Code*) may invest in this pool.

International Nonqualified - Funds of this pool are invested in Silchester International Investors' Value Equity Trust. This pool is expected to produce investment returns that exceed the Morgan Stanley Capital International's EAFE Index by 200 basis points on an annualized basis over rolling three- to five-year periods, net of fees. This pool exists for participants who are not "qualified" (as defined by the *Internal Revenue Code*).

International Equity - This pool invests in the equities of international companies. This pool is co-managed by Mastholm Asset Management and TT International Investment Management companies, with a portion of the assets invested in Capital International Inc.'s Emerging Markets Growth Fund. The objective of the International Equity is to exceed Morgan Stanley Capital International's All Country World Free Ex US Index over rolling three- to five-year periods, net of fees.

Short-Term Fixed Income - The main objective of this pool is to maintain sufficient liquidity to fund withdrawals by the participant plans and to invest cash contributions until such time as the money can be transferred to other asset classes without sustaining capital losses. Bank One Investment Advisors is the advisor to this pool.

Dedicated Fixed Income - This pool, which began operating on July 15, 2003, invests in high quality, low risk fixed income securities with laddered maturities timed to match the expected cash flow needs of the State's Workers Compensation fund. The Workers Compensation fund is the sole participant of this pool. Bank One Investment Advisors is the advisor to this pool.

Fixed Income - The main objective of this core bond pool is to generate investment income, provide stability and diversification, but not at the expense of total return. This pool is managed on an active basis by Western Asset Management Company.

Fixed Income Qualified - The main objective of this core bond pool is to generate investment income, provide stability and diversification, but not at the expense of total return. Barclays Global Investors manages funds for this passive corporate and mortgage domestic fixed income pool. Only "qualified participants" (as defined by the *Internal Revenue Code*) may invest in this pool.

Fixed Income Nonqualified - The main objective of this core bond pool is to generate investment income, provide stability and diversification, but not at the expense of total return. Barclays Global Investors manages funds for this passive corporate and mortgage domestic fixed income pool. This pool exists for participants who are not "qualified" (as defined by the *Internal Revenue Code*).

The Consolidated Fund is a statutory term for the collective investment of those monies currently needed to fund state governmental operations, participation by local governments, or those monies that are required by other statutory provisions to be invested in the Consolidated Fund. The following five investment pools are established for the Consolidated Fund.

Cash Liquidity - This pool consists of the operating funds of the State, funds held in trust by State agencies, and funds from local governments who desire the opportunity to invest with the State. Its purpose is to provide for the investment of all surplus funds and supply the daily cash needs of the State. The pool is co-managed by Bank One Investment Advisors and UBS Global Asset Management.

Government Money Market - This pool consists of investors who wish to invest in a pool that restricts its investments to U. S. Government Obligations, select U. S. Government Agency Obligations or repurchase agreements. The pool is managed by UBS Global Asset Management.

NOTE 1. DESCRIPTION OF ENTITY (Continued)

Enhanced Yield - This pool consists of the operating funds of the State that are not immediately needed to fund the State's liquidity requirements. The pool is managed by Standish Mellon Asset Management.

Loss Amortization - This pool was created to account for those participant claims on the general operating funds of the State which exceeded the underlying assets of the other pools. This excess of participant claims on net assets over underlying assets occurred as a result of the distributions of earnings to participants in various Investment Management Board investment pools, principally the Unrestricted Pool (predecessor to Cash Liquidity), in excess of the true investment income experience of the pools, principally in 1987 and 1988.

Loans - This pool is comprised of loans made by the State. The \$1 unit price is utilized for accounting purposes only. The State is the sole participant in this pool.

Participant Directed Accounts - The remaining pools, (Municipal Bond Commission, Department of Transportation, Lottery Defeasance, School Fund, and EDA Insurance), are maintained for individual State agencies with specific investment needs. Each agency has 100 percent ownership of the underlying investments in its' pool and is solely responsible for the investment decisions in accordance with the legal restrictions applicable to those assets. The Board serves in a custodial capacity and has no discretion over the investment decisions for these pools. The Department of Transportation pool was closed effective May 27, 2004.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting - The Investment Management Board is the investment vehicle of the State and its component units, all of which are government entities. The investments of the Short-Term Fixed Income, Cash Liquidity, the Government Money Market, the Loans, the Municipal Bond Commission, and the EDA Insurance pools are, as permissible under Government Accounting Standards Board (GASB) Statement Number 31, carried at amortized cost. The investments of the remaining pools are carried at fair value, which is determined by a third party pricing service based on asset portfolio pricing models and other sources. Futures and option contracts are valued at the last settlement price established each day by the exchange on which they are traded. Investments in commingled investment pools are valued at the reported unit values of the individual funds. Commissions on the purchases of securities by the Investment Management Board are a component of the security price quoted by the seller and are included in the investment cost.

Governmental Accounting Standards Board (GASB) Statement Number 20, "Accounting and Financial Reporting for Proprietary funds and Other Governmental Entities that use Proprietary Fund Accounting" - The Investment Management Board has elected to follow all Financial Accounting Standard Board Statements and Interpretations, APB Opinions and ARBs, except those that conflict with or contradict GASB pronouncements.

Repurchase Agreements - In connection with transactions in repurchase agreements, it is the Investment Management Board's policy that it's designated custodian take possession of the underlying collateral securities, the fair value of which exceeds the principal amount of the repurchase transaction at all times. If the seller defaults, and the fair value of the collateral declines, realization of the collateral by the Investment Management Board may be delayed or limited.

Foreign Currency - Amounts denominated in or expected to settle in foreign currencies are translated into United States dollars at exchange rates reported by Mellon Bank on the following basis:

- a. Market value of investment securities, other assets and liabilities - at the closing rate of exchange at the valuation date,
- b. Purchases and sales of investment securities, income and expenses - at the rate of exchange prevailing on the respective dates of such transactions.

The Investment Management Board isolates that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from market prices of securities held.

Reported net realized foreign exchange gains and losses arise from sales of portfolio securities, sales and maturities of short-term securities, sales of foreign currencies, currency gains and losses realized between the trade and settlement dates on securities transactions, and the difference between the amounts of dividends, interest, and foreign withholding taxes recorded and the United States dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the value of assets and liabilities including investments in securities at month end, resulting from changes in the exchange rate.

Option Contracts - The Investment Management Board may purchase or write equity, bond, currency, or index option contracts that have recognized liquidity and are actively traded on major exchanges or are executed with major dealers. These option contracts give the purchaser of the contract the right to buy (call) or sell (put) the security, or settle cash for an index option, underlying the contract at an agreed upon price (strike price) during or at the conclusion of a specified period of time.

Premiums paid upon the purchase of an option contract are recorded as an asset and subsequently adjusted to market value. Upon exercising a purchased option, a gain is recorded equal to the difference between the market value of the underlying instrument and the strike price of the option, less premiums paid. If the option expires unexercised, a loss is recognized in the amount of the premiums paid for the option.

Premiums received when option contracts are written are recorded as a liability and subsequently adjusted to market value. If a written option contract expires unexercised, a gain is recorded equal to the amount of the premiums received. The difference between the premiums received and the amount paid to effect a closing transaction is also recorded as a gain or loss. When a written option is exercised, a loss is recorded equal to the difference between the market value of the underlying instrument and the strike price of the option, less premiums received.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

One of the Investment Management Board's fixed income managers uses written option contracts to enhance investment returns and reduce portfolio convexity when implied volatility is high. Purchased option contracts are used to increase portfolio convexity when implied volatility is low, to implement certain yield curve strategies, or to hedge sector exposure.

When writing put options, there is risk that a loss may be incurred if the market price of the underlying instruments decreases and the option is exercised. This loss is determined by market conditions and cannot be specifically limited. The risk associated with writing call options is the loss of potential profit if the market price of the security increases and the option is exercised. Purchased put or call options bear the risk of loss of the premium paid if market conditions are not favorable to exercise the option. There may also be risk that the value of the option contract doesn't correlate perfectly with movements of the underlying instrument due to certain market distortions. To limit its exposure to these risks, the Investment Management Board has established limits on the value and use of option contracts.

The Investment Management Board limits its exposure to credit by only buying or selling options traded on major exchanges, or executed with major dealers. There is a risk of the inability to enter into a closing transaction if a liquid secondary market does not exist. The Investment Management Board maintains sufficient levels of cash or cash equivalents to meet cash flow obligations.

Security Loans - The Investment Management Board through its agent, Mellon Bank, loans securities to various brokers on a temporary basis. Each transaction for U.S. securities is secured by initial collateral of at least 102% of the market value of the securities loaned. For international securities, the collateral is at least 105% of the market value of the securities on loan. Cash collateral received is invested in the Mellon GSL DBT II Collateral Fund. The Investment Management Board receives a portion of the income from the investment of the collateral. The Investment Management Board also continues to receive interest or dividends on the securities loaned. Gains or losses in the fair value of the securities loaned that may occur during the term of the loans are reflected in the various investment pools.

Futures Contracts - A futures contract is an agreement between a buyer or a seller and the clearinghouse of a futures exchange in which the parties agree to buy or sell a commodity, financial instrument or index at a specified future date and price. The Investment Management Board invests in futures contracts in the Large Cap Domestic Equity Pool, the Non-Large Cap Domestic Equity Pool, and the Fixed Income Pool. Upon entering into a financial futures contract, the Investment Management Board is required to pledge to the broker an amount of cash, U.S. government securities, or other assets, equal to a certain percentage of the contract amount (initial margin deposit). Cash (variation margin) is received from or paid to the broker each day for the daily fluctuations of the underlying securities or index. The Investment Management Board records the cash received or paid for the variation margin as a realized gain or loss.

Interest rate futures may be used to enhance portfolio yields, to hedge an existing position, or as an alternative investment of cash. Stock index futures may be used to provide immediate exposure to fluctuations in the market exposure of the stocks in the underlying index and to provide liquidity for cash flows.

The market risk associated with holding interest rate and stock index futures results from changes in the market value of the contractual positions due to changes in the value of the underlying instruments or indices. Hedging risk associated with these futures contracts arises because the value of the futures contracts may not correlate perfectly with changes in the values of the underlying instruments or indices due to market distortions. The Investment Management Board limits its exposure to these risks by establishing and monitoring limits on the type and total value of futures contracts that may be held.

Other risks associated with futures contracts are liquidity risk and credit risk. Liquidity risk arises when there is insufficient trading in a particular futures contract. Credit risk arises from the potential inability of counterparties to meet the terms of the contracts. The Investment Management Board requires its managers to only utilize futures contracts that are traded on major exchanges or are executed with major dealers. The major exchanges assume the risk that a counterparty will not settle and generally require an initial margin deposit of cash or securities.

Foreign Exchange Forward Contracts - A foreign exchange forward contract is an agreement between two parties to exchange different currencies at a specified exchange rate at an agreed upon future date. The International Equity pools' investment managers enter into such contracts to hedge the assets and liabilities related to securities denominated in a foreign currency. Risk associated with such contracts include movement in the value of the foreign currency relative to the U. S. dollar and the ability of the counterparty to perform. These contracts have relatively short durations and are valued at the prevailing market exchange rates at month end. An unrealized gain or loss is recorded as the difference between the amount valued at month end and the amount to be received or paid at the expiration date. The unrealized gain or loss is reclassified to realized gain or loss when the contract expires.

Interest Rate Swaps - Interest rate swaps represent an agreement between counterparties to exchange cash flows based on the difference between two interest rates, applied to a notional principal amount for a specified period. Interest rate swaps do not involve the exchange of principal between the parties. Interest is paid or received periodically.

Asset-Backed Securities - Certain portfolios invest in various asset-backed securities, mortgage-backed securities, and structured corporate debt. The securities are reported at fair value. The portfolios invest in these securities to enhance yields on investments. Changes in market interest rates affect the cash flows of these securities and may result in changes in fair value. The overall return or yield on these securities depends on the changes in the interest and principal payment pattern and market value of the underlying assets.

Investment Transactions - Investment transactions are accounted for on a trade date basis.

Use of Estimates - The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Investment Gains and Losses - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method. The calculation of realized gains and losses is independent of the calculation of the net increase or decrease in the fair value of investments. Realized gains and losses on investments held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year.

Interest Income - Interest income is recognized as earned on the accrual method with one exception. The cash received method of income recognition is used for the interest on the WVEDA Non-Recourse Loan held by the Loan pool. Under this method income is recognized when received.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Dividend Income - Dividend income is recognized on the ex-dividend date.

Amortization - Discounts and premiums on securities purchased are amortized over the life of the respective securities using the scientific method of amortization. This method maintains a constant book yield over the life of the security. The amortization of mortgage-backed securities considers the effect of prepayments on the life of the security. Historical prepayment speeds are obtained from market data vendors and are updated annually. The effect of changing prepayment assumptions is reported in the Statement of Operations in the year of the change.

Allowance for Loan Losses - The allowance for loan losses is available to absorb future loan losses. The allowance is increased by provisions charged against operations and reduced by charge-offs (losses), net of recoveries. The provision is based on several factors including: analytical reviews of loan loss experience in relationship to outstanding loans; a continuing review of problem loans and overall portfolio quality, including analysis of the quality of the underlying collateral; and management's judgment on the impact of current and expected economic conditions on the portfolio. At June 30, 2004 the Investment Management Board had an allowance for uncollectable loans of \$712,719.

Distributions to Participants - The monthly net income of the Dedicated Fixed Income, the Fixed Income, and the Enhanced Yield pools are declared as dividends and distributed to the participants of the pools on the first day of the following month. Distributions are paid in the form of reinvestments in the pools and have been included in distributions to participants and reinvestment of distributions as presented on the Statement of Changes in Net Assets.

The net income of the Short-Term Fixed Income, the Cash Liquidity, and the Government Money Market pools are declared as dividends and distributed daily to the participants based upon their pro rata participation in the pools. For these pools, the distributions of net investment income and net realized gains are credited to the participants' accounts in the form of dividend reinvestments in the pool and are presented first as distributions to participants, and then as reinvestment of distributions on the Statement of Changes in Net Assets.

The net income of the Loan Pool is determined monthly and distributed to the participant on the last day of the month. Distributions are paid in the form of reinvestments in the pool and have been included in distributions to participants and reinvestment of distributions as presented on the Statement of Changes in Net Assets.

The monthly net income of the Loss Amortization Pool is used to reduce the undistributed net losses recorded in this portfolio.

Expenses - The Investment Management Board's Trustees adopt an annual budget and fee schedule for services to be provided to the respective investment pools. Each investment portfolio is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the investment portfolios based on asset size. Certain investment portfolios cannot be charged expenses or must be charged a reduced expense. The Investment Management Board pays all expenses on behalf of the pools.

Income Taxes - The Investment Management Board is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the Investment Management Board is not subject to federal or state income taxes.

NOTE 3. RELATED PARTY TRANSACTIONS

The Investment Management Board is required by law to enter into certain investment transactions with other state entities. At June 30, 2004, the Investment Management Board's intergovernmental investments included:

1. The "Tax reappraisal loan" represents an obligation of the West Virginia Property Valuation Training and Procedures Commission. The original loan was \$5,701,896.26 and was used to fund property reappraisals by various counties. This loan's interest rate may be renegotiated every three years until repaid. The outstanding principal balance and accrued interest at June 30, 2004 was \$106,787. The current note bears interest at 1.69%.

2. The "WVEDA Revolving loan" is an obligation of the West Virginia Economic Development Authority (WVEDA). The terms of this loan program provide for the Investment Management Board to make available on a revolving basis up to \$175,000,000 for the WVEDA to use to fund economic development initiatives. The interest rate is reset on July 1 of each year and is based on the twelve month return of the Cash Liquidity pool. The rate for the year ended June 30, 2004 was 4.03%. The rate has a 1% annual adjustment cap. The WVEDA makes monthly principal and interest payments calculated on a one hundred twenty month amortization of the outstanding balance. At June 30, 2004 the outstanding balance was \$111,285,527.

3. The "WVEDA Non-recourse loan" represents an obligation of the WVEDA. This loan was entered into on April 9, 2002. The terms of this loan allow for the WVEDA to borrow through June 29, 2012, up to \$25,000,000 from the Investment Management Board. The funds borrowed by the WVEDA are to be loaned, without recourse, to the West Virginia Enterprise Advancement Corporation, (WVEAC), for investment in the West Virginia Enterprise Capital Fund, to fund certain venture capital initiatives. The loan earns interest at 3% which is fixed for the term of the loan. The WVEDA is required to make annual principal payments of \$10,000 plus accrued interest for the first ten years. However, in the event the WVEDA has not received any returns from their investment with the WVEAC, these payments may be deferred during the first ten years. Beginning June 30, 2013, the WVEDA is expected to make principal and interest payments sufficient to repay all outstanding principal and accrued interest in full by June 30, 2022. At June 30, 2004, \$14,990,000 of principal is outstanding.

Due to the uncertain collectibility of this loan, the Investment Management Board has elected to use the cash received method of income recognition for this loan. Under this method, income is recognized when it is collected. Additionally, a reserve of \$712,719 has been accrued against this loan.

The following progression details the amount of interest that has not been recognized as income and the expected receipt of which has been deferred in accordance with the provisions of the loan.

Fiscal year 2003 interest deferred	\$	305,250
Fiscal year 2004 interest deferred		451,033
Total interest deferred	\$	<u>756,283</u>

NOTE 4. SECURITIES LENDING

At June 30, 2004, the fair value of securities on loan and the collateral held by the pools of the Investment Management Board are as follows. Of the collateral held, \$1,373,862,974 was received as cash. The collateral received as cash is invested in the Mellon GSL DBT II Collateral Fund.

	Fair Value of Securities on Loan	Collateral Held
Large Cap Domestic	\$ 37,576,528	\$ 38,942,664
Non-Large Cap Domestic	55,272,524	57,395,872
International Equity	61,404,946	65,499,317
Short-Term Fixed Income	14,854,371	15,161,750
Dedicated Fixed Income	509,586,410	519,929,135
Fixed Income	409,632,688	420,299,398
Cash Liquidity	238,930,745	243,816,644
Government Money Market	32,897,127	33,574,148
Enhanced Yield	84,802,766	86,434,856
	<u>\$ 1,444,958,105</u>	<u>\$ 1,481,053,783</u>

NOTE 5. FUTURES CONTRACTS

At June 30, 2004, open positions in futures contracts are as follows:

Expiration	Open Contracts	Position	Value Upon Entering Contract	Value at June 30, 2004	Net Gain (Loss)
<i>Non-Large Cap Domestic Equity Pool</i>					
Sept 2004	6 S&P Mid 400	Long	360,900	364,950	4,050
Sept 2004	18 Russell 2000	Long	1,040,335	1,066,230	25,895
			<u>\$ 1,401,235</u>	<u>\$ 1,431,180</u>	<u>\$ 29,945</u>
<i>Fixed Income Pool</i>					
Sept 2004	72 Euro 90 day	Long	\$ 17,213,818	\$ 17,636,400	\$ 422,582
Sept 2005	100 Euro 90 day	Long	24,205,625	24,075,000	(130,625)
Sept 2004	287 US 5YR T Note	Long	30,919,024	31,193,313	274,289
Sept 2004	(428) US 10YR T Note	Short	(46,248,331)	(46,792,440)	(544,109)
Sept 2004	127 US Treasury Bond	Long	13,238,203	13,509,625	271,422
			<u>\$ 39,328,339</u>	<u>\$ 39,621,898</u>	<u>\$ 293,559</u>

At June 30, 2004, the Investment Management Board has pledged cash and securities with a combined value of \$833,408, to cover initial margin requirements on open futures contracts.

At June 30, 2004, the net variation margin receivable of \$20,468 represented one day's settlement on open futures contracts.

NOTE 6. OPTION CONTRACTS WRITTEN

	Puts		Calls	
	Number of Contracts	Premiums Received	Number of Contracts	Premiums Received
Options outstanding at June 30, 2003	-	\$ -	-	\$ -
Options written	-	-	(2,727)	(2,082,857)
Options closed	-	-	1,634	1,206,818
Options expired	-	-	1,093	876,039
Options outstanding at June 30, 2004	<u>-</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>

NOTE 7. FOREIGN EXCHANGE FORWARD CONTRACTS

At June 30, 2004, the International Equity pool held the following open foreign currency forward contracts:

Position	Foreign Currency	Inception Date	Expiration Date	Receivable		Payable		Unrealized appreciation (depreciation)
				(in foreign currency)	(in U. S. dollars)	(in foreign currency)	(in U. S. dollars)	
Long / Cover	South Korean Won	6/29/2004	7/1/2004	277,777,320	\$ 240,396		\$ 241,420	\$ (1,024)
Long / Cover	Swiss Franc	6/29/2004	7/1/2004	1,209,142	965,460	965,460	961,155	4,305
Short / Cover	Japanese Yen	6/29/2004	7/1/2004		4,191	455,700	4,176	15
Short / Cover	Euro Currency Unit	6/28/2004	7/1/2004		1,124,013	923,821	1,123,967	46
Short / Cover	British Pound	6/29/2004	7/1/2004		181,360	100,000.00	181,350	10
Long / Cover	Japanese Yen	6/30/2004	7/2/2004	47,975,360	439,677		439,617	60
Long / Cover	Swedish Krona	6/29/2004	7/2/2004	7,444,270	988,228		988,773	(545)
Long / Cover	British Pound	6/30/2004	7/2/2004	713,055	1,293,125		1,292,982	143
Long / Cover	Japanese Yen	6/30/2004	7/2/2004	90,328,900	827,832		830,000	(2,168)
Short / Cover	Euro Currency Unit	6/30/2004	7/2/2004		2,593,914	2,130,000	2,591,464	2,450
Long / Hedge	Australian Dollar	6/17/2004	7/21/2004	17,890,000	12,430,991	12,430,992	12,247,099	183,892
Long / Hedge	Euro Currency Unit	6/11/2004	8/16/2004	2,720,000	3,306,049	3,306,049	3,251,517	54,532
Long / Hedge	Euro Currency Unit	6/28/2004	9/30/2004	2,360,000	2,865,794	2,865,794	2,877,130	(11,336)
					<u>\$ 27,261,030</u>		<u>\$ 27,030,650</u>	<u>\$ 230,380</u>

NOTE 8. INVESTMENT TRANSACTIONS

For the year ended June 30, 2004, purchases and sales of investment securities (excluding short term securities) were \$4,302,356,909 and \$3,921,091,993 respectively, for U.S. government obligations; purchases and sales of corporate securities were \$4,702,762,676 and \$4,810,898,999.

NOTE 9. RISK CATEGORIZATION

In accordance with statement No. 3 of the Governmental Accounting Standards Board, investments are classified as to level of risk by the three categories described below:

Category 1 includes investments that are insured or registered, or for which the securities are held by the Investment Management Board or its agent in the Investment Management Board's name.

Category 2 includes investments that are uninsured and unregistered, or for which the securities are held by the counterparty's trust department or agent in the Investment Management Board's name.

Category 3 includes uninsured and unregistered investments, held by the counterparty's trust department or agent but not in the Investment Management Board's name.

Investments at June 30, 2004, by security type and level of risk category as defined by Statement No. 3 of the Governmental Accounting Standards Board are as follows:

Security Type	Category 1 (\$000's)	Category 2 (\$000's)	Category 3 (\$000's)	Carrying Value (\$000's)	Fair Value (\$000's)
U.S. Government and agency obligations	\$ 955,890	\$ -	\$ -	\$ 955,890	\$ 950,719
Corporate bonds	766,268	-	-	766,268	766,026
Common and preferred stocks	2,404,045	-	-	2,404,045	2,404,045
Commercial paper	545,902	-	-	545,902	545,898
Certificates of deposit	86,000	-	-	86,000	86,000
Repurchase agreements	230,427	-	-	230,427	230,427
Total Categorized	<u>\$ 4,988,532</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,988,532</u>	<u>\$ 4,983,115</u>
Uncategorized:					
Institutional mutual funds				1,543,643	1,543,643
Money market mutual funds				362,051	362,051
Security lending short term collateral pool				1,373,863	1,373,863
Investments in loans and mortgages				<u>126,319</u>	<u>126,319</u>
				<u>\$ 8,394,408</u>	<u>\$ 8,388,991</u>

Supplemental Financial Information

West Virginia Investment Management Board
Supplemental Financial Information
For the Period July 1, 2003 through June 30, 2004

	<u>Large Cap Domestic</u>	<u>Non-Large Cap Domestic</u>	<u>International Qualified</u>	<u>International Nonqualified</u>	<u>International Equity</u>
Net asset value, beginning of period	\$ 8.14	\$ 12.21	\$ 15.94	\$ 17.59	\$ 9.68
Net investment income (loss)	0.14	0.13	(0.11)	(0.17)	0.16
Net realized and unrealized gain (loss) on investment transactions	1.47	3.62	5.66	4.46	1.76
Net realized loss from foreign currency transactions	-	-	-	-	0.67
Net increase in the translation of assets and liabilities in foreign currencies	-	-	-	-	(0.12)
Total from investment operations	1.61	3.75	5.55	4.29	2.47
Less distributions	-	-	-	(1.36)	-
Net asset value, end of period	<u>\$ 9.75</u>	<u>\$ 15.96</u>	<u>\$ 21.49</u>	<u>\$ 20.52</u>	<u>\$ 12.15</u>
Fiscal year to date time-weighted total return (net of fees, not annualized)	19.6%	30.6%	34.8%	33.1%	25.4%
Supplemental Data:					
Expenses (year to date annualized)	0.07%	0.47%	0.60%	0.91%	0.47%
Net investment income (year to date annualized)	1.54%	0.90%	-0.60%	-0.91%	1.38%
Portfolio turnover rate	79.23%	149.04%	0.00%	0.00%	164.19%

	<u>Fixed Income Qualified</u>	<u>Fixed Income Nonqualified</u>	<u>Cash Liquidity</u>	<u>Government Money Market</u>	<u>Enhanced Yield</u>
Net asset value, beginning of period	\$ 13.88	\$ 13.99	\$ 1.00	\$ 1.00	\$ 104.16
Income from investment operations:					
Net investment income (loss)	-	-	0.01	0.01	2.99
Net realized and unrealized gain (loss) on investment transactions	0.06	0.58	-	-	(2.68)
Net realized loss from foreign currency transactions	-	-	-	-	-
Net increase in the translation of assets and liabilities in foreign currencies	-	-	-	-	-
Total from investment operations	0.06	0.58	0.01	0.01	0.31
Less distributions	-	(6.33)	(0.01)	(0.01)	(4.16)
Net asset value, end of period	<u>\$ 13.94</u>	<u>\$ 8.24</u>	<u>\$ 1.00</u>	<u>\$ 1.00</u>	<u>\$ 100.31</u>
Fiscal year to date total return (net of fees, not annualized)	0.4%	0.6%	1.0%	1.0%	0.4%
Supplemental Data:					
Expenses (year to date annualized)	0.05%	0.06%	0.09%	0.09%	0.11%
Net investment income (year to date annualized)	-0.05%	-0.06%	1.06%	0.95%	2.91%
Portfolio turnover rate	26.57%	70.81%	0.00%	0.00%	88.15%

<u>Short-Term Fixed Income</u>	<u>Dedicated Fixed Income</u>	<u>Fixed Income</u>
\$ 1.00	\$ 10.00 *	\$ 11.82
-	0.12	0.43
-	(0.03)	(0.35)
-	-	-
-	-	-
-	0.09	0.08
-	(0.12)	(0.43)
<u>\$ 1.00</u>	<u>\$ 9.97</u>	<u>\$ 11.47</u>
0.9%	0.8%	0.7%
0.05%	0.07%	0.25%
1.06%	1.42%	3.72%
0.00%	10.55%	126.27%

* - The Dedicated Fixed Income Pool began operations on July 15, 2003

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West Virginia
Investment Management Board_____

Audited Financial Statements

June 30, 2004

West Virginia Investment Management Board

Audited Financial Statements

June 30, 2004

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West Virginia Investment Management Board

Management's Discussion and Analysis

This discussion and analysis of the West Virginia Investment Management Board's (WVIMB) financial performance provides an overview of the Board's financial activities for the fiscal year ended June 30, 2004. Please read it in conjunction with the basic financial statements, which follow this discussion.

FINANCIAL HIGHLIGHTS

- The WVIMB is required by law to charge a fee sufficient to cover the cost of providing investment management services. Investment service fee revenues were \$15.8 million as compared to \$14.4 million for the prior fiscal year. The change primarily results from increased fees charged to cover additional investment advisor and custodial banking costs.
- Fees paid to outside investment advisors increased by \$1.4 million over the prior year as a result of higher performance based fees for fixed income investment advisors and an increase in the asset base of certain investment pools. Average net assets of managed funds increased by \$557 million over the previous year.
- Custodial bank fees increased by \$122,000 from the prior year. This is primarily attributable to shifting assets from commingled and indexed funds where the custody costs are borne by the fund to actively managed accounts where the assets are held by the WVIMB's custodian.
- Administrative expenses were decreased by \$12,000 from the prior year. Expenses with significant changes from the prior year are:
 - Occupancy costs increased \$31,000 as a result of being in the new office space for a full year,
 - Spending for office and computer supplies was decreased by \$47,000,
 - Salaries expense declined by \$11,000 due to having unfilled positions for part of the year, and,
 - Investment system maintenance increased by \$22,000.
- Nonoperating revenues for the year were \$27,000. This was \$24,000 less than the prior year. This decrease is primarily a result of the decline in market interest rates.

THE FINANCIAL REPORTS

This financial report consists of three financial statements: the Statement of Net Assets; the Statement of Revenues, Expenses, and Changes in Net Assets; and the Statement of Cash Flows. These statements include all assets and liabilities of the WVIMB using the economic resources measurement focus and the accrual basis of accounting. The accrual basis of accounting takes into account all revenues and expenses regardless of when cash is received or paid. These statements give an overall perspective of the WVIMB's financial position and the changes in the financial position during the current fiscal year.

The Statement of Net Assets presents the WVIMB's assets and liabilities, with the difference between the two reported as net assets. The Statement of Revenues, Expenses, and Changes in Net Assets describes how the

WVIMB's net assets changed during the fiscal year. The Statement of Cash Flows identifies the sources of cash received by the WVIMB and how that cash was used in the WVIMB's activities during the year. The ending cash presented in this statement is a significant portion of the WVIMB's assets as reported in the Statement of Net Assets. This statement also contains a reconciliation of the operating loss as reported in the Statement of Revenues, Expenses, and Changes in Net Assets to the cash used in the WVIMB's operating activities during the year.

FINANCIAL ANALYSIS

The WVIMB's total assets as of June 30, 2004 were \$6.3 million, and was mostly comprised of cash and cash equivalents, and receivables for investment service fees. Total assets decreased by \$467,000 from June 30, 2003. This decrease is primarily a result of the lower fee revenue for the fourth quarter of the fiscal year.

Total liabilities as of June 30, 2004 were \$2.7 million, consisting of invoices payable and accrued liabilities for external investment management fees, custodial fees, and administrative expenses. This is \$487,000 lower than the liabilities reported at June 30, 2003.

Table 1 Net Assets (In thousands)	2004	2003
Cash and cash equivalents	\$ 3,810	\$ 3,918
Receivables	2,364	2,750
Other assets	<u>153</u>	<u>126</u>
Total assets	6,327	6,794
Total liabilities	<u>(2,724)</u>	<u>(3,211)</u>
Net assets	<u>\$ 3,603</u>	<u>\$ 3,583</u>
<i>Composition of net assets:</i>		
Invested in capital assets	\$ 66	\$ 96
Unrestricted	3,537	3,487

Table 2 Changes in Net Assets (In thousands)	2004	2003
Investment service fees	\$ 15,767	\$ 14,354
Expenses		
Advisor fees	(12,294)	(10,944)
Custodian fees	(462)	(340)
Trustee fees	(54)	(55)
Fiduciary bond expense	(25)	(25)
Professional service fees	(586)	(556)
Administrative expenses	<u>(2,353)</u>	<u>(2,365)</u>
Operating (loss) income	(7)	69
Nonoperating revenues	<u>27</u>	<u>51</u>
Increase in net assets	20	120
Net assets – beginning of year	<u>3,583</u>	<u>3,463</u>
Net assets – end of year	<u>\$ 3,603</u>	<u>\$ 3,583</u>

CAPITAL ASSETS

There was no capital asset activity during the year ended June 30, 2004.

CONTACTING THE WVIMB

This financial report is designed to provide its readers with a general overview of the WVIMB's finances. If you have any questions about this report, or need additional information, contact the WVIMB at 500 Virginia Street, East, Suite 200, Charleston, WV 25301-2164, or visit us on the World Wide Web at www.wvimb.org.



KPMG LLP
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Pittsburgh, PA 15219

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Independent Auditors' Report

Board of Trustees
West Virginia Investment Management Board:

We have audited the accompanying statement of net assets of the West Virginia Investment Management Board (the WVIMB), a component unit of the state of West Virginia, as of June 30, 2004 and the related statements of revenues, expenses, and changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the WVIMB's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the WVIMB as of June 30, 2004 and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis on pages i, ii, and iii is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

KPMG LLP

August 11, 2004



KPMG LLP, a U.S. limited liability partnership, is the U.S. member firm of KPMG International, a Swiss cooperative.

West Virginia Investment Management Board

Statement of Net Assets

June 30, 2004

Assets

Current assets:

Cash and cash equivalents	\$3,809,537
Accounts receivable	2,364,288
Prepaid expenses	57,621
Dividend receivable	2,914
Total current assets	<u>6,234,360</u>

Noncurrent assets

Deposits	1,920
Prepaid insurance	24,921
Capital assets:	
Equipment	1,001,117
Office furniture	125,245
Leasehold improvements	45,492
Less accumulated depreciation	<u>(1,105,939)</u>
Total capital assets (net of accumulated depreciation)	<u>65,915</u>
Total noncurrent assets	<u>92,756</u>

Total assets 6,327,116

Liabilities

Current liabilities:

Accounts payable and accrued expenses	<u>2,724,407</u>
Total current liabilities	<u>2,724,407</u>

Total liabilities 2,724,407

Net assets

Invested in capital assets	65,915
Unrestricted	<u>3,536,794</u>
Total net assets	<u><u>\$3,602,709</u></u>

See accompanying notes to financial statements.

West Virginia Investment Management Board
Statement of Revenues, Expenses, and Changes in Net Assets
For the Year Ended June 30, 2004

Operating revenues:		
Investment service fees		\$15,766,796
	Total operating revenues	15,766,796
Operating expenses:		
Advisor fees		12,293,968
Custodian fees		461,554
Trustee fees		54,000
Fiduciary bond expense		24,921
Professional service fees		586,053
Administrative expenses		2,353,449
	Total operating expenses	15,773,945
	Operating loss	(7,149)
Nonoperating revenues:		
Dividend income		26,177
Other income		400
	Total nonoperating revenues	26,577
	Increase in net assets	19,428
	Net assets, beginning of year	3,583,281
	Net assets, end of year	\$3,602,709

See accompanying notes to financial statements.

West Virginia Investment Management Board

Statement of Cash Flows

For the Year Ended June 30, 2004

Cash flows from operating activities	
Cash received from customers	\$16,152,991
Cash paid to suppliers	(14,690,773)
Cash paid to employees	(1,597,136)
Net cash used in operating activities	<u>(134,918)</u>
Cash flows from investing activities	
Dividends on investments	26,117
Net cash provided by investing activities	<u>26,117</u>
Cash flows from capital and related financing activities	<u>-</u>
Net cash used in capital and related financing activities	<u>-</u>
Net decrease in cash and cash equivalents	(108,801)
Cash and cash equivalents at beginning of year	3,918,338
Cash and cash equivalents at end of year	<u><u>\$3,809,537</u></u>
Reconciliation of operating profit to net cash provided by operating activities:	
Operating loss	<u>\$ (7,149)</u>
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	30,549
Changes in assets and liabilities:	
Decrease in accounts receivable	386,196
Increase in prepaid expenses	(58,104)
Decrease in accounts payable and accrued expenses	(486,410)
Total adjustments	<u>(127,769)</u>
Net cash used in operating activities	<u><u>\$ (134,918)</u></u>

See accompanying notes to financial statements.

West Virginia Investment Management Board
Notes to Financial Statements
June 30, 2004

Note 1. Nature of Organization

The West Virginia Investment Management Board (the WVIMB) was organized on April 25, 1997, as a public corporation created by West Virginia Code §12-6-1 to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Pneumoconiosis funds, other trust assets, the State's operating funds, and other State and local government funds. The WVIMB has established distinct investment pools to efficiently invest the entrusted funds. Separate financial statements are issued for these investment pools. The WVIMB's financial statements are included as a blended component unit of the State of West Virginia in the States' financial statements.

A Board of Trustees, consisting of thirteen members, governs the WVIMB. The Governor, the State Auditor, and the State Treasurer are members of the Board of Trustees. The Governor appoints trustees for a term of six years.

Note 2. Significant Accounting Policies

The accounting and reporting policies of the WVIMB conform to accounting principles generally accepted in the United States of America. The following is a summary of significant accounting policies.

Cash and Cash Equivalents - Cash and cash equivalents consist of cash held in checking and money market accounts. Management believes the WVIMB is not exposed to any significant credit or market risk on cash and cash equivalents. Cash equivalents are maintained with a financial institution in an institutional Treasury Money Market Fund which has an average maturity of less than 90 days.

Property & Equipment - Purchased equipment is recorded at cost. Donated equipment is recorded at estimated fair value at date of donation. Depreciation on purchased and donated assets is provided for over the estimated useful lives of the assets ranging from 3 years to 5 years using the straight-line method. Leasehold improvements are amortized over the life of the lease.

Revenues and Expenses - The WVIMB's Board of Trustees adopts an annual budget and fee schedule for services to be provided to the investment pools. Revenues of the WVIMB are derived from the allocation of fees to the pools per the fee schedule. Each investment pool is charged for its direct investment related cost and for its allocated share of other expenses. Certain investment pools cannot be charged expenses or must be charged a reduced expense due to previous contracts or statutory requirements. Revenues and expenses are recorded when earned or incurred in accordance with the economic resources measurement focus and the accrual basis of accounting. The carrying value of investment service fees receivable approximates its fair value.

GASB Statement Number 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting" - The WVIMB applies all applicable GASB pronouncements, and has elected to apply only those FASB Statements and Interpretations, APB Opinions, and Accounting Research Bulletins issued on or before November 30, 1989 that do not conflict with or contradict GASB Pronouncements.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Income Taxes - The WVIMB is a public corporation organized under laws of the State of West Virginia and is exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the WVIMB is not subject to federal or state income taxes.

Note 3. Capital Assets

Capital assets activity for the fiscal year ended June 30, 2004 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, being depreciated:				
Office equipment	\$ 1,001,117	\$ -	\$ -	\$ 1,001,117
Office furniture	125,245	-	-	125,245
Leasehold improvements	45,492	-	-	45,492
Total capital assets, being depreciated	1,171,854	-	-	1,171,854
Less accumulated depreciation for:				
Office equipment	(959,738)	(14,071)	-	(973,809)
Office furniture	(111,103)	(7,379)	-	(118,482)
Leasehold improvements	(4,549)	(9,099)	-	(13,648)
Total accumulated depreciation	(1,075,390)	(30,549)	-	(1,105,939)
Capital assets, net	\$ 96,464	\$ (30,549)	\$ -	\$ 65,915

Depreciation expense of \$30,549 was charged to the investment management activity.

Note 4. Operating Leases

On August 26, 2002, the WVIMB entered into a long-term lease for office space for a term of five years. The lease is cancelable after the third year by paying the landlord a one-time payment of \$93,140 for the unamortized portion of the actual tenant improvement allowance. The lease commenced on January 1, 2003, and the monthly rent expense for years 1-3 is \$14,747. For years 4-5, the monthly rent expense is \$15,523. Under the lease terms, beginning on January 1, 2004, and continuing throughout the term, the WVIMB shall pay as additional rent a portion of the increase in utility costs and taxes over the base year 2003 amounts. Rent expense for the period July 1, 2003 to June 30, 2004 totaled \$177,478. Seven months prior to the expiration of the lease, the WVIMB may extend the lease for an additional three years at the then existing fair market rental rate.

The following is a schedule of future minimum rental payments required under this lease:

Fiscal Year ending June 30:

2005	176,964
2006	181,620
2007	186,276
2008	93,138

Note 5. Employee Benefit Plan

The WVIMB provides a defined contribution money purchase pension plan covering all of its employees. An employee becomes eligible to participate in the plan on the earlier of the January 1 or July 1 coinciding with or following the employees hire date. Required contributions are 10% of each covered employee's compensation. Contributions for the period from July 1, 2003 to June 30, 2004, totaled \$110,777. The plan provides for a five-year vesting schedule with vesting increasing 20% per year.

Note 6. Risk Categorization

In accordance with GASB Statement Number 3, investments held by an entity are classified into three risk categories or if the investment is a pooled investment it is uncategorized. At June 30, 2004, all of the WVIMB's cash equivalents are invested in an institutional Treasury Money Market fund and are in the unclassified risk category.

Note 7. Commitments and Contingencies

In the ordinary course of business, the WVIMB has various outstanding commitments and contingent liabilities that are not reflected in the accompanying financial statements. In addition, the WVIMB is involved in certain claims and legal actions arising in the ordinary course of business. The outcome of these claims and legal actions are not presently determinable; however, in the opinion of the WVIMB's management, after consultation with legal counsel, the ultimate disposition of these matters will not have a material adverse effect on the financial statements.

The WVIMB as part of its risk management practice carries insurance through the State Board of Risk and Insurance Management for property and liability coverage and through an outside insurance carrier for fiduciary liability coverage.