



# West Virginia Investment Management Board

## Monthly Performance Report

May 31, 2012

STRATEGIC INVESTMENT SOLUTIONS, INC.

---

333 Bush Street, Suite 2000  
San Francisco, CA 94104  
(415) 362-3484

**West Virginia Investment Management Board**  
 Participant Plans Allocation & Performance Net of Fees  
 As of May 31, 2012

	6/30/2011		5/31/2012		Performance %						
	Asset (\$000)	%	Asset (\$000)	%	1 Month	3 Month	FYTD	1 Year	3 Year	5 Year	10 Year
<b>WVIMB Fund Assets</b>	<b>12,849,850</b>	<b>100.0</b>	<b>12,759,397</b>	<b>100.0</b>							
<b>Pension Assets</b>	<b>10,191,097</b>	<b>79.3</b>	<b>9,915,598</b>	<b>77.7</b>							
Public Employees' Retirement System	4,359,025	33.8	4,246,606	33.2	-4.4	-3.9	-1.4	-2.1	11.7	1.5	6.1
Teachers' Retirement System	5,010,212	38.9	4,809,048	37.6	-4.4	-3.9	-1.5	-2.2	11.3	1.0	5.8
Teachers' Employers Cont. Collection A/C	-	0.0	44,789	0.4	0.0	0.0	0.0	0.0	0.1	1.1	
EMS Retirement System	31,963	0.3	34,166	0.3	-4.4	-3.9	-1.5	-2.2	11.6		
Public Safety Retirement System	482,005	3.8	468,209	3.7	-4.3	-3.8	-1.4	-2.1	11.8	1.5	6.2
Judges' Retirement System	124,587	1.0	123,445	1.0	-4.4	-3.9	-1.4	-2.2	11.7	1.5	6.1
State Police Retirement System	70,756	0.6	75,884	0.6	-4.4	-3.9	-1.5	-2.2	11.6	1.5	6.1
Deputy Sheriffs' Retirement System	112,488	0.9	113,280	0.9	-4.4	-3.9	-1.5	-2.2	11.7	1.5	6.1
Municipal Police & Firefighter Retirement System	61	0.0	171	0.0	-4.5	-4.0	1.2	1.2			
<b>Insurance Assets</b>	<b>1,968,581</b>	<b>15.3</b>	<b>1,971,056</b>	<b>15.5</b>							
Workers' Compensation Old Fund	933,073	7.3	938,630	7.4	-1.5	-1.0	2.4	2.1	9.1	2.6	
Workers' Comp. Self-Insured Guaranty Risk Pool	9,627	0.1	10,790	0.1	-1.7	-1.3	1.7	1.2	2.7	2.8	
Workers' Comp. Uninsured Employers Fund	8,911	0.1	9,057	0.1	-1.8	-1.3	1.6	1.1	2.1	2.4	
Pneumoconiosis	261,558	1.9	255,332	2.0	-1.8	-1.4	1.6	1.1	9.2	3.4	
Board of Risk & Insurance Mgmt.	140,522	1.1	136,750	1.1	-1.8	-1.3	1.8	1.3	9.6	4.3	
Public Employees' Insurance Agency	175,171	1.4	182,171	1.4	-0.6	0.0	4.0	3.7	9.5	4.1	
WV Retiree Health Benefit Trust Fund	437,457	3.4	435,875	3.4	-3.1	-2.8	-0.4	-1.0	9.0		
AccessWV	2,262	0.0	2,451	0.0	0.9	1.7	8.4	8.6			
<b>Endowment Assets</b>	<b>690,172</b>	<b>5.4</b>	<b>872,743</b>	<b>6.8</b>							
Wildlife Fund	40,380	0.3	39,023	0.3	-4.4	-3.9	-1.5	-2.2	11.6	1.5	6.3
Prepaid Tuition Trust	84,791	0.7	76,224	0.6	-3.5	-2.8	0.2	-0.6	12.4	2.5	6.7
Revenue Shortfall Reserve Fund	242,748	1.9	423,445	3.2	0.9	1.8	8.7	9.0	11.3	0.9	
Revenue Shortfall Reserve Fund - Part B	315,738	2.4	327,699	2.6	-1.4	-0.8	3.3	3.0	11.0	0.6	
WV DEP Trust	6,515	0.1	6,352	0.1	-5.2	-4.9	-2.9	-3.7			

**West Virginia Investment Management Board**  
Composite Asset Allocation & Performance Net of Fees  
As of May 31, 2012

	Asset (\$000)	%	Performance %						
			1 Month	3 Month	FYTD	1 Year	3 Year	5 Year	10 Year
Investment Pools Composite	12,764,611	100.00							
Total Equity Composite	5,298,575	41.50	-8.77	-8.96	-9.75	-10.88	12.23	-2.12	5.47
<i>Total Equity Policy Index</i>			-8.72	-8.90	-9.89	-11.34	10.17	-3.40	4.83
Excess Return			-0.05	-0.06	0.14	0.46	2.06	1.28	0.64
US Equity Composite	2,694,952	21.11	-6.38	-4.09	-0.64	-2.09	16.23	-0.72	5.18
<i>Russell 3000 Index</i>			-6.18	-3.92	-0.07	-1.87	15.38	-0.75	4.62
Excess Return			-0.20	-0.17	-0.57	-0.22	0.85	0.03	0.56
Large Cap Composite	2,017,488	15.80	-5.75	-2.87	1.59	0.02	15.81	-0.69	4.16
<i>S&amp;P 500 Index</i>			-6.01	-3.53	1.28	-0.41	14.92	-0.92	4.14
Excess Return			0.26	0.66	0.31	0.43	0.89	0.23	0.02
Non-Large Cap Composite	677,464	5.31	-8.21	-7.55	-6.87	-8.01	18.88	0.27	7.11
<i>Russell 2500 Index</i>			-6.83	-5.52	-5.73	-7.80	18.09	0.09	7.00
Excess Return			-1.38	-2.03	-1.14	-0.21	0.79	0.18	0.11
International Equity Composite	2,603,623	20.39	-11.11	-13.57	-18.39	-19.23	7.99	-3.54	6.81
<i>MSCI AC World ex US Index</i>			-11.25	-13.73	-18.96	-20.11	5.01	-5.12	6.11
Excess Return			0.14	0.16	0.57	0.88	2.98	1.58	0.70
Fixed Income Composite	3,611,932	28.30	0.22	0.98	5.22	4.88	9.46	5.58	6.07
<i>Fixed Income Policy</i>			0.64	1.27	7.09	6.74	7.74	6.87	5.79
Excess Return			-0.42	-0.29	-1.87	-1.86	1.72	-1.29	0.28
Core Fixed Income	1,245,213	9.76	0.85	1.67	7.97	7.86	8.16		
<i>Barclays Capital Aggregate</i>			0.90	1.46	7.43	7.12	7.12		
Excess Return			-0.05	0.21	0.54	0.74	1.04		
Total Return Fixed Income	2,366,719	18.54	-0.11	0.62	3.81	3.36	9.75	5.68	6.60
<i>Barclays Capital US Universal</i>			0.64	1.27	7.09	6.74	7.74	6.61	5.97
Excess Return			-0.75	-0.65	-3.28	-3.38	2.01	-0.93	0.63
TIPS Composite	751,681	5.89	1.68	2.61	12.24	13.14			
<i>Barclays Capital U.S. TIPS</i>			1.67	2.62	12.29	13.19			
Excess Return			0.01	-0.01	-0.05	-0.05			
TRS Annuity	52,902	0.41	0.35	1.09	4.11	4.49	4.49		
Cash Composite	263,820	2.07	0.01	0.02	0.06	0.06	0.12	1.20	1.98
<i>Citigroup 90 Day T-Bill + 15 bps</i>			0.02	0.07	0.19	0.20	0.27	1.21	2.03
Excess Return			-0.01	-0.05	-0.13	-0.14	-0.15	-0.01	-0.05
Private Equity Composite	1,071,733	8.39	0.90	3.93	15.19	15.43	17.08		
Real Estate Composite	608,572	4.78	-0.52	1.65	5.11	5.69	8.15		
Hedge Funds Composite	1,105,396	8.66	-1.30	-1.03	-0.21	-1.13	6.43		
<i>LIBOR + 400 bps</i>			0.37	1.11	4.07	4.43	4.37		
Excess Return			-1.67	-2.14	-4.28	-5.56	2.06		

**West Virginia Investment Management Board**

Participant Plans Allocation vs. Targets

As of May 31, 2012

	Domestic Equity		Int'l Equity		Fixed Income		Private Equity		Real Estate		Hedge Funds		Cash	
	Actual %	Target %	Actual %	Target %	Actual %	Target %	Actual %	Target %	Actual %	Target %	Actual %	Target %	Actual %	Target %

**Pension Assets**

Public Employees' Retirement System	24.5	24.5	23.7	26.5	25.1	23.0	10.8	10.0	6.1	6.0	9.3	10.0	0.5	0.0
Teachers' Retirement System	24.6	24.5	23.9	26.5	24.1	23.0	10.9	10.0	6.2	6.0	9.4	10.0	0.9	0.0
Teachers' Employers Cont. Collection A/C	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0
EMS Retirement System	24.2	24.5	23.4	26.5	26.2	23.0	10.7	10.0	6.0	6.0	9.0	10.0	0.5	0.0
Public Safety Retirement System	23.5	24.5	22.8	26.5	23.5	23.0	10.4	10.0	5.9	6.0	9.2	10.0	4.7	0.0
Judges' Retirement System	24.4	24.5	23.8	26.5	25.5	23.0	10.8	10.0	6.1	6.0	9.3	10.0	0.1	0.0
State Police Retirement System	24.4	24.5	23.5	26.5	25.7	23.0	10.7	10.0	6.0	6.0	8.9	10.0	0.8	0.0
Deputy Sheriffs' Retirement System	24.3	24.5	23.6	26.5	25.5	23.0	10.8	10.0	6.1	6.0	9.3	10.0	0.4	0.0
Municipal Police & Firefighter Retirement System	22.1	24.5	23.5	26.5	19.9	23.0	10.0	10.0	6.0	6.0	9.6	10.0	8.9	0.0

**Insurance Assets**

Workers' Compensation Old Fund	9.5	9.8	9.1	10.6	71.0	69.6	0.0	0.0	0.0	0.0	0.0	0.0	10.4	10.0
Workers' Comp. Self-Insured Guaranty Risk Pool	9.4	9.8	9.1	10.6	57.2	54.6	0.0	0.0	0.0	0.0	18.0	20.0	6.3	5.0
Workers' Comp. Uninsured Employers Fund	9.5	9.8	9.2	10.6	56.7	54.6	0.0	0.0	0.0	0.0	19.5	20.0	5.1	5.0
Pneumoconiosis	9.6	9.8	9.3	10.6	56.5	54.6	0.0	0.0	0.0	0.0	20.0	20.0	4.6	5.0
Board of Risk & Insurance Mgmt.	9.5	9.8	9.2	10.6	56.7	54.6	0.0	0.0	0.0	0.0	19.5	20.0	5.1	5.0
Public Employees' Insurance Agency	4.7	4.9	4.5	5.3	76.5	74.8	0.0	0.0	0.0	0.0	9.3	10.0	5.0	5.0
WV Retiree Health Benefit Trust Fund	16.9	17.1	16.3	18.6	47.9	44.3	0.0	0.0	0.0	0.0	18.9	20.0	0.0	0.0
AccessWV	0.0	0.0	0.0	0.0	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

**Endowment Assets**

Wildlife Fund	24.3	24.5	23.6	26.5	25.2	23.0	10.8	10.0	6.1	6.0	9.8	10.0	0.2	0.0
Prepaid Tuition Trust	31.2	32.9	15.8	16.1	51.7	51.0	0.0	0.0	0.0	0.0	0.0	0.0	1.3	0.0
Revenue Shortfall Reserve Fund	0.0	0.0	0.0	0.0	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue Shortfall Reserve Fund - Part B	9.4	10.0	9.0	10.0	81.1	80.0	0.0	0.0	0.0	0.0	0.0	0.0	0.5	0.0
WV DEP Trust	35.3	35.0	26.7	30.0	38.0	35.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Statutory Limitations

- Public Equity - 75%
- International Proportions of Equity, Fixed Income, and Real Estate - 30%
- Real Estate - 25%
- Private Equity and Hedge Funds - 20% in aggregate

**West Virginia Investment Management Board**

Footnotes

As of May 31, 2012

---

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

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

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

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

Security Capital Benchmark is 40% Wilshire US REIT Index, 30% Wells Fargo Hybrid & Preferred Securities REIT Index, and 30% BC REIT Bond Index.

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