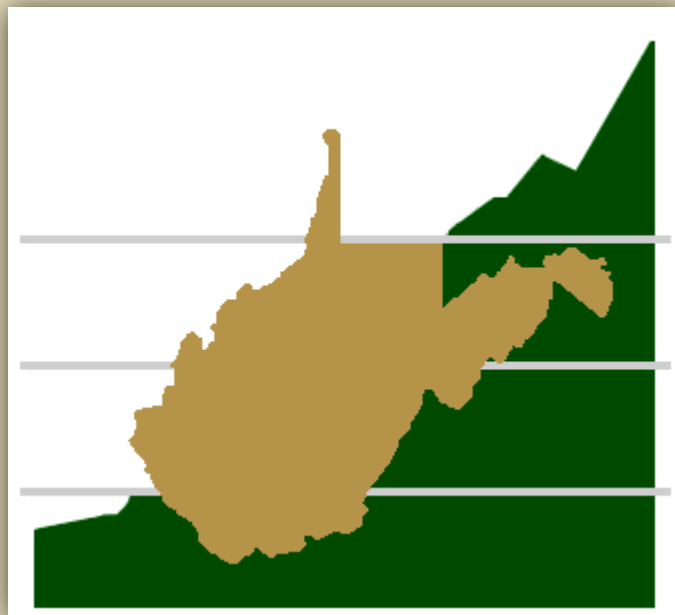


**West Virginia**

**Investment Management Board**



**Financial Statements**

**May 31, 2014**



# West Virginia Investment Management Board

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## **Financial Statements – Unaudited**

May 31, 2014

### **ORDER OF PRESENTATION**

Large Cap Domestic Equity

Non-Large Cap Domestic Equity

International Qualified

International Nonqualified

International Equity

Short-Term Fixed Income

Total Return Fixed Income

Core Fixed Income

TIPS

TRS Annuity

Private Equity

Real Estate

Hedge Fund



**Financial Statements - Unaudited**

**May 31, 2014**



# Large Cap Domestic Equity Pool

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## Financial Statements - Unaudited May 31, 2014

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# Large Cap Domestic Equity Pool

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## Statement of Assets and Liabilities - Unaudited

May 31, 2014

(Amounts in thousands, except unit data)

### Assets

Investments at fair value (cost \$2,198,494), including securities on loan of \$18,863 (Note 5)	\$	3,045,099
Cash pledged as collateral for futures contracts		169
Receivables:		
Investments sold		261
Dividends		5,366
Securities lending income		8
Foreign tax withholding		8
Unrealized appreciation on futures contracts (Note 6)		<u>507</u>
<b>Total assets</b>		<b>3,051,418</b>

### Liabilities

Accrued expenses		353
Payable upon return of securities loaned (Note 5)		<u>16,706</u>
<b>Total liabilities</b>		<b><u>17,059</u></b>
<b>Net assets</b>	<b>\$</b>	<b><u><u>3,034,359</u></u></b>

### Analysis of net assets

Paid-in capital	\$	1,229,877
Accumulated undistributed net investment income		444,576
Accumulated undistributed net realized gain from investments		512,794
Unrealized net appreciation of investments		<u>847,112</u>
<b>Net assets</b>	<b>\$</b>	<b><u><u>3,034,359</u></u></b>

### Unit data

Units outstanding		148,786,386
Net asset value, unit price	\$	<u><u>20.39</u></u>

See accompanying notes to financial statements.



# Large Cap Domestic Equity Pool

## Schedule of Investments - Unaudited

May 31, 2014

(Amounts in thousands, except share data)

Description	Shares	Cost	Fair Value
<b>Equity Securities</b>			
<i>Basic Materials</i>			
Air Products and Chemicals Inc	20,900	\$ 1,713	\$ 2,507
Airgas Inc	11,500	905	1,223
Alcoa Inc	250,200	3,241	3,405
Allegheny Technologies Inc	8,800	236	361
Ball Corporation	29,000	1,272	1,750
Bemis Company Inc	24,000	826	994
CF Industries Holdings Inc	5,000	519	1,217
Dow Chemical Company	151,300	5,249	7,886
Eastman Chemical Company	13,400	399	1,183
Ecolab Inc	119,500	8,819	13,048
El DuPont de Nemours Co	104,000	4,258	7,208
FMC Corporation	49,700	3,144	3,805
Freeport-McMoRan Copper & Gold	91,800	3,070	3,126
International Paper Company	39,000	939	1,858
Intl Flavors & Fragrances Inc	11,800	664	1,171
LyondellBasell Industries NV	153,100	8,573	15,244
MeadWestvaco Corp	15,600	307	633
Monsanto Company	79,500	6,625	9,687
Newmont Mining Corp	43,200	2,071	989
Nucor Corporation	27,600	1,214	1,397
Owens-Illinois Inc	14,700	382	488
PPG Industries Inc	65,000	7,515	13,105
Praxair Inc	33,400	3,309	4,417
Sealed Air Corporation	53,900	1,403	1,775
Sherwin-Williams Co	37,400	5,135	7,652
Sigma-Aldrich Corporation	27,900	2,223	2,749
The Mosiac Company	29,600	1,587	1,480
United States Steel Corp	117,500	3,147	2,707
Vulcan Materials Company	10,900	568	665
<i>Total Basic Materials - 3.7%</i>		79,313	113,730
<i>Capital Goods</i>			
3M Co	79,300	7,341	11,304
ADT Corp	17,700	430	570
Allegion PLC	48,466	1,755	2,539
Ametek Inc	21,300	983	1,131
Avery Dennison Corp	8,800	262	446
Boeing Company	161,800	16,867	21,883
C. H. Robinson Worldwide Inc	12,100	705	724
Caterpillar Inc	60,800	4,243	6,216
Cintas Corp	61,800	3,087	3,839
CSX Corp	89,200	1,518	2,622
Cummins Inc	15,400	965	2,355
Danaher Corp	58,800	2,804	4,612
Deere & Company	38,700	2,338	3,528
Dover Corp	57,600	3,593	5,022
Eaton Corp PLC	45,969	2,576	3,387
Emerson Electric Co	72,800	3,545	4,858
Expeditors Intl of Washington	18,000	654	819
Fastenal Company	23,700	598	1,155
FedEx Corp	38,400	3,868	5,536
Flowserve Corp	48,800	1,933	3,599
Fluor Corporation	14,200	737	1,066
General Dynamics Corp	47,900	3,885	5,658
General Electric Company	1,257,075	27,160	33,677
Honeywell International Inc	97,200	5,497	9,054
Illinois Tool Works Inc	51,400	2,876	4,449
Ingersoll-Rand PLC	92,300	3,464	5,521
Iron Mountain Inc	15,055	350	469
Jacobs Engineering Group Inc	33,800	1,828	1,861
Joy Global Inc	9,500	845	543
Kansas City Southern	10,200	1,148	1,097
L-3 Communications Hldgs Inc	49,900	4,723	6,046

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Shares	Cost	Fair Value
Lockheed Martin Corp	82,900	10,507	13,567
Masco Corporation	29,800	387	635
Norfolk Southern Corp	31,700	1,907	3,194
Northrop Grumman Corp	83,200	8,547	10,113
PACCAR Inc	31,400	1,270	1,990
Pall Corporation	9,800	388	830
Parker-Hannifin Corporation	12,900	753	1,615
Pentair PLC	45,209	2,721	3,374
Pitney Bowes Inc	118,800	2,988	3,282
Precision Castparts Corp	18,100	2,981	4,579
Quanta Services Inc	18,500	406	628
Raytheon Company	143,100	11,841	13,962
Republic Services Inc	56,800	1,781	2,011
Robert Half International Inc	12,400	336	565
Rockwell Automation Inc	17,000	1,239	2,058
Rockwell Collins Inc	17,400	991	1,375
Roper Industries Inc	57,100	6,073	8,090
Ryder System Inc	4,100	139	356
Snap-On Inc	32,400	2,426	3,800
Stanley Black & Decker Inc	12,477	604	1,090
Stericycle Inc	25,800	2,598	2,951
Textron Inc	23,900	451	937
Tyco International Ltd	52,200	1,275	2,278
Union Pacific Corp	90,900	9,730	18,114
United Parcel Service Inc	88,200	6,592	9,162
United Technologies Corp	84,800	6,426	9,855
W.W. Grainger Inc	5,200	695	1,344
Waste Management Inc	93,800	3,608	4,191
Xerox Corporation	421,495	4,303	5,205
Xylem Inc	15,400	424	574
<i>Total Capital Goods - 9.5%</i>		206,965	287,311
<i>Communication Services</i>			
AT&T Inc	599,829	18,296	21,276
CenturyLink Inc	48,143	1,552	1,814
Crown Castle Intl Corporation	73,300	4,456	5,624
Frontier Communications Corp	204,886	1,305	1,186
Verizon Communications Inc	548,649	22,385	27,411
Windstream Corp	49,400	489	473
<i>Total Communication Services - 1.9%</i>		48,483	57,784
<i>Consumer Discretionary</i>			
Amazon.com Inc	37,800	7,212	11,814
AutoNation Inc	5,100	177	292
AutoZone Inc	9,300	4,032	4,952
Bed Bath & Beyond Inc	49,300	2,974	3,000
Best Buy Co Inc	169,400	6,487	4,686
Borg-Warner Inc	55,600	2,688	3,497
Cablevision Systems Corp	43,800	831	772
CarMax Inc	19,500	481	864
Carnival Corp	39,100	1,313	1,565
CBS Corp	232,000	8,163	13,830
Chipotle Mexican Grill Inc	11,500	5,579	6,292
Coach Inc	24,500	921	997
Comcast Corp	513,950	13,938	26,828
Darden Restaurants Inc	11,600	380	581
Delphi Automotive PLC	198,300	10,373	13,695
Delta Air Lines	279,300	7,553	11,147
DIRECTV	40,300	1,390	3,322
Discovery Communications Inc	135,800	8,526	10,451
Dollar General Corp	41,100	2,197	2,210
Dollar Tree Inc	87,400	4,568	4,635
DR Horton Inc	23,900	277	566
Expedia Inc	8,050	203	590
Family Dollar Stores Inc	13,000	602	762

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

*(Amounts in thousands, except share data)*

Description	Shares	Cost	Fair Value
Ford Motor Company	565,800	6,978	9,302
Fossil Group Inc	4,500	605	471
GameStop Corp	38,400	1,432	1,453
Gannett Co Inc	20,200	296	561
Gap Inc	21,200	413	874
Garmin Ltd	67,100	3,327	3,953
General Motors Co	133,600	4,802	4,620
Genuine Parts Company	27,200	1,717	2,348
Goodyear Tire & Rubber Co	206,900	4,775	5,456
Graham Holdings Co	3,200	1,918	2,166
Harley-Davidson Inc	25,800	1,101	1,838
Harman Intl Industries Inc	44,200	4,268	4,642
Hasbro Inc	31,500	1,369	1,692
Home Depot Inc	338,900	16,789	27,190
International Game Technology	23,400	490	294
Interpublic Group of Co Inc	216,200	3,317	4,134
Johnson Controls Inc	56,700	1,592	2,742
Kohl's Corporation	17,800	963	969
L Brands Inc	104,600	4,957	6,003
Leggett & Platt Inc	11,200	155	380
Lennar Corporation	14,800	279	605
Lowe's Companies Inc	265,600	6,966	12,504
Macy's Inc	33,200	713	1,988
Marriott International Inc	31,680	1,327	1,952
Mattel Inc	133,300	4,802	5,176
McDonald's Corporation	110,900	8,316	11,249
McGraw-Hill Financial Inc	148,000	8,199	12,102
Michael Kors Holdings Ltd	73,600	6,664	6,946
Mohawk Industries Inc	5,300	750	719
Neilsen Holdings NV	91,000	3,931	4,392
Netflix Inc	35,600	9,628	14,875
Newell Rubbermaid Inc	129,300	2,674	3,786
News Corporation	318,175	4,792	5,428
Nike Inc	89,700	4,529	6,899
Nordstrom Inc	12,600	471	858
Omnicom Group Inc	38,300	1,782	2,725
O'Reilly Automotive Inc	60,100	6,899	8,892
PetSmart Inc	28,600	1,899	1,644
Priceline.com Inc	8,710	6,984	11,137
PulteGroup Inc	31,100	364	608
PVH Corp	7,200	873	948
Ralph Lauren Corp	5,300	518	813
Ross Stores Inc	42,200	2,191	2,889
Scripps Networks Interactive	40,000	2,628	3,058
Southwest Airlines Co	441,500	6,453	11,678
Staples Inc	102,000	1,775	1,148
Starbucks Corp	112,600	5,649	8,247
Starwood Hotels & Resorts Inc	17,200	732	1,373
Target Corp	53,900	2,698	3,059
Tiffany & Co	9,300	398	925
Time Warner Cable Inc	106,500	9,682	15,034
Time Warner Inc	237,300	11,244	16,571
TJX Companies Inc	210,400	7,964	11,456
Tractor Supply Company	41,100	2,834	2,672
TripAdvisor Inc	41,650	2,641	4,047
Twenty-First Century Fox Inc	484,800	11,562	17,167
Under Armour Inc	51,000	2,470	2,590
Urban Outfitters Inc	9,000	277	302
VF Corp	169,000	8,305	10,650
Viacom Inc	144,200	9,150	12,305
Wal-Mart Stores Inc	201,000	11,575	15,431
Walt Disney Company	219,200	9,187	18,415
Whirlpool Corporation	6,900	518	990
Wyndham Worldwide Corporation	11,500	189	850
Wynn Resorts Limited	26,100	4,693	5,611

*See accompanying notes to financial statements.*

# Large Cap Domestic Equity Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Shares	Cost	Fair Value
Yum Brands Inc	39,200	1,746	3,031
<i>Total Consumer Discretionary - 16.3%</i>		352,050	494,181
<i>Consumer Staples</i>			
Altria Group Inc	404,420	10,615	16,808
Archer-Daniels-Midland Co	90,300	3,014	4,058
Avon Products Inc	38,400	1,109	549
Brown Forman Corp	56,700	3,251	5,254
Campbell Soup Co	21,500	786	987
Clorox Company	77,200	6,317	6,919
Coca-Cola Company	339,400	9,973	13,885
Coca-Cola Enterprises Inc	125,600	4,255	5,732
Colgate-Palmolive Co	142,900	6,905	9,774
ConAgra Foods Inc	70,600	2,041	2,280
Constellation Brands Inc	129,500	5,670	10,895
Costco Wholesale Corp	123,900	12,116	14,375
CVS Caremark Corp	238,276	10,621	18,662
Dr Pepper Snapple Group Inc	17,200	405	992
Estee Lauder Companies Inc	22,800	805	1,747
General Mills Inc	217,700	10,057	11,958
Hershey Company	112,700	9,374	10,970
Hormel Foods Corp	75,700	2,850	3,725
JM Smucker Company	67,800	6,481	6,956
Kellogg Company	109,500	6,640	7,553
Keurig Green Mountain Inc	16,400	1,816	1,850
Kimberly Clark Corporation	116,100	9,348	13,044
Kraft Foods Group Inc	82,666	3,242	4,915
Kroger Co	277,700	10,033	13,257
Lorillard Inc	92,900	3,975	5,776
McCormick & Company Inc	43,000	2,457	3,109
Mead Johnson Nutrition Co	17,509	584	1,567
Molson Coors Brewing Co	13,900	671	914
Mondelez International Inc-A	149,000	3,143	5,605
Monster Beverage Corporation	11,500	789	798
Pepsico Inc	172,464	11,249	15,234
Philip Morris Intl Inc	207,120	11,788	18,338
Proctor & Gamble Company	339,332	21,537	27,415
Reynolds American Inc	106,700	4,648	6,363
Safeway Inc	134,700	3,756	4,626
Sysco Corp	52,000	1,355	1,952
Tyson Foods Inc	188,700	5,323	8,012
Walgreen Co	172,700	8,049	12,419
Whole Foods Market Inc	57,900	2,379	2,214
<i>Total Consumer Staples - 9.9%</i>		219,427	301,487
<i>Energy</i>			
Anadarko Petroleum Corp	44,400	2,595	4,567
Apache Corporation	34,900	3,198	3,253
Baker Hughes Inc	38,709	1,846	2,730
Cabot Oil & Gas Corporation	317,000	9,261	11,488
Cameron International Corp	19,300	719	1,234
Chesapeake Energy Corp	163,500	4,188	4,696
Chevron Corporation	229,055	19,933	28,126
ConocoPhillips	156,580	8,322	12,517
CONSOL Energy Inc	39,900	1,696	1,762
Denbury Resources Inc	33,200	520	561
Devon Energy Corporation	34,000	2,191	2,513
Diamond Offshore Drilling Inc	6,100	588	311
Ensc0 PLC	20,500	1,160	1,080
EOG Resources Inc	60,200	3,603	6,369
EQT Corp	90,300	6,464	9,651
Exxon Mobil Corporation	628,894	45,939	63,223
FMC Technologies Inc	20,600	621	1,196
Halliburton Company	75,000	2,242	4,848
Helmerich & Payne Inc	37,100	3,265	4,079

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Shares	Cost	Fair Value
Hess Corp	23,300	1,236	2,127
Kinder Morgan Inc	59,528	1,975	1,988
Marathon Oil Corp	61,800	1,331	2,266
Marathon Petroleum Corporation	41,750	1,875	3,732
Murphy Oil Corporation	25,200	1,322	1,554
Nabors Industries Ltd	24,300	501	637
National-Oilwell Varco Inc	57,500	3,315	4,708
Newfield Exploration Company	11,400	720	416
Noble Corp plc	22,300	802	702
Noble Energy Inc	33,400	1,359	2,407
Occidental Petroleum Corp	79,100	6,359	7,885
ONEOK Inc	34,500	1,541	2,225
Peabody Energy Corp	23,900	826	386
Phillips 66	65,340	2,501	5,540
Pioneer Natural Resources Co	20,200	2,319	4,245
QEP Resources Inc	15,700	380	501
Range Resources Corporation	27,000	1,926	2,510
Rowan Companies PLC	11,000	273	341
Schlumberger Ltd	128,697	9,007	13,390
Southwestern Energy Company	64,300	2,768	2,924
Spectra Energy Corp	74,900	1,791	3,039
Tansocean Ltd	29,400	1,428	1,249
Tesoro Corporation	12,000	249	674
Valero Energy Corporation	74,100	2,591	4,153
Williams Companies Inc	80,400	2,214	3,776
<i>Total Energy - 7.8%</i>		168,960	237,579
 <i>Financial Services</i>			
Ace Ltd	43,800	3,167	4,542
AFLAC Inc	127,300	7,007	7,795
Allstate Corp	226,900	9,397	13,219
American Express Co	137,500	7,810	12,581
American International Group	130,700	4,509	7,067
American Tower Corporation	34,900	1,666	3,128
Ameriprise Financial Inc	78,000	4,851	8,784
Aon PLC	76,900	4,839	6,916
Apartment Investment & Mgmt Co	11,700	163	368
Assurant Inc	56,900	3,163	3,858
Avalonbay Communities Inc	10,600	1,059	1,504
Bank of America Corporation	1,529,377	21,580	23,155
Bank of New York Mellon Corp	100,200	3,238	3,463
BB&T Corporation	104,600	3,266	3,966
Berkshire Hathaway Inc	229,596	20,011	29,466
BlackRock Inc	12,488	2,615	3,808
Boston Properties Inc	13,200	964	1,593
Capital One Financial Corp	71,500	3,773	5,641
CBRE Group Inc	24,300	312	725
Charles Schwab Corp	308,500	6,416	7,777
Chubb Corp	61,300	4,649	5,680
Cincinnati Financial Corp	73,800	2,728	3,618
Citigroup Inc	274,460	13,552	13,056
CME Group Inc	141,600	10,208	10,195
Comerica Inc	58,200	2,444	2,792
Discover Financial Services	215,600	8,041	12,748
Dun & Bradstreet Corp	16,600	1,697	1,714
E*Trade Financial Corporation	213,420	4,008	4,347
Equifax Inc	67,100	2,957	4,750
Equity Residential	29,000	1,229	1,792
Essex Property Trust Inc	10,100	1,732	1,828
Fifth Third Bancorp	173,000	2,650	3,579
Franklin Resources Inc	35,900	1,118	1,982
General Growth Properties Inc	43,100	913	1,027
Genworth Financial Inc	146,700	1,632	2,492
Goldman Sachs Group Inc	37,800	5,042	6,041
H&R Block Inc	71,500	1,331	2,129

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Shares	Cost	Fair Value
Hartford Financial Services Gp	168,000	4,378	5,821
HCP Inc	39,400	1,382	1,645
Health Care REIT Inc	24,800	1,274	1,568
Host Hotels & Resorts Inc	65,162	812	1,438
Hudson City Bancorp Inc	42,700	636	417
Huntington Bancshares Inc	239,200	1,907	2,217
Intercontinental Exchange Inc	54,731	10,472	10,749
Invesco Limited	38,400	698	1,409
JP Morgan Chase & Co	444,353	17,772	24,693
KeyCorp	263,400	3,009	3,606
Kimco Realty Corporation	36,200	463	830
Legg Mason Inc	8,700	270	425
Leucadia National Corporation	27,400	706	703
Lincoln National Corp	102,300	3,816	4,906
Loews Corp	24,800	860	1,070
M & T Bank Corporation	34,800	3,461	4,224
Macerich Company	12,300	848	812
Marsh & McLennan Cos Inc	173,700	5,992	8,732
MasterCard Inc	191,200	8,091	14,617
MetLife Inc	109,800	4,318	5,592
Moody's Corp	68,000	3,376	5,817
Morgan Stanley	170,000	4,618	5,246
Nasdaq OMX Group Inc	86,100	2,709	3,263
Navient Corporation	287,500	4,051	4,542
Northern Trust Corp	19,600	1,011	1,184
People's United Financial Inc	229,700	3,327	3,301
Plum Creek Timber Co Inc	15,300	515	690
PNC Financial Services Group	58,200	3,399	4,963
Principal Financial Group Inc	71,900	2,801	3,363
Progressive Corp	151,900	3,539	3,802
Prologis Inc	44,400	1,358	1,843
Prudential Financial Inc	55,000	3,320	4,519
Public Storage	20,600	2,485	3,551
Regions Financial Corp	171,000	1,256	1,742
Simon Property Group Inc	27,716	2,625	4,614
State Street Corp	75,200	4,356	4,908
SunTrust Banks Inc	52,900	1,301	2,027
T Rowe Price Group Inc	23,300	1,217	1,900
Torchmark Corporation	68,400	4,078	5,536
Travelers Cos Inc	90,800	6,175	8,485
Unum Group	135,600	3,894	4,598
US Bancorp	312,500	9,351	13,184
Ventas Inc	25,400	1,269	1,697
Visa Inc	129,700	16,320	27,863
Vornado Realty Trust	15,040	1,071	1,610
Washington Prime Group	1,458	17	29
Wells Fargo & Company	624,200	19,310	31,697
Western Union Company	154,000	2,533	2,490
Weyerhaeuser Company	52,167	1,239	1,639
XL Group PLC	61,100	1,551	1,983
Zions Bancorporation	16,500	339	472
<i>Total Financial Services - 16.1%</i>		361,313	487,158
 <i>Health Care</i>			
Abbott Laboratories	135,800	3,687	5,433
Abbvie Inc	266,100	9,441	14,457
Actavis Inc.	80,600	9,760	17,050
Aetna Inc	216,229	12,958	16,769
Agilent Technologies Inc	66,900	3,091	3,809
Alexion Pharmaceuticals Inc	17,500	1,771	2,911
Allergan Inc	26,400	1,846	4,421
AmerisourceBergen Corp	178,000	9,976	13,026
Amgen Inc	118,877	8,592	13,789
Baxter International Inc	62,500	3,716	4,651
Becton Dickinson & Company	59,600	5,644	7,015

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Shares	Cost	Fair Value
Biogen Idec Inc	44,700	6,141	14,276
Boston Scientific Corp	908,400	9,829	11,655
Bristol-Myers Squibb Company	290,742	10,334	14,462
Cardinal Health Inc	98,700	5,620	6,971
CareFusion Corporation	153,600	5,496	6,594
Celgene Corporation	96,700	10,048	14,798
Cerner Corporation	25,600	708	1,384
CIGNA Corporation	202,500	14,544	18,180
Covidien PLC	39,800	1,918	2,910
CR Bard Inc	17,800	2,127	2,633
DaVita HealthCare Partners Inc	15,400	486	1,087
DENTSPLY International Inc	23,700	914	1,121
Edwards Lifesciences Corp	8,600	702	698
Eli Lilly and Company	86,700	3,426	5,190
Express Scripts Holding Co	102,668	5,806	7,338
Forest Laboratories Inc	42,800	2,720	4,057
Gilead Sciences Inc	295,400	10,425	23,989
Hospira Inc	26,600	1,046	1,308
Humana Inc	70,100	6,827	8,725
Intuitive Surgical Inc	3,400	1,067	1,257
Johnson & Johnson	374,200	25,451	37,966
Laboratory Corp of Amer Hldgs	44,200	4,141	4,534
McKesson Corp	45,700	5,420	8,667
Medtronic Inc	114,600	4,845	6,994
Merck & Co Inc	363,080	14,102	21,008
Mylan Inc	174,200	5,114	8,682
Patterson Companies Inc	32,700	1,232	1,281
PerkinElmer Inc	60,700	2,439	2,730
Perrigo Co PLC	41,200	6,103	5,694
Pfizer Inc	1,005,837	21,698	29,803
Quest Diagnostics Inc	27,000	1,442	1,617
Regeneron Pharmaceuticals Inc	6,700	1,502	2,057
St Jude Medical Inc	86,900	4,708	5,640
Stryker Corporation	26,200	1,354	2,214
Tenet Healthcare Corporation	9,175	230	431
Thermo Fisher Scientific Inc	134,200	11,679	15,689
UnitedHealth Group Inc	168,000	9,110	13,378
Varian Medical Systems Inc	17,300	1,082	1,426
Vertex Pharmaceuticals Inc	20,200	1,524	1,460
Waters Corporation	7,100	423	711
WellPoint Inc	116,700	9,464	12,646
Zimmer Holdings Inc	21,700	1,536	2,264
Zoetis Inc	43,399	1,374	1,332
<i>Total Health Care - 14.5%</i>		306,639	440,188
<i>Technology</i>			
Accenture PLC	71,200	4,490	5,799
Adobe Systems Inc	88,800	3,613	5,731
Akamai Technologies Inc	15,800	448	859
Alliance Data Systems Corp	35,700	9,230	9,141
Altera Corporation	26,800	673	888
Amphenol Corp	13,800	568	1,322
Analog Devices Inc	27,000	855	1,414
Apple Inc	134,200	41,109	84,949
Applied Materials Inc	277,400	4,290	5,601
Autodesk Inc	50,900	2,096	2,666
Automatic Data Processing Inc	169,200	9,861	13,482
Avago Technologies LTD	60,200	4,107	4,254
Broadcom Corp	49,200	1,520	1,568
CA Inc	110,400	3,218	3,167
Cisco Systems Inc	452,100	8,890	11,131
Citrix Systems Inc	16,500	699	1,023
Cognizant Tech Solutions Corp	157,900	6,480	7,676
Computer Sciences Corp	28,400	1,358	1,786
Corning Inc	118,700	1,982	2,528

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Shares	Cost	Fair Value
eBay Inc	102,500	3,156	5,200
Electronic Arts Inc	97,900	2,134	3,439
EMC Corporation	175,000	3,058	4,648
F5 Networks Inc	12,100	1,492	1,313
Facebook Inc	377,200	21,882	23,877
Fidelity Ntl Information Svcs	204,100	9,075	11,052
First Solar Inc	6,200	800	383
Fiserv Inc	157,700	6,661	9,479
FLIR Systems Inc	80,600	2,337	2,814
Google Inc	75,000	24,293	42,433
Harris Corporation	56,900	3,853	4,396
Hewlett-Packard Company	231,100	7,694	7,742
IBM	96,700	12,482	17,828
Intel Corporation	454,100	9,708	12,406
Intuit Inc	63,300	3,828	5,019
Jabil Circuit Inc	38,900	633	732
Juniper Networks Inc	69,500	1,696	1,700
KLA-Tencor Corporation	14,600	543	957
Lam Research Corporation	14,250	433	884
Linear Technology Corp	40,100	1,481	1,851
Microchip Technology Inc	17,300	504	823
Micron Technology Inc	756,900	13,163	21,640
Microsoft Corporation	954,402	26,092	39,073
Motorola Solutions Inc	89,827	5,243	6,056
NetApp Inc	82,600	3,081	3,057
NVIDIA Corporation	50,600	546	961
Oracle Corporation	303,800	7,454	12,766
Paychex Inc	92,100	3,534	3,786
Qualcomm Inc	170,300	9,036	13,701
Red Hat Inc	16,700	563	837
Salesforce.com Inc	49,600	1,398	2,610
SanDisk Corporation	20,100	704	1,942
Seagate Technology PLC	66,100	2,463	3,552
Symantec Corporation	56,600	888	1,245
TE Connectivity Ltd	70,800	3,089	4,210
Teradata Corporation	14,300	540	600
Texas Instruments Inc	109,000	3,236	5,121
Total System Services Inc	75,900	2,121	2,297
VeriSign Inc	57,000	2,650	2,855
Western Digital Corp	84,600	5,410	7,432
Xilinx Inc	64,600	2,555	3,034
Yahoo! Inc	419,700	11,507	14,543
<i>Total Technology - 15.7%</i>		328,503	475,279
<i>Utilities</i>			
AES Corporation	51,600	683	728
AGL Resources Inc	77,400	3,689	4,132
Ameren Corporation	50,100	1,713	1,971
American Electric Power Co Inc	66,700	2,638	3,558
CenterPoint Energy Inc	37,400	535	902
CMS Energy Corporation	159,000	3,840	4,730
Consolidated Edison Inc	25,400	1,187	1,397
Dominion Resources Inc	107,100	5,851	7,386
DTE Energy Company	111,100	6,833	8,457
Duke Energy Corp	112,007	6,740	7,961
Edison International	46,300	2,003	2,553
Entergy Corporation	22,200	1,588	1,674
Exelon Corp	121,847	4,802	4,488
FirstEnergy Corp	36,238	1,557	1,226
Integrus Energy Group Inc	6,600	237	383
NextEra Energy Inc	125,600	8,360	12,228
NiSource Inc	184,800	5,247	6,906
Northeast Utilities	42,296	1,521	1,920
NRG Energy Inc	129,100	2,976	4,601
PG&E Corp	38,600	1,619	1,771

See accompanying notes to financial statements.



# Large Cap Domestic Equity Pool

## Schedule of Investments - Unaudited (continued)

**May 31, 2014**

*(Amounts in thousands, except share data)*

<u>Description</u>	<u>Shares</u>	<u>Cost</u>	<u>Fair Value</u>
Pinnacle West Capital Corp	9,400	342	521
Potomac Electric Power	19,800	288	548
PPL Corporation	118,300	3,575	4,151
Public Service Enterprise Grp	82,200	2,817	3,203
SCANA Corporation	12,300	458	640
Sempra Energy	155,600	11,022	15,614
Southern Company	78,400	2,883	3,432
TECO Energy Inc	17,200	242	297
Wisconsin Energy Corporation	114,100	4,149	5,194
Xcel Energy Inc	43,200	944	1,329
<i>Total Utilities - 3.7%</i>		<u>90,339</u>	<u>113,901</u>
Total Equity Securities - 99.1%		2,161,992	3,008,598
<b><u>Short-term Issues</u></b>			
Dreyfus Cash Management Institutional Fund	11,187,464	11,187	11,187
Dreyfus Treasury Prime Cash Management Institutional Fund	8,609,418	8,609	8,609
<i>Total Short-term Issues - 0.7%</i>		<u>19,796</u>	<u>19,796</u>
<b><u>Investments Made with Cash Collateral for Securities Loaned</u></b>			
BNY Mellon Securities Lending Overnight Fund		16,646	16,646
Mellon SL DBT II Liquidating Fund		60	59
Total Investments Made with Cash Collateral for Securities Loaned - 0.6%		<u>16,706</u>	<u>16,705</u>
Total Investments - 100.4%		<u>\$ 2,198,494</u>	<u>\$ 3,045,099</u>

*See accompanying notes to financial statements.*

# Large Cap Domestic Equity Pool

**Statement of Operations - Unaudited**  
**Period Ended May 31, 2014\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Investment income</b>		
Dividends	\$ 6,293	\$ 49,872
Net securities lending income	7	72
<b>Total investment income</b>	6,300	49,944
<b>Expenses</b>		
Investment advisor fees	(98)	(1,394)
Trustee fees	(1)	(8)
Custodian bank fees	(6)	(78)
Management fees	(69)	(701)
Fiduciary bond fees	-	(4)
Professional service fees	(12)	(157)
<b>Total expenses</b>	(186)	(2,342)
<b>Investment income, net</b>	6,114	47,602
<b>Realized and unrealized gain from investments</b>		
Net realized gain from:		
Investments	13,709	182,316
Futures contracts	-	1,069
	13,709	183,385
Net change in unrealized appreciation (depreciation) on:		
Investments	60,360	307,809
Futures contracts	318	650
	60,678	308,459
<b>Net gain from investments</b>	74,387	491,844
<b>Net increase in net assets from operations</b>	\$ 80,501	\$ 539,446

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## Large Cap Domestic Equity Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended May 31, 2014\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 6,114	\$ 47,602
Net realized gain from investments	13,709	183,385
Net change in unrealized appreciation (depreciation) on investments	60,678	308,459
<b>Net increase in net assets from operations</b>	80,501	539,446
<b>Unit transactions</b>		
Proceeds from sale of units	21,772	353,424
Amount paid for repurchase of units	(12,483)	(261,791)
<b>Net increase in net assets from unit transactions</b>	9,289	91,633
<b>Increase in net assets</b>	89,790	631,079
<b>Net assets, beginning of period</b>	2,944,569	2,403,280
<b>Net assets, end of period</b>	\$ 3,034,359	\$ 3,034,359
<b>Unit data</b>		
Units sold	1,096,680	18,746,608
Units repurchased	(628,771)	(14,428,287)
<b>Net increase in units</b>	467,909	4,318,321

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Large Cap Domestic Equity Pool

## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate 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 Coal Workers' Pneumoconiosis funds, and certain other state government funds.

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

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's Large Cap Domestic Equity Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. Generally Accepted Accounting Principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The Pool's objective is to exceed, net of external investment management fees, the S&P 500 Stock Index over three- to five-year periods. Assets are managed by INTECH Investment Management, LLC (INTECH) and State Street Global Advisors (SSgA).

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Investment Valuation** - The IMB reports its investments at fair value in accordance with the Financial Accounting Standards Board's Accounting Standards Codification Topic 820 (ASC 820). Refer to Note 4 for further discussion and presentation of the reporting requirements under ASC 820.

Fair value of the Pool's portfolio securities is determined as follows:

- Equity securities are valued at the last sale price or official closing price reported in the market in which they are primarily traded. If no sales have been recorded within the five days preceding the date of the financial statement date, the fair value of the securities is determined in accordance with approved procedures.

# Large Cap Domestic Equity Pool

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## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

- Open-end regulated investment companies or other commingled investment funds are valued at the net asset value of the fund as reported by the fund's administrator.
- Futures contracts are valued at the last settlement price established each day by the exchange on which they are traded.

Investments for which the fair value cannot be determined by one of the above listed processes are valued at fair value as determined in accordance with the IMB's established procedures.

**Security Loans** - The IMB, through its agent, the Bank of New York Mellon, loans securities to various brokers on a temporary basis. Each transaction for U.S. securities is secured by initial collateral of at least 102 percent of the market value of the securities loaned. Cash collateral received is invested in the BNY Institutional Cash Reserves Trust, specifically the BNY Mellon Securities Lending Overnight Fund, and the Mellon GSL Reinvestment Trust, specifically the Mellon SL DBT II Liquidating Fund. Such investments are made at the risk of the Pool and, as such, the Pool is liable for investment losses. Investments made with cash are reported at fair value on the Statement of Assets and Liabilities. Securities loaned remain on the Statement of Assets and Liabilities and Schedule of Investments. The IMB receives compensation in the form of loan premium fees and income from the investment of the cash collateral. Expenses related to the lending of securities are rebates paid by the lending agent to brokers and the lending agent's fees for its services. The income earned by the IMB is reported in the Statement of Operations as net securities lending income. Unrealized gains or losses resulting from changes in the value of the investment of cash collateral are reported as part of the change in unrealized appreciation or depreciation of investments. The IMB 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 Statement of Operations as a change in unrealized appreciation or depreciation on investments.

**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. Upon entering into a financial futures contract, the IMB 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 on a daily basis for the fluctuations of the underlying securities or index. The IMB records futures at fair market value as determined by the exchange on which they are traded. Gains or losses on open futures positions are unrealized. These gains or losses become realized when the position is closed.

Stock index futures may be used to provide immediate exposure to fluctuations in the market values of the stocks in the underlying index and to provide liquidity for cash flows.

The market risk associated with holding 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. Investment 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.

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 IMB's managers generally only utilize futures contracts that are traded on major exchanges or are executed with major dealers. The major exchanges assume the risk of a counterparty default and generally require an initial margin deposit of cash or securities.

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

**Use of Estimates** - The preparation of the financial statements in conformity with GAAP 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.

# Large Cap Domestic Equity Pool

## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

**Interest Income** - Interest income is recognized as earned on the accrual method.

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

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or net realized gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. Accordingly, no provision for income taxes is required as of May 31, 2014.

**Indemnifications** - In the normal course of business, the IMB has entered into contracts that provide a variety of indemnifications. Any exposure to the Pool under these arrangements would involve future claims that may be made against the IMB. The Pool's maximum exposure under these arrangements is unknown. No such claims have occurred, nor are they expected to occur and the IMB expects the risk of loss to be remote.

### NOTE 3. DERIVATIVE FINANCIAL INSTRUMENTS

Futures contracts are the only derivative financial instruments held in the Pool. These derivative financial instruments are not designated as hedging instruments under ASC 815; they are used to provide immediate exposure to fluctuations in the market values of the stocks in the underlying index and to provide liquidity for cash flows. The primary underlying risk exposure managed by using these derivative financial instruments is market risk. See Note 2 for discussion on the risks associated with investing in these derivatives.

The table below presents the fair value of the derivative financial instruments recorded in the Statement of Assets and Liabilities as of May 31, 2014:

Derivative Type	Asset Derivatives		Liability Derivatives	
	Statement of Assets and Liabilities Location	Fair Value	Statement of Assets and Liabilities Location	Fair Value
Equity contracts	Unrealized appreciation on futures contracts	\$ 507		\$ -

# Large Cap Domestic Equity Pool

## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 3. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

The table below presents the impact of the derivative financial instruments recorded in the Statement of Operations for the period ended May 31, 2014:

Derivative Type	Statement of Operations Location	Realized Gain (Loss)	Statement of Operations Location	Change in Unrealized Appreciation (Depreciation)
Equity contracts			Change in unrealized appreciation (depreciation) on futures contracts	
	Net realized gain from futures contracts	\$ 1,069		\$ 650

The Pool's open futures contracts outstanding at May 31, 2014, as disclosed in Note 6, is indicative of the volume of futures activity for the period ended May 31, 2014.

### NOTE 4. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

ASC 820 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with ASC 820 fair value hierarchy levels as of May 31, 2014:

Assets	Level 1	Level 2	Level 3	Total
Equity securities	\$ 3,008,598	\$ -	\$ -	\$ 3,008,598
Futures contracts	507	-	-	507
Investments made with cash collateral for securities loaned	-	16,705	-	16,705
Short-term issues	19,796	-	-	19,796
Total	\$ 3,028,901	\$ 16,705	\$ -	\$ 3,045,606

There were no transfers in or out of Levels 1 and 2 during the period ended May 31, 2014.

# Large Cap Domestic Equity Pool

## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 5. SECURITIES LENDING

The following table presents the amounts of various accounts related to securities lending at May 31, 2014.

Fair value of securities on loan	\$	18,863		
Initial collateral received:		<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Depreciation</u>
Cash	\$	<u>16,706</u>	\$ 16,705	\$ (1)
Non-cash			<u>2,635</u>	
Total			<u>\$ 19,340</u>	

### NOTE 6. FUTURES CONTRACTS

At May 31, 2014, open positions in futures contracts were as follows:

<u>Expiration</u>	<u>Open Contracts</u>	<u>Position</u>	<u>Notional Value at May 31, 2014</u>	<u>Notional Value Upon Entering Contract</u>	<u>Unrealized Appreciation (Depreciation)</u>
Jun 2014	150 S&P 500	Long	<u>\$ 14,411</u>	<u>\$ 13,904</u>	<u>\$ 507</u>

At May 31, 2014, the Pool had pledged cash of \$169 to cover margin requirements on open futures contracts.

### NOTE 7. INVESTMENT ADVISORY FEES

The IMB has approved investment advisory agreements with INTECH and SSgA to manage the investments of the Pool. These agreements provide for quarterly payments, based on average end of month assets under management, to the investment advisors. The IMB makes these payments and the Pool transfers funds to the IMB to facilitate the payments.

The fees paid to INTECH consist of a base fee of 0.05 percent annually of the net assets under management and a performance incentive fee that is earned when the actual investment return exceeds the return of the S&P 500 over rolling three-year periods. The maximum fee allowable under the agreement is 0.70 percent annually of the net assets under management. The effective fee rate earned by INTECH for the period ended May 31, 2014, was 0.10 percent.

The fees paid to SSgA include a base fee of 0.02 percent annually on the first \$50 million of net assets under management and a base fee of 0.01 percent annually on the assets over \$50 million. The effective fee rate earned by SSgA for the period ended May 31, 2014, was 0.01 percent.



# Large Cap Domestic Equity Pool

## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 8. FINANCIAL HIGHLIGHTS

<b>Per Unit Operating Performance:</b>	
Net asset value at June 30, 2013	\$ 16.64
Income from investment operations:	
Net investment income	0.33
Net realized and unrealized gain on investment transactions	3.42
Total from investment operations	3.75
Net asset value at May 31, 2014	\$ 20.39
<b>Total Return *</b>	22.6%
<b>Supplemental Data:</b>	
Net assets, end of period	\$ 3,034,359
Ratio to average net assets:	
Expenses **	0.09%
Net investment income **	1.92%
Portfolio turnover rate	40.90%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized

### NOTE 9. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at May 31, 2014.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 1,305,567
Public Employees' Retirement System	1,124,935
Workers' Compensation Old Fund	130,659
West Virginia Retiree Health Benefit Trust Fund	117,190
State Police Death, Disability and Retirement Fund	115,676
Judges' Retirement System	33,042
Deputy Sheriff's Retirement System	32,256
Coal Workers' Pneumoconiosis Fund	30,368
Revenue Shortfall Reserve Fund - Part B	28,798
State Police Retirement System	23,855
Public Employees Insurance Agency	23,744
West Virginia Prepaid Tuition Trust Fund	18,571
Board of Risk and Insurance Management	16,481
Emergency Medical Services Retirement System	10,614
Wildlife Endowment Fund	10,492
West Virginia Department of Environmental Protection Agency	5,553
West Virginia Department of Environmental Protection Trust	2,235
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	1,780
Workers' Compensation Uninsured Employers' Fund	1,252
Workers' Compensation Self-Insured Employer Security Risk Pool	799
Municipal Model A	283
Municipal Police Officers' and Firefighters' Retirement System	209
Total	\$ 3,034,359



**Financial Statements - Unaudited**

**May 31, 2014**



# Non-Large Cap Domestic Equity Pool

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## Financial Statements - Unaudited May 31, 2014

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# Non-Large Cap Domestic Equity Pool

## Statement of Assets and Liabilities - Unaudited

May 31, 2014

(Amounts in thousands, except unit data)

### Assets

Investments at fair value (cost \$908,633), including securities on loan of \$59,732 (Note 4)	\$	1,069,674
Receivables:		
Investments sold		43,141
Dividends		719
Securities lending income		67
Foreign tax withholding		1
		<u>1</u>
<b>Total assets</b>		<b>1,113,602</b>

### Liabilities

Accrued expenses		444
Payable for investments purchased		27,544
Payable upon return of securities loaned (Note 4)		59,584
		<u>87,572</u>
<b>Total liabilities</b>		<b>87,572</b>
<b>Net assets</b>	<b>\$</b>	<b><u>1,026,030</u></b>

### Analysis of net assets

Paid-in capital	\$	433,572
Accumulated undistributed net investment income		59,178
Accumulated undistributed net realized gain from investments		372,746
Accumulated undistributed net realized loss from foreign currency transactions		(507)
Unrealized net appreciation of investments		161,041
		<u>161,041</u>
<b>Net assets</b>	<b>\$</b>	<b><u>1,026,030</u></b>

### Unit data

Units outstanding		37,172,680
Net asset value, unit price	\$	<u>27.60</u>

See accompanying notes to financial statements.

# Non-Large Cap Domestic Equity Pool

## Schedule of Investments - Unaudited

May 31, 2014

(Amounts in thousands, except share data)

Description	Shares	Cost	Fair Value
<b><u>Equity Securities</u></b>			
<i>Basic Materials</i>			
Axiall Corp	77,490	\$ 3,525	\$ 3,581
Crown Holdings Inc	89,880	2,741	4,391
Cytec Industries Inc	65,300	4,507	6,488
Domtar Corporation	62,060	5,210	5,640
Eagle Materials Inc	89,430	7,747	7,778
Ferro Corporation	81,100	559	1,038
Huntsman Corp	429,090	9,361	11,452
Martin Marietta Materials Inc	48,185	4,588	5,917
Packaging Corp of America	140,740	5,021	9,734
PolyOne Corporation	186,850	6,205	7,498
Resolute Forest Products	374,700	5,709	5,609
Rockwood Holdings Inc	94,800	5,596	7,240
Scotts Miracle-Gro Co	117,620	5,362	7,051
United States Steel Corp	310,800	7,811	7,161
Westlake Chemical Corporation	45,500	2,632	3,679
<i>Total Basic Materials - 9.2%</i>		76,574	94,257
<i>Capital Goods</i>			
AECOM Technology Corporation	71,670	2,076	2,303
Alliant Techsystems Inc	48,800	2,761	6,163
Avis Budget Group Inc	44,620	2,464	2,554
BE Aerospace Inc	73,105	2,181	7,073
Chicago Bridge & Iron Co NV	66,200	5,245	5,389
Comfort Systems USA Inc	211,400	3,529	3,488
Drew Industries	100,700	5,018	4,886
Dycom Industries Inc	89,910	2,440	2,675
Exelis Inc	367,200	4,376	6,272
Generac Holdings Inc	80,440	3,483	3,916
Genesee & Wyoming Inc	109,440	10,222	10,654
Hawaiian Holdings Inc	336,800	3,556	5,200
Hubbell Inc	67,270	4,048	7,871
Huntington Ingalls Industries	66,290	3,370	6,618
IHS Inc	56,450	5,208	7,108
JetBlue Airways Corp	368,800	3,002	3,563
Lincoln Electric Hldgs Inc	100,500	6,796	6,602
MasTec Inc	83,590	3,289	3,009
Meritor Inc	189,200	2,447	2,613
Nortek Inc	19,700	1,425	1,655
Oshkosh Corporation	81,800	2,065	4,421
Patrick Industries Inc	44,000	1,289	1,663
Robert Half International Inc	153,230	5,808	6,986
SPX Corporation	37,200	3,605	3,893
Timken Company	144,160	6,906	9,258
TransDigm Group Inc	41,105	3,930	7,757
Trinity Industries Inc	40,360	2,854	3,492
United Rentals Inc	142,680	8,518	14,418
URS Corp	114,700	5,183	5,162
WESCO International Inc	67,530	4,233	5,768
<i>Total Capital Goods - 15.8%</i>		121,327	162,430
<i>Communication Services</i>			
FairPoint Communications - 0.2%	158,140	2,047	2,230
<i>Consumer Discretionary</i>			
Alaska Air Group Inc	18,600	1,738	1,831
Arrow Electronics Inc	48,900	2,578	2,822
Brinker International Inc	107,840	4,639	5,354
Finish Line Inc	213,800	5,678	6,130
Flextronics International Ltd	228,500	1,911	2,324
Foot Locker Inc	164,300	7,141	7,916
Gentex Corporation	101,490	2,519	2,935
Global Cash Access Holdings	580,700	4,252	5,168

See accompanying notes to financial statements.

# Non-Large Cap Domestic Equity Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Shares	Cost	Fair Value
Goodyear Tire & Rubber Co	90,000	2,492	2,373
Harman Intl Industries Inc	43,362	2,164	4,554
ITT Educational Services Inc	108,800	3,895	1,874
Jarden Corporation	138,480	5,650	7,835
Lear Corporation	93,570	5,664	8,239
Nexstar Broadcasting	70,020	2,850	3,253
Nord Anglia Education Inc	62,050	1,033	1,117
NVR Inc	2,200	2,589	2,450
Outerwall Inc	92,700	6,484	6,557
Pandora Media Inc	145,940	2,907	3,580
Providence Service Corporation	47,200	1,355	1,897
Service Corp	347,340	5,507	6,954
Signet Jewelers Ltd	69,230	2,753	7,345
Smith & Wesson Holding Corp	446,990	5,042	7,098
Tempur-Pedic International	82,020	3,505	4,508
Tower International Inc	208,270	4,442	6,381
Tractor Supply Company	64,710	2,859	4,207
Ulta Salon Cosmetics & Frag	46,620	4,399	3,958
Urban Outfitters Inc	196,680	7,660	6,593
WABCO Holdings Inc	73,760	6,547	7,875
Williams Sonoma Inc	77,490	3,053	5,186
<i>Total Consumer Discretionary - 13.5%</i>		113,306	138,314
<i>Consumer Staples</i>			
Andersons, Inc	23,600	1,097	1,202
Cal-Maine Foods Inc	26,100	1,652	1,821
Rite Aid Corp	380,700	2,621	3,183
<i>Total Consumer Staples - 0.6%</i>		5,370	6,206
<i>Energy</i>			
Argan Inc	77,000	2,314	2,360
Canadian Solar Inc	79,500	2,435	2,047
CONSOL Energy Inc	210,590	7,512	9,302
Denbury Resources Inc	259,620	4,037	4,385
Gran Tierra Energy Inc	337,800	2,380	2,439
Green Plains Renewable Energy	134,400	3,035	3,927
GulfMark Offshore Inc	56,100	2,393	2,604
Parker Drilling Company	640,800	4,390	4,146
PBF Energy Inc	71,350	2,275	2,277
Pioneer Energy Services Corp	160,800	2,168	2,557
Rowan Companies PLC	215,170	7,526	6,662
SM Energy Company	86,900	6,136	6,588
Targa Resources Corp	65,500	6,447	7,530
Tesoro Corporation	295,180	9,866	16,589
Unit Corporation	24,900	1,593	1,582
VAALCO Energy Inc	650,690	4,450	4,229
<i>Total Energy - 7.7%</i>		68,957	79,224
<i>Financial Services</i>			
Allied World Assurance Co Hold	89,460	2,225	3,355
American Financial Group Inc	123,070	5,654	7,185
Aspen Insurance Holdings Ltd	180,500	6,603	8,294
Assurant Inc	115,380	4,062	7,824
Axis Capital Hldgs Ltd	137,690	5,647	6,332
Berkley WR Corporation	118,900	5,278	5,299
Brandywine Realty Trust	228,500	3,014	3,496
CBL & Associates Properties	196,700	4,068	3,702
CBRE Group Inc	230,600	5,075	6,881
Cedar Realty Trust Inc	346,400	2,028	2,127
Comerica Inc	87,370	2,360	4,191
DuPont Fabros Technology Inc	264,900	6,265	6,773
E*Trade Financial Corporation	89,200	1,984	1,817
Endurance Specialty Hldg Ltd	135,200	7,009	6,993

See accompanying notes to financial statements.



# Non-Large Cap Domestic Equity Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Shares	Cost	Fair Value
Equity Lifestyle Properties	92,400	3,526	4,042
Everest Re Group Ltd	53,700	5,514	8,593
FBL Financial Group Inc	40,700	1,799	1,779
First Interstate Bancsystem	44,600	1,073	1,145
First Republic Bank	137,480	4,379	6,992
FirstService Corporation	122,320	5,428	6,107
Genworth Financial Inc	911,770	11,157	15,491
Gladstone Investment Group	313,870	2,601	2,426
Greenlight Capital Re	214,100	6,131	6,785
Hanover Insurance Group Inc	117,900	6,846	7,080
Hospitality Properties Trust	276,400	7,597	8,018
Jones Lang LaSalle Inc	88,490	8,323	10,733
Lakeland Financial Corp	142,090	4,757	5,141
Manning & Napier Inc	146,310	2,873	2,500
PartnerRe Ltd	68,300	6,405	7,333
Platinum Underwriters Hldg Ltd	118,900	7,020	7,627
Radian Group Inc	494,900	7,180	7,136
Raymond James Financial Inc	143,190	5,007	6,930
Reinsurance Group of America I	97,210	7,018	7,598
RLJ Lodging Trust	286,170	6,609	7,930
Ryman Hospitality	148,600	6,803	6,855
Simmon First National Corp	28,300	947	1,150
Starwood Property Trust Inc	226,810	4,511	5,532
Symetra Financial Corporation	85,400	1,604	1,781
United Insurance Holdings Corp	86,700	1,571	1,530
Unum Group	133,800	3,545	4,537
Validus Holdings Limited	203,600	7,619	7,600
Waddell & Reed Financial Inc	85,600	4,082	5,169
Wilshire Bancorp Inc	292,200	1,987	2,948
<i>Total Financial Services - 23.7%</i>		205,184	242,757
<i>Health Care</i>			
Acadia Pharmaceuticals Inc	179,370	3,737	3,704
Aegerion Pharmaceuticals Inc	196,930	10,064	6,469
Allscripts Healthcare Solution	459,850	7,174	6,778
Brookdale Senior Living Inc	174,440	5,479	5,802
Community Health Systems Inc	204,750	9,068	8,552
Covance Inc	64,320	4,641	5,394
Cubist Pharmaceuticals Inc	168,270	8,646	11,207
Herbalife Ltd	44,500	2,552	2,885
ICON PLC	59,100	2,310	2,498
IDEXX Laboratories Inc	43,310	4,038	5,564
Jazz Pharmaceuticals PLC	61,595	9,540	8,738
Magellan Health Services Inc	31,500	1,812	1,918
Medivation Inc	57,020	3,526	4,153
Mettler-Toledo International I	33,240	4,782	8,144
MWI Veterinary Supply, Inc	34,260	5,402	4,780
Myriad Genetics Inc	85,500	2,070	2,835
Omnicare Inc	42,500	1,747	2,701
Orthofix International NV	39,100	1,259	1,239
PDL BioPharma Inc	740,200	4,927	6,936
PharMerica Corporation	83,300	2,117	2,261
Spectranetics Corp	214,330	5,326	4,595
United Therapeutics Corp	64,100	4,066	6,137
Wright Medical Group Inc	259,820	7,121	7,899
<i>Total Health Care - 11.8%</i>		111,404	121,189
<i>Technology</i>			
Amdocs Ltd	46,650	1,473	2,245
Aruba Networks Inc	227,560	4,502	4,213
Avnet Inc	69,600	2,345	3,032
Cirrus Logic Inc	58,300	1,311	1,290
Concur Technologies	39,135	2,725	3,341

See accompanying notes to financial statements.

# Non-Large Cap Domestic Equity Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Shares	Cost	Fair Value
FleetCor Technologies Inc	38,090	1,192	4,815
Infoblox Inc	165,010	4,055	2,139
Informatica Corporation	107,190	3,556	3,922
Ingram Micro Inc	404,060	8,833	11,221
Inteliquent Inc	406,000	3,432	6,082
JDS Uniphase Corporation	272,560	3,967	2,990
Lexmark International Inc	174,800	7,395	7,620
Manhattan Associates Inc	41,100	776	1,334
Marvell Technology Group LTD	79,600	1,000	1,239
Net 1 UEPS Technologies Inc	344,500	3,554	3,876
NXP Semiconductor NV	64,070	2,051	3,979
Polycom Inc	318,400	3,939	4,060
QLIK Technologies Inc	200,420	4,369	4,351
QLogic Corporation	690,200	7,809	6,861
ServiceNow Inc	127,530	6,581	6,671
Skyworks Solutions Inc	70,300	1,530	3,045
Total System Services Inc	170,790	4,310	5,168
United Online Inc	91,700	1,036	1,001
Veeco Instruments Inc	29,540	1,257	984
VeriFone Holdings Inc	228,940	5,718	7,512
<i>Total Technology - 10.0%</i>		88,716	102,991
<i>Utilities</i>			
Atmos Energy Corp	21,900	918	1,097
CMS Energy Corporation	175,200	4,879	5,212
El Paso Electric Company	183,500	5,696	6,993
Great Plains Energy Inc	133,300	2,941	3,392
PNM Resources Inc	78,100	1,275	2,223
Portland General Electric Co	224,400	7,395	7,421
UGI Corporation	174,800	8,305	8,504
Vectren Corp	181,400	6,338	7,234
<i>Total Utilities - 4.2%</i>		37,747	42,076
Total Equity Securities - 96.7%		830,632	991,674
<b><u>Short-term Issue</u></b>			
Dreyfus Cash Management Institutional Fund - 1.8%	18,416,727	18,417	18,417
<b><u>Investments Made with Cash Collateral for Securities Loaned</u></b>			
BNY Mellon Securities Lending Overnight Fund		59,372	59,372
Mellon SL DBT II Liquidating Fund		212	211
Total Investments Made with Cash Collateral for Securities Loaned - 5.8%		59,584	59,583
Total Investments - 104.3%		\$ 908,633	\$ 1,069,674

See accompanying notes to financial statements.

## Non-Large Cap Domestic Equity Pool

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### Statement of Operations - Unaudited

Period Ended May 31, 2014\*

*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Investment income</b>		
Dividends, net of foreign withholding taxes (\$3)	\$ 1,014	\$ 12,394
Net securities lending income	67	1,297
<b>Total investment income</b>	1,081	13,691
<b>Expenses</b>		
Investment advisor fees	(167)	(3,295)
Trustee fees	-	(3)
Custodian bank fees	(4)	(45)
Management fees	(23)	(249)
Fiduciary bond fees	-	(1)
Professional service fees	(4)	(56)
<b>Total expenses</b>	(198)	(3,649)
<b>Investment income, net</b>	883	10,042
<b>Realized and unrealized gain (loss) from investments</b>		
Net realized gain from investments	8,271	143,756
Net change in unrealized appreciation (depreciation) on investments	(3,139)	39,849
<b>Net gain from investments</b>	5,132	183,605
<b>Net increase in net assets from operations</b>	\$ 6,015	\$ 193,647

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## Non-Large Cap Domestic Equity Pool

### Statement of Changes in Net Assets - Unaudited Period Ended May 31, 2014\*

*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 883	\$ 10,042
Net realized gain from investments	8,271	143,756
Net change in unrealized appreciation (depreciation) on investments	(3,139)	39,849
<b>Net increase in net assets from operations</b>	6,015	193,647
<b>Unit transactions</b>		
Proceeds from sale of units	7,854	79,546
Amount paid for repurchase of units	(7,034)	(91,265)
<b>Net increase (decrease) in net assets from unit transactions</b>	820	(11,719)
<b>Increase in net assets</b>	6,835	181,928
<b>Net assets, beginning of period</b>	1,019,195	844,102
<b>Net assets, end of period</b>	\$ 1,026,030	\$ 1,026,030
<b>Unit data</b>		
Units sold	286,226	3,049,074
Units repurchased	(256,361)	(3,650,289)
<b>Net increase (decrease) in units</b>	29,865	(601,215)

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Non-Large Cap Domestic Equity Pool

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## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate 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 Coal Workers' Pneumoconiosis funds, and certain other state government funds.

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

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment-related operations of the IMB's Non-Large Cap Domestic Equity Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. Generally Accepted Accounting Principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The Pool invests in the equities of small- to mid-sized companies and its objective is to exceed, net of external investment management fees, the Russell 2500 Index over three- to five-year periods. Assets are managed by AJO and Westfield Capital Management (Westfield).

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Investment Valuation** - The IMB reports its investments at fair value in accordance with the Financial Accounting Standards Board's Accounting Standards Codification Topic 820 (ASC 820). Refer to Note 3 for further discussion and presentation of the reporting requirements under ASC 820.

# Non-Large Cap Domestic Equity Pool

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## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value of the Pool's portfolio securities is determined as follows:

- Equity securities are valued at the last sale price or official closing price reported in the market in which they are primarily traded. If no sales have been recorded within the five days preceding the date of the financial statement date, the fair value of the securities is determined in accordance with approved procedures.
- Open-end regulated investment companies or other commingled investment funds are valued at the net asset value of the fund as reported by the fund's administrator.

Investments for which the fair value cannot be determined by one of the above listed processes are valued at fair value as determined in accordance with the IMB's established procedures.

**Security Loans** - The IMB, through its agent, the Bank of New York Mellon, loans securities to various brokers on a temporary basis. Each transaction for U.S. securities is secured by initial collateral of at least 102 percent of the market value of the securities loaned. Cash collateral received is invested in the BNY Institutional Cash Reserves Trust, specifically the BNY Mellon Securities Lending Overnight Fund, and the Mellon GSL Reinvestment Trust, specifically the Mellon SL DBT II Liquidating Fund. Such investments are made at the risk of the Pool and, as such, the Pool is liable for investment losses. Investments made with cash are reported at fair value on the Statement of Assets and Liabilities. Securities loaned remain on the Statement of Assets and Liabilities and Schedule of Investments. The IMB receives compensation in the form of loan premium fees and income from the investment of the cash collateral. Expenses related to the lending of securities are rebates paid by the lending agent to brokers and the lending agent's fees for its services. The income earned by the IMB is reported in the Statement of Operations as net securities lending income. Unrealized gains or losses resulting from changes in the value of the investment of cash collateral are reported as part of the change in unrealized appreciation or depreciation of investments. The IMB 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 Statement of Operations as a change in unrealized appreciation or depreciation on investments.

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

**Use of Estimates** - The preparation of the financial statements in conformity with GAAP 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.

**Interest Income** - Interest income is recognized as earned on the accrual method.

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

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or net realized gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

# Non-Large Cap Domestic Equity Pool

## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. Accordingly, no provision for income taxes is required as of May 31, 2014.

**Indemnifications** - In the normal course of business, the IMB has entered into contracts that provide a variety of indemnifications. Any exposure to the Pool under these arrangements would involve future claims that may be made against the IMB. The Pool's maximum exposure under these arrangements is unknown. No such claims have occurred, nor are they expected to occur and the IMB expects the risk of loss to be remote.

### NOTE 3. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

ASC 820 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with ASC 820 fair value hierarchy levels as of May 31, 2014:

Assets	Level 1	Level 2	Level 3	Total
Equity securities	\$ 991,674	\$ -	\$ -	\$ 991,674
Investments made with cash collateral for securities loaned	-	59,583	-	59,583
Short-term issue	18,417	-	-	18,417
Total	<u>\$ 1,010,091</u>	<u>\$ 59,583</u>	<u>\$ -</u>	<u>\$ 1,069,674</u>

There were no transfers in or out of Levels 1 and 2 during the period ended May 31, 2014.

# Non-Large Cap Domestic Equity Pool

## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 4. SECURITIES LENDING

The following table presents the amounts of various accounts related to securities lending at May 31, 2014.

Fair value of securities of loan	\$	59,732		
Initial collateral received:		Cost	Fair Value	Unrealized Depreciation
Cash	\$	59,584	\$	59,583
Non-cash				1,624
Total			\$	61,207

### NOTE 5. INVESTMENT ADVISORY FEES

The IMB has approved investment advisory agreements with AJO and Westfield to manage the investments of the Pool. These agreements provide for quarterly payments, based on average end of month assets under management, to the investment advisors. The IMB makes these payments and the Pool transfers funds to the IMB to facilitate the payments.

The fees paid to AJO consist of a base fee of 0.05 percent annually of the net assets under management and a performance incentive fee that is earned when the actual investment return exceeds the return of the Russell 2500 Value index over rolling three-year periods. The maximum fee allowable under the agreement is 1.25 percent annually of the net assets under management. The effective fee rate earned by AJO for the period ended May 31, 2014, was 0.36 percent.

The fees paid to Westfield include a base fee of 0.10 percent annually of net assets under management and a performance incentive fee that is earned when the actual investment return exceeds the return of the Russell 2500 Growth index over rolling three-year periods. The maximum fee allowable under the agreement is 1.00 percent annually of the net assets under management. The effective fee rate earned by Westfield for the period ended May 31, 2014, was 0.38 percent.

### NOTE 6. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2013	\$	22.35
Income from investment operations:		
Net investment income		0.27
Net realized and unrealized gain on investment transactions		4.98
Total from investment operations		5.25
Net asset value at May 31, 2014	\$	27.60

**Total Return \*** 23.4%

#### Supplemental Data:

Net assets, end of period	\$	1,026,030
Ratio to average net assets:		
Expenses **		0.41%
Net investment income **		1.14%
Portfolio turnover rate		109.80%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized



# Non-Large Cap Domestic Equity Pool

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## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 7. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at May 31, 2014.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 443,499
Public Employees' Retirement System	383,183
Workers' Compensation Old Fund	41,842
West Virginia Retiree Health Benefit Trust Fund	39,615
State Police Death, Disability and Retirement Fund	39,558
Judges' Retirement System	11,250
Deputy Sheriff's Retirement System	10,922
Coal Workers' Pneumoconiosis Fund	9,805
Revenue Shortfall Reserve Fund - Part B	9,707
State Police Retirement System	8,049
Public Employees Insurance Agency	8,046
Board of Risk and Insurance Management	5,109
West Virginia Prepaid Tuition Trust Fund	4,481
Emergency Medical Services Retirement System	3,573
Wildlife Endowment Fund	3,546
West Virginia Department of Environmental Protection Agency	1,763
West Virginia Department of Environmental Protection Trust	752
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	544
Workers' Compensation Uninsured Employers' Fund	351
Workers' Compensation Self-Insured Employer Security Risk Pool	268
Municipal Model A	96
Municipal Police Officers' and Firefighters' Retirement System	71
Total	<u>\$ 1,026,030</u>



**Financial Statements - Unaudited**

**May 31, 2014**



# International Qualified Pool

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## Financial Statements - Unaudited May 31, 2014

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# International Qualified Pool

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## Statement of Assets and Liabilities - Unaudited

May 31, 2014

(Amounts in thousands, except unit data)

### Assets

Investment at fair value (cost \$385,480) \$ 1,295,359

### Liabilities

Accrued expenses 70

**Net assets** \$ 1,295,289

### Analysis of net assets

Paid-in capital \$ 395,466

Accumulated undistributed net investment loss (43,065)

Accumulated undistributed net realized gain from investments 33,009

Unrealized net appreciation of investments 909,879

**Net assets** \$ 1,295,289

### Unit data

Units outstanding 20,954,167

Net asset value, unit price \$ 61.82

See accompanying notes to financial statements.

## International Qualified Pool

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### Schedule of Investments - Unaudited

May 31, 2014

(Amounts in thousands, except share data)

<u>Description</u>	<u>Shares</u>	<u>Cost</u>	<u>Fair Value</u>
<b><u>Investment in Other Fund</u></b>			
Silchester International Value Equity Group Trust - 100.0%	12,216,004	\$ 385,480	\$ 1,295,359
Investment Objective - To achieve desired exposure to publicly traded equity securities of companies ordinarily incorporated in countries other than the United States.			
Redemption Provisions - Monthly on the first business day.			
No underlying investments exceed 5% of net assets of the International Qualified Pool.			

See accompanying notes to financial statements.

# International Qualified Pool

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**Statement of Operations - Unaudited**  
**Period Ended May 31, 2014\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>	\$ -	\$ -
<b>Expenses</b>		
Investment advisor fees	(553)	(5,655)
Trustee fees	-	(3)
Management fees	(30)	(308)
Fiduciary bond fees	-	(2)
Professional service fees	(6)	(69)
	<u>(589)</u>	<u>(6,037)</u>
<b>Total expenses</b>		
	(589)	(6,037)
<b>Investment loss, net</b>		
	(589)	(6,037)
<b>Realized and unrealized gain from investments</b>		
Net realized gain from investments	389	3,835
Net change in unrealized appreciation (depreciation) on investments	22,721	260,426
	<u>23,110</u>	<u>264,261</u>
<b>Net gain from investments</b>		
	23,110	264,261
<b>Net increase in net assets from operations</b>	<u>\$ 22,521</u>	<u>\$ 258,224</u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*



## International Qualified Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended May 31, 2014\***  
*(Amounts in thousands, except unit data)*

	<u>Month</u>	<u>Year To Date</u>
<b>Operations</b>		
Investment loss, net	\$ (589)	\$ (6,037)
Net realized gain from investments	389	3,835
Net change in unrealized appreciation (depreciation) on investment	<u>22,721</u>	<u>260,426</u>
<b>Net increase in net assets from operations</b>	22,521	258,224
<b>Unit transactions</b>		
Proceeds from sale of units	38	724
Amount paid for repurchase of units	<u>(2)</u>	<u>(345)</u>
<b>Net increase in net assets from unit transactions</b>	<u>36</u>	<u>379</u>
<b>Increase in net assets</b>	22,557	258,603
<b>Net assets, beginning of period</b>	<u>1,272,732</u>	<u>1,036,686</u>
<b>Net assets, end of period</b>	<u><u>\$ 1,295,289</u></u>	<u><u>\$ 1,295,289</u></u>
<b>Unit data</b>		
Units sold	625	12,743
Units repurchased	<u>(39)</u>	<u>(5,975)</u>
<b>Net increase in units</b>	<u><u>586</u></u>	<u><u>6,768</u></u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# International Qualified Pool

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## Notes to Financial Statements

(Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate 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 Coal Workers' Pneumoconiosis funds, and certain other state government funds.

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

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's International Qualified Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. Generally Accepted Accounting Principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

Funds are invested in Silchester International Investors' (Silchester) Value Equity Group Trust. The Pool's objective is 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 three- to five-year periods, net of external investment management fees. Only "qualified participants" (as defined by the *Internal Revenue Code*) may invest in the Pool.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Investment Valuation** - The IMB reports its investments at fair value in accordance with the Financial Accounting Standards Board's Accounting Standards Codification Topic 820 (ASC 820). Refer to Note 4 for further discussion and presentation of the reporting requirements under ASC 820.

# International Qualified Pool

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## Notes to Financial Statements

(Amounts in thousands, except share data)

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value of the Pool's portfolio investment is determined as follows:

- Open-end regulated investment companies or other commingled investment funds are valued at the net asset value of the fund as reported by the fund's administrator.

Investments for which the fair value cannot be determined by one of the above listed processes are valued at fair value as determined in accordance with the IMB's established procedures.

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

**Use of Estimates** - The preparation of the financial statements in conformity with GAAP 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.

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or net realized gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool. In addition to these direct and allocated expenses, the Pool bears certain expenses indirectly, such as fees of the investment fund in which the Pool invests that are reflected in the reported net asset value of such fund.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. Accordingly, no provision for income taxes is required as of May 31, 2014.

**Indemnifications** - In the normal course of business, the IMB has entered into contracts that provide a variety of indemnifications. Any exposure to the Pool under these arrangements would involve future claims that may be made against the IMB. The Pool's maximum exposure under these arrangements is unknown. No such claims have occurred, nor are they expected to occur and the IMB expects the risk of loss to be remote.

### NOTE 3. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

ASC 820 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are:

# International Qualified Pool

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## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 3. FAIR VALUE MEASUREMENTS (continued)

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with ASC 820 fair value hierarchy levels as of May 31, 2014:

<u>Assets</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investment in other fund	\$ -	\$ 1,295,359	\$ -	\$ 1,295,359

There were no transfers in or out of Levels 1 and 2 during the period ended May 31, 2014.

### NOTE 4. INVESTMENT ADVISORY FEES

The IMB has approved an investment advisory agreement with Silchester to manage the investments of the Pool. The Pool pays these advisory fees, based on end of month assets under management, by redeeming shares from the commingled fund managed by Silchester.

The fees paid to Silchester are based on a descending scale of fee rates ranging from 1.0 percent annually on the first \$10 million of assets under management to 0.55 percent annually on assets between \$50 million and \$75 million. For assets greater than \$75 million the fee rate is 0.50 percent. The effective fee rate earned by Silchester for the period ended May 31, 2014, was 0.51 percent.

# International Qualified Pool

## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 5. FINANCIAL HIGHLIGHTS

<b>Per Unit Operating Performance:</b>	
Net asset value at June 30, 2013	\$ 49.49
Income from investment operations:	
Net investment loss	(0.29)
Net realized and unrealized gain on investment transactions	12.62
Total from investment operations	12.33
Net asset value at May 31, 2014	\$ 61.82
<b>Total Return *</b>	24.9%
<b>Supplemental Data:</b>	
Net assets, end of period	\$ 1,295,289
Ratio to average net assets:	
Expenses **	0.55%
Net investment income **	-0.55%
Portfolio turnover rate	0.00%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized and do not reflect the Pool's proportionate share of income and expenses of the underlying investee fund.

### NOTE 6. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at May 31, 2014.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 636,781
Public Employees' Retirement System	552,880
State Police Death, Disability and Retirement Fund	58,356
Judges' Retirement System	16,116
Deputy Sheriff's Retirement System	15,190
State Police Retirement System	10,920
Emergency Medical Services Retirement System	4,821
Municipal Model A	129
Municipal Police Officers' and Firefighters' Retirement System	96
Total	\$ 1,295,289



**Financial Statements - Unaudited**

**May 31, 2014**





# International Nonqualified Pool

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## Financial Statements - Unaudited May 31, 2014

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# International Nonqualified Pool

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## Statement of Assets and Liabilities - Unaudited

May 31, 2014

(Amounts in thousands, except unit data)

### Assets

Investment at fair value (cost \$75,150)	\$	152,201
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### Liabilities

Accrued expenses		<u>8</u>
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<b>Net assets</b>	<b>\$</b>	<b><u>152,193</u></b>
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### Analysis of net assets

Paid-in capital	\$	52,267
Accumulated undistributed net investment loss		(5,716)
Accumulated undistributed net realized gain from investments		28,591
Unrealized net appreciation of investments		<u>77,051</u>

<b>Net assets</b>	<b>\$</b>	<b><u>152,193</u></b>
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### Unit data

Units outstanding		2,666,095
Net asset value, unit price	\$	<u>57.08</u>

See accompanying notes to financial statements.

# International Nonqualified Pool

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## Schedule of Investments - Unaudited

May 31, 2014

(Amounts in thousands, except share data)

<u>Description</u>	<u>Shares</u>	<u>Cost</u>	<u>Fair Value</u>
<b><u>Investment in Other Fund</u></b>			
Silchester International Value Equity Trust - 100.0%	1,368,927	\$ 75,150	\$ 152,201
Investment Objective - To achieve desired exposure to publicly traded equity securities of companies ordinarily incorporated in countries other than the United States.			
Redemption Provisions - Monthly on the first business day.			
No underlying investments exceed 5% of net assets of the International Nonqualified Pool.			

See accompanying notes to financial statements.

## International Nonqualified Pool

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### Statement of Operations - Unaudited

Period Ended May 31, 2014\*

(Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>	\$ -	\$ -
<b>Expenses</b>		
Investment advisor fees	(77)	(796)
Management fees	(3)	(36)
Professional service fees	(1)	(8)
	<u>(81)</u>	<u>(840)</u>
<b>Total expenses</b>	<u>(81)</u>	<u>(840)</u>
<b>Investment loss, net</b>	(81)	(840)
<b>Realized and unrealized gain from investments</b>		
Net realized gain from investments	39	370
Net change in unrealized appreciation (depreciation) on investment	2,572	30,527
	<u>2,611</u>	<u>30,897</u>
<b>Net gain from investments</b>	<u>2,611</u>	<u>30,897</u>
<b>Net increase in net assets from operations</b>	<u>\$ 2,530</u>	<u>\$ 30,057</u>

\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed.  
See accompanying notes to financial statements.

## International Nonqualified Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended May 31, 2014\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment loss, net	\$ (81)	\$ (840)
Net realized gain from investments	39	370
Net change in unrealized appreciation (depreciation) on investment	2,572	30,527
<b>Net increase in net assets from operations</b>	2,530	30,057
<b>Unit transactions</b>		
Proceeds from sale of units	91	12,537
Amount paid for repurchase of units	(86)	(12,492)
<b>Net increase in net assets from unit transactions</b>	5	45
<b>Increase in net assets</b>	2,535	30,102
<b>Net assets, beginning of period</b>	149,658	122,091
<b>Net assets, end of period</b>	\$ 152,193	\$ 152,193
<b>Unit data</b>		
Units sold	1,607	240,407
Units repurchased	(1,532)	(239,545)
<b>Net increase in units</b>	75	862

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# International Nonqualified Pool

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## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate 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 Coal Workers' Pneumoconiosis funds, and certain other state government funds.

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

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's International Nonqualified Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. Generally Accepted Accounting Principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

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

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Investment Valuation** - The IMB reports its investments at fair value in accordance with the Financial Accounting Standards Board's Accounting Standards Codification Topic 820 (ASC 820). Refer to Note 4 for further discussion and presentation of the reporting requirements under ASC 820.

# International Nonqualified Pool

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## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value of the Pool's portfolio investment is determined as follows:

- Open-end regulated investment companies or other commingled investment funds are valued at the net asset value of the fund as reported by the fund's administrator.

Investments for which the fair value cannot be determined by one of the above listed processes are valued at fair value as determined in accordance with the IMB's established procedures.

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

**Use of Estimates** - The preparation of the financial statements in conformity with GAAP 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.

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or net realized gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool. In addition to these direct and allocated expenses, the Pool bears certain expenses indirectly, such as fees of the investment fund in which the Pool invests that are reflected in the reported net asset value of such fund.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. Accordingly, no provision for income taxes is required as of May 31, 2014.

**Indemnifications** - In the normal course of business, the IMB has entered into contracts that provide a variety of indemnifications. Any exposure to the Pool under these arrangements would involve future claims that may be made against the IMB. The Pool's maximum exposure under these arrangements is unknown. No such claims have occurred, nor are they expected to occur and the IMB expects the risk of loss to be remote.

### NOTE 3. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

ASC 820 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are:

# International Nonqualified Pool

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## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 3. FAIR VALUE MEASUREMENTS (continued)

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with ASC 820 fair value hierarchy levels as of May 31, 2014:

<u>Assets</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investment in other fund	\$ -	\$ 152,201	\$ -	\$ 152,201

There were no transfers in or out of Levels 1 and 2 during the period ended May 31, 2014.

### NOTE 4. INVESTMENT ADVISORY FEES

The IMB has approved an investment advisory agreement with Silchester to manage the investments of the Pool. The Pool pays these advisory fees, based on end of month assets under management, by redeeming shares from the commingled fund managed by Silchester.

The fees paid to Silchester are based on a descending scale of fee rates ranging from 1.0 percent annually on the first \$10 million of assets under management to 0.55 percent annually on assets between \$50 million and \$75 million. For assets greater than \$75 million the fee rate is 0.50 percent. The effective fee rate earned by Silchester for the period ended May 31, 2014 was 0.61 percent.



# International Nonqualified Pool

## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 5. FINANCIAL HIGHLIGHTS

<b>Per Unit Operating Performance:</b>	
Net asset value at June 30, 2013	\$ 45.81
Income from investment operations:	
Net investment loss	(0.32)
Net realized and unrealized gain on investment transactions	11.59
Total from investment operations	11.27
Net asset value at May 31, 2014	\$ 57.08
<b>Total Return *</b>	24.6%
<b>Supplemental Data:</b>	
Net assets, end of period	\$ 152,193
Ratio to average net assets:	
Expenses **	0.66%
Net investment income **	-0.66%
Portfolio turnover rate	0.00%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized and do not reflect the Pool's proportionate share of income and expenses of the underlying investee fund.

### NOTE 6. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at May 31, 2014.

<u>Participant</u>	<u>Account Value</u>
West Virginia Retiree Health Benefit Trust Fund	\$ 53,106
Workers' Compensation Old Fund	45,267
Revenue Shortfall Reserve Fund - Part B	13,079
Coal Workers' Pneumoconiosis Fund	10,902
Public Employees Insurance Agency	10,786
Board of Risk and Insurance Management	5,272
Wildlife Endowment Fund	4,751
West Virginia Prepaid Tuition Trust Fund	4,162
West Virginia Department of Environmental Protection Agency	2,361
West Virginia Department of Environmental Protection Trust	812
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	795
Workers' Compensation Uninsured Employers' Fund	540
Workers' Compensation Self-Insured Employer Security Risk Pool	360
Total	\$ 152,193



**Financial Statements - Unaudited**

**May 31, 2014**



# International Equity Pool

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## Financial Statements - Unaudited May 31, 2014

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# International Equity Pool

## Statement of Assets and Liabilities - Unaudited

May 31, 2014

(Amounts in thousands, except unit data)

### Assets

Investments at fair value (cost \$2,585,638), including securities on loan of \$129,705 (Note 4)	\$	2,848,165
Cash denominated in foreign currencies (cost \$8,436)		8,471
Receivables:		
Investments sold		12,030
Dividends		12,376
Foreign tax withholding		2,730
Securities lending income		279
Unrealized appreciation on foreign currency contracts (Note 5)		11
		<u>11</u>
<b>Total assets</b>		<b>2,884,062</b>

### Liabilities

Accrued expenses		3,000
Accrued capital gains tax		676
Payable for investments purchased		2,979
Payable upon return of securities loaned (Note 4)		136,029
Unrealized depreciation on foreign currency contracts (Note 5)		31
		<u>31</u>
<b>Total liabilities</b>		<b>142,715</b>
<b>Net assets</b>	<b>\$</b>	<b><u>2,741,347</u></b>

### Analysis of net assets

Paid-in capital	\$	1,334,474
Accumulated undistributed net investment income		435,401
Accumulated undistributed net realized gain from investments		645,970
Accumulated undistributed net realized gain from foreign currency transactions		62,994
Unrealized net appreciation of investments		290,587
Unrealized net depreciation on translation of assets and liabilities in foreign currencies		(28,079)
		<u>(28,079)</u>
<b>Net assets</b>	<b>\$</b>	<b><u>2,741,347</u></b>

### Unit data

Units outstanding		100,368,085
Net asset value, unit price	\$	<u>27.31</u>

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments - Unaudited

May 31, 2014

(Amounts in thousands, except share data)

Description	Shares	Cost	Fair Value
<b>Equity Securities</b>			
<i>Argentina</i>			
Nortel Inversora SA - 0.1%	101,540	\$ 2,095	\$ 2,132
<i>Australia</i>			
Adelaide Brighton Ltd	55,277	200	173
ALS Ltd	194,605	2,027	1,621
APN News & Media Ltd	93,055	58	67
Arrium Ltd	2,832,991	6,584	2,386
Atlas Iron Ltd	1,401,329	1,384	893
Ausdrill Ltd	615,106	1,674	558
Australand Property Group	142,047	565	567
Australian Pharmaceutical Ind	221,234	128	106
Australian Worldwide Explora	50,751	72	84
BC Iron Ltd	192,495	873	631
Boart Longyear Group	934,400	2,866	165
BT Investment Management Ltd	13,731	85	84
Cabcharge Australia Ltd	33,488	127	126
Carsales.com	263,658	2,322	2,702
Challenger Ltd	1,772,489	7,542	11,713
CSR Ltd	182,699	586	583
Downer EDI Ltd	1,203,418	4,599	5,970
GBST Holdings Ltd	80,764	213	244
Hills Holdings Ltd	109,648	177	160
Leighton Holdings Ltd	158,188	2,696	2,978
Lend Lease Corporation Ltd	784,900	7,433	9,796
Maca Ltd	19,159	47	35
Macquarie Group Ltd	133,264	2,600	7,445
Metcash Ltd	1,384,300	5,153	3,672
Mineral Resources Ltd	615,393	5,898	5,848
Mount Gibson Iron Ltd	1,466,056	1,313	1,003
National Australia Bank Ltd	256,400	6,832	7,992
Primary Health Care Ltd	951,300	4,381	3,958
Resolute Mining Ltd	342,005	206	189
Ridley Corporation Ltd	44,972	37	36
Rio Tinto Ltd	173,344	9,402	9,567
SAI Global Ltd	393,327	1,767	1,871
Seven Group Holdings Ltd	382,287	2,699	2,843
Southern Cross Media Group	1,404,000	2,857	1,431
Super Cheap Auto Group Ltd	170,018	1,501	1,442
Tassal Group Ltd	160,987	552	587
TFS Corporation Ltd	121,834	109	201
Tiger Resources Ltd	254,846	86	91
Titan Energy Services Ltd	117,285	312	216
Treasury Wine Estates	244,307	1,150	1,182
Virtus Health Pty Ltd	267,864	1,591	2,059
Watpac Ltd	59,913	54	49
<i>Total Australia - 3.4%</i>		90,758	93,324
<i>Austria</i>			
C.A.T. Oil AG	12,792	342	326
CA Immobilien Anlagen AG	21,015	362	390
Conwert Immobilien Invest AG	12,775	162	157
Erste Group Bank AG	555,814	17,784	19,333
EVN AG	2,885	44	39
Flughafen Wien AG	1,739	135	164
OMV AG	238,000	9,096	9,870
Porr AG	616	43	43
S Immo AG	5,368	36	43
Semperit AG	2,120	105	115
Voestalpine AG	168,100	6,089	7,786
Wienerberger AG	5,320	89	96
Zumtobel AG	13,184	218	282
<i>Total Austria - 1.4%</i>		34,505	38,644

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Shares	Cost	Fair Value
<i>Belgium</i>			
Agfa Gevaert NV	19,867	56	62
Arseus NV	7,458	236	407
Banque Nationale de Belgique	17	66	79
Barco NV	35,900	2,343	2,760
Bekaert NV	8,839	367	335
CFE	3,237	267	349
Deceuninck NV	48,716	142	148
Delhaize Le Lion SA	135,800	8,171	9,666
Exmar NV	21,560	323	356
Melexis NV	6,559	232	275
Resilux	642	85	90
Sioen Industries NV	3,057	35	42
ThromboGenics NV	46,793	1,730	1,149
<i>Total Belgium - 0.6%</i>		14,053	15,718
<i>Bermuda</i>			
BW Offshore Ltd	170,764	231	235
China LotSynergy Holdings	2,000,000	51	181
China Yuchai International Ltd	169,330	2,896	3,529
Clear Media Ltd	46,000	37	43
Cosan Ltd	479,900	7,525	5,999
Credicorp Ltd	34,100	4,166	5,328
Dickson Concepts Ltd	1,628,500	1,191	964
Emperor International Holdings	362,000	106	79
First Pacific Company Ltd	14,492,314	8,578	16,394
Fly Leasing Ltd	16,210	240	227
Haier Electronics Group	893,000	2,120	2,089
Jinhui Shipping & Transport	9,360	43	33
Labixiaoxin Snacks Group Ltd	5,070,000	3,284	1,962
Le Saunda Holdings Ltd	80,000	37	40
Nine Dragons Paper Holdings	4,057,000	3,341	2,637
Playmates Holdings Ltd	130,000	182	163
Skyworth Digital Holdings Ltd	10,242,000	5,147	4,888
Varitronix International Ltd	783,000	784	822
Vostok Nafta Investment	17,305	137	134
Wang On Group	9,180,000	179	218
Yue Yuen Industrial Holdings	1,682,000	3,440	5,207
<i>Total Bermuda - 1.9%</i>		43,715	51,172
<i>Brazil</i>			
Ambev SA	476,400	3,649	3,354
Banco do Brasil SA	862,601	9,697	8,757
Banco do Estado do Rio Grande - Preferred Stock	650,700	4,660	3,081
Banco Santander Brasil SA	1,977,580	18,006	13,368
Bematech SA	137,000	472	545
Centrais Elect de Sata Catarin - Preferred Stock	155,600	4,108	1,075
Centrais Eletricas Brasileiras	1,765,060	12,266	5,260
Centrais Eletricas Brasileiras - Preferred Stock	347,700	3,661	1,501
CETIP SA	300,200	3,605	3,879
CETIP SA - Rights	183	-	-
CIA Paranaense De Energia	198,080	2,402	1,938
CIA Paranaense De Energia - Preferred Stock	399,900	7,685	5,746
Companhia Brasileira de	74,200	3,609	3,365
Companhia de Saneamento	622,800	3,496	6,047
Companhia Energetica de Minas - Preferred Stock	448,600	3,617	3,116
Companhia Paranaense	302,160	4,690	4,387
EDP-Energias do Brasil SA	20,100	114	84
Eletropaulo Metropolitana SA - Preferred Stock	78,900	340	315
Embraer SA	489,228	12,804	17,730
FII BTG Pactual Corp Office Fd	3,484	190	193
Itau Unibanco Holding SA	457,800	6,801	7,096
JBS SA	1,228,400	4,185	4,107
Kroton Educacional SA	294,100	3,114	7,457
Light SA	479,900	4,214	4,238

See accompanying notes to financial statements.



# International Equity Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Shares	Cost	Fair Value
Localiza Rent A Car	152,700	2,446	2,417
Marfrig Frigorificos e Comerci	6,128,685	18,558	14,481
Petroleo Brasileiro SA	1,587,512	32,070	23,434
Petroleo Brasileiro SA - Preferred Stock	779,300	8,861	5,799
Telefonica Brasil	512,929	6,829	10,315
Tim Participacoes SA	322,541	6,004	8,786
Vale SA	217,800	4,250	2,777
Vale SA - Preferred Stock	596,400	12,577	6,817
Viver Incorporadora e Construr	3,047,346	4,813	177
<i>Total Brazil - 6.6%</i>		213,793	181,642
<i>Canada</i>			
Advantage Oil & Gas Ltd	23,600	94	142
Agrium Inc	74,400	5,713	6,671
Altus Group Ltd	22,340	297	464
Bankers Petroleum Ltd	57,600	218	345
Birchcliff Energy Ltd	18,800	156	233
Canadian Imperial Bank	103,400	6,667	9,109
Canadian Tire Corporation Ltd	93,800	6,595	9,035
Canam Group Inc	34,200	395	437
Canelson Drilling Inc	16,900	112	121
Canfor Corporation	3,700	100	82
Canfor Pulp Products Inc	27,936	308	327
Cascades Inc	20,000	121	110
Celestica Inc	532,700	3,449	6,304
Centerra Gold Inc	13,000	61	55
Cipher Pharmaceuticals Inc	11,800	82	86
Clearwater Seafoods Inc	16,870	124	126
Cogeco Cable Inc	55,900	2,514	3,222
Cogeco Inc	1,600	72	86
Contrans Group Inc	10,224	134	141
Crew Energy Inc	4,600	38	44
Dominion Diamond Corp	24,025	329	315
Eagle Energy Trust	17,179	128	101
Easyhome Ltd	3,500	46	65
Enerflex Ltd	2,900	45	44
Enerplus Corp	9,200	201	209
Ensign Energy Services Inc	242,000	3,666	3,617
Entertainment One Ltd	231,300	1,214	1,153
Extencicare Inc	9,100	57	62
Genworth MI Canada Inc	138,100	4,023	4,896
Gluskin Sheff & Associates	13,200	280	363
Great Canadian Gaming Corp	16,200	216	239
High Arctic Energy Services	20,514	81	104
High Liner Foods Inc	1,300	52	53
Horizon North Logistics Inc	24,900	170	179
InnVest Real Estate Investment	8,600	40	41
Interfor Corp	2,800	45	41
Jean Coutu Group	5,200	90	113
KP Tissue Inc	2,458	41	36
Laurentian Bank of Canada	91,174	2,853	3,986
Linamar Corporation	13,700	492	760
Lucara Diamond Corporation	120,200	179	221
Macro Enterprises Inc	22,400	114	108
Magellan Aerospace Corp	10,700	86	110
Magna International Inc	91,400	4,635	9,338
Mandalay Resources Corp	51,000	36	43
McCoy Corporation	13,700	92	80
Metro Inc	114,700	5,392	7,074
Mullen Group Ltd	17,300	466	464
National Bank of Canada	183,600	4,727	7,693
New Flyer Industries Inc	4,100	41	46
North American Energy Partners	19,864	116	156
North West Company Inc	1,842	44	40
Parex Resources Inc	80,124	494	866

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Shares	Cost	Fair Value
Petroamerica Oil Corp	691,797	210	198
Precision Drilling Corporation	293,900	3,060	3,808
Rocky Mountain Dealerships	7,600	85	79
Rogers Communications Inc	88,000	3,393	3,551
Savanna Energy Services Corp	20,300	149	153
Shaw Communications Inc	332,500	7,903	8,265
Sherritt International Company	440,600	2,629	1,879
Teck Corporation	191,900	6,308	4,272
Tekmira Pharmaceuticals Corp	14,661	126	186
Torstar Corporation	7,300	40	52
Transcontinental Inc	239,200	3,637	3,269
Transglobe Energy Corp	35,614	308	246
Trinidad Drilling Ltd	32,600	315	345
Uni-Select Inc	8,600	227	239
Western Energy Services Corp	5,000	44	50
Western Forest Products Inc	75,000	155	159
Westjet Airlines Ltd	276,800	34	6,205
Yellow Media Ltd	22,138	428	422
Zargon Oil & Gas Ltd	40,111	297	347
<i>Total Canada - 4.1%</i>		87,089	113,481
<i>Cayman Islands</i>			
Baidu Inc	17,520	2,825	2,905
Bauhaus International Holdings	110,000	39	34
Bosideng International Holding	71,512,200	15,147	11,899
Cecep Costin New Materials	88,000	47	38
Chaoda Modern Agriculture Ltd	19,491,636	12,313	1,949
China Cord Blood Corp	68,817	278	308
China King Highway Holdings	13,244	43	59
China Shanshui Cement Group	3,932,000	2,724	1,430
China ZhengTong Auto Services	2,226,300	1,712	1,151
GCL-Poly Energy Holdings Ltd	7,620,000	2,575	2,369
Ginko International Company	143,000	2,475	2,642
Goodbaby International Holding	2,213,000	1,082	1,139
Hengnan International Group	326,000	3,312	3,458
Kingboard Laminates Holding	3,250,500	2,844	1,199
Lifestyle International Hldngs	632,000	1,231	1,223
PNG Resources Holdings Ltd	4,552,000	69	42
Sands China Ltd	395,200	3,039	2,880
Silicon Motion Technology	15,145	211	251
Tencent Holdings Ltd	572,000	5,178	8,064
Xinyi Glass Holdings Co Ltd	2,202,000	1,340	1,545
Xinyuan Real Estate Co Ltd	46,516	319	180
Yestar International Holding	150,000	39	77
Yingde Gases	13,750,500	12,738	15,040
<i>Total Cayman Islands - 2.2%</i>		71,580	59,882
<i>Chile</i>			
Banco Santander Chile - 0.1%	109,400	2,309	2,746
<i>China</i>			
Bank of China Ltd	17,159,000	5,669	8,167
China Bluechemical Ltd	5,766,000	3,338	3,086
China Coal Energy Co	4,320,000	3,855	2,463
China Construction Bank Corp	8,611,100	6,798	6,320
China Longyuan Power Group	1,611,000	2,069	1,791
China Minsheng Banking Corp	3,285,500	4,111	3,373
China Pet & Chem Cor (Sinopec)	15,522,000	10,409	14,075
China Railway Construction Ltd	5,277,500	5,126	4,465
China South Locomotive	5,982,000	4,422	4,429
Chongqing Machinery & Electric	7,926,000	1,644	1,073
Dongfeng Motor Group Company	8,248,000	11,443	12,660
Great Wall Motor Company Ltd	485,000	359	1,989
Guandong Electric Power	272,600	161	154
Harbin Power Equipment Company	3,886,000	4,295	2,316

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Shares	Cost	Fair Value
Luthai Textile Co Ltd	65,400	80	87
Ping An Insurance Co	843,000	6,488	6,519
Shanghai Electric Group Co	13,088,000	5,453	4,727
Shanghai Jin Jiang	298,000	82	74
Sichuan Expressway Company Ltd	136,000	41	42
Weiqiao Textile Company Ltd	6,452,208	8,248	3,637
<i>Total China - 3.0%</i>		84,091	81,447
<i>Cyprus</i>			
Deep Sea Supply PLC	48,035	92	72
Globaltrans Investment PLC	302,560	3,039	3,313
TCS Group Holdings PLC	540,720	5,893	3,677
<i>Total Cyprus - 0.3%</i>		9,024	7,062
<i>Czech Republic</i>			
CEZ	162,300	5,652	4,752
Telefonica 02 Czech Republic	659,500	11,381	9,559
<i>Total Czech Republic - 0.5%</i>		17,033	14,311
<i>Denmark</i>			
Alk-Abello A/S	380	36	59
Auriga Industries A/S	4,282	147	179
Bang & Olufsen A/S	4,175	44	48
Bavarian Nordic A/S	11,356	163	259
D/S Norden A/S	54,789	1,949	2,189
DFDS A/S	1,873	145	153
FLSmidth & Co A/S	46,635	2,755	2,714
H Lundbeck A/S	14,290	312	385
Jyske Bank A/S	21,745	1,202	1,203
NKT Holdings A/S	11,360	581	779
Pandora A/S	21,102	1,017	1,559
Per Aarsleff A/S	248	40	50
Rockwool Intl A/S	1,492	236	297
Schouw & Co A/S	2,691	114	137
SimCorp A/S	53,998	712	1,827
<i>Total Denmark - 0.4%</i>		9,453	11,838
<i>Finland</i>			
Cargotec Corporation	51,934	2,216	2,161
Caverion Corporation	9,958	93	106
Cramo Oyj	11,293	235	250
HKScan Oyj	29,314	156	155
Lassila & Tikanoja Oyj	4,258	86	84
TietoEnator Oyj	171,000	4,238	4,753
Tikkurila Oyj	2,748	71	75
Valmet Corporation	217,317	2,468	2,423
<i>Total Finland - 0.4%</i>		9,563	10,007
<i>France</i>			
Actia Group	7,717	42	59
Adocia SAS	992	19	18
Air France-KLM	24,148	294	369
Alstom SA	201,400	6,705	7,970
Alten	6,731	302	346
Altran Technologies SA	257,167	2,156	2,825
Axa	343,200	8,663	8,481
Bigben Interactive	10,054	103	101
BNP Paribas	93,300	6,860	6,540
Bonduelle SCA	1,510	38	45
Canal Plus	11,272	93	93
Chargeurs	39,689	307	298
Credit Agricole Nord de France	3,667	78	87
Credit Agricole SA	510,196	3,980	7,968
Credit Agricole SA - Rights	510,196	-	-
Etablissements Maurel et Prom	57,720	962	993

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Shares	Cost	Fair Value
EuropaCorp	7,006	42	47
Gameloft SE	161,546	1,575	1,512
Groupe Crit	2,844	117	186
Haulotte Group	16,090	286	261
Heurtey Petrochem SA	878	42	44
Ingenico SA	20,437	938	1,849
Interparfums SA	6,010	252	256
Ispen SA	8,125	352	399
Jacquet Metal Service	5,409	94	124
Korian-Medica	7,804	-	309
Lagardere SCA	49,963	1,800	1,743
Le Belier	4,797	110	181
Lectra	12,867	125	140
Metropole Television	35,660	806	724
MGI Coutier	2,335	331	489
Montupet	8,299	356	747
Neopost SA	82,569	6,302	6,613
Norbert Dentressangle	1,642	224	255
Orpea	3,998	214	286
PSB Industries	767	42	49
Renault SA	78,200	6,533	7,369
Sanofi-Synthelabo SA	78,900	5,478	8,445
SCOR SE	152,600	3,648	5,333
Sechilienne SA	1,579	44	42
Soc Ind D'Aviations Latecoere	12,924	241	230
Societe Generale	77,400	4,889	4,464
Societe Television Francaise 1	123,886	2,340	2,212
Sopra Group	2,876	257	325
STEF-TFE	538	36	47
Synergie SA	4,015	75	115
Technicolor	33,572	178	248
Teleperformance	53,938	2,090	3,379
Thales SA	99,500	6,766	5,962
Total SA	232,600	14,724	16,339
Trigano SA	6,472	135	161
Ubisoft Entertainment SA	178,881	2,090	3,577
Valeo SA	92,044	5,033	12,371
Vetoquinol SA	951	49	48
Vivendi Universal	167,000	4,549	4,384
Total France - 4.6%		103,765	127,458
<i>Germany</i>			
Aareal Bank AG	66,027	1,723	3,127
ADVA AG Optical Networking	20,747	110	95
Aixtron AG	168,646	2,359	2,469
Allgeier SE	7,985	179	194
Allianz AG	67,400	9,038	11,441
BASF AG	60,900	2,832	7,020
Bauer AG	3,865	98	97
Baywa-Bayerische Warenvermit	1,645	85	92
Bechtle AG	6,966	470	616
Bertrandt AG	296	45	46
Biotest AG - Preferred Stock	1,447	115	178
Cenit AG	2,678	40	45
Centrotec Sustainable AG	6,852	173	172
Comdirect Bank AG	3,620	42	40
Daimler AG - Registered Shares	76,400	7,354	7,266
Deutsche Bank AG	143,100	10,083	5,802
Dialog Semiconductor PLC	128,388	2,519	3,976
Draegerwerk AG - Preferred Stock	19,202	2,006	2,000
E.On AG	252,600	7,276	4,924
ELMOS Semiconductor AG	11,364	155	244
Francotyp-Postalia Holding AG	6,815	41	43
Freenet AG	297,000	4,672	9,232
Gerresheimer AG	49,694	3,272	3,348

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Shares	Cost	Fair Value
GFT Technologies AG	3,613	43	50
Gildemeister AG	11,470	367	366
Homag Group AG	1,498	37	47
Hornbach Holdings AG - Preferred Stock	953	89	92
Indus Holdings AG	4,096	155	200
Jenoptik AG	18,040	315	310
Krones AG	3,867	338	377
KSB AG - Preferred Stock	102	63	70
Kuka AG	4,727	222	270
Leoni AG	19,645	1,335	1,574
Manz AG	2,287	176	225
MorphoSys AG	20,835	962	1,889
Muenchener Rueckversicherungs	45,600	7,822	10,118
MUT Aero Engines Holding AG	27,655	2,111	2,580
Nordex SE	55,178	817	1,208
Pfeiffer Vacuum Technology AG	18,796	1,605	2,051
QSC AG	21,216	127	100
Rheinmetall AG	24,598	1,496	1,687
Rhoen-Klinikum AG	47,443	1,323	1,566
RWE AG	138,800	8,663	5,578
Sixt SE	2,005	71	86
Sixt SE - Preferred Stock	3,437	83	122
Stada Arzneimittel AG	124,613	6,176	5,858
Stroer Media AG	5,205	91	99
Suedzucker AG	138,600	3,811	2,818
Surteco SE	2,265	90	96
TUI AG	263,029	3,163	4,483
Villeroy & Boch AG - Preferred Stock	9,180	149	168
Volkswagen AG	55,300	7,067	14,583
Vossloh AG	21,778	2,050	2,126
Wacker Neuson SE	6,860	118	145
<i>Total Germany - 4.5%</i>		105,622	123,409
<i>Greece</i>			
Alapis Holding Ind & Commer	46,477	1,132	3
Bank of Greece	1,664	35	32
OPAP SA	218,115	3,429	3,708
Piraeus Bank SA	1,100,380	2,591	2,703
<i>Total Greece - 0.2%</i>		7,187	6,446
<i>Hong Kong</i>			
AIA Group Ltd	1,082,400	4,792	5,424
Beijing Enterprises Holdings	693,500	4,334	5,926
Bonjour Holdings Ltd	970,200	197	145
Champion Real Estate Inv Trust	167,000	71	79
Champion Technology Holdings	1,852,000	37	44
Cheung Kong Holdings Ltd	361,000	4,559	6,449
China Mobile (Hong Kong) Ltd	1,781,500	16,869	17,429
Citic Pacific Ltd	2,562,000	4,747	4,474
CNOOC Ltd	1,066,000	2,215	1,829
Dah Sing Financial Group	28,000	173	150
Econtext Asia Ltd	73,000	54	40
Emperor Watch & Jewellery Ltd	27,870,000	2,662	2,013
Fushan Intl Energy Group Ltd	5,912,000	1,964	1,457
Global Bio-Chem Technology	1,824,000	429	66
Jingwei Textile Machinery	68,000	45	61
Johnson Electric Hldg Ltd	116,500	95	101
Liu Chong Hing Investment Ltd	90,000	165	113
Luk Fook Holdings	3,346,000	10,621	8,459
S&C Engine Group Ltd	15,819	42	45
Shenzhen Expressway Company	186,000	81	89
Techtronic Industries Co Ltd	609,500	1,584	1,922
<i>Total Hong Kong - 2.1%</i>		55,736	56,315

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Shares	Cost	Fair Value
<i>Hungary</i>			
Magyar Telekom	3,864,270	15,829	5,711
Richter Gedeon Nyrt	465,350	8,011	8,742
<i>Total Hungary - 0.5%</i>		23,840	14,453
<i>India</i>			
Grasim Industries Ltd	76,500	4,139	4,114
HDFC Bank Ltd	139,800	4,691	6,295
ICICI Bank Ltd	217,554	4,939	6,199
Indiabulls Housing Finance Ltd	954,400	3,479	6,313
Indian Oil Corporation Ltd	2,676,495	12,269	16,311
ITC Ltd	675,438	3,231	3,906
Maruti Suzuki India Ltd	87,445	2,288	3,362
McLeod Russel India Ltd	346,493	2,094	1,571
Reliance Infrastructure Ltd	1,619,113	14,632	18,928
Rural Electrification Corp	1,522,000	5,776	8,235
Tata Chemicals Ltd	2,074,788	10,521	10,657
Tata Motors Ltd	182,100	4,852	6,781
Ultra Tech Cement Ltd	63,076	2,209	2,543
United Phosphorus Ltd	4,249,157	10,127	21,702
Zee Entertainment Enterprises	722,206	2,933	3,260
<i>Total India - 4.4%</i>		88,180	120,177
<i>Indonesia</i>			
Bank Rakyat Indonesia	5,567,500	4,006	4,864
Energi Mega Persada Tbk	7,962,300	60	65
Indofood Sukses Mak Tbk	4,723,600	2,690	2,761
Jakarta Int'l Hotels & Dev	15,706	2	2
Lippo Cikarang PT	196,000	83	139
PT XL Axiata Tbk	11,421,870	4,580	5,356
<i>Total Indonesia - 0.5%</i>		11,421	13,187
<i>Ireland</i>			
Circle Oil PLC	264,020	92	100
Greencore Group PLC	479,541	1,786	2,344
ICON PLC	7,563	307	320
Irish Life & Permanent Group	398,100	6,377	48
Smurfit Kappa Group PLC	58,192	903	1,405
<i>Total Ireland - 0.2%</i>		9,465	4,217
<i>Israel</i>			
Airport Cith Ltd	4,930	43	49
Discount Investment Corp	21,814	160	190
Elco Holdings	3,239	37	36
Enzymotec Ltd	3,147	84	46
Internet Gold Golden Lines	537	6	6
Israel Discount Bank	2,058,700	4,390	3,616
Lumenis Ltd	11,512	130	102
Nova Measuring Instruments Ltd	4,292	39	47
Orbotech Ltd	40,724	552	628
Teva Pharmaceutical Ltd	171,700	6,922	8,607
<i>Total Israel - 0.5%</i>		12,363	13,327
<i>Italy</i>			
A2A SpA	526,298	590	631
ACEA SpA	15,134	157	215
Amplifon SpA	17,651	94	109
Ascopiave SpA	226,679	583	672
Astaldi SpA	19,448	193	210
Autostrada Torino-Midland SpA	5,468	92	87
Banca Ifis SpA	18,281	280	362
Banco Popolare Societa Coop	90,687	2,193	1,751
Biesse SpA	8,901	54	92
Brembo SpA	17,994	562	708
Cairo Communications SpA	6,177	60	52

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Shares	Cost	Fair Value
Carraro SpA	30,760	120	119
Cementerie del Tirreno	67,193	386	579
CIR SpA	70,430	116	101
Cofide-Compagnia Finanziaria	96,920	76	70
Credito Emiliano SpA	254,244	1,967	2,500
Delclima	51,646	81	111
Elica SpA	66,261	170	174
Emak SpA	133,973	166	180
Enel SpA	1,614,200	7,873	9,145
Engineering Ingegneria Info	2,727	155	183
ENI SpA	424,300	11,514	10,821
ERG SpA	26,974	353	403
Esprinet SpA	28,233	290	314
Eurotech SpA	12,764	43	41
FNM SpA	154,227	77	133
Immobiliare Grande Distribuzio	26,702	46	48
Impregilo SpA	125,052	810	734
Iren SpA	100,744	152	160
Italcementi SpA	28,225	327	320
Italmobiliare SpA	10,528	404	438
La Doria SpA	41,219	268	376
Mediaset SpA	178,918	903	884
Prysmian SpA	84,563	1,494	1,965
Recordati SpA	12,749	172	215
Reno de Medici SpA	191,414	79	79
Reply SpA	2,213	146	186
Safilo Group SpA	112,608	2,089	2,631
Saras SpA	46,782	81	69
Servizi Italia SpA	30,852	180	210
Sesa SpA	3,600	59	68
Sogefi SpA	71,075	401	421
Tiscali SpA	1,053,836	63	100
Unipol Gruppo Finanziario SpA	62,741	338	378
Unipol Gruppo Finanziario SpA - Preferred Stock	286,847	1,910	1,620
Vittoria Assicurazioni SpA	8,735	125	120
<i>Total Italy - 1.5%</i>		38,292	40,785
<i>Japan</i>			
77 Bank Ltd	419,000	1,866	2,010
Achille Corporation	23,000	37	31
Aeon Fantasy Co Ltd	2,600	39	32
Ahresty Corporation	19,300	156	165
Aichi Steel Corporation	11,000	52	39
Aichi Toyota Motor Company Ltd	2,000	35	37
Ain Pharmaciez Inc	100,500	4,667	4,578
Airport Facilities Co Ltd	7,500	64	51
Aizawa Securities Company Ltd	10,900	78	59
Alpine Electronics Inc	22,500	299	275
Amiyai Tei Co Ltd	2,100	75	66
Amuse Inc	2,500	47	41
Anabuki Kosan Inc	37,000	116	121
Arakawa Chemical Industries	22,700	208	204
ARC Land Sakamoto Co Ltd	16,100	290	328
AS One Corporation	1,900	42	59
Asahi Kasei Corp	1,215,000	7,239	9,076
Asahi Net Inc	37,300	181	189
Aska Pharmaceutical Company	69,300	575	653
Autobacs Seven Company Ltd	5,700	91	93
Bando Chemical Industries Ltd	47,000	188	179
BML Inc	5,600	194	214
Bookoff Corp	5,400	36	39
Brother Industries Ltd	266,300	3,655	4,217
Bunka Shutter Co Ltd	41,000	243	276
CAC Corp	29,500	263	327
Canon Marketing Japan Inc	4,600	66	78

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

*(Amounts in thousands, except share data)*

Description	Shares	Cost	Fair Value
Central Glass Company Ltd	48,000	160	162
Century Leasing System Inc	158,600	2,018	4,918
Chimney Co Ltd	18,900	227	411
Chiyoda Integre Company	16,000	288	241
Chudenko Corporation	5,800	94	84
Chuetsu Pulp & Paper Company	130,000	245	222
Chugoku Marine Paints Ltd	8,000	50	55
CKD Corporation	34,000	360	292
Cleanup Corp	5,000	42	43
Coca-Cola West Company	39,199	801	654
Cocokara Fine Holdings Inc	80,100	2,067	2,274
Corona Corporation	13,600	148	147
Cosmos Initia Co Ltd	5,800	37	26
CTI Engineering Company Ltd	15,400	150	154
CyberAgent Inc	62,770	1,566	2,505
Daiichi Jitsugyo Company Ltd	32,000	146	143
Daiichi Kigenso Kagaku-Kyogyo	3,300	82	77
Dainichiseika Color & Chem	36,000	153	161
Daiseki Company Ltd	79,660	1,373	1,402
Daito Bank Ltd	196,000	203	212
Daito Pharmaceutical Co Ltd	14,500	208	221
Daiwa Industries Ltd	11,000	76	70
Daiwabo Company Ltd	435,000	829	791
DC Co Ltd	7,000	51	34
Denki Kogyo Co Ltd	33,000	228	185
Denyo Company Ltd	3,800	45	55
Disco Corp	25,400	1,391	1,628
Don Quijote Co Ltd	34,300	1,447	2,023
Doutor Nichires Holdings Co	45,400	770	774
DyDo Drinco Inc	2,900	114	118
Dynam Japan Holdings Co Ltd	177,600	380	554
Edion Corporation	32,400	203	220
Eidai Co Ltd	42,000	224	193
Eiken Chemical Company Ltd	10,200	190	171
Eizo Nannao Corporation	51,700	1,645	1,341
Elematec Corporation	5,300	83	93
ESPEC Corp	10,500	85	82
Fuji Soft ABC Incorporated	2,000	41	41
Fujikura Kasei Company Ltd	35,700	191	173
Fujitsu Frontech Ltd	18,500	197	184
Fukoku Company Ltd	13,700	128	121
Fukuda Corporation	24,000	110	124
Fukuda Denshi Company Ltd	800	43	43
Fukushima Industries Corp	5,800	87	85
Furusato Industries Ltd	9,800	119	114
Fuso Pharmaceutical Industries	51,000	166	158
GEO Corporation	180,000	1,846	1,474
Glory Ltd	106,300	2,700	3,145
Goldcrest Company Ltd	76,400	1,947	1,560
Gourmet Navigator Inc	28,800	369	415
Gunze Ltd	31,000	83	86
Hamakyorex Co Ltd	1,500	43	43
Hankyu REIT Inc	26	141	141
Happinet Corporation	6,400	53	83
Hard Off Corporation Co Ltd	9,600	76	80
Hazama Ando Corp	291,100	1,020	1,405
Heiwa Corporation	185,200	3,125	3,855
Higashi-Nippon Bank Ltd	17,000	37	41
Hirano Tecseed Co	21,000	227	196
Hitachi Capital Corporation	122,000	2,770	2,949
Hitachi Zosen Fukui Corp	6,500	84	94
Hokuetsu Industries Co Ltd	25,000	127	137
Hokuriku Electric Industries	19,000	26	25
H-One Company Ltd	4,300	40	33
Hoshizaki Electric Company Ltd	50,496	981	2,318

*See accompanying notes to financial statements.*



# International Equity Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

*(Amounts in thousands, except share data)*

Description	Shares	Cost	Fair Value
Idemitsu Kosan Company Ltd	5,100	107	106
IKK Inc	5,500	42	44
Inaba Seisakusho Co Ltd	3,400	38	43
Inabata & Company Ltd	5,200	54	46
I-Net Corp	5,000	36	37
Infocom Corporation	17,000	151	139
IT Holdings Corporation	32,100	470	544
Itochu Corp	425,300	3,006	5,029
Itochu Techno-Science Corp	46,000	1,823	1,894
Itoki Corp	84,800	488	687
Iwai Cosmo Holdings Inc	18,300	240	185
Iwasaki Electric Company Ltd	23,000	55	54
Japan Aviation Electronics Ind	9,000	126	167
Japan Digital Laboratory Co	4,600	56	74
Japan Hotel REIT Investment	3,448	1,397	1,608
Japan Petroleum Exploration Co	43,200	1,650	1,794
Japan Vilene Company Ltd	28,000	163	148
Japan Wind Development Co	9,100	75	56
Jastec Company Ltd	5,100	39	35
JBCC Holdings Inc	8,000	63	58
JK Holdings Co Ltd	7,400	40	39
J-Oil Mills Inc	58,000	165	174
JSR Corporation	117,986	2,106	1,982
JTEKT Corporation	192,000	1,882	2,927
JVC Kenwood Holdings	136,900	308	257
JX Holdings Inc	778,200	4,990	4,054
Kaga Electronics Company	57,400	683	737
Kaken Pharmaceutical Co Ltd	222,000	3,407	4,429
Kanamoto Co Ltd	84,400	2,257	3,111
Kandenko Co Ltd	47,000	292	257
Kanematsu Corporation	170,000	262	276
Kato Sangyo Company Ltd	14,000	266	296
Kawasaki Kisen Kaisha Ltd	239,000	547	500
KDDI Corporation	172,900	4,617	10,286
Keihanshin Real Estate Company	12,600	69	65
Keihin Corporation	224,300	2,368	3,360
Kinki Nippon Tourist Co Ltd	128,000	218	213
Kissei Pharmaceutical Co Ltd	25,600	590	588
Kitano Construction Corp	32,000	75	78
Komatsu Wall Industry Co Ltd	2,100	41	47
Konishi Company Ltd	5,600	104	107
Konoike Transport Co Ltd	19,500	310	331
KRS Corporation	8,200	82	81
Ku Holdings Company Ltd	10,800	72	64
Kura Corporation	10,500	210	218
Kuroda Electric Co Ltd	36,100	564	514
Kyodo Printing Co Ltd	56,000	152	159
Kyokuyo Co Ltd	33,000	89	84
Kyorin Co Ltd	24,800	523	479
Kyowa Exeo Corporation	252,300	2,299	3,472
Kyowa Leather Cloth Co Ltd	29,200	132	132
Kyudenko Corporation	71,000	499	636
LAC Co Ltd	5,500	33	28
Leopalace21 Corporation	267,200	1,592	1,213
Macnica Inc	1,800	48	54
Maeda Corporation	28,000	197	208
Maeda Road Construction Co Ltd	19,000	324	306
Marubeni Corporation	544,000	2,695	3,711
Marubun Corporation	22,800	125	125
Matsumotokiyoshi Holdings Co	172,700	3,687	5,907
Matsuya Foods Company Ltd	4,600	85	83
Mediceo Paltac Holdings Co	24,600	323	346
MegaChips Corp	58,300	808	729
Megmilk Snow Brand Co Ltd	145,800	2,664	1,880
Melco Holdings Inc	3,000	47	52

*See accompanying notes to financial statements.*

# International Equity Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Shares	Cost	Fair Value
MID REIT Inc	19	43	43
Mikuni Corporation	20,000	74	74
Miraca Holdings Inc	92,500	2,991	4,350
Mitani Corporation	8,800	185	200
Mito Securities Company Ltd	26,000	124	88
Mitsubishi Research Institute	2,000	39	46
Mitsubishi Tokyo Finl Grp Inc	1,324,600	6,530	7,460
Mitsuboshi Belting Co Ltd	27,000	152	150
Mitsui & Company Ltd	375,200	6,277	5,686
Mitsui Engineering & Shipbuild	50,000	95	97
Mitsui Home Company Ltd	7,000	34	32
Mitsui Mining Company Ltd	117,400	146	132
Mitsui Sugar Co Ltd	62,000	224	234
Mitsuuroko Company Ltd	7,600	39	41
Mizuho Financial Grp Inc	4,906,800	10,435	9,549
Mochida Pharmaceutical Company	5,900	372	398
Morinaga Milk Industry Company	172,000	518	659
MTI Ltd	29,600	222	178
Nabtesco Corp	110,900	2,332	2,407
NAFCO Company Ltd	2,500	36	40
Nichia Steel Works Ltd	21,000	75	60
Nichiha Corp	16,400	230	170
Nichii Gakkan Co	7,000	69	60
Nichirei Corporation	805,000	3,724	3,964
Nichireki Co Ltd	3,000	33	31
Niho Inter Electronics Corp	22,800	39	40
Nihon Eslead Corp	34,800	372	340
Nihon Tokushu Toryo Co Ltd	13,100	77	74
Nihon Unisys Ltd	26,400	210	229
Nipon Piston Ring Co Ltd	21,000	39	36
Nippon Flour Mills Company Ltd	109,000	524	576
Nippon Hume Corp	36,000	321	205
Nippon Pillar Packing Co Ltd	5,900	43	44
Nippon Prologis REIT Inc	709	1,032	1,553
Nippon Road Company Ltd	14,000	70	74
Nippon Seisen Co Ltd	21,000	94	83
Nippon Signal Co Ltd	66,000	534	587
Nippon Suisan Kaisha Ltd	40,200	84	127
Nippon Telegraph & Telephone	212,800	9,540	12,637
Nippon Television Network	272,000	4,496	4,398
Nishio Rent All Company Ltd	9,500	246	383
Nissan Tokyo Sales Holdings	70,000	309	209
Nittetsu Mining Company	8,000	38	32
Nitto Kogyo Corporation	21,800	370	422
Nittoc Construction Co Ltd	37,100	147	131
Nojima Corporation	58,400	442	371
Nomura Co Ltd	18,400	148	128
Nomura Real Estate Holdings	90,400	2,151	1,739
North Pacific Bank Ltd	705,600	3,211	2,739
Novarese Inc	13,300	128	119
NTT DoCoMo	440,000	6,738	7,308
Ohashi Technica Inc	19,500	183	170
Oita Bank Ltd	29,000	106	101
Okinawa Electric Power Company	5,800	193	188
Onoken Company Ltd	17,000	224	189
Origin Electric Co Ltd	13,000	39	38
Otsuka Holdings Co Ltd	275,700	8,339	7,785
Pack Corporation	2,100	39	40
Paltac Corp	27,800	364	370
Panasonic Informations Systems	8,500	254	213
Pasona Group Inc	22,600	169	110
PIA Corporation	2,400	43	42
Pioneer Corporation	51,100	107	108
Plenus Co Ltd	40,600	911	898
Pocket Card Company Ltd	6,100	42	43

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Shares	Cost	Fair Value
Pola Orbis Holdings Inc	66,300	1,860	2,587
Prima Meat Packers Ltd	31,000	58	71
Resona Holdings Inc	2,087,200	10,811	10,913
Rheon Automatic Machinery	18,000	98	78
Riken Keiki Co Ltd	9,300	75	91
Riso Kagaku Corporation	1,700	38	46
Rohto Pharmaceutical Company	20,000	284	307
Round One Corp	32,200	266	215
Ryoden Trading Co Ltd	8,000	58	54
Ryosan Company Ltd	25,800	519	511
Saint Marc Holdings Co Ltd	2,100	107	102
Sakai Chemical Industry Co	11,000	37	31
Sakai Moving Service Co Ltd	5,200	167	171
San-Ai Oil Co Ltd	32,000	166	227
Sanko Metal Industries Co	13,000	36	29
Sankyo Tateyama Inc	11,400	226	215
Sanshin Electronics Co Ltd	15,300	99	93
Sanyo Denki Co Ltd	9,000	58	58
Sanyo Shokai Ltd	49,000	135	112
Sanyo Trading Co Ltd	6,100	51	64
Sapporo Holdings Ltd	262,341	1,006	1,101
Satori Electric Company Ltd	6,400	41	40
Seika Corporation	50,000	120	120
Seikagaku Corporation	10,700	137	120
Seiko Epson Corporation	42,600	902	1,480
Seino Holdings Corporation Ltd	330,000	1,730	3,610
Sekisui Plastics Co Ltd	27,000	73	72
Senshu Electric Co Ltd	3,100	37	43
Senshukai Company Ltd	22,800	196	193
Shikibo Ltd	67,000	89	74
Shinagawa Refractories Company	35,000	77	75
Shindengen Electric Manufact	31,000	138	160
Shinko Electric Industries	15,600	117	128
ShinMaywa Industries Ltd	19,000	144	161
Shinsho Corporation	17,000	38	38
Shizuoka Gas Company Ltd	27,400	161	168
Showa Sangyo Co Ltd	13,000	39	43
SKY Perfect JSAT Corp	603,800	3,143	3,139
Sogo Medical Co Ltd	2,000	76	82
Sojitz Corp	63,600	121	101
SRA Holdings Inc	12,500	154	191
Starts Corporation Inc	13,000	176	181
Studio Alice Co Ltd	4,200	58	63
Sumitomo Corporation	697,400	9,388	9,130
Sumitomo Forestry Company Ltd	6,800	80	73
Sumitomo Metal Mining Co Ltd	326,900	4,216	4,945
Sumitomo Mitsui Financial Grp	236,600	7,417	9,546
Sumitomo Osaka Coment Co Ltd	145,000	587	523
Suncall Corporation	12,000	77	68
Sundrug Co Ltd	61,900	2,287	2,777
Sun-Wa Technos Corp	9,300	80	90
Suzuken Company Ltd	3,300	114	117
Systema Corp	18,100	134	124
T. Rad Company	18,000	55	44
Taihei Dengyo Kaisha Ltd	15,000	103	104
Taiko Pharmaceutical Co	30,400	589	463
Takaoka Toko Holdings Co Ltd	16,800	322	222
Takara Leben Company Ltd	16,100	51	54
Takebishi Corp	5,600	42	42
Takiron Co Ltd	9,000	37	45
Takuma Co Ltd	84,000	653	505
Tamura Corporation	66,000	172	235
TDK Corporation	60,200	2,412	2,571
Tecmo Koei Holdings Co Ltd	3,500	43	42
Teikoku Sen I Co Ltd	22,200	239	438

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Shares	Cost	Fair Value
Tenma Corporation	10,300	136	143
TOA Corporation	37,000	88	62
Toagosei Company Ltd	602,000	2,621	2,633
Tochigi Bank Ltd	10,000	40	41
Toei Company Ltd	13,000	76	71
Toell Co Ltd	15,900	81	86
TOENEC Corporation	10,000	61	53
Toho Bank Ltd	12,000	37	41
Toho Pharmaceutical Co Ltd	13,300	220	256
Tokai Holdings Corp	41,900	141	152
Tokushu Tokai Paper Co Ltd	20,000	40	42
Tokyo Sangyo Company Ltd	11,400	41	45
Tokyo Steel Manufacturing	316,400	1,574	1,462
Tokyo Tatemono Company Ltd	226,700	1,316	2,065
Tokyo Theatres Co Inc	95,000	153	126
Tomoku Co Ltd	26,000	83	70
Toppan Forms Co Ltd	8,000	74	76
Torii Pharmaceutical Co Ltd	3,000	78	88
Toshiba Plant Sys & Ser Corp	51,295	629	770
Tosoh Corporation	11,000	44	52
Toukei Computer Co Ltd	3,100	46	43
Towa Pharmaceutical Co Ltd	6,000	281	241
Toyo Kohan Company Ltd	39,000	178	211
Toyo Machinery & Metal Co	78,800	422	400
Toyo Securities Co Ltd	11,000	41	31
Trust Tech Inc	6,800	83	103
TV Tokyo Holdings Corporation	2,200	36	32
TYK Corp	15,000	37	29
Uchida Yoko Company	158,000	436	469
Ulvac Inc	23,000	378	499
Usen Corp	11,200	43	38
Valor Company Ltd	4,400	64	70
VT Holdings Co Ltd	15,000	75	84
Wakachiku Construction Company	127,000	172	157
Welchia Holdings Co Ltd	1,000	61	60
Wellnet Corporation	31,300	529	502
West Japan Railway Company	155,100	6,880	6,596
Wowow Inc	1,200	39	43
Yahagi Construction Co Ltd	23,600	188	191
Yambiko Corporation	1,400	56	58
Yodogawa Steel Works Ltd	512,000	2,194	2,038
Yokogawa Electric Corp	129,000	1,313	1,546
Yokohama Rubber Company Ltd	504,000	2,710	4,458
Yuasa Funashoku Co Ltd	18,000	42	45
Yuasa Trading Co	206,000	416	407
Zenkoku Hosho Co Ltd	19,400	460	478
<i>Total Japan - 11.0%</i>		263,832	300,346
<i>Korea</i>			
Asia Paper Manufacturing Co	2,100	44	41
AUK Corp	25,060	59	52
BS Financial Group Inc	646,470	3,466	9,854
BS Financial Group Inc - Rights	109,651	108	210
China Great Star International	50,579	90	190
CJ Home Shopping Co Ltd	6,930	2,632	2,452
Daeduck GDS Company Ltd	2,580	43	37
Daegu Energy Co Ltd	13,940	75	79
Daesung Holdings Co Ltd	3,210	27	35
Daou Data Corp	13,456	55	74
DAP Co Ltd	8,438	43	38
Dong Ah Tire & Rubber Company	2,620	44	53
Dong-A Hwasung Co Ltd	6,116	41	40
Dongwon Development Co	7,879	129	187
Eugene Investment & Securities	15,830	42	38
GMB Korea Corp	4,580	39	36

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Shares	Cost	Fair Value
Hana Financial Group	354,090	15,937	12,859
Hanwha Corporation	16,040	612	426
Hwasung Industrial Co Ltd	4,210	41	44
Hynix Semiconductor Inc	140,370	3,838	6,075
Hyundai Livart Co Ltd	2,650	43	69
Hyundai Mobis	49,916	13,015	14,091
Hyundai Motor Company	33,119	6,799	7,288
Hyundai Motor Company - Preferred Stock	94,722	4,540	13,370
Hyundai Securities Co Ltd	100,730	871	604
Industrial Bank of Korea	473,400	6,897	6,496
KB Financial Group Inc	272,796	11,517	9,292
Keyang Electric Machinery Co	31,880	100	120
Kia Motors Corporation	131,370	7,167	7,572
Kiswire Ltd	1,040	36	37
KT Corporation	146,200	4,858	4,356
KT&G Corporation	73,200	5,425	5,955
Kumkang Kind Co Ltd	70	3	4
Kunsul Chemical Ind	1,320	36	59
Kyungchang Industrial Co Ltd	3,979	36	51
LG Chemical Ltd	17,827	4,912	4,543
Lotte Chilsung Beverage Co	468	415	729
Lotte Confectionery Co Ltd	3,197	4,150	5,519
Neowiz Games Corp	7,152	119	107
Nice Information & Telecom	9,202	140	151
NVH Korea Inc	7,227	42	37
Paradise Co Ltd	141,470	3,305	5,214
Posco	57,697	21,028	16,344
RedcapTour Co Ltd	1,861	41	41
Saeron Automotive Corp	4,160	43	44
Sam Young Electronics Co Ltd	4,090	36	46
Samsung Electronics Co Ltd	23,904	24,113	33,810
Samyang Corporation	930	39	44
Sejong Industrial Company Ltd	2,420	42	39
Sewon Precision Industry Co	1,200	37	32
Shinhan Financial Group	402,540	15,107	17,499
Shinsegae Food Co Ltd	496	41	34
SK Gas Company Ltd	1,670	115	162
SK Holdings Co Ltd	31,400	2,829	5,663
SK Telecom Company Ltd	56,500	7,643	12,156
Tongyang Life Insurance	8,050	84	79
Unick Corporation	208	1	1
<i>Total Korea - 7.5%</i>		172,990	204,478
<i>Luxembourg</i>			
Adecoagro SA	748,040	5,923	6,807
Aperam	9,778	166	319
Samsonite International SA	479,400	1,272	1,506
<i>Total Luxembourg - 0.3%</i>		7,361	8,632
<i>Malaysia</i>			
Cahaya Mata Sarawak Bhd	84,800	154	264
Genting Malaysia Bhd	1,266,600	1,470	1,604
Insas Bhd	10,700	2	4
Land & General Bhd	553,100	97	97
LBS Bina Group Bhd	64,200	36	35
Malaysia Bldg Society Bhd	5,041,100	3,665	3,420
Malaysian Pacific Industries	190,600	224	282
Matrix Concepts Holdings Bhd	32,300	42	41
Muhibbah Engineering	102,600	90	89
Pelikan International Corp	194,500	41	83
Protasco Bhd	226,200	120	137
Scientex Bhd	19,900	36	36
TA Enterprise Bhd	164,800	42	41
WTK Holdings Bhd	320,700	131	137
<i>Total Malaysia - 0.2%</i>		6,150	6,270

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Shares	Cost	Fair Value
<i>Mexico</i>			
Asea SAB de CV	621,600	1,831	2,117
America Movil SAB de CV	9,089,423	20,980	18,882
Cemex SAB de CV	1,420,982	11,093	18,288
Desarrolladora Homex SA	6,208,785	9,069	760
Gruma SA	36,118	295	380
Grupo Aeromexico Sab De CV	91,947	127	163
Grupo Aeroportuario del Pacifi	4,266	228	264
Grupo Financiero Banorte	767,100	4,193	5,543
Grupo Televisa SA	155,400	3,503	5,253
Industrias Bachoco	15,852	58	69
Macquarie Mexico Real Estate	5,994,340	10,578	11,268
Urbi Desarrollos Urbanos SA	18,713,415	8,415	1,713
<i>Total Mexico - 2.4%</i>		70,370	64,700
<i>Netherlands</i>			
Aegon NV	1,187,300	8,873	10,311
Aegon NV - Rights	1,187,300	-	-
BE Semiconductor Industries	3,774	60	63
BinckBank NV	95,042	989	1,112
Constellium NV	24,998	516	728
Delta Lloyd NV	150,800	3,505	3,666
Delta Lloyd NV - Rights	150,800	-	-
Exact Holding	1,261	40	46
Koninklijke Ahold NV	488,215	6,932	8,880
Koninklijke Ten Cate	12,533	389	357
Nutreco Holding NV	30,625	867	1,351
TKH Group NV	54,379	1,880	1,914
TKH Group NV - Rights	44,665	-	-
TNT NV	712,600	3,139	3,497
TomTom NV	133,733	963	992
USG People NV	120,729	1,619	1,910
USG People NV - Rights	120,729	-	-
<i>Total Netherlands - 1.3%</i>		29,772	34,827
<i>New Zealand</i>			
Chorus Ltd	402,320	943	582
Nuplex Industries Ltd	52,454	149	156
Telecom Corp of New Zealand	2,301,752	3,827	5,257
Trade Me Ltd	500,632	1,651	1,530
<i>Total New Zealand - 0.3%</i>		6,570	7,525
<i>Norway</i>			
Austevoll Seafood	25,234	155	158
Bakkafrost P/F	9,953	145	186
Det Norske Oljeselskap (DNO)	458,456	1,620	1,664
DNB Holding ASA	458,100	5,306	8,612
Hurtigruten Group ASA	76,596	57	57
Kongsberg Automotive Holdings	96,518	80	114
Kongsberg Gruppen ASA	1,736	38	41
Kvaerner ASA	58,055	123	115
Sparebanken 1 SMN	10,226	87	90
StatoilHydro ASA	363,400	9,559	11,145
TGS Nopec Geophysical Company	60,997	929	1,989
Veidekke ASA	286,857	2,626	3,362
Yara International ASA	160,200	7,008	7,321
<i>Total Norway - 1.3%</i>		27,733	34,854
<i>Pakistan</i>			
Nishat Mills Ltd - 0.2%	4,997,940	6,035	5,706
<i>Panama</i>			
Banco Latinoamericano de Exp - 0.3%	286,032	4,525	7,648

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Shares	Cost	Fair Value
<i>Philippines</i>			
Alliance Global Group Inc	2,287,500	1,543	1,550
Metropolitan Bank & Trust Co	2,533,743	3,688	4,835
SM Investments Corporation	180,671	2,847	3,246
<i>Total Philippines - 0.4%</i>		8,078	9,631
<i>Poland</i>			
Energa SA	73,479	444	458
Fabryki Mebli Forte SA	5,447	59	88
KGHM Polska Miedz	108,800	3,622	4,161
Netia SA	58,952	99	99
Powszechna Kasa Oszczednosci	420,708	5,094	5,637
Zespol Elektrowni Patnow	12,280	108	97
<i>Total Poland - 0.4%</i>		9,426	10,540
<i>Portugal</i>			
Altri SGPS SA	102,006	332	317
Mota Engil Africa - Rights	15,321	5	5
Portucel SA	28,305	108	140
Semapa-Sociedade de Inv e Ges	18,311	186	260
Sonae	327,459	479	575
Sonaecom SGPS SA	25,877	86	69
Zon Optimus SGPS SA	250,377	1,858	1,701
<i>Total Poland - 0.1%</i>		3,054	3,067
<i>Qatar</i>			
Qatar National Bank - 0.1%	62,188	2,804	3,109
<i>Russia</i>			
Gazprom	1,795,700	17,708	14,601
Lukoil	541,417	32,109	30,625
MMC Norilsk Nickel	393,854	6,778	7,550
Mobile TeleSystems	300,000	4,559	5,547
Rostelecom	184,400	3,775	2,633
RusHydro	3,255,643	9,881	6,407
Sberbank of Russia	2,863,978	15,186	13,622
Sistema JSFC	166,200	4,541	4,762
Surgutneftegas - Preferred Stock	11,643,500	8,636	8,685
<i>Total Russia - 3.4%</i>		103,173	94,432
<i>Singapore</i>			
Asia Food & Properties Ltd	80,000	36	38
Boustead Singapore Ltd	39,000	54	58
ComfortDelGro Corporation	1,039,000	1,289	1,931
CSE Global Ltd	453,000	255	201
DBS Group Holdings Ltd	498,000	4,545	6,713
Frasers Commercial Trust	161,000	166	175
Haw Par Corporation Ltd	585,200	2,330	4,000
Hiap Hoe Ltd	55,000	36	40
Hong Leong Asia Ltd	1,164,000	2,220	1,444
Mapletree Industrial Trust	93,000	104	107
Suntec REIT	1,165,000	1,281	1,668
UMS Holdings Ltd	299,000	173	225
Wee Hur Holdings Ltd	140,000	37	40
Wilmar International Ltd	1,178,000	3,206	3,016
XinRen Aluminum Holdings Ltd	302,000	121	123
<i>Total Singapore - 0.7%</i>		15,853	19,779
<i>South Africa</i>			
Absa Bank Ltd - Preferred Stock	505	40	40
Aspen Pharmcare Holdings	197,202	3,703	5,089
Astral Foods Ltd	161,900	2,256	1,782
Barclays Africa Group Ltd	373,777	5,387	5,442
Group Five Ltd	12,329	55	50
Imperial Holdings Ltd	245,700	1,165	4,654

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Shares	Cost	Fair Value
Metropolitan Holdings Ltd	1,806,100	2,975	4,363
MTN Group Ltd	623,803	10,851	13,147
Naspers Ltd	62,466	4,238	6,886
Omnia Holdings Ltd	24,190	427	532
Sibanye Gold Ltd	172,313	499	835
Woolworths Holdings Ltd	265,700	1,603	1,881
<i>Total South Africa - 1.6%</i>		33,199	44,701
<i>Spain</i>			
ACS Actividades Construction	101,454	3,814	4,512
Banco Santander Ctrl Hisp SA	516,500	5,718	5,303
Ence Energia Y Celulosa SA	58,355	234	168
Gamesa Corporation Tecnologica	289,170	2,810	3,387
Iberdrola SA	944,200	5,236	6,802
Liberbank SA	35,924	35	39
Liberbank SA - Rights	35,924	7	9
Papeles y Cartones de Europa	29,204	157	159
Repsol SA	282,500	7,856	7,966
Tubacex SA	8,793	43	45
Unipapel SA	7,619	144	177
<i>Total Spain - 1.0%</i>		26,054	28,567
<i>Sweden</i>			
Aarhuskarlshamn AB	638	37	42
B&B Tools AB	11,940	195	235
Bilia AB	209	-	6
Boliden AB	264,800	3,726	3,687
Creades	1,501	36	41
Dios Fastigheter AB	7,240	60	61
Duni AB	18,430	229	290
Eniro AB	11,350	90	90
Eolus Vind AB	8,331	40	41
FinnvedenBulten AB	3,864	43	49
Haldex AB	12,868	168	163
Holmen AB	13,470	455	491
Intrum Justitia AB	22,290	590	695
Investment AB Oresund	2,095	42	48
JM AB	7,354	252	271
Kungsleden AB	28,708	208	225
L E Lunderforetagen AB	17,760	751	878
Lindab International AB	3,847	49	46
Modern Times Group	57,275	2,301	2,696
MQ Holding AB	34,015	128	145
NCC AB	50,078	1,550	1,757
New Wave Group AB	7,640	39	51
Nolato AB	2,091	51	48
Nordea AB	604,100	7,260	8,926
Nordnet AB	20,429	84	104
Securitas AB	392,586	4,616	4,540
Skandinaviska Enskilda Banken	567,300	4,626	7,716
SSAB AB	163,002	1,174	1,564
Telia AB	1,021,600	7,758	7,581
Vitrolife AB	8,361	116	146
<i>Total Sweden - 1.6%</i>		36,674	42,633
<i>Switzerland</i>			
Ascom Holding AG	6,730	129	126
Austriamicrosystems AG	4,076	439	669
Autoneum Holding AG	318	56	66
Baloise Holding Ltd	83,100	6,352	9,993
Bellvue Group AG	2,349	43	34
BKW SA	41,838	1,925	1,451
Calida Holding AG	6,603	214	244
Charles Voegelé Holding AG	6,194	107	115
Coltene Holding AG	1,610	104	102

See accompanying notes to financial statements.



# International Equity Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Shares	Cost	Fair Value
Comet Holding AG	748	375	506
Credit Suisse Group	250,700	7,857	7,465
Emmi AG	704	227	249
Forbo Holding AG	775	626	787
Galenica AG	653	574	646
Gategroup Holding AG	9,045	266	244
Georg Fischer AG	9,531	4,876	7,197
Gurit Holding AG	191	95	97
Helvetia Patria Holding	2,062	986	984
Implenia AG	2,292	164	172
Interroll Holding AG	100	51	62
Intershop Holding AG	177	66	68
Komex Holding AG	2,587	372	418
Kudelski SA - BR	26,479	376	449
Kuoni Reisen Holding AG	8,429	2,925	3,668
Lem Holding SA	49	36	38
Logitech International SA	36,854	378	484
Lonza Group AG	11,931	1,083	1,285
Novartis AG	131,100	5,355	11,776
Orior AG	1,845	104	114
Schweiter Technologies AG	444	328	317
Schweizerische National - V-G	1,063	58	71
Siegfried Holding AG	624	109	112
Swiss Life Holding	46,108	5,826	11,105
Swiss Re Ltd	188,500	13,336	16,795
Swissquote Group Holding SA	2,306	93	89
Tecan Group AG	756	81	90
U-Blox AG	4,502	487	599
Unaxis Holding AG	76,723	1,133	1,176
Valora Holding AG	487	125	131
Verwaltungs und Privat Bank AG	854	85	83
Walter Meier AG	573	42	29
Zehnder Group AG	1,566	75	68
Zurich Financial Services AG	26,200	7,503	7,875
<i>Total Switzerland - 3.2%</i>		65,442	88,049
<i>Taiwan</i>			
Advanced Semiconductor Engr	5,354,000	4,718	6,785
AU Optronics Corp	236,296	838	884
Compal Electronics Inc	11,108,938	10,100	9,151
CTBC Financial Holding Co Ltd	7,829,994	4,754	4,988
Gigabyte Technology Company	2,968,000	2,206	5,107
Hermes Microvision Inc	97,100	2,853	3,886
Hiwin Technologies Corp	377,000	3,432	3,872
King Yuan Electronics Co Ltd	4,182,000	2,966	3,626
Largan Precision Co Ltd	61,000	2,324	3,987
MediaTek Inc	412,000	4,762	6,691
Powertech Technology Inc	1,594,000	2,928	3,078
Siliconware Precision Industry	100,702	682	796
Taiwan Semiconductor	518,600	7,728	10,662
Wistron Corporation	3,952,462	4,282	3,361
<i>Total Taiwan - 2.4%</i>		54,573	66,874
<i>Thailand</i>			
Bangchak Petroleum PCL	4,887,800	3,436	4,466
Hana Microelectronics PCL	87,000	68	91
Kasikornbank PCL	839,800	3,802	4,796
KCE Electronics PCL	310,800	197	364
Krung Thai Bank PCL	8,788,600	2,776	4,952
MFEC PCL	176,400	42	41
PTT PLC	235,900	2,533	2,113
Ratchaburi Electricity PCL	85,300	138	138
Siangas & Petrochemical PCL	65,300	42	34
SVI PCL	657,800	86	88
Thai Vegetable Oil PLC	147,800	83	102

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Shares	Cost	Fair Value
Thanachart Capital PCL	3,963,600	4,271	4,105
TIPCO Asphalt PCL	43,900	81	76
TPI Polene PCL	229,000	91	89
<i>Total Thailand - 0.8%</i>		17,646	21,455
<i>Turkey</i>			
Alarko Gayrimenkul Yatirim	14,095	163	140
Alarko Holding AS	18,627	43	45
Anadolu Anonim Turk Sigorta	59,709	37	39
Arcelik AS	579,169	3,367	3,651
AYGAZ AS	2,044,914	8,147	9,032
Cimsa Cimento Danayi ve Ticare	5,637	37	36
EGE Seramik Sanayi ve Ticaret	48,540	65	76
Eregli Demir Ve Celik Fabrik	1,319,028	1,783	1,965
Haci Omer Sabanci Holding	1,332,830	4,992	6,492
Kordsa Global Endustriyel IP	45,423	85	88
Selcuk Exza Deposu Ticaret AS	4,945,004	5,915	4,581
Soda Sanayii	118,609	159	201
Tav Havalimanlari Holding AS	435,349	3,239	3,472
Turkiye Garanti Bankasi AS	3,208,076	11,582	13,098
Turkiye Halk Bankasi	632,800	3,844	4,925
Turkiye Vakiflar Bankasi T-D	4,904,200	9,576	11,850
Ulker Biskuvi Sanayi AS	256,601	1,704	2,169
Vestel Elektronik Sanayi ve	103,083	95	127
<i>Total Turkey - 2.3%</i>		54,833	61,987
<i>United Arab Emirates</i>			
Emaar Properties PJSC - 0.2%	1,527,094	1,605	4,345
<i>United Kingdom</i>			
888 Holdings PLC	71,773	183	151
Afren PLC	2,078,138	4,766	5,319
Aga Rangemaster Group	88,023	201	241
Alent PLC	324,200	1,533	1,762
AMEC PLC	259,000	4,336	5,248
Anglo American PLC	439,004	10,496	10,752
AstraZeneca Group PLC	241,100	10,645	17,323
Aveva Group PLC	60,226	1,838	2,262
Aviva PLC	1,017,600	7,839	8,944
Awilco Drilling PLC	20,376	437	449
Bank of Georgia Holdings PLC	13,829	456	587
Barclays PLC	1,730,100	9,061	7,168
Barratt Developments PLC	442,336	857	2,650
BBA Aviation PLC	426,273	1,274	2,239
Betfair Group PLC	14,392	232	239
Big Yellow Group PLC	9,597	73	80
Bloomsbury Publishing PLC	16,400	47	46
BP Amoco PLC	2,259,600	18,947	19,064
British Aerospace PLC	1,524,400	7,505	10,818
British Polythene Industries	6,695	80	75
Britvic PLC	161,687	1,631	2,025
BT Group PLC	1,488,200	4,296	9,910
Cable & Wireless Communication	333,413	273	296
Card Factory PLC	655,857	2,477	2,200
Centamin	1,254,032	1,086	1,280
Chesnara PLC	41,253	203	225
Clinigen Group PLC	4,210	39	32
Close Brothers Group PLC	60,692	1,244	1,351
Computacenter PLC	539,100	1,644	5,534
Consort Medical PLC	10,525	153	152
CSR PLC	38,271	491	444
CVS Group PLC	9,042	39	45
Daily Mail & General Trust PLC	128,248	755	1,873
Dairy Crest Group PLC	34,822	300	273
Davis Service Group PLC	5,025	89	84

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Shares	Cost	Fair Value
Debenhams PLC	2,434,400	2,503	3,109
Dechra Pharmaceuticals PLC	38,431	444	448
Derwent London PLC	48,632	1,231	2,233
Development Securities PLC	9,880	38	39
Domino Printing Sciences	125,974	1,296	1,645
E2V Technologies PLC	29,194	70	80
Enquest PLC	749,005	1,466	1,768
Faroe Petroleum PLC	138,089	287	314
Foxtons Group PLC	332,845	1,486	1,842
GlaxoSmithKline PLC	390,600	9,698	10,489
Global Ship Lease Inc	23,271	125	94
Go Ahead Group PLC	11,284	365	416
Grainger PLC	233,929	764	851
Halfords Group PLC	629,737	4,360	5,143
Hansteen Holdings PLC	30,841	55	56
Hargreaves Services PLC	22,720	332	297
Hays PLC	319,681	635	811
Henderson Group PLC	728,697	2,801	3,024
Hikma Pharmaceuticals PLC	61,903	1,293	1,770
Home Retail Group	259,253	937	819
Homeserve PLC	63,034	256	357
HSBC Bank PLC	81,070	1,243	2,016
Hunting PLC	218,065	2,407	2,999
IG Group Holdings PLC	242,730	1,223	2,449
Informa PLC	343,104	1,607	2,967
Innovation Group PLC	464,340	258	263
Intermediate Capital Goup PLC	191,132	1,425	1,340
International Personal Finance	261,603	982	2,672
ISG PLC	26,321	114	125
J D Weatherspoon PLC	12,453	147	168
J Sainsbury PLC	1,464,800	7,455	8,504
Jazztel PLC	133,665	1,099	1,963
JKX Oil & Gas PLC	34,734	42	36
Jupiter Fund Management	37,285	237	251
KBC Advanced Technologies	56,414	112	123
Lamprell PLC	68,494	161	190
Legal & General Group PLC	637,900	1,341	2,463
Lookers PLC	46,079	95	110
Luxfer Holdings PLC	7,386	145	139
Mail.ru Group Ltd	93,123	3,235	3,103
Marshalls PLC	41,968	120	119
Marston's PLC	893,188	2,333	2,262
McBride PLC	25,080	45	44
Melrose Industries PLC	541,574	1,915	2,544
Mitchells & Butlers PLC	416,054	2,101	2,937
Mondi PLC	212,900	1,563	3,825
Moneysupermarket.com Group PLC	1,213,355	3,074	3,602
Morgan Sindall PLC	17,554	226	240
NETeller PLC	57,784	337	375
NetPlay TV	123,208	48	34
Old Mutual PLC	2,232,400	5,255	7,564
Pace Micro Technology PLC	75,244	584	474
Pedragon PLC	238,784	143	118
Photo-Me International PLC	25,568	56	59
Polar Capital Holdings PLC	8,816	72	74
Polypipe Group PLC	390,111	1,598	1,690
Premier Farnell PLC	597,610	1,928	2,140
Premier Oil PLC	1,152,519	6,183	6,805
Raven Russia Ltd	31,618	40	40
Redde PLC	45,559	52	46
Renew Holdings PLC	57,622	196	233
Ricardo PLC	26,904	274	310
Royal Dutch Shell B Shares	657,000	19,056	26,834
RPS Group PLC	382,281	945	1,865
Safestore Holdings PLC	137,750	456	478

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Shares	Cost	Fair Value
Salamander Energy PLC	321,839	571	800
Savills PLC	8,821	91	94
Scapa Group	20,662	42	46
Sepura Ltd	14,064	29	33
Soco International PLC	157,334	1,088	1,108
Speedy Hire PLC	63,245	67	59
Spirax-Sarco Engineering	42,328	990	2,030
St Ives PLC	15,935	48	56
St Modwen Properties PLC	18,261	103	113
St. James Place PLC	22,341	81	293
Staffline Group PLC	22,447	226	354
STV Group PLC	7,141	37	41
Tesco PLC	1,735,900	8,604	8,839
Thorntons PLC	65,700	131	128
Trifast PLC	40,496	54	80
Unite Group PLC	38,816	248	275
Vertu Motors PLC	60,709	58	60
Vesuvius PLC	365,100	1,727	2,806
William Morrison Supermarkets	1,990,200	8,992	6,733
Wincanton PLC	24,500	51	49
WNS Holdings Ltd	29,082	622	522
WS Atkins PLC	17,626	368	388
XAAR PLC	8,646	114	125
<i>Total United Kingdom - 9.8%</i>		222,238	278,371
<i>United States</i>			
Cognizant Tech Solutions A	128,000	4,474	6,222
New Oriental Education & Techn	79,900	2,065	2,063
<i>Total United States - 0.3%</i>		6,539	8,285
Total Equities - 97.1%		2,401,461	2,663,991
<b><u>Short-term Issue</u></b>			
Dreyfus Cash Management Institutional Fund - 1.8%	48,148	48,148	48,148
<b><u>Investments Made with Cash Collateral for Securities Loaned</u></b>			
BNY Mellon Securities Lending Overnight Fund		135,544	135,544
Mellon SL DBT II Liquidating Fund		485	482
Total Investments Made with Cash collateral for Securities Loaned - 5.0%		136,029	136,026
Total Investments - 103.9%		\$ 2,585,638	\$ 2,848,165

See accompanying notes to financial statements.

## International Equity Pool

**Statement of Operations - Unaudited**  
**Period Ended May 31, 2014\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Investment income</b>		
Dividends, net of foreign withholding taxes (\$6,426)	\$ 16,075	\$ 69,482
Interest	-	1
Net securities lending income	279	1,055
<b>Total investment income</b>	16,354	70,538
<b>Expenses</b>		
Investment advisor fees	(1,327)	(13,422)
Trustee fees	-	(7)
Custodian bank fees	(102)	(1,120)
Management fees	(61)	(639)
Fiduciary bond fees	(1)	(4)
Professional service fees	(11)	(149)
<b>Total expenses</b>	(1,502)	(15,341)
<b>Investment income, net</b>	14,852	55,197
<b>Realized and unrealized gain (loss) from investments and foreign currency</b>		
Net realized gain (loss) from:		
Investments	18,060	175,974
Foreign currency transactions	(923)	(16,275)
	17,137	159,699
Net change in unrealized appreciation (depreciation) on:		
Investments	51,427	211,259
Translation of assets and liabilities in foreign currencies	(2,332)	65,694
	49,095	276,953
<b>Net gain from investments and foreign currency</b>	66,232	436,652
<b>Net increase in net assets from operations</b>	\$ 81,084	\$ 491,849

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## International Equity Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended May 31, 2014\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 14,852	\$ 55,197
Net realized gain from investments and foreign currency transactions	17,137	159,699
Net change in unrealized appreciation (depreciation) on investment and translation of assets and liabilities in foreign currencies	49,095	276,953
<b>Net increase in net assets from operations</b>	81,084	491,849
<b>Unit transactions</b>		
Proceeds from sale of units	7,357	298,030
Amount paid for repurchase of units	(35,697)	(177,746)
<b>Net increase (decrease) in net assets from unit transactions</b>	(28,340)	120,284
<b>Increase in net assets</b>	52,744	612,133
<b>Net assets, beginning of period</b>	2,688,603	2,129,214
<b>Net assets, end of period</b>	\$ 2,741,347	\$ 2,741,347
<b>Unit data</b>		
Units sold	277,554	11,897,814
Units repurchased	(1,346,797)	(6,975,979)
<b>Net increase (decrease) in units</b>	(1,069,243)	4,921,835

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# International Equity Pool

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## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate 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 Coal Workers' Pneumoconiosis funds, and certain other state government funds.

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

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's International Equity Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. Generally Accepted Accounting Principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

This Pool invests in the equities of international companies. Assets are managed by Acadian Asset Management, LLC (Acadian), Axiom International Investors, LLC (Axiom), Brandes Investment Partners, L.P. (Brandes), LSV Asset Management (LSV), and Pictet Asset Management Limited (Pictet). The objective of the Pool is to exceed, net of external investment management fees, Morgan Stanley Capital International's All Country World Free Ex US Index over three- to five-year periods.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Investment Valuation** - The IMB reports its investments at fair value in accordance with the Financial Accounting Standards Board's Accounting Standards Codification Topic 820 (ASC 820). Refer to Note 3 for further discussion and presentation of the reporting requirements under ASC 820.

# International Equity Pool

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## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value of the Pool's portfolio securities is determined as follows:

- Equity securities are valued at the last sale price or official closing price reported in the market in which they are primarily traded. If no sales have been recorded within the five days preceding the date of the financial statement date, the fair value of the securities is determined in accordance with approved procedures.
- Open-end regulated investment companies or other commingled investment funds are valued at the net asset value of the fund as reported by the fund's administrator.
- Equity securities that trade in non-U.S. markets are valued in U.S. dollars using period end spot market exchange rates as supplied by the Pool's custodian.

Investments for which the fair value cannot be determined by one of the above listed processes are valued at fair value as determined in accordance with the IMB's established procedures.

**Foreign Currency** - Amounts denominated in or expected to settle in foreign currencies are translated into U.S. dollars at exchange rates reported by the Pool's custodian, Bank of New York Mellon, on the following basis:

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

The IMB 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 U.S. 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.

**Security Loans** - The IMB, through its agent, the Bank of New York Mellon, loans securities to various brokers on a temporary basis. Each transaction for international securities is secured by initial collateral of at least 105 percent of the market value of the securities loaned. Cash collateral received is invested in the BNY Institutional Cash Reserves Trust, specifically the BNY Mellon Securities Lending Overnight Fund, and the Mellon GSL Reinvestment Trust, specifically the Mellon SL DBT II Liquidating Fund. Such investments are made at the risk of the Pool and, as such, the Pool is liable for investment losses. Investments made with cash are reported at fair value on the Statement of Assets and Liabilities. Securities loaned remain on the Statement of Assets and Liabilities and Schedule of Investments. The IMB receives compensation in the form of loan premium fees and income from the investment of the cash collateral. Expenses related to the lending of securities are rebates paid by the lending agent to brokers and the lending agent's fees for its services. The income earned by the IMB is reported in the Statement of Operations as net securities lending income. Unrealized gains or losses resulting from changes in the value of the investment of cash collateral are reported as part of the change in unrealized appreciation or depreciation of investments. The IMB 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 Statement of Operations as a change in unrealized appreciation or depreciation on investments.



# International Equity Pool

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## Notes to Financial Statements

*(Amounts in thousands, except share data)*

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

**Foreign Currency Contracts** - A foreign currency contract is an agreement between two parties to exchange different currencies at a specified exchange rate at an agreed upon future date. The managers enter into such contracts to correspond to investment transactions trading in foreign currencies. Risks 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 settlement date. The unrealized gain or loss is reclassified to realized gain or loss when the contract settles.

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

**Use of Estimates** - The preparation of the financial statements in conformity with GAAP 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.

**Interest Income** - Interest income is recognized as earned on the accrual method.

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

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or net realized gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. Accordingly, no provision for income taxes is required as of May 31, 2014.

In certain foreign countries the Pool's dividend income and capital gains may be taxable. Such taxes are generally withheld from the payments of these types of income and as a result there is no provision recorded for these taxes. In certain cases there may be a full or partial reclaim available for the withheld taxes. The outstanding reclaims are reported on the Statement of Assets and Liabilities. Dividend income is reported net of withheld taxes on the Statement of Operations.

**Indemnifications** - In the normal course of business, the IMB has entered into contracts that provide a variety of indemnifications. Any exposure to the Pool under these arrangements would involve future claims that may be made against the IMB. The Pool's maximum exposure under these arrangements is unknown. No such claims have occurred, nor are they expected to occur and the IMB expects the risk of loss to be remote.

# International Equity Pool

## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 3. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price). ASC 820 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with ASC 820 fair value hierarchy levels as of May 31, 2014:

Assets	Level 1	Level 2	Level 3	Total
Equity securities	\$ 2,663,991	\$ -	\$ -	\$ 2,663,991
Foreign currency contracts	-	11	-	11
Investments made with cash collateral for securities loaned	-	136,026	-	136,026
Short-term issue	48,148	-	-	48,148
Total	<u>\$ 2,712,139</u>	<u>\$ 136,037</u>	<u>\$ -</u>	<u>\$ 2,848,176</u>
Liabilities	Level 1	Level 2	Level 3	Total
Foreign currency contracts	\$ -	\$ (31)	\$ -	\$ (31)

There were no transfers in or out of Levels 1 and 2 during the period ended May 31, 2014.

### NOTE 4. SECURITIES LENDING

The following table presents the amounts of various accounts related to securities lending at May 31, 2014.

Fair value of securities on loan	\$ 129,705		
Initial collateral received:	Cost	Fair Value	Unrealized Depreciation
Cash	<u>\$ 136,029</u>	\$ 136,026	<u>\$ (3)</u>
Non-cash		1,016	
Total		<u>\$ 137,042</u>	

## International Equity Pool

### Notes to Financial Statements (Amounts in thousands, except share data)

#### NOTE 5. FOREIGN CURRENCY CONTRACTS

At May 31, 2014, open foreign currency contracts are as follows:

Position	Foreign Currency	Trade Date	Settlement Date	Receivable		Payable		Unrealized Appreciation (Depreciation)
				(in foreign currency)	(in U. S. dollars)	(in foreign currency)	(in U. S. dollars)	
Long	Australian Dollar	05/28/2014	06/02/2014	17	\$ 15		\$ 15	\$ -
Long	Australian Dollar	05/29/2014	06/03/2014	34	32		32	-
Long	Australian Dollar	05/30/2014	06/04/2014	90	84		84	-
Long	British Pound vs. Australian Dollar	05/30/2014	06/02/2014	3	5	5	5	-
Long	Euro Currency Unit	05/28/2014	06/02/2014	138	189		188	1
Long	Euro Currency Unit	05/28/2014	06/02/2014	459	627		624	3
Long	Euro Currency Unit	05/29/2014	06/02/2014	28	38		38	-
Long	Euro Currency Unit	05/29/2014	06/03/2014	99	136		135	1
Long	Euro Currency Unit vs. Norwegian Krone	05/30/2014	06/02/2014	79	108	643	108	-
Long	Hong Kong Dollar	05/29/2014	06/03/2014	265	34		34	-
Long	Hong Kong Dollar	05/29/2014	06/03/2014	6,176	797		797	-
Long	Hong Kong Dollar	05/30/2014	06/04/2014	3,372	435		435	-
Long	Japanese Yen	05/28/2014	06/02/2014	48,165	473		473	-
Long	Swiss Franc vs. Australian Dollar	05/30/2014	06/02/2014	3	3	3	3	-
Short	Canadian Dollar	05/28/2014	06/02/2014		6,587	7,164	6,598	(11)
Short	Emirati Dirham	05/29/2014	06/02/2014		80	293	80	-
Short	Euro Currency Unit	05/30/2014	06/03/2014		97	71	98	(1)
Short	Euro Currency Unit	05/30/2014	06/03/2014		20	14	20	-
Short	Japanese Yen	05/29/2014	06/02/2014		86	8,741	86	-
Short	Philippine Peso	05/29/2014	06/02/2014		40	1,774	41	(1)
Short	Swedish Krona	05/28/2014	06/02/2014		741	4,911	735	6
Short	Swiss Franc	05/28/2014	06/02/2014		3,570	3,208	3,588	(18)
					<u>\$ 14,197</u>		<u>\$ 14,217</u>	<u>\$ (20)</u>

The contracts listed above were initiated to correspond to investment transactions trading in foreign currencies. The fair value, gains and losses, and risks are not material the Pool.

#### NOTE 6. INVESTMENT ADVISORY FEES

The IMB has approved investment advisory agreements with Acadian, Axiom, Brandes, LSV, and Pictet to manage the investments of the Pool. These agreements provide for quarterly payments, based on average end of month assets under management, to the investment advisors. The IMB makes these payments and the Pool transfers funds to the IMB to facilitate the payments.

The fees paid to Acadian are based on a descending scale of fee rates ranging from 0.70 percent annually on the first \$100 million of assets under management and 0.50 percent annually for assets greater than \$100 million. The effective fee rate earned by Axiom for the period ended May 31, 2014, was 0.60 percent.

The fees paid to Axiom are based on a descending scale of fee rates ranging from 1.0 percent annually on the first \$25 million of assets under management to 0.70 percent annually on assets between \$125 million and \$175 million. For assets greater than \$175 million the fee rate is 0.60 percent annually. The effective fee rate earned by Axiom for the period ended May 31, 2014, was 0.75 percent.

The fees paid to Brandes are based on a descending scale of fee rates ranging from 1.15 percent annually on the first \$10 million of assets under management to 0.80 percent annually on assets between \$50 million and \$150 million. For assets greater than \$150 million the fee rate is 0.70 percent annually. The effective fee rate earned by Brandes for the period ended May 31, 2014, was 0.75 percent.

# International Equity Pool

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## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 6. INVESTMENT ADVISORY FEES (continued)

The fees paid to LSV are based on a descending scale of fee rates ranging from 0.75 percent annually on the first \$25 million of assets under management to 0.55 percent annually on assets between \$50 million and \$100 million. For assets greater than \$100 million the fee rate is 0.45 percent annually. The effective fee rate earned by LSV for the period ended May 31, 2014, was 0.46 percent.

The fees paid to Pictet are based on a two-tier scale of fee rates that are 0.70 percent annually on the first \$100 million of assets under management and 0.60 percent annually for assets greater than \$100 million. The effective fee rate earned by Pictet for the period ended May 31, 2014, was 0.64 percent.

### NOTE 7. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2013	\$ 22.31
Income from investment operations:	
Net investment income	0.56
Net realized and unrealized gain on investment transactions	3.94
Net realized loss from foreign currency transactions	(0.17)
Net increase in the translation of assets and liabilities in foreign currencies	0.67
Total from investment operations	<u>5.00</u>
Net asset value at May 31, 2014	<u>\$ 27.31</u>

**Total Return \*** 22.4%

#### Supplemental Data:

Net assets, end of period	\$2,741,347
Ratio to average net assets:	
Expenses **	0.68%
Net investment income **	2.45%
Portfolio turnover rate	40.09%

\* Return data are net of fees for the fiscal year-to-date and are not annualized

\*\* All ratios are for the fiscal year-to-date annualized

# International Equity Pool

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## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 8. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at May 31, 2014.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 1,171,717
Public Employees' Retirement System	1,014,958
Workers' Compensation Old Fund	131,081
West Virginia Retiree Health Benefit Trust Fund	107,380
State Police Death, Disability and Retirement Fund	103,445
Judges' Retirement System	29,863
Coal Workers' Pneumoconiosis Fund	29,680
Deputy Sheriff's Retirement System	29,234
Revenue Shortfall Reserve Fund - Part B	26,395
State Police Retirement System	21,787
Public Employees Insurance Agency	21,755
Board of Risk and Insurance Management	15,968
Emergency Medical Services Retirement System	9,678
Wildlife Endowment Fund	9,616
West Virginia Prepaid Tuition Trust Fund	8,389
West Virginia Department of Environmental Protection Agency	4,905
West Virginia Department of Environmental Protection Trust	1,626
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	1,595
Workers' Compensation Uninsured Employers' Fund	1,096
Workers' Compensation Self-Insured Employer Security Risk Pool	729
Municipal Model A	258
Municipal Police Officers' and Firefighters' Retirement System	192
Total	<u>\$ 2,741,347</u>



**Financial Statements - Unaudited**

**May 31, 2014**





# Short-Term Fixed Income Pool

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## Financial Statements - Unaudited May 31, 2014

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# Short-Term Fixed Income Pool

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## Statement of Assets and Liabilities - Unaudited

May 31, 2014

(Amounts in thousands, except unit data)

### Assets

Investments at fair value (cost \$267,321)	\$	267,321
Accrued interest		<u>79</u>
<b>Total assets</b>		<b>267,400</b>

### Liabilities

Accrued expenses		43
Payable for investments purchased		<u>5,000</u>
<b>Total liabilities</b>		<b><u>5,043</u></b>
<b>Net assets</b>	<b>\$</b>	<b><u><u>262,357</u></u></b>

### Analysis of net assets

Paid-in capital	\$	262,293
Accumulated undistributed net realized gain from investments		<u>64</u>
<b>Net assets</b>	<b>\$</b>	<b><u><u>262,357</u></u></b>

### Unit data

Units outstanding		262,293,057
Net asset value, unit price	\$	<u><u>1.00</u></u>

See accompanying notes to financial statements.

# Short-Term Fixed Income Pool

## Schedule of Investments - Unaudited

May 31, 2014

(Amounts in thousands, except share data)

Description	Par Value or Shares	Cost	Fair Value
<b><u>U. S. Treasury Issues</u></b>			
United States Treasury, Zero Coupon, Due 6/5/2014	5,000	\$ 5,000	\$ 5,000
United States Treasury, Zero Coupon, Due 6/26/2014	5,000	5,000	5,000
United States Treasury, Zero Coupon, Due 7/3/2014	5,000	5,000	5,000
United States Treasury, Zero Coupon, Due 8/7/2014	5,000	5,000	5,000
United States Treasury, 4.25% Due 8/15/2014	5,000	5,043	5,043
United States Treasury, 0.5% Due 8/15/2014	2,500	2,502	2,502
United States Treasury, Zero Coupon, Due 9/4/2014	5,000	4,999	4,999
United States Treasury, 0.25% Due 9/15/2014	5,000	5,003	5,003
United States Treasury, 0.25% Due 9/30/2014	5,000	5,003	5,003
United States Treasury, Zero Coupon, Due 10/2/2014	5,000	4,999	4,999
United States Treasury, 2.38% Due 10/31/2014	3,000	3,028	3,028
Total U. S. Treasury Issues - 19.3%		50,577	50,577
<b><u>U. S. Government Agency Issues</u></b>			
Federal Farm Credit Bank, 0.1% Due 6/2/2015	2,500	2,500	2,500
Federal Home Loan Bank, Zero Coupon, Due 6/4/2014	7,500	7,500	7,500
Federal Home Loan Bank, Zero Coupon, Due 6/11/2014	7,000	7,000	7,000
Federal Home Loan Bank, 0.08% Due 6/18/2014	2,000	2,000	2,000
Federal Home Loan Bank, 0.13% Due 6/25/2014	3,000	3,000	3,000
Federal Home Loan Bank, Zero Coupon, Due 7/2/2014	8,000	8,000	8,000
Federal Home Loan Bank, Zero Coupon, Due 7/16/2014	6,550	6,549	6,549
Federal Home Loan Bank, 0.08% Due 7/28/2014	2,000	2,000	2,000
Federal Home Loan Bank, Zero Coupon, Due 8/6/2014	6,000	5,999	5,999
Federal Home Loan Bank, 0.1% Due 9/11/2014	1,500	1,500	1,500
Federal Home Loan Bank, Zero Coupon, Due 10/3/2014	5,000	4,999	4,999
Federal Home Loan Bank, Zero Coupon, Due 10/8/2014	4,000	3,999	3,999
Federal Home Loan Bank, Zero Coupon, Due 11/5/2014	6,000	5,998	5,998
Federal Home Loan Bank, Zero Coupon, Due 11/26/2014	3,230	3,229	3,229
Federal Home Loan Bank, 0.1% Due 3/20/2015	2,500	2,500	2,500
Federal Home Loan Mort Corp, Zero Coupon, Due 10/15/2014	7,000	6,998	6,998
Federal National Mortgage Assn, Zero Coupon, Due 8/11/2014	8,000	7,999	7,999
Federal National Mortgage Assn, 0.13% Due 9/11/2014	2,000	2,000	2,000
Total U. S. Government Agency Issues - 31.9%		83,770	83,770
<b><u>Commercial Paper</u></b>			
ABN AMRO Funding USA LLC, Due 7/11/2014	4,000	3,999	3,999
Alpine Securitization, Due 8/11/2014	3,000	2,999	2,999
Bank of Nova Scotia NY, Due 8/5/2014	7,000	6,998	6,998
Bank of Tokyo Mitsubishi, Due 8/8/2014	7,000	6,997	6,997
Credit Agricole North America, Due 6/2/2014	4,000	4,000	4,000
Deutsche Bank Finl LLC, Due 9/29/2014	6,000	5,995	5,995
Fairway Finance Corporation, Due 7/2/2014	7,000	6,999	6,999
Govco LLC, Due 8/11/2014	8,000	7,998	7,998
Natixis Banques US Finance Co, Due 6/3/2014	5,500	5,500	5,500
Nieuw Amsterdam Receivables, Due 7/7/2014	7,000	6,999	6,999
Nordea Bank AB, Due 7/1/2014	5,000	4,999	4,999
Societe Generale NA, Due 7/9/2014	5,000	4,999	4,999
Toronto-Dominion Holdings USA, Due 7/1/2014	7,000	6,999	6,999
Wells Fargo & Co, Due 8/22/2014	2,000	1,999	1,999
Total Commercial Paper - 29.5%		77,480	77,480
<b><u>Repurchase Agreement</u></b>			
Repurchase Agreement, 0.07% Due 6/2/2014 -21.2%	55,493	55,493	55,493
<b><u>Short-term Issue</u></b>			
Dreyfus Cash Management Institutional Fund - 0.0%	951	1	1
<b><u>Liquidating Trust</u></b>			
Residential Capital LLC - 0.0%	54	-	-
Total Investments - 101.9%		\$ 267,321	\$ 267,321

See accompanying notes to financial statements.

## Short-Term Fixed Income Pool

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### Statement of Operations - Unaudited

Period Ended May 31, 2014\*

(Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>		
Interest	\$ 24	\$ 223
Securities lending income	<u>-</u>	<u>1</u>
<b>Total investment income</b>	24	224
<b>Expenses</b>		
Investment advisor fees	(13)	(113)
Trustee fee	-	(1)
Custodian bank fees	(1)	(10)
Management fees	(7)	(70)
Professional service fees	<u>(2)</u>	<u>(16)</u>
<b>Total expenses</b>	<u>(23)</u>	<u>(210)</u>
<b>Investment income, net</b>	1	14
<b>Net realized gain from investments</b>	<u>-</u>	<u>10</u>
<b>Net increase in net assets from operations</b>	<u>\$ 1</u>	<u>\$ 24</u>

\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.

## Short-Term Fixed Income Pool

### Statement of Changes in Net Assets - Unaudited

Period Ended May 31, 2014\*

*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 1	\$ 14
Net realized gain from investments	-	10
<b>Net increase in net assets from operations</b>	1	24
<b>Distributions to unitholders</b>		
Investment income, net	(1)	(12)
<b>Unit transactions</b>		
Proceeds from sale of units	160,736	1,610,496
Reinvestment of distributions	1	12
Amount paid for repurchase of units	(133,157)	(1,667,368)
<b>Net increase (decrease) in net assets from unit transactions</b>	27,580	(56,860)
<b>Increase (decrease) in net assets</b>	27,580	(56,848)
<b>Net assets, beginning of period</b>	234,777	319,205
<b>Net assets, end of period</b>	\$ 262,357	\$ 262,357
<b>Unit data</b>		
Units sold	160,735,641	1,610,495,398
Units issued from reinvestment of distributions	1,078	12,496
Units repurchased	(133,156,366)	(1,667,367,727)
<b>Net increase (decrease) in units</b>	27,580,353	(56,859,833)

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Short-Term Fixed Income Pool

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## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate 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 Coal Workers' Pneumoconiosis funds, and certain other state government funds.

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

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's Short-Term Fixed Income Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. Generally Accepted Accounting Principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The main objective of the 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. JP Morgan Investment Advisors, Inc. (JPM) manages the Pool. The Pool's investment objective, net of external investment management fees, is to meet or exceed the Citigroup ninety-day T-bill Index plus fifteen basis points.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Investment Valuation** - The IMB reports its investments at fair value in accordance with the Financial Accounting Standards Board's Accounting Standards Codification Topic 820 (ASC 820). Refer to Note 3 for further discussion and presentation of the reporting requirements under ASC 820.

# Short-Term Fixed Income Pool

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## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value of the Pool's portfolio securities is determined as follows:

- All securities are valued at amortized cost which approximates fair value. The basic premise underlying the use of the amortized cost method of valuation is that high-quality, short-term debt securities held until maturity will eventually return to their amortized cost value, regardless of any current disparity between the amortized cost value and market value, and would not ordinarily be expected to fluctuate significantly in value. The Pool values its securities at amortized cost so long as the deviation between the amortized cost and current market value remains minimal and results in the computation of a share price that represents fairly the current net asset value per share of the fund.

**Repurchase Agreements** - In connection with transactions in repurchase agreements, it is the IMB's policy that its designated custodian or mutual third party 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 IMB may be delayed or limited.

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

**Use of Estimates** - The preparation of the financial statements in conformity with GAAP 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.

**Interest Income** - Interest income is recognized as earned on the accrual method. 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.

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

**Distributions to Participants** - The net investment income of the Pool is declared as a dividend and distributed daily to the participants based upon their pro rata participation in the Pool. The distributions of net investment income 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 Pool does not routinely distribute dividends of net realized gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. Accordingly, no provision for income taxes is required as of May 31, 2014.

**Indemnifications** - In the normal course of business, the IMB has entered into contracts that provide a variety of indemnifications. Any exposure to the Pool under these arrangements would involve future claims that may be made against the IMB. The Pool's maximum exposure under these arrangements is unknown. No such claims have occurred, nor are they expected to occur and the IMB expects the risk of loss to be remote.

# Short-Term Fixed Income Pool

## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 3. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

ASC 820 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investments in accordance with ASC 820 fair value hierarchy levels as of May 31, 2014:

Assets	Level 1	Level 2	Level 3	Total
Commercial paper	\$ -	\$ 77,480	\$ -	\$ 77,480
Repurchase agreement	-	55,493	-	55,493
Short-term issue	1	-	-	1
U.S. Government agency issues	-	83,770	-	83,770
U.S. Treasury issues	-	50,577	-	50,577
Total	\$ 1	\$ 267,320	\$ -	\$ 267,321

There were no transfers in or out of Levels 1 and 2 during the period ended May 31, 2014.

### NOTE 4. INVESTMENT ADVISORY FEES

The IMB has approved an investment advisory agreement with JPM to manage the investments of the Pool. This agreement provides for quarterly payments, based on average daily assets under management, to the investment advisor. The IMB makes these payments and the Pool transfers funds to the IMB to facilitate the payments.

The fees paid to JPM are based on a two-tier scale of fee rates that are 0.05 percent annually on the first \$300 million of assets under management and 0.04 percent annually for assets greater than \$300 million. The effective fee rate earned by JPM for the period ended May 31, 2014, was 0.05 percent.



# Short-Term Fixed Income Pool

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## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 5. FINANCIAL HIGHLIGHTS

<b>Per Unit Operating Performance:</b>	
Net asset value at June 30, 2012	\$ 1.00
Income from investment operations:	
Net investment income*	-
Net realized gain (loss) on investment transactions*	-
Total from investment operations	-
Less distributions from net investment income*	-
Net asset value at May 31, 2014	<u>\$ 1.00</u>
<b>Total Return **</b>	0.0%
<b>Supplemental Data:</b>	
Net assets, end of period	\$ 262,357
Ratio to average net assets:	
Expenses ***	0.09%
Net investment income ***	0.01%
Weighted average days to maturity	50
Maximum weighted average investment maturity per Board guidelines	60 days
Money market yield ****	0.00%

\* As percentage is less than \$0.01, amount is rounded for reporting purposes

\*\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\*\* All ratios are for the fiscal year-to-date annualized

\*\*\*\* The money market yield represents the rate of income, net of expenses, earned over the past month divided by the average shares outstanding and is not intended to indicate future performance. The return is annualized over a 365-day year, assuming no reinvestment of earnings.

## Short-Term Fixed Income Pool

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### Notes to Financial Statements

(Amounts in thousands, except share data)

#### NOTE 6. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at May 31, 2014.

<u>Participant</u>	<u>Account Value</u>
Workers' Compensation Old Fund	\$ 125,041
Teachers' Employers Contribution Collection Account	52,118
State Police Death, Disability and Retirement Fund	25,575
Public Employees' Retirement System	18,205
Coal Workers' Pneumoconiosis Fund	12,236
Teachers' Retirement System	11,536
Board of Risk and Insurance Management	7,268
West Virginia Department of Environmental Protection Agency	3,062
AccessWV	2,487
State Police Retirement System	1,026
West Virginia Prepaid Tuition Trust Fund	803
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	716
Workers' Compensation Uninsured Employers' Fund	660
Deputy Sheriff's Retirement System	537
Emergency Medical Services Retirement System	264
Workers' Compensation Self-Insured Employer Security Risk Pool	259
Judges' Retirement System	249
Wildlife Endowment Fund	108
Municipal Police Officers' and Firefighters' Retirement System	49
Revenue Shortfall Reserve Fund - Part B	34
West Virginia Retiree Health Benefit Trust Fund	31
Municipal Model A	11
Revenue Shortfall Reserve Fund	8
Public Employees Insurance Agency	5
West Virginia Department of Environmental Protection Trust	5
Total	<u>\$ 262,293</u>

**Financial Statements - Unaudited**

**May 31, 2014**



# Total Return Fixed Income Pool

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## Financial Statements - Unaudited May 31, 2014

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# Total Return Fixed Income Pool

## Statement of Assets and Liabilities - Unaudited May 31, 2014

(Amounts in thousands, except unit data)

### Assets

Investments at fair value (cost \$2,094,241), including securities on loan of \$107,578 (Note 5)	\$	2,295,722
Cash denominated in foreign currencies (cost \$2,109)		2,177
Cash pledged as collateral for derivative contracts		23,884
Cash pledged as collateral for derivative contracts denominated in foreign currencies (cost \$1,663)		1,665
Unrealized appreciation on futures contracts (Note 6)		457
Unrealized appreciation on swap contracts (Note 7)		398
Unrealized appreciation on foreign currency forward contracts (Note 9)		833
Receivables:		
Accrued interest		16,550
Investments sold		3,021
Dividends		2
Securities lending income		16
Foreign tax withholding		16
Other		167
<b>Total assets</b>		<b>2,344,908</b>

### Liabilities

Cash overdraft		2
Accrued expenses		1,142
Dividends payable		6,815
Payable for investments purchased		13,539
Payable upon return of securities loaned (Note 5)		20,729
Swap premiums received (Note 7)		1,983
Unrealized depreciation on futures contracts (Note 6)		3,284
Unrealized depreciation on swap contracts (Note 7)		6,500
Unrealized depreciation on foreign currency forward contracts (Note 9)		10
Option contracts written at fair value (premiums received \$754)		722
<b>Total liabilities</b>		<b>54,726</b>
<b>Net assets</b>	<b>\$</b>	<b>2,290,182</b>

### Analysis of net assets

Paid-in capital	\$	1,681,624
Accumulated undistributed net realized gain from investments		401,102
Accumulated undistributed net realized gain from foreign currency transactions		13,972
Unrealized net appreciation of investments		192,792
Unrealized net appreciation on translation of assets and liabilities in foreign currencies		692
<b>Net assets</b>	<b>\$</b>	<b>2,290,182</b>

### Unit data

Units outstanding		153,445,120
Net asset value, unit price	\$	14.93

See accompanying notes to financial statements.

# Total Return Fixed Income Pool

## Schedule of Investments - Unaudited

May 31, 2014

(Amounts in thousands, except share data)

Description	Par Value, Shares or Contracts	Cost	Fair Value
<b><u>Municipal Bonds</u></b>			
California, 7.5% Due 4/1/2034	13,675	\$ 14,446	\$ 19,403
California, 7.63% Due 3/1/2040	1,600	1,680	2,333
California, 7.6% Due 11/1/2040	1,600	2,156	2,373
Illinois State, 4.96% Due 3/1/2016	6,050	6,184	6,445
Illinois State, 5.37% Due 3/1/2017	6,600	6,600	7,247
Illinois State, 5.67% Due 3/1/2018	4,275	4,361	4,789
Los Angeles Unified Sch Dist, 6.76% Due 7/1/2034	4,125	4,465	5,538
New Jersey Turnpike Authority, 7.1% Due 1/1/2041	3,790	4,301	5,319
Total Municipal Bonds - 2.3%		44,193	53,447
<b><u>U.S. Treasury Bonds</u></b>			
United States Treasury, 0.25% Due 9/15/2015	220	220	220
United States Treasury, 0.25% Due 12/15/2015	18,000	17,953	18,008
United States Treasury, 0.38% Due 1/15/2016	34,000	33,999	34,070
United States Treasury, 0.38% Due 2/15/2016	4,500	4,503	4,508
United States Treasury, 0.38% Due 4/30/2016	2,230	2,227	2,232
United States Treasury, 1.5% Due 7/31/2016	360	367	368
United States Treasury, 0.88% Due 1/31/2017	20,000	20,116	20,117
United States Treasury, 0.63% Due 2/15/2017	17,000	16,909	16,981
United States Treasury, 0.75% Due 3/15/2017	10,000	9,986	10,015
United States Treasury, 0.75% Due 6/30/2017	100	101	100
United States Treasury, 1.38% Due 6/30/2018	380	381	382
United States Treasury, 1.38% Due 7/31/2018	420	419	422
United States Treasury, 1.5% Due 8/31/2018	1,170	1,171	1,180
United States Treasury, 1.25% Due 11/30/2018	1,170	1,160	1,163
United States Treasury, 1.5% Due 2/28/2019	13,250	13,170	13,279
United States Treasury, 1.63% Due 4/30/2019	260	261	261
United States Treasury, 1.13% Due 12/31/2019	1,670	1,660	1,618
United States Treasury, 1.63% Due 8/15/2022	1,820	1,818	1,735
United States Treasury, Zero Coupon, Due 11/15/2043	109,930	34,312	39,326
United States Treasury, 3.75% Due 11/15/2043	9,310	9,432	10,101
United States Treasury, 3.63% Due 2/15/2044	29,210	30,149	30,981
United States Treasury, 3.38% Due 5/15/2044	5,000	4,987	5,058
Total U.S. Treasury Bonds - 9.3%		205,301	212,125
<b><u>U.S. Treasury Inflation Protected Securities</u></b>			
United States Treasury, 0.38% Due 7/15/2023	5,000	4,994	5,192
United States Treasury, 2.13% Due 2/15/2040	3,460	5,225	4,800
United States Treasury, 0.75% Due 2/15/2042	4,300	4,660	4,214
Total U.S. Treasury Inflation Protected Securities - 0.6%		14,879	14,206
<b><u>U.S. Government Agency Bond</u></b>			
Federal National Mortgage Assn, Zero Coupon, Due 10/9/2019 - 0.1%	2,810	2,452	2,477
<b><u>U.S. Government Agency MBS (coupon, yield, and maturity date are weighted averages)</u></b>			
FHLMC Issues, 4.901% Due 5/29/2036	100,681	108,153	110,140
FNMA Issues, 5.257% Due 2/8/2033	162,582	174,848	177,892
Total U.S. Government Agency MBS - 12.6%		283,001	288,032
<b><u>U.S. Government Agency TBA</u></b>			
Federal National Mortgage Assn, 5.0% Due 5/1/2044 - 0.0%	800	878	884
<b><u>U.S. Government Agency CMO (coupon, yield, and maturity date are weighted averages)</u></b>			
FHLMC Issues, 4.272% Due 4/20/2043	21,865	23,279	23,304
FNMA Issues, 3.008% Due 5/23/2042	61,339	63,792	64,123
GNMA Issues, 3.0% Due 8/20/2043	4,091	3,194	3,088
Total U.S. Government Agency CMO - 4.0%		90,265	90,515

See accompanying notes to financial statements.

# Total Return Fixed Income Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Par Value, Shares or Contracts	Cost	Fair Value
<b>U.S. Government Agency CMO Interest-Only (coupon, yield, and maturity date are weighted averages)</b>			
FHLMC Issues, 1.357% Due 5/16/2020	5,383	260	320
GNMA Issues, 0.988% Due 7/13/2051	168,379	11,673	11,364
Total U.S. Government Agency CMO Interest-Only - 0.5%		11,933	11,684
<b>Corporate Bonds</b>			
<i>Basic Materials</i>			
Alfa SA, 5.25% Due 3/25/2024	300	299	311
ArcelorMittal, 5.0% Adj, Due 2/25/2017	465	455	492
Ardagh Pkg Fin/Hldgs USA, 6.25% Due 1/31/2019	2,090	2,202	2,163
Barrick Gold Corporation, 4.1% Due 5/1/2023	1,380	1,377	1,345
BHP Billiton Financial USA, 5.0% Due 9/30/2043	930	930	1,019
Cemex SAB DE CV, 6.5% Due 12/10/2019	5,850	5,850	6,223
Cliffs Natural Resources Inc, 3.95% Due 1/15/2018	630	629	640
Cliffs Natural Resources Inc, 4.8% Due 10/1/2020	980	957	979
Dow Chemical Company, 8.55% Due 5/15/2019	4,069	4,616	5,248
Dow Chemical Company, 9.4% Due 5/15/2039	7,240	10,412	11,882
FMG Resources Aug 2006, 8.25% Due 11/1/2019	1,140	1,266	1,240
Freeport-McMoRan Copper & Gold, 3.1% Due 3/15/2020	1,780	1,722	1,782
Lafarge SA, 6.5% Due 7/15/2016	7,250	7,419	7,957
Rock-Tenn Co, 3.5% Due 3/1/2020	510	508	527
Rock-Tenn Co, 4.0% Due 3/1/2023	110	109	113
Ryerson Inc/Joseph TR, 9.0% Due 10/15/2017	2,860	3,086	3,071
Ryerson Inc/Joseph TR, 11.25% Due 10/15/2018	1,360	1,521	1,523
Vale Overseas Ltd, 6.88% Due 11/21/2036	2,812	2,799	3,123
Vulcan Materials Company, 6.5% Due 12/1/2016	382	382	424
Vulcan Materials Company, 7.5% Due 6/15/2021	2,925	2,925	3,459
XStrata Finance Canada, 2.05% Due 10/23/2015	1,420	1,422	1,439
XStrata Finance Canada, 5.8% Due 11/15/2016	310	339	342
XStrata Finance Canada, 2.7% Due 10/25/2017	1,340	1,341	1,371
<i>Total Basic Materials</i>		52,566	56,673
<i>Capital Goods</i>			
American Airline 13-1C Pass T, 6.13% Due 7/15/2018	2,180	2,293	2,305
Ardagh Packaging Finance, 7.38% Due 10/15/2017	580	616	611
Ardagh Packaging Finance/MD HD, 7.38% Due 10/15/2017	850	903	895
Asciano Finance, 3.13% Due 9/23/2015	4,890	4,888	4,980
BNSF Railway Co 2007-1 P, 6.0% Due 4/1/2024	758	836	847
Burlington NO SF 00-1 TR, 8.25% Due 1/15/2021	244	277	293
Burlington NO SF 06-2 TR, 5.63% Due 4/1/2024	353	384	400
Burlington North Santa Fe, 4.7% Due 10/1/2019	850	848	962
Burlington North Santa Fe, 4.1% Due 6/1/2021	7,075	7,052	7,647
Burlington North Santa Fe, 3.05% Due 9/1/2022	6,600	6,577	6,592
Cemex Finance LLC, 6.0% Due 4/1/2024	950	950	975
Eaton Corp, 1.5% Due 11/2/2017	1,050	1,049	1,055
Eaton Corp, 2.75% Due 11/2/2022	2,750	2,742	2,684
Eaton Corp, 4.15% Due 11/2/2042	2,730	2,750	2,653
Jack Cooper Holdings Cor, 9.25% Due 6/1/2020	1,500	1,662	1,639
John Deere Capital Corp, 5.35% Due 4/3/2018	1,550	1,556	1,762
Union Pacific Corp, 4.16% Due 7/15/2022	4,812	4,862	5,252
Union Pacific RR Co 07-3, 6.18% Due 1/2/2031	733	788	861
UNP RR Co 1999 Pass Trust, 7.6% Due 1/2/2020	445	499	525
UNP RR Co 2005 Pass Trust, 5.08% Due 1/2/2029	3,745	3,880	4,202
Waste Management Inc, 3.5% Due 5/15/2024	640	639	646
Xerox Corporation, 6.4% Due 3/15/2016	8,525	8,802	9,350
Xerox Corporation, 6.35% Due 5/15/2018	7,452	8,097	8,674
<i>Total Capital Goods</i>		62,950	65,810
<i>Communication Services</i>			
AT&T Corp, 8.0% Due 11/15/2031	2,750	3,322	4,019
AT&T Inc, 6.55% Due 2/15/2039	925	1,052	1,157
AT&T Inc, 5.35% Due 9/1/2040	3,000	3,338	3,281
British Telecom PLC, 9.63% Adj, Due 12/15/2030	1,970	3,110	3,147

See accompanying notes to financial statements.



# Total Return Fixed Income Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Par Value, Shares or Contracts	Cost	Fair Value
Deutsche Telekom Int Fin, 5.75% Due 3/23/2016	1,635	1,631	1,777
Intelsat Jackson Holdings, 7.25% Due 10/15/2020	2,290	2,483	2,473
Postmedia Network Inc, 12.5% Due 7/15/2018	2,380	2,571	2,523
Sprint Capital Corp, 8.75% Due 3/15/2032	680	799	787
Sprint Corp, 7.88% Due 9/15/2023	150	155	170
Sprint Nextel Corporation, 6.0% Due 12/1/2016	5,350	5,259	5,852
Telecom Italia Capital, 7.18% Due 6/18/2019	11,550	12,544	13,384
Telecom Italia Capital, 7.72% Due 6/4/2038	3,425	3,459	3,870
Telefonica Emisiones SAU, 6.22% Due 7/3/2017	250	244	284
Telefonica Emisiones SAU, 5.13% Due 4/27/2020	670	599	751
Verizon Communications Inc, 3.45% Due 3/15/2021	1,640	1,681	1,700
Verizon Communications Inc, 5.15% Due 9/15/2023	9,305	9,493	10,475
Verizon Communications Inc, 4.15% Due 3/25/2024	3,215	3,215	3,368
Verizon Communications Inc, 6.4% Due 9/15/2033	830	863	1,020
Verizon Communications Inc, 6.55% Due 9/15/2043	15,335	15,986	19,465
<i>Total Communication Services</i>		71,804	79,503
<i>Consumer Discretionary</i>			
21st Century Fox America, 8.45% Due 8/1/2034	400	571	574
AOL Time Warner Inc, 7.63% Due 4/15/2031	3,500	4,150	4,858
AOL Time Warner Inc, 7.7% Due 5/1/2032	9,474	11,330	13,213
Comcast Cable Communication, 8.88% Due 5/1/2017	2,615	2,912	3,184
Comcast Corp, 6.3% Due 11/15/2017	2,700	2,955	3,152
Comcast Corp, 5.88% Due 2/15/2018	2,000	2,164	2,316
Continental Airlines Inc, 9.25% Due 5/10/2017	755	755	847
Continental Airlines Inc, 7.25% Due 11/10/2019	4,668	4,668	5,438
Cox Communications Inc, 9.38% Due 1/15/2019	9,995	11,897	13,044
Cox Communications Inc, 3.25% Due 12/15/2022	2,925	2,588	2,876
Cox Communications Inc, 2.95% Due 6/30/2023	3,475	3,065	3,313
Daimler Finance NA LLC, 1.3% Due 7/31/2015	2,340	2,338	2,363
Delta Air Lines, 6.82% Due 8/10/2022	1,822	1,822	2,154
Ford Motor Company, 4.75% Due 1/15/2043	1,190	1,159	1,208
General Motors Co, 3.5% Due 10/2/2018	3,000	3,000	3,075
Greenpoint Manufacture Housing, 2.91% Adj, Due 3/18/2029	1,125	926	997
Greenpoint Manufacture Housing, 3.54% Adj, Due 6/19/2029	475	381	413
Greenpoint Manufacture Housing, 3.65% Adj, Due 2/20/2030	400	320	348
Greenpoint Manufacture Housing, 3.65% Adj, Due 2/20/2032	550	461	503
Greenpoint Manufacture Housing, 3.65% Adj, Due 3/13/2032	875	734	788
Hyundai Capital America, 2.13% Due 10/2/2017	460	460	467
Macy's Inc, 6.9% Due 4/1/2029	3,000	3,043	3,740
Macys Retail Holdings Inc, 6.65% Due 7/15/2024	4,415	4,213	5,431
Macys Retail Holdings Inc, 6.7% Due 7/15/2034	1,990	2,034	2,537
Macys Retail Holdings Inc, 6.38% Due 3/15/2037	4,100	3,884	5,105
MMC Corporation Berhad, 6.25% Due 1/15/2018	4,775	5,096	5,547
Myriad Int Holdings BV, 6.0% Due 7/18/2020	4,250	4,265	4,765
News America Inc, 6.4% Due 12/15/2035	2,260	2,643	2,829
News America Inc, 6.65% Due 11/15/2037	2,785	3,013	3,560
NVR Inc, 3.95% Due 9/15/2022	100	100	101
Reed Elsevier Capital, 8.63% Due 1/15/2019	1,428	1,692	1,817
Reed Elsevier Capital, 3.13% Due 10/15/2022	6,451	6,239	6,342
Seneca Gaming Corp, 8.25% Due 12/1/2018	1,090	1,167	1,161
Time Warner Cable Inc, 8.75% Due 2/14/2019	8,890	10,340	11,465
Time Warner Cable Inc, 8.25% Due 4/1/2019	1,075	1,228	1,369
Time Warner Cable Inc, 4.0% Due 9/1/2021	4,065	4,041	4,370
Time Warner Cable Inc, 5.5% Due 9/1/2041	230	228	255
Time Warner Entertainment, 8.38% Due 7/15/2033	2,960	3,048	4,335
United Business Media LT, 5.75% Due 11/3/2020	3,330	3,290	3,606
Viacom Inc, 5.85% Due 9/1/2043	2,280	2,265	2,611
Wal-Mart Stores Inc, 5.8% Due 2/15/2018	610	623	708
<i>Total Consumer Discretionary</i>		121,108	136,785
<i>Consumer Staples</i>			
Altria Group Inc, 4.0% Due 1/31/2024	1,060	1,054	1,094
Altria Group Inc, 10.2% Due 2/6/2039	1,240	1,992	2,090

See accompanying notes to financial statements.

# Total Return Fixed Income Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Par Value, Shares or Contracts	Cost	Fair Value
Altria Group Inc, 5.38% Due 1/31/2044	590	588	641
CVS Caremark Corp, 4.0% Due 12/5/2023	1,610	1,603	1,700
CVS Caremark Corp, 6.94% Due 1/10/2030	1,804	1,804	2,191
Kroger Co, 6.4% Due 8/15/2017	220	225	254
Kroger Co, 3.3% Due 1/15/2021	2,150	2,145	2,202
Kroger Co, 3.4% Due 4/15/2022	1,240	1,234	1,261
Lorillard Tobacco Company, 8.13% Due 6/23/2019	2,680	2,843	3,356
Mondelez International Inc-A, 4.0% Due 2/1/2024	1,840	1,840	1,905
Pernod Ricard SA, 2.95% Due 1/15/2017	650	651	675
Pernod Ricard SA, 4.45% Due 1/15/2022	1,730	1,756	1,849
Reynolds American Inc, 6.75% Due 6/15/2017	2,330	2,338	2,694
Reynolds American Inc, 3.25% Due 11/1/2022	690	689	667
Reynolds Group Holdings, 7.13% Adj, Due 4/15/2019	400	406	420
Reynolds Group Holdings, 9.88% Due 8/15/2019	1,920	2,143	2,114
Reynolds Group Holdings, 6.88% Adj, Due 2/15/2021	1,360	1,360	1,465
Wrigley Wm Jr Company, 2.9% Due 10/21/2019	890	893	918
Wrigley Wm Jr Company, 3.38% Due 10/21/2020	310	310	323
<i>Total Consumer Staples</i>		25,874	27,819
<i>Energy</i>			
Anadarko Finance Co, 7.5% Due 5/1/2031	556	609	756
Atwood Oceanics Inc, 6.5% Due 2/1/2020	1,410	1,515	1,495
Cloud Peak Energy Res/Fin, 8.5% Due 12/15/2019	2,180	2,351	2,346
El Paso Corporation, 7.8% Due 8/1/2031	469	342	508
Hercules Offshore Inc, 10.25% Due 4/1/2019	1,660	1,847	1,843
Kerr-McGee Corporation, 7.88% Due 9/15/2031	1,115	1,261	1,555
Petrobras Global Finance, 4.38% Due 5/20/2023	9,165	9,067	8,757
Petrobras Intl Fin Co, 3.88% Due 1/27/2016	1,050	1,064	1,083
Petrobras Intl Fin Co, 5.38% Due 1/27/2021	15,300	16,331	15,885
Petroleos Mexicanos, 6.38% Due 1/23/2045	6,705	6,702	7,719
Sinopec Grp Oversea 2014, 4.38% Due 4/10/2024	1,980	1,975	2,073
Southern Natural Gas Co, 5.9% Due 4/1/2017	570	570	643
TNK-BP Finance SA, 7.88% Due 3/13/2018	2,820	2,747	3,187
Transocean Inc, 2.5% Due 10/15/2017	990	995	1,013
<i>Total Energy</i>		47,376	48,863
<i>Financial Services</i>			
American Express Co, 6.15% Due 8/28/2017	1,250	1,253	1,436
American Express Co, 6.8% Due 9/1/2066	810	840	894
American International Group, 5.85% Due 1/16/2018	910	908	1,041
ANZ National (Intl) LTD, 1.85% Due 10/15/2015	800	800	814
BAC Capital Trust XI, 6.63% Due 5/23/2036	12,130	11,257	13,603
Bank of America Corp, 6.5% Due 8/1/2016	410	410	456
Bank of America Corp, 5.42% Due 3/15/2017	600	630	660
Bank of America Corp, 2.6% Due 1/15/2019	1,320	1,320	1,340
Bank of America Corp, 7.63% Due 6/1/2019	6,150	6,898	7,638
Bank of America Corp, 5.63% Due 7/1/2020	260	300	300
Bank of America Corp, 5.0% Due 5/13/2021	150	149	167
Bank of America Corp, 3.3% Due 1/11/2023	290	286	286
Bank of America Corp, 4.0% Due 4/1/2024	1,600	1,596	1,637
Bank of America Corp, 5.0% Due 1/21/2044	2,640	2,634	2,800
Bank of America Corp, 4.88% Due 4/1/2044	1,230	1,229	1,282
BBVA US Senior SA Uniper, 4.66% Due 10/9/2015	1,070	1,075	1,123
BNP Paribas, 2.38% Due 9/14/2017	660	659	678
Boston Properties LP, 5.88% Due 10/15/2019	2,450	2,512	2,875
Boston Properties LP, 5.63% Due 11/15/2020	4,600	4,921	5,341
Boston Properties LP, 3.8% Due 2/1/2024	1,525	1,521	1,556
Capital One Financial Corp, 4.75% Due 7/15/2021	3,250	3,233	3,623
Capital One Financial Corp, 3.5% Due 6/15/2023	7,270	7,124	7,305
CIT Group Holdings, 5.5% Due 2/15/2019	770	831	832
Citigroup Inc, 5.0% Due 9/15/2014	645	645	653
Citigroup Inc, 3.95% Due 6/15/2016	2,160	2,179	2,286
Citigroup Inc, 6.13% Due 11/21/2017	4,660	4,841	5,333
Citigroup Inc, 5.5% Due 9/13/2025	1,240	1,241	1,371

See accompanying notes to financial statements.

# Total Return Fixed Income Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Par Value, Shares or Contracts	Cost	Fair Value
Corp Bond Backed CTF-CCE, Zero Coupon, Due 5/15/2098	5,000	3,810	4,675
Countrywide Financial Corp, 6.25% Due 5/15/2016	2,550	2,473	2,794
Credit Agricole SA, 8.38% Due 12/13/2049	3,340	3,340	3,925
Credit Suisse New York, 2.3% Due 5/28/2019	2,120	2,116	2,129
ERP Operating-LP, 4.63% Due 12/15/2021	4,400	4,433	4,865
ERP Operating-LP, 3.0% Due 4/15/2023	1,350	1,291	1,314
Export-Import Bank Korea, 4.0% Due 1/11/2017	4,675	4,670	5,007
Ford Motor Credit Company, 5.63% Due 9/15/2015	2,375	2,384	2,523
Ford Motor Credit Company, 8.13% Due 1/15/2020	2,140	2,621	2,728
Ford Motor Credit Company, 5.75% Due 2/1/2021	8,650	8,804	10,026
Ford Motor Credit Company, 5.88% Due 8/2/2021	2,625	2,904	3,077
General Electric Capital Corp, 1.63% Due 7/2/2015	570	573	577
General Electric Capital Corp, 5.5% Due 1/8/2020	2,030	2,126	2,359
General Electric Capital Corp, 4.38% Due 9/16/2020	3,590	3,631	3,955
General Electric Capital Corp, 4.63% Due 1/7/2021	2,550	2,624	2,847
General Electric Capital Corp, 4.65% Due 10/17/2021	3,290	3,529	3,665
General Electric Capital Corp, 6.38% Due 11/15/2067	4,410	4,313	4,918
Glitnir Banki HF, 6.69% Due 6/15/2016 (a)	5,000	6	1
Glitnir Banki HF, 7.45% Perpetual (a)	600	1	8
Goldman Sachs Capital II, 4.0% Due 12/29/2049	3,960	3,040	3,188
Goldman Sachs Group Inc, 6.15% Due 4/1/2018	3,680	3,681	4,233
Goldman Sachs Group Inc, 6.25% Due 2/1/2041	2,810	2,813	3,461
Groupe BPCE, 12.5% Perpetual	3,317	4,329	4,528
HSBC Finance Corp, 6.68% Due 1/15/2021	350	343	419
HSBC Holdings PLC, 5.1% Due 4/5/2021	1,125	1,123	1,282
HSBC Holdings PLC, 6.5% Due 5/2/2036	10,575	11,210	12,892
HSBC Holdings PLC, 5.25% Due 3/14/2044	500	495	529
ILFC E-Capital Trust II, 6.25% Due 12/21/2065	4,520	3,719	4,464
ING Bank NV, 5.8% Due 9/25/2023	2,170	2,161	2,427
JP Morgan Chase & Co, 5.13% Due 9/15/2014	40	40	41
JP Morgan Chase & Co, 5.15% Due 10/1/2015	400	399	423
JP Morgan Chase & Co, 3.38% Due 5/1/2023	6,605	6,576	6,455
JP Morgan Chase & Co, 3.63% Due 5/13/2024	390	388	393
Legg Mason Inc, 5.5% Adj, Due 5/21/2019	5,900	5,855	6,667
Lehman Bros CAP TR VII, 6.5% Adj, Due 7/19/2017 (a)	110	-	-
Lehman Bros CAP TR VII, 6.5% Adj, Due 12/28/2017 (a)	8,860	-	-
Lehman Bros CAP TR VII, 5.86% Perpetual (a)	4,430	-	-
Merrill Lynch & Company Inc, 6.88% Due 4/25/2018	8,890	8,886	10,525
MetLife Inc, 6.4% Due 12/15/2036	2,790	2,575	3,113
Mizuho Fin Grp Cayman 3, 4.6% Due 3/27/2024	1,520	1,516	1,572
Morgan Stanley, 6.63% Due 4/1/2018	360	365	422
National Australia Bank Ltd, 1.6% Due 8/7/2015	750	750	761
Nordea Bank AB, 4.88% Due 5/13/2021	2,980	2,969	3,221
Northern Trust Corp, 3.95% Due 10/30/2025	1,060	1,060	1,102
Rabobank Nederland, 4.63% Due 12/1/2023	1,720	1,714	1,817
Rabobank Nederland, 11.0% Perpetual	544	593	730
Royal Bank of Scotland Grp PLC, 5.0% Due 10/1/2014	330	327	334
Royal Bank of Scotland Grp PLC, 2.55% Due 9/18/2015	360	360	368
Royal Bank of Scotland Grp PLC, 6.13% Due 12/15/2022	10,340	10,178	11,263
Royal Bank of Scotland Grp PLC, 6.1% Due 6/10/2023	1,060	1,052	1,151
Royal Bank of Scotland Grp PLC, 6.0% Due 12/19/2023	2,890	2,958	3,102
Royal Bank of Scotland Grp PLC, 7.65% Perpetual	200	215	232
Royal Bank of Scotland Grp PLC, 7.64% Perpetual	400	400	424
Santander Holdings USA, 3.45% Due 8/27/2018	1,400	1,398	1,478
Standard Chartered PLC, 5.7% Due 3/26/2044	2,300	2,298	2,443
State Street Corp, 4.96% Due 3/15/2018	1,980	1,996	2,186
State Street Corp, 3.1% Due 5/15/2023	810	809	791
Student Loan Marketing Assn, 3.88% Due 9/10/2015	4,810	4,867	4,943
Student Loan Marketing Assn, 6.0% Due 1/25/2017	5,775	5,730	6,289
Student Loan Marketing Assn, 4.63% Due 9/25/2017	1,100	1,130	1,155
Teachers Insurance & Annuity, 6.85% Due 12/16/2039	1,230	1,229	1,664
Toll Brothers Finance Corp, 4.0% Due 12/31/2018	350	360	361
Toll Brothers Finance Corp, 5.88% Due 2/15/2022	610	653	659
Wachovia Capital Trust, 5.57% Due 12/29/2049	2,290	2,286	2,234

See accompanying notes to financial statements.

# Total Return Fixed Income Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Par Value, Shares or Contracts	Cost	Fair Value
Wells Fargo & Company, 4.48% Due 1/16/2024	1,190	1,044	1,262
Wells Fargo & Company, 4.1% Due 6/3/2026	1,060	1,059	1,070
Wells Fargo & Company, 5.38% Due 11/2/2043	810	808	884
Wells Fargo Capital X, 5.95% Due 12/15/2036	1,040	992	1,059
<i>Total Financial Services</i>		225,690	248,740
<i>Health Care</i>			
Abbvie Inc, 2.9% Due 11/6/2022	1,660	1,651	1,635
Amgen Inc, 4.5% Due 3/15/2020	1,290	1,290	1,406
Boston Scientific Corp, 6.4% Due 6/15/2016	6,415	6,613	7,091
Boston Scientific Corp, 6.0% Due 1/15/2020	2,835	3,181	3,307
CIGNA Corporation, 8.5% Due 5/1/2019	1,399	1,655	1,801
CIGNA Corporation, 7.65% Due 3/1/2023	1,925	2,028	2,397
CIGNA Corporation, 7.88% Due 5/15/2027	1,545	1,677	2,024
CIGNA Corporation, 6.15% Due 11/15/2036	3,488	3,620	4,317
Convatec Finance Intl SA, 8.25% Due 1/15/2019	1,770	1,828	1,810
DJO FIN LLC/DJO Finance Corp, 9.75% Due 10/15/2017	1,000	1,065	1,060
HCA Inc, 6.5% Due 2/15/2016	9,425	9,719	10,179
Health Net Inc, 6.38% Due 6/1/2017	2,850	2,787	3,107
Humana Inc, 7.2% Due 6/15/2018	2,030	2,067	2,427
Humana Inc, 3.15% Due 12/1/2022	310	309	305
Humana Inc, 8.15% Due 6/15/2038	730	734	1,062
Iasis Healthcare/Cap Crp, 8.38% Due 5/15/2019	3,500	3,734	3,732
Jaguar Holding Co I, 9.38% Due 10/15/2017	1,100	1,156	1,144
Lantheus Medical Imaging, 9.75% Due 5/15/2017	1,850	1,855	1,845
Perrigo Co Ltd, 4.0% Due 11/15/2023	580	578	592
WellPoint Inc, 1.25% Due 9/10/2015	400	400	403
WellPoint Inc, 5.88% Due 6/15/2017	260	259	292
WellPoint Inc, 7.0% Due 2/15/2019	6,233	6,988	7,522
<i>Total Health Care</i>		55,194	59,458
<i>Technology</i>			
Hewlett-Packard Company, 3.3% Due 12/9/2016	4,300	4,295	4,532
Hewlett-Packard Company, 5.5% Due 3/1/2018	726	800	825
KLA-Tencor Corporation, 6.9% Due 5/1/2018	4,900	5,572	5,766
National Semiconductor, 6.6% Due 6/15/2017	2,580	2,630	2,986
<i>Total Technology</i>		13,297	14,109
<i>Utilities</i>			
AES Corporation, 8.0% Due 6/1/2020	6,400	6,400	7,664
Calpine Corp, 7.88% Due 1/15/2023	1,998	1,998	2,243
Enel Finance International NV, 6.8% Due 9/15/2037	1,500	1,581	1,791
Enel Finance International NV, 6.0% Due 10/7/2039	4,252	4,052	4,694
Enel Spa, 8.75% Due 9/24/2073	1,550	1,537	1,814
NRG Rema LLC, 9.24% Due 7/2/2017	1,533	1,552	1,579
Pacific Gas & Electric Corp, 6.05% Due 3/1/2034	870	884	1,072
<i>Total Utilities</i>		18,004	20,857
Total Corporate Bonds - 33.1%		693,863	758,617
<b><u>Corporate Asset Backed Issues</u></b>			
Access Group Inc, 0.73% Due 7/25/2035	3,306	2,928	2,922
Access Group Inc, 0.63% Due 10/25/2035	2,652	2,371	2,367
Ace Securities Corp, 1.13% Due 12/25/2034	2,448	2,250	2,319
ALM Loan Funding, 2.83% Due 1/15/2025	1,250	1,203	1,227
Arrowpoint Clo Ltd, 2.98% Due 3/12/2026	900	854	852
Bear Stearns Asset Backed Sec, 16.5% Due 12/25/2035	1,327	1,546	1,561
Carlyle Global Market Strategi, 3.72% Due 5/15/2025	1,400	1,334	1,334
Carlyle Global Market Strategy, 3.03% Due 10/15/2025	1,000	972	987
Cent Clo LP, 3.73% Due 7/27/2026	500	470	470
Chase Issuance Trust, 0.54% Adj, Due 10/16/2017	11,700	11,700	11,713
CIT Group Securitization Corp, 7.65% Due 5/15/2026	1,734	1,807	1,803
Countrywide Alternative Loan, 0.85% Due 2/25/2036	6,895	5,065	5,357
Fieldstone Mortgage Investment, 2.1% Due 10/25/2035	2,963	2,402	2,443

See accompanying notes to financial statements.

# Total Return Fixed Income Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Par Value, Shares or Contracts	Cost	Fair Value
Hildene CLO LTD, 3.93% Due 7/19/2026	250	238	238
LCM Ltd Partnership, 3.83% Due 7/15/2026	450	435	435
Lehman XZ Trust, 0.37% Due 4/25/2046	3,700	2,457	2,718
M&T Bank Auto Receivables Trst (b)	6	3,180	2,942
Madison Park Funding Ltd, 2.98% Due 10/23/2025	2,000	1,943	1,975
National Collegiate Student Ln, 0.42% Due 3/26/2029	4,820	4,197	4,318
NC State Education Authority, 1.13% Due 7/25/2030	11,400	10,846	11,507
Nelnet Student Loan Trust, 0.42% Adj, Due 3/22/2032	10,700	9,731	10,113
Neuberger Berman Clo Ltd, 3.08% Due 10/15/2025	500	483	494
Northwoods Capital Ltd, 2.98% Due 4/15/2025	500	484	484
Octagon Investment Partners, 3.08% Due 4/15/2026	500	493	493
Pegasus Aviation Lease Sec, 8.37% Due 3/25/2030	500	336	147
Pinnacle Park Clo Ltd, 3.73% Due 4/15/2026	400	387	387
Saratoga Investment Corp, 3.13% Due 10/20/2023	500	479	489
Shackleton CLO Ltd, 3.23% Due 1/13/2025	2,600	2,572	2,561
SLM Student Loan Trust, 3.31% Adj, Due 5/15/2017	8,790	8,789	9,201
Venture CDO Ltd, 3.33% Due 7/15/2025	1,300	1,288	1,296
Venture CDO Ltd, 2.98% Due 4/15/2026	2,250	2,185	2,183
Whitehorse Ltd, 3.23% Due 11/24/2025	200	194	199
<b>Total Corporate Asset Backed Issues - 3.8%</b>		<b>85,619</b>	<b>87,535</b>
<b><u>Corporate CMO</u></b>			
American Home Mortgage Assets, 0.34% Due 12/25/2046	3,723	2,671	2,655
Banc of America Mortgage Sec, 5.14% Adj, Due 12/1/2034	1,467	1,404	1,459
Banc of America Mortgage Sec, 2.7% Adj, Due 4/25/2035	510	499	449
Bear Stearns Adj Rate Mortgage, 2.23% Due 12/25/2046	1,017	935	909
Citigroup Commercial Mtg Trust, 5.48% Due 10/15/2049	490	494	493
Citigroup/Deutsche Bank Commer, 5.4% Adj, Due 12/11/2049	890	694	723
COMM Mortgage Trust, 5.38% Due 12/10/2016	1,050	1,060	1,069
Countrywide Alternative Loan, 0.65% Due 4/25/2036	6,456	4,300	4,340
Countrywide Alternative Loan T, 2.55% Adj, Due 12/25/2035	1,334	1,325	1,111
Countrywide Home Loans, 2.47% Adj, Due 6/20/2036	731	731	662
Credit Suisse Mortgage Trust, 5.61% Adj, Due 1/15/2049	500	484	500
GE Business Loan Trust, 0.53% Due 11/15/2034	1,650	1,389	1,442
GMAC Commercial Mortgage Sec, 5.35% Due 11/10/2045	1,090	1,050	1,055
GS Mortgage Securities Trust, 5.62% Due 11/10/2039	1,150	1,180	1,183
Indymac Inda Mtg Loan Trust, 2.8% Adj, Due 9/25/2037	1,212	1,211	1,157
IndyMac Residential Asset Sec, 4.75% Due 2/25/2019	862	865	883
JP Morgan Chase Commercial Mtg, 5.41% Due 5/15/2017	1,210	1,066	1,064
JP Morgan Mortgage Trust, 2.74% Adj, Due 8/25/2035	1,063	1,046	1,017
LB-UBS Comercial Mortgage Trst, 6.12% Adj, Due 7/15/2040	1,010	1,060	1,061
MASTR ARM Trust, 2.62% Adj, Due 1/25/2036	662	650	656
MASTR Performing Loan Trust, 7.0% Due 8/25/2034	61	61	63
Merrill Lynch Mortgage Trust, 5.8% Adj, Due 8/12/2043	1,160	1,175	1,184
MLCC Mortgage Investors Inc, 2.55% Adj, Due 12/25/2034	19	18	19
ML-CFC Commercial Mortgage, 5.49% Due 9/12/2016	1,630	1,662	1,672
ML-CFC Commercial Mortgage Tst, 6.19% Adj, Due 10/12/2017	1,100	1,069	1,069
Morgan Stanley Mortgage Loan, 2.46% Adj, Due 10/25/2034	1,010	1,005	1,001
Morgan Stanley Mortgage Loan, 2.55% Adj, Due 6/25/2037	2,944	2,951	1,903
Structured Asset Securities Co, 2.43% Adj, Due 8/25/2034	2,268	2,154	2,258
Wachovia Bank Comm Mtg Trust, 5.63% Adj, Due 10/15/2048	970	977	997
WAMU Mortgage Pass-Through Cer, 2.4% Adj, Due 8/25/2035	981	966	982
WAMU Mortgage Pass-Through Cer, 2.38% Adj, Due 12/25/2035	1,228	1,210	1,189
Washington Mutual Mortgage, 2.05% Adj, Due 11/25/2036	133	132	117
Washington Mutual Mortgage, 2.06% Adj, Due 12/25/2036	509	509	444
Washington Mutual Mortgage, 2.39% Adj, Due 2/25/2037	2,862	2,296	2,537
Washington Mutual Mortgage, 1.08% Adj, Due 8/25/2046	4,410	2,760	3,043
Wells Fargo Mortgage Backed, 2.62% Adj, Due 12/25/2034	1,633	1,336	1,664
Wells Fargo Mortgage Backed, 2.62% Adj, Due 4/25/2036	151	151	148
WF-RBS Comercial Mortgage Trst, 4.46% Adj, Due 12/15/2022	980	883	934
<b>Total Corporate CMO - 2.0%</b>		<b>45,429</b>	<b>45,112</b>

See accompanying notes to financial statements.

# Total Return Fixed Income Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Par Value, Shares or Contracts	Cost	Fair Value
<b><u>Corporate CMO Interest-Only</u></b>			
Countrywide Alternative Loan, 5.35% Due 4/25/2036	15,062	2,263	2,218
Lehman Mortgage Trust, 6.43% Due 12/25/2036	22,738	5,230	5,816
Total Corporate CMO Interest-Only - 0.4%		7,493	8,034
<b><u>Corporate Preferred Security</u></b>			
Citigroup Capital XIII - 0.5%	380	10,161	10,398
<b><u>Foreign Government Bonds</u></b>			
<i>Angola</i>			
Republic of Angola, 6.58% Due 12/20/2023	3,100	3,100	3,100
<i>Argentina</i>			
Province of Neuquen, 7.88% Due 4/26/2021	2,975	2,950	2,968
Province of Salta, 9.5% Due 3/16/2022	3,106	3,065	3,121
<i>Total Argentina</i>		6,015	6,089
<i>Azerbaijan</i>			
State Oil Co Of The Azer, 4.75% Due 3/13/2023	1,600	1,514	1,590
<i>Brazil</i>			
Nota Do Tesoura Nacional, 6.0% Due 8/15/2050 (Brazil Real)	3,270	3,537	3,547
Nota Do Tesouro Nacional, 10.0% Due 1/1/2017 (Brazil Real)	4,211	1,772	1,811
Nota Do Tesouro Nacional, 14.05% Adj, Due 8/15/2030 (Brazil Real)	8,800	9,001	9,727
<i>Total Brazil</i>		14,310	15,085
<i>El Salvador</i>			
Republic of El Salvador, 7.65% Due 6/15/2035	3,000	3,090	3,198
<i>Georgia</i>			
Republic of Georgia, 6.88% Due 4/12/2021	1,400	1,507	1,593
<i>Germany</i>			
Bosnia & Herzegovina, 1.13% Adj, Due 12/11/2021 (Deutsche Mark)	5,333	3,137	3,051
<i>Ghana</i>			
Ghana Government Bond, 21.0% Due 10/26/2015 (Ghana New Cedi)	4,600	1,542	1,456
<i>Honduras</i>			
Republic of Honduras, 8.75% Due 12/16/2020	1,100	1,100	1,220
<i>Iraq</i>			
Republic of Iraq, 5.8% Due 1/15/2028	7,000	5,950	6,668
<i>Italy</i>			
Buoni Poliennali Del Tes, 3.75% Due 5/1/2021 (Euro Currency Unit)	16,060	23,663	23,879
<i>Kenya</i>			
Kenya Infrastructure Bond, 11.0% Due 9/15/2025 (Kenyan Shilling)	147,250	1,662	1,674
<i>Lithuania</i>			
Republic of Lithuania, 7.38% Due 2/11/2020	4,000	4,787	4,910
<i>Mexico</i>			
Mex Bonos Desarr Fix Rt, 6.5% Due 6/9/2022 (Mexican Peso)	91,620	7,148	7,515
Mexican Udibonos, 4.0% Due 11/15/2040 (Mexican Peso)	66,741	5,368	5,853
<i>Total Mexico</i>		12,516	13,368
<i>Mongolia</i>			
Mongolia Intl Bond, 5.13% Due 12/5/2022	2,000	1,744	1,795
<i>Mozambique</i>			
Republic Of Mozambique, 6.31% Due 9/11/2020	3,200	3,000	3,216

See accompanying notes to financial statements.

# Total Return Fixed Income Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Par Value, Shares or Contracts	Cost	Fair Value
<i>New Zealand</i>			
New Zealand Government, 3.0% Due 4/15/2020 (New Zealand Dollar)	8,430	6,852	6,765
<i>Nigeria</i>			
Central Bank of Nigeria, Zero Coupon, Due 11/15/2020	2,650	4,277	4,041
Nigeria Government Bond, 10.0% Due 7/23/2030 (Nigerian Naira)	270,000	1,364	1,340
Nigeria Treasury, Zero Coupon, Due 4/9/2015 (Nigerian Naira)	290,000	1,637	1,602
Nigeria Treasury, Zero Coupon, Due 5/21/2015 (Nigerian Naira)	120,000	667	663
<i>Total Nigeria</i>		7,945	7,646
<i>Paraguay</i>			
Republic of Paraguay, 4.63% Due 1/25/2023	1,700	1,617	1,734
<i>Poland</i>			
Poland Government Bond, 4.0% Due 10/25/2023 (Polish Zloty)	6,230	2,018	2,108
Republic of Poland, 4.0% Due 1/22/2024	3,390	3,363	3,543
<i>Total Poland</i>		5,381	5,651
<i>Russia</i>			
Alfa Bank OJSC Via Alfa Bond, 7.5% Due 9/26/2019	1,450	1,541	1,494
Russia, 7.5% Due 3/31/2030	3,425	4,001	3,976
Russian Agricultural Bank OJSC, 6.0% Due 6/3/2021	2,950	2,957	2,935
<i>Total Russia</i>		8,499	8,405
<i>Rwanda</i>			
Republic of Rwanda, 6.63% Due 5/2/2023	1,600	1,493	1,624
<i>Serbia</i>			
Serbia Treasury Bonds, 10.0% Due 10/17/2016 (Serbian Dinar)	115,000	1,332	1,323
<i>Seychelles</i>			
Republic of Seychelles, 5.0% Due 1/1/2026	303	267	279
<i>South Africa</i>			
Republic of South Africa, 8.0% Due 12/21/2018 (South African Rand)	42,750	4,277	4,108
Republic of South Africa, 2.25% Due 1/31/2038 (South African Rand)	13,297	1,263	1,374
<i>Total South Africa</i>		5,540	5,482
<i>Spain</i>			
Kingdom of Spain, 4.0% Due 3/6/2018	5,500	5,487	5,886
<i>Tanzania</i>			
United Republic of Tanzania, 6.33% Due 3/9/2020	1,450	1,508	1,552
<i>Tunisia</i>			
Banque Cent de Tunisie, 4.5% Due 6/22/2020 (Euro Currency Unit)	2,300	2,939	3,217
Banque Cent De Tunisie, 4.2% Due 3/17/2031 (Japanese Yen)	200,000	1,492	1,483
<i>Total Tunisia</i>		4,431	4,700
<i>Turkey</i>			
Republic of Turkey, 6.75% Due 4/3/2018	6,000	6,562	6,807
Republic of Turkey, 5.75% Due 3/22/2024	3,000	2,978	3,278
Turkey Government Bond, 4.0% Due 4/29/2015 (Turkish Lira)	8,050	4,151	3,933
<i>Total Turkey</i>		13,691	14,018
<i>Uganda</i>			
Uganda Government Bond, 10.75% Due 9/8/2016 (Ugandan Shilling)	4,000,000	1,486	1,450
<i>Ukraine</i>			
City of Kiev Ukraine, 8.0% Due 11/6/2015	2,600	2,056	2,211
State Savings Bank of Ukraine, 8.88% Due 3/20/2018	1,800	1,473	1,557
<i>Total Ukraine</i>		3,529	3,768
<i>Uruguay</i>			
Republica Orient Uruguay, 3.7% Due 6/26/2037 (Uruguay Peso)	59,234	2,758	2,572

See accompanying notes to financial statements.



# Total Return Fixed Income Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Par Value, Shares or Contracts	Cost	Fair Value
<i>Venezuela</i>			
Bolivarian Rep of Vzla, 7.65% Due 4/21/2025	4,000	2,712	2,910
Republic of Venezuela, 0.0% Adj, Due 4/15/2020	10,000	2,885	2,425
<i>Total Venezuela</i>		5,597	5,335
Total Foreign Government Bonds - 7.4%		166,050	170,082
<b><u>Foreign Corporate Bonds</u></b>			
<i>Austria</i>			
ESAL GMBH, 6.25% Due 2/5/2023	1,800	1,632	1,789
<i>Canada</i>			
Novelis Inc, 8.75% Due 12/15/2020	1,510	1,687	1,678
<i>Cayman Islands</i>			
Iirsa Norte Finance Ltd, 8.75% Due 5/30/2024	1,361	1,602	1,577
Longfor Properties, 6.75% Due 1/29/2023	400	354	374
<i>Total Cayman Islands</i>		1,956	1,951
<i>Colombia</i>			
Ecopetrol SA, 5.88% Due 5/28/2045	1,070	1,063	1,102
Empresa De Telecomunic, 7.0% Due 1/17/2023 (Colombian Peso)	3,600,000	1,653	1,750
Masisa, 9.5% Due 5/5/2019	1,100	1,100	1,169
<i>Total Colombia</i>		3,816	4,021
<i>France</i>			
CGG SA, 9.5% Due 5/15/2016	1,810	1,862	1,853
<i>Georgia</i>			
Georgian Oil & Gas Corp, 6.88% Due 5/16/2017	1,500	1,558	1,568
<i>Hong Kong</i>			
Yuexiu Property Co Ltd, 4.5% Due 1/24/2023	2,600	2,321	2,354
<i>India</i>			
Intl Finance Corp, 7.75% Due 12/3/2016 (Indian Rupee)	175,000	2,827	2,982
<i>Italy</i>			
Telecom Italia Spa, 5.3% Due 5/30/2024	2,330	2,330	2,333
<i>Kazakhstan</i>			
Kazmunaygas National Co, 11.75% Due 1/23/2015	5,000	5,308	5,306
<i>Kenya</i>			
Peru Enhanced Pass-Thru, Zero Coupon, Due 6/2/2025	4,600	3,236	2,921
Shelf Drill Hold Ltd, 8.63% Due 11/1/2018	2,310	2,490	2,483
<i>Total Kenya</i>		5,726	5,404
<i>Luxembourg</i>			
Mallinckrodt Intl Financial, 3.5% Due 4/15/2018	1,250	1,266	1,244
<i>Mexico</i>			
Red Carreteras Occide, 9.0% Due 6/10/2028 (Mexican Peso)	9,000	596	658
<i>Netherlands</i>			
Bharti Airtel Internatio, 5.13% Due 3/11/2023	1,650	1,519	1,709
<i>New Zealand</i>			
Schaeffler Finance BV, 7.75% Due 2/15/2017	2,150	2,431	2,430
<i>Nigeria</i>			
Fidelity Bank PLC, 6.88% Due 5/9/2018	2,400	2,287	2,232
<i>Russia</i>			
RusHydro, 7.88% Due 10/28/2015 (Russian Ruble)	50,000	1,513	1,400

See accompanying notes to financial statements.



# Total Return Fixed Income Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Par Value, Shares or Contracts	Cost	Fair Value
Russian Railways via RZD Capit, 8.3% Due 4/2/2019 (Russian Ruble)	50,000	1,555	1,327
<i>Total Russia</i>		3,068	2,727
<i>Singapore</i>			
Golden Legacy PTE Ltd, 9.0% Due 4/24/2019	1,400	1,400	1,457
<i>Sri Lanka</i>			
National Savings Bank, 8.88% Due 9/18/2018	2,150	2,263	2,421
<i>Ukraine</i>			
Oschadbank Via SSB #1 PLC, 8.25% Due 3/10/2016	4,000	3,510	3,611
<i>United Kingdom</i>			
Ferrexpo Finanace PLC, 7.88% Due 4/7/2016	1,700	1,631	1,662
Franshion Development LT, 6.75% Due 4/15/2021	1,500	1,527	1,560
Royal Bank of Scotland Grp PLC, 5.13% Due 5/28/2024	4,240	4,207	4,243
Sinopec GRP Oversea 2012, 2.75% Due 5/17/2017	6,000	6,167	6,176
Vedanta Resources PLC, 9.5% Due 7/18/2018	1,500	1,647	1,740
<i>Total United Kingdom</i>		15,179	15,381
Total Foreign Corporate Bonds - 2.8%		64,542	65,109
<b><u>Investments in Other Funds</u></b>			
Western Asset Opportunistic Non-Dollar Hedged Portfolio, LLC	1,727,741	37,343	48,437
Investment Objective - To maximize total return by investing in fixed income securities that are rated investment grade at time of purchase.			
Redemption Provisions - Daily			
Western Asset Opportunistic US Dollar High Yield Securities Portfolio, LLC	572,540	12,494	17,116
Investment Objective - To maximize total return by investing in fixed income securities that are rated below investment grade at time of purchase.			
Redemption Provisions - Daily			
Western Asset Floating Rate High Income Fund, LLC	1,709,853	21,077	32,489
Investment Objective - To maximize total return by investing in U.S. dollar-denominated loans, loan participations and below investment grade fixed income securities.			
Redemption Provisions - Daily			
Western Asset US Enhanced Cash, LLC	3,526,453	33,903	40,216
Investment Objective - To maximize total return by investing in investment grade fixed income securities.			
Redemption Provisions - Daily			
Western Asset Opportunistic Asian Securities Portfolio, LLC	3,996,173	43,665	53,501
Investment Objective - To maximize total return by investing in debt and fixed income securities of Asian issuers.			
Redemption Provisions - Daily			
Western Asset Mortgage Backed Securities Portfolio, LLC	2,785,337	44,563	48,607
Investment Objective - To maximize total return by investing in debt securities issued or guaranteed by the U.S. government.			
Redemption Provisions - Daily			
Western Asset Non-U.S. Inflation Linked Securities Portfolio, LLC	275,810	4,355	4,914
Investment Objective - To maximize total return by investing in inflation linked securities of non-U.S. issuers (70%) and U.S. issuers (30%).			
Redemption Provisions - Daily			

See accompanying notes to financial statements.

# Total Return Fixed Income Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Par Value, Shares or Contracts	Cost	Fair Value
Western Asset Emerging Markets Local Debt Portfolio, LLC Investment Objective - To maximize total return by investing in lower rated debt and other fixed income securities of non-U.S. issuers. Redemption Provisions - Daily	1,593,862	21,123	30,411
Western Asset Opportunistic Structured Securities Portfolio, LLC Investment Objective - To maximize total return by investing in primarily investment grade asset backed fixed income securities. Redemption Provisions - Daily	5,648,271	54,708	90,965
Western Asset Emerging Markets Corporate Credit Portfolio, LLC Investment Objective - To maximize total return by investing in U.S. dollar-denominated fixed income securities of non-U.S. issuers in developing markets. Redemption Provisions - Daily	2,966,666	33,257	49,487
Total Investments in Other Funds - 18.1%		306,488	416,143
<b><u>Short-term Issue</u></b>			
Dreyfus Cash Management Institutional Fund - 1.8%	40,490,151	40,490	40,490
<b><u>Options Contracts Purchased</u></b>			
<i>Call, strike price, expiration</i>			
EUR 4Yr MID-CRV Option, 97.5, 9/12/2014	414	26	2
<i>Put, strike price, expiration</i>			
Barclays Swaption, 105, 6/18/2014	10,700,000	32	8
Barclays Swaption, 72.5, 8/20/2014	24,900,000	32	31
EUR 1YR MID-CRV Option, 99.25, 6/13/2014	611	33	4
EUR 1YR MID-CRV Option, 98.75, 9/12/2014	1,036	166	19
EUR 1YR MID-CRV Option, 98.875, 9/12/2014	1,036	120	32
Eurodollar 2Yr Midcurve Option, 98, 6/13/2014	304	26	2
US Treasury 5Yr Option, 118, 6/20/2014	207	39	5
<i>Total Puts</i>		448	101
Total Option Contracts Purchased - 0.0%		474	103
<b><u>Investments Made with Cash Collateral for Securities Loaned</u></b>			
BNY Mellon Securities Lending Overnight Fund		20,655	20,655
Mellon SL DBT II Liquidating Fund		74	73
Total Investments Made with Cash Collateral for Securities Loaned - 0.9%		20,729	20,728
Total Investments - 100.2%		\$ 2,094,241	\$ 2,295,722

- (a) Pending Bankruptcy  
(b) Residual Equity Tranche

See accompanying notes to financial statements.

## Total Return Fixed Income Pool

### Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands)

<u>Type</u>	<u>Description</u>	<u>Maturity</u>	<u>Strike Price</u>	<u>Contracts</u>	<u>Premiums Received</u>	<u>Fair Value</u>
<b><u>Options Contracts Written</u></b>						
Call	Barclays Swaption	8/20/2014	60.000	(24,900,000)	\$ (20)	\$ (21)
Call	US Treasury 5Yr Option	6/20/2014	119.250	(207)	(97)	(144)
Call	US Treasury 10Yr Option	6/20/2014	118.000	(108)	(44)	(44)
Call	US Treasury 10Yr Option	6/20/2014	125.000	(207)	(117)	(187)
Call	US Treasury 10Yr Option	6/20/2014	125.500	(414)	(193)	(259)
Put	Barclays Swaption	8/20/2014	85.000	(24,900,000)	(12)	(15)
Put	EUR 1YR MID-CRV Option	9/12/2014	99.000	(1,036)	(271)	(52)
Total Options Contracts Written - (0.0%)					\$ (754)	\$ (722)

See accompanying notes to financial statements.

## Total Return Fixed Income Pool

### Statement of Operations - Unaudited

Period Ended May 31, 2014\*

*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Investment income</b>		
Interest, net of withholding taxes (\$41)	\$ 7,291	\$ 60,227
Dividends	2	1,106
Net securities lending income	16	157
<b>Total investment income</b>	7,309	61,490
 <b>Expenses</b>		
Investment advisor fees	(418)	(4,335)
Trustee fees	(1)	(7)
Custodian bank fees	(13)	(108)
Management fees	(52)	(604)
Fiduciary bond fees	(1)	(4)
Professional service fees	(9)	(136)
<b>Total expenses</b>	(494)	(5,194)
<b>Investment income, net</b>	6,815	56,296
 <b>Realized and unrealized gain (loss) from investments and foreign currency</b>		
Net realized gain (loss) from:		
Investments	1,777	38,243
Futures contracts	(6,911)	2,459
Options written	204	740
Swaps contracts	266	(89)
Foreign currency transactions	(289)	(1,341)
	(4,953)	40,012
Net change in unrealized appreciation (depreciation) on:		
Investments	23,535	56,982
Futures contracts	(1,145)	(16,539)
Options written	(157)	83
Swaps contracts	(2,232)	(6,108)
Translation of assets and liabilities in foreign currencies	684	1,482
	20,685	35,900
<b>Net gain from investments and foreign currency</b>	15,732	75,912
<b>Net increase in net assets from operations</b>	\$ 22,547	\$ 132,208

\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.

## Total Return Fixed Income Pool

### Statement of Changes in Net Assets - Unaudited

**Period Ended May 31, 2014\***

*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 6,815	\$ 56,296
Net realized gain (loss) from investments and foreign currency transactions	(4,953)	40,012
Net change in unrealized appreciation (depreciation) on investments and translation of assets and liabilities in foreign currencies	20,685	35,900
<b>Net increase in net assets from operations</b>	22,547	132,208
<b>Distributions to unitholders</b>		
Investment income, net	(6,815)	(56,296)
<b>Unit transactions</b>		
Proceeds from sale of units	38,720	316,470
Reinvestment of distributions	6,423	52,009
Amount paid for repurchase of units	(10,443)	(467,041)
<b>Net increase (decrease) in net assets from unit transactions</b>	34,700	(98,562)
<b>Increase (decrease) in net assets</b>	50,432	(22,650)
<b>Net assets, beginning of period</b>	2,239,750	2,312,832
<b>Net assets, end of period</b>	\$ 2,290,182	\$ 2,290,182
<b>Unit data</b>		
Units sold	2,612,234	21,731,309
Units issued from reinvestment of distributions	433,323	3,565,847
Units repurchased	(704,500)	(31,965,038)
<b>Net increase (decrease) in units</b>	2,341,057	(6,667,882)

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Total Return Fixed Income Pool

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## Notes to Financial Statements

(Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate 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 Coal Workers' Pneumoconiosis funds, and certain other state government funds.

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

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's Total Return Fixed Income Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. Generally Accepted Accounting Principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The main objective of this Pool is to earn superior returns with low volatility by actively investing in the extended fixed income markets. Dodge & Cox (DAC), Franklin Templeton Investments (FTI) and Western Asset Management Company (Western) manage the Pool. The Pool's investment objective, net of external investment management fees, is to meet or exceed the Barclays Capital Universal Index.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Investment Valuation** - The IMB reports its investments at fair value in accordance with the Financial Accounting Standards Board's Accounting Standards Codification Topic 820 (ASC 820). Refer to Note 4 for further discussion and presentation of the reporting requirements under ASC 820.

# Total Return Fixed Income Pool

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## Notes to Financial Statements

(Amounts in thousands, except share data)

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value of the Pool's portfolio securities is determined as follows:

- Fixed income securities are valued according to prices furnished by independent pricing services to the Pool's custodian. These services determine the security prices by a number of methods including, but not limited to, dealer quotes, live market trading levels when available, live feeds of trade execution data, spreads over U.S. Treasury securities, and other models and formulae appropriate to the specific security type.
- Open-end regulated investment companies or other commingled investment funds are valued at the net asset value of the fund as reported by the fund's administrator.
- Futures and option contracts are valued at the last settlement price established each day by the exchange on which they are traded.
- Credit default swap values are based on market values received from third parties or are determined by valuation models.
- Foreign currency forward contracts are valued at the difference between the forward contract amount and the month-end forward exchange rate.

Investments for which the fair value cannot be determined by one of the above listed processes are valued at fair value as determined in accordance with the IMB's established procedures.

**Foreign Currency** - Amounts denominated in or expected to settle in foreign currencies are translated into U.S. dollars at exchange rates reported by the Bank of New York Mellon on the following basis:

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

The IMB 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 U.S. 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 IMB 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 (seller) 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 or loss is recorded equal to the difference between the market value of the underlying instrument and the strike price of the option, minus 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 gain or loss is recorded equal to the difference between the market value of the underlying instrument and the strike price of the option, minus premiums received.

# Total Return Fixed Income Pool

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## Notes to Financial Statements

*(Amounts in thousands, except share data)*

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Written option contracts are used 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 instrument 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 does not correlate perfectly with movements of the underlying instrument due to certain market distortions.

The IMB limits its exposure to credit risk 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 IMB maintains sufficient levels of cash or cash equivalents to meet cash flow obligations.

**Security Loans** - The IMB, through its agent, the Bank of New York Mellon, loans securities to various brokers on a temporary basis. Each transaction for U.S. securities is secured by initial collateral of at least 102 percent of the market value of the securities loaned. For international securities, the collateral is at least 105 percent of the market value of the securities on loan. Cash collateral received is invested in the BNY Institutional Cash Reserves Trust, specifically the BNY Mellon Securities Lending Overnight Fund, and the Mellon GSL Reinvestment Trust, specifically of the Mellon SL DBT II Liquidating Fund. Such investments are made at the risk of the Pool and, as such, the Pool is liable for investment losses. Investments made with cash are reported at fair value on the Statement of Assets and Liabilities. Securities loaned remain on the Statement of Assets and Liabilities and Schedule of Investments. The IMB receives compensation in the form of loan premium fees and income from the investment of the cash collateral. Expenses related to the lending of securities are rebates paid by the lending agent to brokers and the lending agent's fees for its services. The income earned by the IMB is reported in the Statement of Operations as net securities lending income. Unrealized gains or losses resulting from changes in the value of the investment of cash collateral are reported as part of the change in unrealized appreciation or depreciation of investments. The IMB 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 Statement of Operations as a change in unrealized appreciation or depreciation on investments.

**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. Upon entering into a financial futures contract, the IMB 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 for the fluctuations of the underlying securities or index. The IMB records futures at fair market value. Gains or losses on open futures positions are unrealized. These gains or losses become realized when the position is closed.

Interest rate futures may be used to enhance portfolio yields, manage portfolio duration, or as an alternative investment of cash.

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. Investment 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.

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 IMB's managers generally only utilize futures contracts that are traded on major exchanges or are executed with major dealers. The major exchanges assume the risk of a counterparty default and generally require an initial margin deposit of cash or securities.



# Total Return Fixed Income Pool

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## Notes to Financial Statements

(Amounts in thousands, except share data)

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

**Foreign Currency Forward Contracts** - A foreign currency forward contract is an agreement between two parties to exchange different currencies at a specified exchange rate at an agreed upon future date. Western enters into such contracts to take advantage of the relative changes in currency exchange rates. Risks 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 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.

**Credit Default Swaps** – Credit default swaps are agreements between counterparties to transfer the credit risk of referenced debt securities. The buyer of the credit default swap gains protection against a negative credit event such as a default or credit rating downgrade and the seller assumes the credit risk and is obligated to pay upon the occurrence of such an event. Fair values are based on market values received from third parties or are determined by valuation models.

**Asset-Backed Securities** - The Pool invests in various asset-backed securities, mortgage-backed securities, and structured corporate debt. The securities are reported at fair value, which is determined by a third party pricing service based on asset portfolio pricing models and other sources. The Pool invests 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 GAAP 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.

**Interest Income** - Interest income is recognized as earned on the accrual method. 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 asset-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 reflected in the Statement of Operations in the year of the change.

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

**Distributions to Participants** - The monthly net investment income of the Pool is declared as a dividend on the last day of the month and distributed to the participants of the Pool on the first day of the following 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 Pool does not routinely distribute dividends of net realized gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool. In addition to these direct and allocated expenses, the Pool bears certain expenses indirectly, such as fees of other investment funds in which the Pool invests that are reflected in the reported net asset value of such funds.

## Total Return Fixed Income Pool

### Notes to Financial Statements (Amounts in thousands, except share data)

#### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. Accordingly, no provision for income taxes is required as of May 31, 2014.

**Indemnifications** - In the normal course of business, the IMB has entered into contracts that provide a variety of indemnifications. Any exposure to the Pool under these arrangements would involve future claims that may be made against the IMB. The Pool's maximum exposure under these arrangements is unknown. No such claims have occurred, nor are they expected to occur and the IMB expects the risk of loss to be remote.

#### NOTE 3. DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments held in the Pool may include foreign exchange contracts, futures, options, interest rate swaps, and total return swaps. None of these derivative financial instruments are designated as hedging instruments under ASC 815; they are used to implement portfolio strategy, capture valuation opportunities, and to exploit market inefficiencies. The primary risks managed by using these derivative financial instruments include interest rate, foreign exchange rate, and market price risks. See Note 2 for additional information on the Pool's purpose for entering into derivatives and for discussion on the risks associated with investing in these derivatives.

The table below presents the fair value of the derivative financial instruments recorded in the Statement of Assets and Liabilities as of May 31, 2014:

Derivative Type	Asset Derivatives		Liability Derivatives	
	Statement of Assets and Liabilities Location	Fair Value	Statement of Assets and Liabilities Location	Fair Value
Fixed income / Interest rate contracts	Investments at fair value	\$ 103	Option contracts written at fair value	\$ (722)
Fixed income / Interest rate contracts	Unrealized gain on swap contracts	398	Unrealized loss on swap contracts	(6,500)
Fixed income / Interest rate contracts	Unrealized appreciation on futures contracts	457	Unrealized depreciation on futures contracts	(3,284)
Foreign exchange contracts	Unrealized appreciation on foreign currency forward contracts	833	Unrealized depreciation on foreign currency forward contracts	(10)
Total		<u>\$ 1,791</u>		<u>\$ (10,516)</u>

At May 31, 2014, the Pool had pledged cash of \$25,549 to cover margin requirements on open derivative contracts.

## Total Return Fixed Income Pool

### Notes to Financial Statements (Amounts in thousands, except share data)

#### NOTE 3. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

The table below presents the impact of the derivative financial instruments recorded in the Statement of Operations for the period ended May 31, 2014:

Derivative Type	Statement of Operations Location	Realized Gain (Loss)	Statement of Operations Location	Change in Unrealized Appreciation (Depreciation)
Fixed income / Interest rate contracts	Net realized gain (loss) from investments	\$ (617)	Net change in the unrealized appreciation (depreciation) on investments	\$ (335)
Fixed income / Interest rate contracts	Net realized gain (loss) from futures contracts	2,459	Net change in the unrealized appreciation (depreciation) on futures contracts	(16,539)
Fixed income / Interest rate contracts	Net realized gain (loss) from options written	740	Net change in the unrealized appreciation (depreciation) on options written	83
Credit contracts	Net realized gain (loss) from swap contracts	(89)	Net change in the unrealized appreciation (depreciation) on swap contracts	(6,108)
Foreign exchange contracts	Net realized gain (loss) from foreign currency transactions	(2,372)	Net change in unrealized appreciation (depreciation) on translation of assets and liabilities in foreign currencies	1,532
Total		<u>\$ 121</u>		<u>\$ (21,367)</u>

The Pools' derivative financial instruments outstanding as of May 31, 2014, as disclosed in the financial statements and notes thereto, is indicative of the volume of activity during the period ended May 31, 2014.

# Total Return Fixed Income Pool

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## Notes to Financial Statements

*(Amounts in thousands, except share data)*

### NOTE 4. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

ASC 820 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

## Total Return Fixed Income Pool

### Notes to Financial Statements (Amounts in thousands, except share data)

#### NOTE 4. FAIR VALUE MEASUREMENTS (continued)

The table below summarizes the valuation of the investment securities in accordance with ASC 820 fair value hierarchy levels as of May 31, 2014:

Assets	Level 1	Level 2	Level 3	Total
Corporate asset backed issues	\$ -	\$ 87,535	\$ -	\$ 87,535
Corporate bonds	-	758,617	-	758,617
Corporate CMO	-	45,112	-	45,112
Corporate CMO interest-only	-	8,034	-	8,034
Corporate preferred security	10,398	-	-	10,398
Foreign corporate bonds	-	65,109	-	65,109
Foreign currency forward contracts	-	833	-	833
Foreign government bonds	-	170,082	-	170,082
Futures contracts	457	-	-	457
Investments in other funds	-	416,143	-	416,143
Investments made with cash collateral for securities loaned	-	20,728	-	20,728
Municipal bonds	-	53,447	-	53,447
Options contracts purchased	64	39	-	103
Short-term issue	40,490	-	-	40,490
Swaps	-	398	-	398
U.S. Government agency bond	-	2,477	-	2,477
U.S. Government agency CMO	-	90,515	-	90,515
U.S. Government agency CMO interest-only	-	11,684	-	11,684
U.S. Government agency MBS	-	288,032	-	288,032
U.S. Government agency TBA	-	884	-	884
U.S. Treasury bonds	-	212,125	-	212,125
U.S. Treasury inflation protected securities	-	14,206	-	14,206
Total	<u>\$ 51,409</u>	<u>\$ 2,246,000</u>	<u>\$ -</u>	<u>\$ 2,297,409</u>
Liabilities	Level 1	Level 2	Level 3	Total
Foreign currency forward contracts	\$ -	\$ (10)	\$ -	\$ (10)
Futures contracts	(3,284)	-	-	(3,284)
Options contracts written	(686)	(36)	-	(722)
Swaps	-	(6,500)	-	(6,500)
Total	<u>\$ (3,970)</u>	<u>\$ (6,546)</u>	<u>\$ -</u>	<u>\$ (10,516)</u>

There were no transfers in or out of Levels 1 and 2 during the period ended May 31, 2014.

## Total Return Fixed Income Pool

### Notes to Financial Statements (Amounts in thousands, except share data)

#### NOTE 5. SECURITIES LENDING

The following table presents the amounts of various accounts related to securities lending at May 31, 2014.

Fair value of securities on loan	\$	107,578			
Initial collateral received:		<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Depreciation</u>	
Cash	\$	<u>20,729</u>	\$ 20,728	<u>\$ (1)</u>	
Non-cash			92,016		
Total			<u>\$ 112,744</u>		

#### NOTE 6. FUTURES CONTRACTS

At May 31, 2014, open positions in futures contracts denominated in U.S. dollars were as follows:

Expiration	Open Contracts	Position	Notional Value at May 31, 2014	Notional Value Upon Entering Contract	Unrealized Appreciation (Depreciation)
Dec 2016	668 Euro 90 Day Future	Long	\$ 163,802	\$ 163,397	\$ 405
Sep 2014	144 US Treasury 5 Yr Note Future	Long	17,245	17,272	(27)
Sep 2014	41 US Ultra Bond Future	Long	6,162	6,110	52
Mar 2015	(1,331) Euro 90 Day Future	Short	(331,635)	(331,290)	(345)
Jun 2018	(336) Euro 90 Day Future	Short	(81,493)	(81,236)	(257)
Sep 2018	(34) Euro 90 Day Future	Short	(8,235)	(8,228)	(7)
Sep 2014	(146) US Long Bond Future	Short	(20,070)	(19,922)	(148)
Sep 2014	(421) US Treasury 2 Yr Note Future	Short	(92,521)	(92,501)	(20)
Sep 2014	(4,017) US Treasury 10 Yr Note Future	Short	(504,196)	(502,697)	(1,499)
			<u>\$ (850,941)</u>	<u>\$ (849,095)</u>	<u>\$ (1,846)</u>

At May 31, 2014, open positions in futures contracts denominated in foreign currencies were as follows:

Expiration	Open Contracts	Currency	Position	Notional Value at May 31, 2014 Local Currency	Initial Notional Value in Local Currency	May 31, 2014 Exchange Rate	Unrealized Appreciation (Depreciation)
Jun 2014	(191) Euro Bond Future	EUR	Short	<u>(28,041)</u>	<u>(27,322)</u>	1.3646	<u>\$ (981)</u>

## Total Return Fixed Income Pool

### Notes to Financial Statements (Amounts in thousands, except share data)

#### NOTE 7. SWAPS

At May 31, 2014, the open positions in credit default swaps are as follows:

Counterparty	Maturity Date	Interest Rate Receive (Pay)	Notional Value	Premiums Paid (Received)	Unrealized Appreciation (Depreciation)
Barclays Capital	06/20/2019	(5.0% Fixed)	\$ 5,170	\$ (357)	\$ (73)
Citigroup Global Markets	06/20/2019	(5.0% Fixed)	21,501	(1,568)	(221)
Deutsche Bank	03/20/2024	1.0% Fixed	2,690	(58)	93
Total			<u>\$ 29,361</u>	<u>\$ (1,983)</u>	<u>\$ (201)</u>

At May 31, 2014, the open position in interest rate swaps is as follows:

Counterparty	Notional Value	Maturity Date	Receiving			Paying			Unrealized Appreciation (Depreciation)
			Rate	Type	Base	Rate	Type	Base	
Barclays Capital	\$ 102,250	11/15/2043	0.22%	Floating	3M Libor	2.22%	Fixed	N/A	\$ (5,838)
BNP Paribas	45,260	03/31/2017	0.02%	Fixed	N/A	0.23%	Floating	3M Libor	152
BNP Paribas	43,040	03/31/2017	0.02%	Fixed	N/A	0.23%	Floating	3M Libor	148
BNP Paribas	47,390	03/29/2019	0.23%	Floating	3M Libor	0.03%	Fixed	N/A	(185)
BNP Paribas	45,070	03/29/2019	0.23%	Floating	3M Libor	0.03%	Fixed	N/A	(176)
Deutsche Bank	1,690	03/31/2017	0.02%	Fixed	N/A	0.23%	Floating	3M Libor	5
Deutsche Bank	1,770	03/29/2019	0.23%	Floating	3M Libor	0.03%	Fixed	N/A	(7)
Total	<u>\$ 286,470</u>								<u>\$ (5,901)</u>

#### NOTE 8. OPTION CONTRACTS WRITTEN

A summary of the activity in short (written) option positions for the period ended May 31, 2014, is as follows:

	Puts		Calls	
	Number of Contracts	Premiums Received	Number of Contracts	Premiums Received
Options outstanding at June 30, 2013	(561)	\$ (202)	(322)	\$ (225)
Options written	(35,602,941)	(1,064)	(35,609,189)	(1,462)
Options closed	2,226	880	6,917	837
Options expired	10,700,240	103	10,701,658	379
Options outstanding at May 31, 2014	<u>(24,901,036)</u>	<u>\$ (283)</u>	<u>(24,900,936)</u>	<u>\$ (471)</u>

## Total Return Fixed Income Pool

### Notes to Financial Statements (Amounts in thousands, except share data)

#### NOTE 9. FOREIGN CURRENCY FORWARD CONTRACTS

At May 31, 2014, open foreign currency forward contracts were as follows:

Position	Foreign Currency	Trade Date	Settlement Date	Receivable		Payable		Unrealized Appreciation (Depreciation)
				(in foreign currency)	(in U. S. dollars)	(in foreign currency)	(in U. S. dollars)	
Long	Mexican Peso	05/06/2014	08/14/2014	133,952	\$ 10,346		\$ 10,217	\$ 129
Short	Euro Currency Unit	03/07/2014	06/16/2014		3,050	2,200	3,002	48
Short	Euro Currency Unit	03/07/2014	06/16/2014		3,325	2,400	3,275	50
Short	Euro Currency Unit	05/06/2014	08/14/2014		5,791	4,160	5,676	115
Short	Euro Currency Unit	05/07/2014	08/14/2014		22,188	15,929	21,736	452
Short	Euro Currency Unit	05/19/2014	08/14/2014		6,309	4,600	6,277	32
Short	Euro Currency Unit	05/22/2014	08/14/2014		2,600	1,900	2,593	7
Short	Japanese Yen	03/20/2014	06/16/2014		1,464	150,000	1,474	(10)
					<u>\$ 55,073</u>		<u>\$ 54,250</u>	<u>\$ 823</u>

#### NOTE 10. INVESTMENT ADVISORY FEES

The IMB has approved investment advisory agreements with DAC, FTI, and Western to manage the investments of the Pool. These agreements provide for quarterly payments, based on average end of month assets under management, to the investment advisors. The IMB makes these payments and the Pool transfers funds to the IMB to facilitate the payments.

The fees paid to DAC are based on a descending scale of fee rates ranging from 0.40 percent annually on the first \$10 million of assets under management to 0.12 percent annually on assets between \$125 million and \$700 million. For assets greater than \$700 million the fee rate is 0.10 percent annually. The effective fee rate earned by DAC for the period ended May 31, 2014, was 0.12 percent.

The fees paid to FTI are based on a descending scale of fee rates ranging from 0.70 percent annually on the first \$100 million of assets under management to 0.50 percent annually on assets between \$100 million and \$200 million. For assets greater than \$200 million the fee rate is 0.40 percent annually. The effective fee rate earned by FTI for the period ended May 31, 2014, was 0.63 percent.

The fees paid to Western are based on a descending scale of fee rates ranging from 0.40 percent annually on the first \$500 million of assets under management to 0.10 percent annually on assets between \$1.5 billion and \$2 billion. For assets greater than \$2 billion the fee rate is 0.05 percent annually. The effective fee rate earned by Western for the period ended May 31, 2014, was 0.25 percent.



## Total Return Fixed Income Pool

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### Notes to Financial Statements (Amounts in thousands, except share data)

#### NOTE 11. FINANCIAL HIGHLIGHTS

<b>Per Unit Operating Performance:</b>	
Net asset value at June 30, 2013	\$ 14.45
Income from investment operations:	
Net investment income	0.36
Net realized and unrealized gain on investment transactions	0.48
Net realized loss from foreign currency transactions	(0.01)
Net increase in the translation of assets and liabilities in foreign	0.01
Total from investment operations	0.84
Less distributions from net investment income	(0.36)
Net asset value at May 31, 2014	<u>\$ 14.93</u>
<b>Total Return *</b>	5.9%
<b>Supplemental Data:</b>	
Net assets, end of period	\$ 2,290,182
Ratio to average net assets:	
Expenses **	0.24%
Net investment income **	2.65%
Portfolio turnover rate	57.34%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized and do not reflect the Pool's proportionate share of income and expenses of the underlying investee funds.

## Total Return Fixed Income Pool

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### Notes to Financial Statements

(Amounts in thousands, except share data)

#### NOTE 12. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at May 31, 2014. The balances do not include the dividend declared by the Pool on the last day of the month and reinvested to the participant's account on the first day of the following month.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 643,658
Public Employees' Retirement System	554,915
Workers' Compensation Old Fund	405,676
Revenue Shortfall Reserve Fund - Part B	169,885
Revenue Shortfall Reserve Fund	164,922
Coal Workers' Pneumoconiosis Fund	66,122
West Virginia Retiree Health Benefit Trust Fund	59,636
Public Employees Insurance Agency	58,958
State Police Death, Disability and Retirement Fund	55,127
Board of Risk and Insurance Management	36,033
Judges' Retirement System	16,406
Deputy Sheriff's Retirement System	16,214
State Police Retirement System	12,104
West Virginia Department of Environmental Protection Agency	10,149
Emergency Medical Services Retirement System	5,409
Wildlife Endowment Fund	5,343
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	3,818
Workers' Compensation Uninsured Employers' Fund	2,220
Workers' Compensation Self-Insured Employer Security Risk Pool	1,739
West Virginia Department of Environmental Protection Trust	1,606
Municipal Model A	135
Municipal Police Officers' and Firefighters' Retirement System	107
Total	<u>\$ 2,290,182</u>

**Financial Statements - Unaudited**

**May 31, 2014**



# Core Fixed Income Pool

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## Financial Statements - Unaudited May 31, 2014

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# Core Fixed Income Pool

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## Statement of Assets and Liabilities - Unaudited

May 31, 2014

(Amounts in thousands, except unit data)

### Assets

Investments at fair value (cost \$1,034,475), including securities on loan of \$57,476 (Note 4)	\$	1,082,007
Cash		296
Receivables:		
Accrued interest		5,436
Investments sold		229
Dividends		1
Securities lending income		5
Other		191
		<hr/>
<b>Total assets</b>		1,088,165

### Liabilities

Accrued expenses		355
Dividends payable		3,030
Payable for investments purchased		583
Payable upon return of securities loaned (Note 4)		55,459
		<hr/>
<b>Total liabilities</b>		59,427
		<hr/>
<b>Net assets</b>	\$	<u>1,028,738</u>

### Analysis of net assets

Paid-in capital	\$	898,902
Accumulated undistributed net realized gain from investments		82,304
Unrealized net appreciation of investments		47,532
		<hr/>
<b>Net assets</b>	\$	<u>1,028,738</u>

### Unit data

Units outstanding		92,124,746
Net asset value, unit price	\$	<u>11.17</u>

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments - Unaudited May 31, 2014 (Amounts in thousands, except share data)

Description	Par Value or Shares	Cost	Fair Value
<b><u>Municipal Bonds</u></b>			
American Municipal Power-Ohio, 7.5% Due 2/15/2050	580	\$ 593	\$ 802
California, 7.3% Due 10/1/2039	195	250	273
Illinois, 5.1% Due 6/1/2033	350	323	354
Los Angeles Dept of Airports, 6.58% Due 5/15/2039	255	331	321
New York St Dorm Authority, 5.6% Due 3/15/2040	260	254	318
Ohio State University, 4.8% Due 6/1/2111	761	753	793
Port Authority NY and NJ, 5.65% Due 11/1/2040	600	600	721
Port Authority NY and NJ, 4.46% Due 10/1/2062	405	405	407
Tennessee Valley Authority, Zero Coupon, Due 11/1/2025	2,500	1,756	1,683
Tennessee Valley Authority, 5.88% Due 4/1/2036	650	819	838
Tennessee Valley Authority, 5.25% Due 9/15/2039	1,198	1,512	1,446
Tennessee Valley Authority, 4.63% Due 9/15/2060	400	395	422
<b>Total Municipal Bonds - 0.8%</b>		<b>7,991</b>	<b>8,378</b>
<b><u>U.S. Treasury Bonds</u></b>			
United States Treasury, 4.0% Due 2/15/2015	600	615	617
United States Treasury, 4.63% Due 2/15/2017	6,500	6,763	7,192
United States Treasury, Zero Coupon, Due 2/15/2017	6,122	5,605	6,006
United States Treasury, 3.13% Due 4/30/2017	6,715	6,845	7,172
United States Treasury, 8.88% Due 8/15/2017	9,360	10,969	11,726
United States Treasury, Zero Coupon, Due 8/15/2017	500	467	485
United States Treasury, 4.25% Due 11/15/2017	600	662	667
United States Treasury, Zero Coupon, Due 11/15/2017	7,380	6,573	7,121
United States Treasury, 3.5% Due 2/15/2018	2,500	2,663	2,719
United States Treasury, Zero Coupon, Due 2/15/2018	3,950	3,469	3,787
United States Treasury, 2.38% Due 5/31/2018	1,000	1,041	1,046
United States Treasury, Zero Coupon, Due 8/15/2018	1,900	1,745	1,797
United States Treasury, 3.75% Due 11/15/2018	5,000	5,395	5,524
United States Treasury, 1.38% Due 11/30/2018	2,000	2,008	2,000
United States Treasury, 3.13% Due 5/15/2019	2,590	2,739	2,789
United States Treasury, Zero Coupon, Due 5/15/2019	4,550	3,737	4,204
United States Treasury, Zero Coupon, Due 8/15/2019	2,800	2,516	2,566
United States Treasury, Zero Coupon, Due 5/15/2020	7,212	6,038	6,449
United States Treasury, Zero Coupon, Due 8/15/2020	8,550	6,926	7,570
United States Treasury, 2.13% Due 8/31/2020	2,700	2,712	2,740
United States Treasury, 2.13% Due 1/31/2021	500	502	505
United States Treasury, Zero Coupon, Due 2/15/2021	3,725	3,190	3,245
United States Treasury, 8.13% Due 5/15/2021	1,000	1,281	1,402
United States Treasury, 3.13% Due 5/15/2021	4,700	5,158	5,043
United States Treasury, Zero Coupon, Due 5/15/2021	2,900	2,563	2,503
United States Treasury, 2.13% Due 8/15/2021	4,500	4,382	4,517
United States Treasury, Zero Coupon, Due 11/15/2021	8,000	6,466	6,772
United States Treasury, 2.0% Due 2/15/2022	4,000	4,131	3,954
United States Treasury, Zero Coupon, Due 2/15/2022	2,150	1,672	1,804
United States Treasury, Zero Coupon, Due 5/15/2022	600	491	499
United States Treasury, Zero Coupon, Due 8/15/2022	300	242	247
United States Treasury, 7.13% Due 2/15/2023	1,000	1,263	1,386
United States Treasury, Zero Coupon, Due 5/15/2023	800	625	639
United States Treasury, Zero Coupon, Due 5/15/2024	1,100	705	847
United States Treasury, Zero Coupon, Due 8/15/2024	1,100	717	839
United States Treasury, Zero Coupon, Due 11/15/2024	250	148	189
United States Treasury, Zero Coupon, Due 2/15/2025	200	113	149
United States Treasury, Zero Coupon, Due 2/15/2026	300	217	215
United States Treasury, Zero Coupon, Due 5/15/2026	850	479	604
United States Treasury, 6.75% Due 8/15/2026	125	157	179
United States Treasury, Zero Coupon, Due 8/15/2026	164	117	115
United States Treasury, Zero Coupon, Due 11/15/2026	4,500	2,700	3,135
United States Treasury, 6.63% Due 2/15/2027	1,000	1,315	1,429
United States Treasury, Zero Coupon, Due 2/15/2027	16,825	11,216	11,600
United States Treasury, Zero Coupon, Due 8/15/2027	950	514	642
United States Treasury, Zero Coupon, Due 11/15/2027	4,000	2,617	2,675
United States Treasury, Zero Coupon, Due 2/15/2028	2,736	1,582	1,808
United States Treasury, Zero Coupon, Due 5/15/2028	500	328	327
United States Treasury, 5.5% Due 8/15/2028	1,050	1,155	1,383

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Par Value or Shares	Cost	Fair Value
United States Treasury, Zero Coupon, Due 11/15/2028	2,400	1,276	1,538
United States Treasury, Zero Coupon, Due 2/15/2029	2,740	1,642	1,736
United States Treasury, Zero Coupon, Due 5/15/2029	150	76	94
United States Treasury, 6.13% Due 8/15/2029	312	425	438
United States Treasury, Zero Coupon, Due 8/15/2029	2,150	1,406	1,334
United States Treasury, Zero Coupon, Due 11/15/2029	700	357	430
United States Treasury, Zero Coupon, Due 2/15/2030	1,100	539	668
United States Treasury, Zero Coupon, Due 5/15/2030	1,900	1,041	1,142
United States Treasury, Zero Coupon, Due 8/15/2030	900	429	535
United States Treasury, Zero Coupon, Due 11/15/2030	1,150	576	677
United States Treasury, 5.38% Due 2/15/2031	1,000	1,278	1,321
United States Treasury, Zero Coupon, Due 2/15/2031	800	428	466
United States Treasury, Zero Coupon, Due 8/15/2031	500	266	285
United States Treasury, Zero Coupon, Due 11/15/2031	520	262	294
United States Treasury, Zero Coupon, Due 2/15/2032	800	487	448
United States Treasury, Zero Coupon, Due 11/15/2032	1,450	759	788
United States Treasury, Zero Coupon, Due 2/15/2033	600	294	323
United States Treasury, Zero Coupon, Due 5/15/2033	2,200	1,086	1,172
United States Treasury, Zero Coupon, Due 8/15/2033	700	288	369
United States Treasury, Zero Coupon, Due 11/15/2033	2,150	955	1,123
United States Treasury, Zero Coupon, Due 2/15/2034	1,250	593	647
United States Treasury, Zero Coupon, Due 5/15/2034	500	193	256
United States Treasury, Zero Coupon, Due 8/15/2034	450	229	228
United States Treasury, Zero Coupon, Due 11/15/2034	850	469	427
United States Treasury, Zero Coupon, Due 2/15/2035	380	203	189
United States Treasury, Zero Coupon, Due 5/15/2035	500	275	246
United States Treasury, 4.5% Due 2/15/2036	1,000	1,211	1,221
United States Treasury, Zero Coupon, Due 5/15/2036	200	74	95
United States Treasury, 4.75% Due 2/15/2037	500	665	632
United States Treasury, 5.0% Due 5/15/2037	1,075	1,435	1,403
United States Treasury, 4.38% Due 2/15/2038	1,000	1,148	1,200
United States Treasury, 4.5% Due 5/15/2038	300	406	367
Total U.S. Treasury Bonds - 16.0%		156,305	164,921
<b><u>U. S. Government Agency MBS (coupon and maturity date are weighted averages)</u></b>			
FHLMC Issues, 4.005% Due 10/13/2035	35,157	37,152	37,865
FNMA Issues, 3.587% Due 4/30/2027	145,741	148,828	152,607
GNMA Issues, 4.815% Due 7/27/2058	9,877	11,151	11,032
Total U. S. Government Agency MBS - 19.6%		197,131	201,504
<b><u>U. S. Government Agency CMO (coupon and maturity date are weighted averages)</u></b>			
FHLMC Issues, 6.117% Due 9/19/2036	43,002	44,683	46,994
FNMA Issues, 5.532% Due 11/23/2034	64,354	66,634	70,084
GNMA Issues, 3.922% Due 6/22/2052	46,887	48,124	49,602
Total U. S. Government Agency CMO - 16.2%		159,441	166,680
<b><u>U. S. Government Agency CMO Interest-Only (coupon and maturity date are weighted averages)</u></b>			
FHLMC Issues, 5.338% Due 2/10/2036	17,222	1,538	2,061
FNMA Issues, 5.89% Due 8/28/2037	23,596	2,569	3,337
GNMA Issues, 6.289% Due 11/15/2037	25,962	2,197	3,812
Total U. S. Government Agency CMO Interest-Only - 0.9%		6,304	9,210
<b><u>U. S. Government Agency CMO Principal-Only (coupon and maturity date are weighted averages)</u></b>			
FHLMC Issues, Due 7/21/2037	5,065	4,190	4,599
FNMA Issues, Due 4/25/2039	7,953	6,332	6,992
GNMA Issues, Due 1/30/2039	1,834	1,457	1,574
Total U. S. Government Agency CMO Principal-Only - 1.3%		11,979	13,165
<b><u>U. S. Government Agency Bonds</u></b>			
FannieMae STRIPS, Zero Coupon, Due 11/15/2021	1,000	700	829
Federal Farm Credit Bank, 5.13% Due 11/15/2018	646	692	745

See accompanying notes to financial statements.



# Core Fixed Income Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Par Value or Shares	Cost	Fair Value
Federal Home Loan Bank, 5.5% Due 7/15/2036	400	511	518
Federal National Mortgage Assn, Zero Coupon, Due 7/5/2014	2,300	2,295	2,300
FICO Strip Principal, Zero Coupon, Due 5/11/2018	3,900	3,692	3,687
FICO Strip Principal, Zero Coupon, Due 9/26/2019	700	538	632
RFCO Strip Principal, Zero Coupon, Due 10/15/2019	4,900	4,497	4,429
RFCO Strip Principal, Zero Coupon, Due 7/15/2020	10,200	9,117	8,958
RFCO Strip Principal, Zero Coupon, Due 10/15/2020	3,000	2,490	2,611
		24,532	24,709
Total U. S. Government Agency Bonds - 2.4%			24,709
<b>Corporate Bonds</b>			
<i>Basic Materials</i>			
Barrick Gold Corporation, 3.85% Due 4/1/2022	405	416	394
Barrick NA Finance LLC, 4.4% Due 5/30/2021	208	222	213
BHP Billiton Financial USA, 6.5% Due 4/1/2019	720	791	871
BHP Billiton Financial USA, 3.85% Due 9/30/2023	146	146	153
BHP Billiton Financial USA, 5.0% Due 9/30/2043	81	81	89
CRH America Inc, 6.0% Due 9/30/2016	254	266	283
Dow Chemical Company, 8.55% Due 5/15/2019	192	215	248
Dow Chemical Company, 4.25% Due 11/15/2020	64	64	69
Dow Chemical Company, 4.13% Due 11/15/2021	589	620	629
Ecolab Inc, 5.5% Due 12/8/2041	540	623	639
EI DuPont de Nemours Co, 6.0% Due 7/15/2018	608	673	714
EI DuPont de Nemours Co, 5.6% Due 12/15/2036	320	361	382
EI DuPont de Nemours Co, 4.9% Due 1/15/2041	125	123	137
Freeport-McMoRan Copper & Gold, 2.15% Due 3/1/2017	534	532	546
Freeport-McMoRan Copper & Gold, 3.1% Due 3/15/2020	227	228	227
Freeport-McMoRan Copper & Gold, 5.45% Due 3/15/2043	87	87	90
Monsanto Company, 5.13% Due 4/15/2018	160	161	181
Nucor Corporation, 5.85% Due 6/1/2018	857	957	988
Nucor Corporation, 4.0% Due 8/1/2023	90	90	93
Potash Corp-Saskatchewan, 3.25% Due 12/1/2017	500	515	529
PPG Industries Inc, 7.4% Due 8/15/2019	260	289	319
PPG Industries Inc, 9.0% Due 5/1/2021	625	726	821
Praxair Inc, 5.2% Due 3/15/2017	510	530	568
Praxair Inc, 1.25% Due 11/7/2018	300	300	293
Rio Tinto Fin USA Ltd, 3.5% Due 11/2/2020	51	51	53
Rio Tinto Fin USA Ltd, 3.75% Due 9/20/2021	588	587	620
The Mosaic Company, 3.75% Due 11/15/2021	613	630	637
The Mosaic Company, 4.88% Due 11/15/2041	33	33	33
Union Carbide Corp, 7.5% Due 6/1/2025	250	284	314
		10,601	11,133
<i>Total Basic Materials</i>			
<i>Capital Goods</i>			
ABB Finance USA Inc, 1.63% Due 5/8/2017	81	81	82
ABB Finance USA Inc, 2.88% Due 5/8/2022	117	115	116
ABB Finance USA Inc, 4.38% Due 5/8/2042	278	291	287
ADT Corp, 3.5% Due 7/15/2022	105	105	96
ADT Corp, 4.13% Due 6/15/2023	535	549	500
BAE Systems Holdings Inc, 5.2% Due 8/15/2015	195	200	205
BAE Systems Holdings Inc, 6.38% Due 6/1/2019	255	290	296
Boeing Company, 4.88% Due 2/15/2020	230	232	262
Boeing Company, 6.13% Due 2/15/2033	150	167	194
Burlington North Santa Fe, 5.65% Due 5/1/2017	225	233	255
Burlington North Santa Fe, 4.7% Due 10/1/2019	350	350	396
Burlington North Santa Fe, 3.45% Due 9/15/2021	106	106	110
Burlington North Santa Fe, 3.05% Due 9/1/2022	234	233	234
Burlington North Santa Fe, 3.85% Due 9/1/2023	300	299	316
Burlington North Santa Fe, 7.29% Due 6/1/2036	80	87	107
Canadian Pacific Railroad Co, 7.13% Due 10/15/2031	500	670	665
Caterpillar Financial Services, 5.85% Due 9/1/2017	820	847	938
Caterpillar Financial Services, 5.45% Due 4/15/2018	280	295	321
Caterpillar Financial Services, 7.15% Due 2/15/2019	395	410	487
Caterpillar Inc, 5.3% Due 9/15/2035	50	63	58
CSX Corp, 6.25% Due 3/15/2018	640	696	749
CSX Corp, 7.38% Due 2/1/2019	200	205	246

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Par Value or Shares	Cost	Fair Value
CSX Corp, 4.25% Due 6/1/2021	335	350	366
Danaher Corp, 3.9% Due 6/23/2021	275	275	296
Deere & Company, 2.6% Due 6/8/2022	179	179	175
Deere & Company, 7.13% Due 3/3/2031	165	229	228
Deere & Company, 3.9% Due 6/9/2042	77	76	74
Eads Finance B.V., 2.7% Due 4/17/2023	214	214	206
Eaton Corporation, 7.63% Due 4/1/2024	325	408	416
Honeywell International Inc, 5.3% Due 3/1/2018	205	232	234
Hutch Whampoa Int 11 Ltd, 4.63% Due 1/13/2022	200	205	216
Hutch Whampoa Int 12 II, 2.0% Due 11/8/2017	336	335	340
Illinois Tool Works Inc, 3.9% Due 9/1/2042	640	634	608
Ingersoll-Rand GL Hld Co, 4.25% Due 6/15/2023	162	162	170
John Deere Capital Corp, 1.2% Due 10/10/2017	128	128	128
John Deere Capital Corp, 1.3% Due 3/12/2018	400	399	397
John Deere Capital Corp, 5.75% Due 9/10/2018	233	243	272
Lockheed Martin Corp, 4.25% Due 11/15/2019	305	314	338
Lockheed Martin Corp, 4.07% Due 12/15/2042	336	328	328
Norfolk Southern Corp, 2.9% Due 2/15/2023	738	739	721
Norfolk Southern Corp, 3.95% Due 10/1/2042	103	103	98
Northrop Grumman Corp, 5.05% Due 8/1/2019	490	521	550
Penske Truck Leasing/PTL, 3.38% Due 3/15/2018	615	634	645
Philips Electronics NV, 5.75% Due 3/11/2018	80	86	92
Philips Electronics NV, 3.75% Due 3/15/2022	370	396	390
Philips Electronics NV, 7.2% Due 6/1/2026	180	218	225
Pitney Bowes Inc, 5.6% Due 3/15/2018	100	104	112
Republic Services Inc, 5.5% Due 9/15/2019	360	396	415
Republic Services Inc, 3.55% Due 6/1/2022	309	308	318
Ryder System Inc, 3.6% Due 3/1/2016	180	180	189
Ryder System Inc, 2.5% Due 3/1/2017	158	158	162
Ryder System Inc, 3.5% Due 6/1/2017	96	96	102
Siemens Financieringsmat, 6.13% Due 8/17/2026	470	512	587
Union Pacific Corp, 4.16% Due 7/15/2022	358	362	391
Union Pacific Corp, 2.95% Due 1/15/2023	43	43	43
Union Pacific Corp, 4.3% Due 6/15/2042	50	50	51
Union Pacific Corp, 4.82% Due 2/1/2044	494	489	550
United Technologies Corp, 6.13% Due 2/1/2019	696	776	828
United Technologies Corp, 3.1% Due 6/1/2022	106	106	108
United Technologies Corp, 5.4% Due 5/1/2035	170	169	202
United Technologies Corp, 4.5% Due 6/1/2042	143	141	149
UNP RR CO 2003 PASS TRUST, 4.7% Due 1/2/2024	64	62	71
UPS of America Inc, 8.38% Due 4/1/2020	125	148	165
UPS of America Inc, 8.38% Due 4/1/2030	230	299	337
Waste Management Inc, 7.38% Due 3/11/2019	437	504	538
Waste Management Inc, 4.75% Due 6/30/2020	622	627	697
Xerox Corporation, 6.75% Due 2/1/2017	191	201	218
Xerox Corporation, 2.95% Due 3/15/2017	230	231	240
Xerox Corporation, 5.63% Due 12/15/2019	350	353	404
<i>Total Capital Goods</i>		20,247	21,310
<i>Communication Services</i>			
America Movil SAB DE CV, 5.0% Due 3/30/2020	300	332	337
America Movil SAB DE CV, 3.13% Due 7/16/2022	426	430	421
AT&T Inc, 5.5% Due 2/1/2018	370	382	420
AT&T Inc, 4.45% Due 5/15/2021	500	507	550
AT&T Inc, 3.88% Due 8/15/2021	765	806	814
AT&T Inc, 6.3% Due 1/15/2038	600	575	728
AT&T Inc, 5.35% Due 9/1/2040	1,374	1,376	1,503
AT&T Inc, 4.3% Due 12/15/2042	64	49	61
AT&T Inc, 4.35% Due 6/15/2045	156	160	149
British Telecom PLC, 5.95% Due 1/15/2018	275	275	316
British Telecom PLC, 2.35% Due 2/14/2019	200	200	202
British Telecom PLC, 9.63% Adj, Due 12/15/2030	145	190	232
Centel Capital Corp, 9.0% Due 10/15/2019	200	222	240
Crown Castle Towers LLC, 3.21% Due 8/15/2015	350	351	356
Deutsche Telekom Int Fin, 6.75% Due 8/20/2018	200	216	238
Deutsche Telekom Int Fin, 6.0% Due 7/8/2019	635	644	750

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Par Value or Shares	Cost	Fair Value
Deutsche Telekom Int Fin, 8.75% Adj, Due 6/15/2030	170	226	250
GTE Corporation, 8.75% Due 11/1/2021	250	291	328
GTP Acquisition Partners, 4.35% Due 6/15/2041	606	606	628
Nippon Telegraph & Telephone, 1.4% Due 7/18/2017	67	67	67
Orange SA, 2.75% Due 2/6/2019	365	365	375
Orange SA, 9.0% Adj, Due 3/1/2031	230	302	345
Rogers Communications Inc, 4.1% Due 10/1/2023	259	259	271
Rogers Communications Inc, 8.75% Due 5/1/2032	300	392	424
Telefonica Emisiones SAU, 6.42% Due 6/20/2016	500	523	553
Telefonica Emisiones SAU, 3.19% Due 4/27/2018	210	210	219
Telefonica Emisiones SAU, 5.88% Due 7/15/2019	350	389	405
Telefonica Emisiones SAU, 5.46% Due 2/16/2021	117	117	133
Verizon Communications Inc, 2.5% Due 9/15/2016	136	136	141
Verizon Communications Inc, 4.5% Due 9/15/2020	353	353	390
Verizon Communications Inc, 6.4% Due 9/15/2033	676	675	831
Verizon Communications Inc, 5.05% Due 3/15/2034	693	692	742
Verizon Communications Inc, 7.35% Due 4/1/2039	400	390	540
Verizon Communications Inc, 6.55% Due 9/15/2043	100	122	127
Verizon New England Inc, 7.88% Due 11/15/2029	330	378	423
Verizon Pennsylvania, 8.35% Due 12/15/2030	400	441	523
Vodafone Group, 5.45% Due 6/10/2019	369	378	426
<i>Total Communication Services</i>		14,027	15,458
<i>Consumer Discretionary</i>			
21st Century Fox America, 8.88% Due 4/26/2023	450	484	610
21st Century Fox America, 7.75% Due 1/20/2024	150	170	193
Air Canada 2013-1A PTC, 4.13% Due 5/15/2025	259	259	259
American Airlines 2013-2, 4.95% Due 1/15/2023	446	446	482
American Airlines PT TRS 11-1, 5.25% Due 1/31/2021	96	96	104
Arrow Electronics Inc, 3.38% Due 11/1/2015	140	142	145
Arrow Electronics Inc, 6.88% Due 6/1/2018	615	678	702
Arrow Electronics Inc, 7.5% Due 1/15/2027	225	244	275
CBS Corp, 5.75% Due 4/15/2020	53	53	62
Comcast Cable Comm Holdings, 9.46% Due 11/15/2022	775	885	1,127
Comcast Cable Holdings, 10.13% Due 4/15/2022	240	302	337
Comcast Corp, 4.95% Due 6/15/2016	95	98	103
Comcast Corp, 6.5% Due 1/15/2017	200	205	229
Continental Airlines Inc, 4.0% Due 10/29/2024	103	103	105
Cox Communications Inc, 5.45% Due 12/15/2014	72	73	74
Cox Communications Inc, 5.88% Due 12/1/2016	200	218	222
Daimler Finance NA LLC, 2.95% Due 1/11/2017	300	300	313
Daimler Finance NA LLC, 2.38% Due 8/1/2018	227	227	232
Daimler Finance NA LLC, 2.25% Due 7/31/2019	300	304	300
Delta Air Lines, 4.95% Due 5/23/2019	98	98	107
Delta Air Lines 2011-1, 5.3% Due 4/15/2019	53	53	59
Delta Air Lines 2012-1A, 4.75% Due 5/7/2020	157	157	170
Directv Holdings/Fing, 4.6% Due 2/15/2021	400	400	437
Directv Holdings/Fing, 3.8% Due 3/15/2022	300	285	310
Directv Holdings/Fing, 6.0% Due 8/15/2040	750	740	867
Discovery Communications, 4.38% Due 6/15/2021	165	180	179
Discovery Communications, 4.95% Due 5/15/2042	100	99	102
Gap Inc, 5.95% Due 4/12/2021	243	231	280
Historic TW Inc, 9.15% Due 2/1/2023	945	1,118	1,320
Home Depot Inc, 4.4% Due 4/1/2021	405	451	456
Johnson Controls Inc, 5.0% Due 3/30/2020	500	517	560
Johnson Controls Inc, 4.25% Due 3/1/2021	80	81	87
Kohl's Corporation, 6.25% Due 12/15/2017	90	91	104
Lowe's Companies Inc, 7.11% Due 5/15/2037	195	233	261
Lowe's Companies Inc, 4.65% Due 4/15/2042	217	216	229
Macys Retail Holdings Inc, 7.45% Due 7/15/2017	300	335	355
Macys Retail Holdings Inc, 3.63% Due 6/1/2024	470	470	470
NBC Universal, 4.38% Due 4/1/2021	350	364	387
NBC Universal, 5.95% Due 4/1/2041	175	175	214
News America Inc, 7.25% Due 5/18/2018	64	68	77
News America Inc, 7.3% Due 4/30/2028	250	252	317
News America Inc, 6.65% Due 11/15/2037	125	133	160

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Par Value or Shares	Cost	Fair Value
Target Corp, 7.0% Due 1/15/2038	148	187	201
TCI Communications Inc, 7.88% Due 2/15/2026	100	101	140
Thomson Reuters Corp, 4.7% Due 10/15/2019	150	150	167
Thomson Reuters Corp, 3.95% Due 9/30/2021	380	392	398
Thomson Reuters Corp, 4.5% Due 5/23/2043	147	144	138
Time Warner Cable Inc, 6.75% Due 7/1/2018	150	162	179
Time Warner Cable Inc, 8.75% Due 2/14/2019	300	355	387
Time Warner Cable Inc, 7.3% Due 7/1/2038	300	333	404
Time Warner Entertainment, 8.38% Due 3/15/2023	225	290	304
Time Warner Entertainment, 8.38% Due 7/15/2033	325	389	476
Time Warner Inc, 4.75% Due 3/29/2021	220	243	246
Time Warner Inc, 3.55% Due 6/1/2024	275	275	276
Viacom Inc, 4.5% Due 3/1/2021	340	365	371
Viacom Inc, 3.88% Due 12/15/2021	177	175	186
Viacom Inc, 4.25% Due 9/1/2023	300	297	316
Viacom Inc, 7.88% Due 7/30/2030	380	437	512
Wal-Mart Stores Inc, 7.55% Due 2/15/2030	350	426	507
Wal-Mart Stores Inc, 5.25% Due 9/1/2035	425	400	494
Wal-Mart Stores Inc, 4.75% Due 10/2/2043	250	248	271
Wal-Mart Stores Inc, 4.3% Due 4/22/2044	303	301	307
Walt Disney Company, 3.75% Due 6/1/2021	330	362	356
<i>Total Consumer Discretionary</i>		18,066	20,018
<i>Consumer Staples</i>			
Anheuser-Busch, 7.75% Due 1/15/2019	580	641	723
Anheuser-Busch, 8.2% Due 1/15/2039	255	366	398
Bunge Limited Finance Co, 8.5% Due 6/15/2019	373	392	470
Bunge NA Finance LP, 5.9% Due 4/1/2017	54	52	60
Cargill Inc, 7.35% Due 3/6/2019	250	270	303
Cargill Inc, 4.31% Due 5/14/2021	106	103	116
Cargill Inc, 3.3% Due 3/1/2022	485	484	486
Coca-Cola Company, 4.88% Due 3/15/2019	100	100	114
Coca-Cola Company, 3.3% Due 9/1/2021	104	104	109
ConAgra Foods Inc, 3.2% Due 1/25/2023	300	303	293
CVS Caremark Corp, 5.93% Due 1/10/2034	236	236	271
CVS Caremark Corp, 6.13% Due 9/15/2039	735	741	924
Diageo Capital PLC, 4.83% Due 7/15/2020	402	411	455
Diageo Investment Corp, 2.88% Due 5/11/2022	290	289	289
Dr Pepper Snapple Group Inc, 2.0% Due 1/15/2020	388	386	383
General Mills Inc, 5.65% Due 2/15/2019	470	501	550
General Mills Inc, 3.15% Due 12/15/2021	50	53	51
Heineken NV, 1.4% Due 10/1/2017	250	250	250
Heineken NV, 3.4% Due 4/1/2022	250	252	256
Kellogg Company, 1.75% Due 5/17/2017	115	115	116
Kellogg Company, 3.25% Due 5/21/2018	333	339	351
Kimberly Clark Corporation, 7.5% Due 11/1/2018	250	276	311
Kraft Foods Group Inc, 6.13% Due 8/23/2018	435	509	508
Kraft Foods Group Inc, 5.38% Due 2/10/2020	384	445	441
Kraft Foods Group Inc, 3.5% Due 6/6/2022	150	149	154
Kraft Foods Group Inc, 5.0% Due 6/4/2042	103	102	110
Kroger Co, 6.15% Due 1/15/2020	760	831	898
Kroger Co, 7.5% Due 4/1/2031	250	320	330
Mondelez International Inc-A, 4.0% Due 2/1/2024	500	499	518
Pepsico Inc, 7.9% Due 11/1/2018	171	196	214
<i>Total Consumer Staples</i>		9,715	10,452
<i>Energy</i>			
Alberta Energy Company Ltd, 8.13% Due 9/15/2030	200	252	272
Anadarko Finance Co, 7.5% Due 5/1/2031	400	498	544
Anadarko Petroleum Corp, 8.7% Due 3/15/2019	300	305	388
Anadarko Petroleum Corp, 6.95% Due 6/15/2019	285	298	350
ANR Pipeline, 9.63% Due 11/1/2021	240	300	341
Apache Corporation, 4.75% Due 4/15/2043	153	153	160
BG Energy Capital PLC, 5.13% Due 10/15/2041	200	197	224
BP Capital Markets PLC, 3.25% Due 5/6/2022	377	377	382
BP Capital Markets PLC, 2.75% Due 5/10/2023	282	279	271

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Par Value or Shares	Cost	Fair Value
BP Capital Markets PLC, 3.99% Due 9/26/2023	189	189	199
BP Capital Markets PLC, 3.81% Due 2/10/2024	219	219	227
Burlington Resources Inc, 8.2% Due 3/15/2025	180	242	247
Cameron International Corp, 1.6% Due 4/30/2015	79	79	80
Canadian Natural Resources Ltd, 5.7% Due 5/15/2017	300	319	338
Canadian Natural Resources Ltd, 5.9% Due 2/1/2018	615	642	706
Cenovus Energy Inc, 6.75% Due 11/15/2039	210	275	274
Cenovus Energy Inc, 4.45% Due 9/15/2042	210	208	209
Centerpoint Energy Resources, 6.13% Due 11/1/2017	300	332	345
Chevron Corp, 3.19% Due 6/24/2023	190	190	193
ConocoPhillips, 5.2% Due 5/15/2018	501	540	568
ConocoPhillips, 6.65% Due 7/15/2018	294	327	351
ConocoPhillips, 5.75% Due 2/1/2019	100	99	117
ConocoPhillips, 6.0% Due 1/15/2020	940	1,008	1,125
Devon Energy Corporation, 6.3% Due 1/15/2019	495	560	585
Devon Energy Corporation, 3.25% Due 5/15/2022	244	243	246
Devon Energy Corporation, 4.75% Due 5/15/2042	157	156	162
Encana Corp, 6.5% Due 5/15/2019	100	106	119
Eni SpA, 5.7% Due 10/1/2040	250	249	280
EnSCO PLC, 4.7% Due 3/15/2021	315	329	344
Enterprise Products Oper, 3.9% Due 2/15/2024	192	192	198
EOG Resources Inc, 5.63% Due 6/1/2019	200	202	234
EOG Resources Inc, 4.4% Due 6/1/2020	340	367	378
Halliburton Company, 6.15% Due 9/15/2019	360	385	432
Halliburton Company, 3.25% Due 11/15/2021	340	365	353
Halliburton Company, 7.45% Due 9/15/2039	100	98	146
Hess Corp, 7.3% Due 8/15/2031	250	333	329
Magellan Midstream Partners, 6.55% Due 7/15/2019	330	393	395
Magellan Midstream Partners, 5.15% Due 10/15/2043	225	232	244
Marathon Oil Corp, 6.0% Due 10/1/2017	200	215	229
Marathon Oil Corp, 5.9% Due 3/15/2018	110	119	127
Nabors Industries Inc, 5.0% Due 9/15/2020	351	382	391
Nabors Industries Inc, 4.63% Due 9/15/2021	200	214	216
Noble Holding International, 3.95% Due 3/15/2022	45	45	46
Noble Holding International, 6.2% Due 8/1/2040	330	391	377
Occidental Petroleum Corp, 4.1% Due 2/1/2021	115	123	126
Occidental Petroleum Corp, 2.7% Due 2/15/2023	310	311	302
PC Financial Partnership, 5.0% Due 11/15/2014	180	182	184
Petrobras Intl Fin Co, 7.88% Due 3/15/2019	150	178	175
Petrobras Intl Fin Co, 6.75% Due 1/27/2041	320	367	333
Petro-Canada, 6.05% Due 5/15/2018	447	457	519
Petro-Canada, 6.8% Due 5/15/2038	225	234	300
Petroleos Mexicanos, 4.88% Due 1/18/2024	98	97	104
Petroleos Mexicanos, 6.38% Due 1/23/2045	212	210	244
Plains Exploration & Prod Co, 6.5% Due 11/15/2020	410	439	455
Schlumberger Investment, 2.4% Due 8/1/2022	540	499	519
Shell International Fin, 4.3% Due 9/22/2019	285	284	318
Shell International Fin, 4.38% Due 3/25/2020	290	289	324
Shell International Fin, 6.38% Due 12/15/2038	140	146	185
Spectra Energy Capital, 6.2% Due 4/15/2018	445	454	514
Spectra Energy Capital, 6.75% Due 7/15/2018	160	151	186
Spectra Energy Capital, 8.0% Due 10/1/2019	450	498	567
Spectra Energy Partners, 4.75% Due 3/15/2024	500	499	543
Statoil ASA, 3.15% Due 1/23/2022	350	349	358
Statoil ASA, 2.45% Due 1/17/2023	130	130	125
Statoil ASA, 2.65% Due 1/15/2024	204	204	197
Suncor Energy Inc, 6.5% Due 6/15/2038	200	267	258
Talisman Energy, 7.75% Due 6/1/2019	475	541	589
Talisman Energy, 5.85% Due 2/1/2037	55	63	60
Talisman Energy, 6.25% Due 2/1/2038	60	66	69
Talisman Energy, 5.5% Due 5/15/2042	335	329	361
Texas Eastern Transmission, 6.0% Due 9/15/2017	350	393	392
Total Capital Canada LTD, 2.75% Due 7/15/2023	107	107	104
Total Capital International SA, 1.55% Due 6/28/2017	112	112	114
Total Capital SA, 2.13% Due 8/10/2018	170	170	174
Total Capital SA, 4.13% Due 1/28/2021	200	221	219

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Par Value or Shares	Cost	Fair Value
Trans-Canada Pipelines, 6.5% Due 8/15/2018	250	249	297
Trans-Canada Pipelines, 7.13% Due 1/15/2019	400	466	490
Trans-Canada Pipelines, 3.8% Due 10/1/2020	300	316	322
Trans-Canada Pipelines, 7.63% Due 1/15/2039	50	50	72
Transocean Inc, 6.5% Due 11/15/2020	960	966	1,104
Transocean Inc, 3.8% Due 10/15/2022	125	120	122
Valero Energy Corporation, 6.13% Due 2/1/2020	300	353	356
Weatherford Bermuda, 6.5% Due 8/1/2036	231	261	274
Weatherford Bermuda, 6.75% Due 9/15/2040	300	331	366
<i>Total Energy</i>		24,386	26,063
<i>Financial Services</i>			
African Development Bank, 8.8% Due 9/1/2019	1,000	1,274	1,293
AIG Sunamer Global Fin X, 6.9% Due 3/15/2032	110	116	147
Allstate Corp, 3.15% Due 6/15/2023	140	140	141
American Express Co, 7.0% Due 3/19/2018	595	641	711
American Honda Finance, 7.63% Due 10/1/2018	500	559	614
American International Group, 4.88% Due 6/1/2022	250	272	280
American International Group, 4.13% Due 2/15/2024	228	228	240
Ameriprise Financial Inc, 4.0% Due 10/15/2023	300	299	317
Ameritech Capital Funding, 6.45% Due 1/15/2018	70	73	80
Aon Corporation, 3.5% Due 9/30/2015	121	121	125
Associates Corp NA, 6.95% Due 11/1/2018	225	205	269
AUST & NZ Banking Group, 3.25% Due 3/1/2016	200	200	209
AUST & NZ Banking Group NY, 1.88% Due 10/6/2017	250	254	254
Bank of America, 4.1% Due 7/24/2023	211	211	218
Bank of America Corp, 6.5% Due 8/1/2016	500	500	557
Bank of America Corp, 5.63% Due 10/14/2016	250	253	275
Bank of America Corp, 5.65% Due 5/1/2018	2,100	2,108	2,389
Bank of America Corp, 5.63% Due 7/1/2020	190	192	219
Bank of America Corp, 5.0% Due 5/13/2021	775	787	864
Bank of America Corp, 4.0% Due 4/1/2024	204	203	209
Bank of Montreal, 2.55% Due 11/6/2022	620	613	601
Bank of New York Mellon, 4.6% Due 1/15/2020	115	115	129
Bank of New York Mellon, 3.65% Due 2/4/2024	333	332	345
Bank of Nova Scotia, 4.38% Due 1/13/2021	214	214	239
Bank Tokyo - Mitsubishi UFJ, 3.85% Due 1/22/2015	356	356	363
Barclays Bank PLC, 3.75% Due 5/15/2024	647	647	655
BB&T Corporation, 3.2% Due 3/15/2016	365	371	381
BB&T Corporation, 4.9% Due 6/30/2017	800	776	877
BB&T Corporation, 6.85% Due 4/30/2019	225	223	275
Berkshire Hathaway Fin, 5.4% Due 5/15/2018	300	321	344
Berkshire Hathaway Fin, 3.0% Due 5/15/2022	295	302	298
Berkshire Hathaway Fin, 4.3% Due 5/15/2043	208	206	207
Berkshire Hathaway Inc, 1.9% Due 1/31/2017	190	190	195
BlackRock Inc, 6.25% Due 9/15/2017	500	524	578
BlackRock Inc, 3.38% Due 6/1/2022	360	358	372
Blackstone Holdings Financial, 5.88% Due 3/15/2021	550	548	643
Blackstone Holdings Financial, 4.75% Due 2/15/2023	230	226	253
Boston Properties LP, 3.13% Due 9/1/2023	350	323	341
Boston Properties LP, 3.8% Due 2/1/2024	398	397	406
Capital One Financial Corp, 5.5% Due 6/1/2015	200	191	210
Capital One Financial Corp, 4.75% Due 7/15/2021	400	397	446
Capital One Financial Corp, 3.5% Due 6/15/2023	1,160	1,141	1,166
CDP Financial, 4.4% Due 11/25/2019	500	566	559
Charles Schwab Corp, 3.23% Due 9/1/2022	500	508	506
Chubb Corp, 5.75% Due 5/15/2018	48	55	55
Citigroup Inc, 6.38% Due 8/12/2014	150	150	152
Citigroup Inc, 6.01% Due 1/15/2015	202	205	209
Citigroup Inc, 4.59% Due 12/15/2015	563	569	595
Citigroup Inc, 6.13% Due 11/21/2017	555	539	635
Citigroup Inc, 8.5% Due 5/22/2019	470	500	602
Citigroup Inc, 5.38% Due 8/9/2020	700	757	802
Citigroup Inc, 3.38% Due 3/1/2023	269	268	267
Citigroup Inc, 5.5% Due 9/13/2025	577	577	638
Citigroup Inc, 7.0% Due 12/1/2025	490	528	602

See accompanying notes to financial statements.



# Core Fixed Income Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Par Value or Shares	Cost	Fair Value
Citigroup Inc, 8.13% Due 7/15/2039	350	343	523
CME Group Inc, 3.0% Due 9/15/2022	300	299	301
CNA Financial Corp, 5.85% Due 12/15/2014	250	253	257
CNA Financial Corp, 6.5% Due 8/15/2016	285	295	319
CNA Financial Corp, 5.88% Due 8/15/2020	170	170	199
Comerica Bank, 5.2% Due 8/22/2017	250	252	279
Commonwealth, 6.65% Due 1/15/2018	430	390	472
Commonwealth REIT, 5.88% Due 9/15/2020	325	320	356
Corp Andina De Fomento, 3.75% Due 1/15/2016	532	534	552
Countrywide Financial Corp, 6.25% Due 5/15/2016	600	610	657
Duke Realty LP, 6.75% Due 3/15/2020	335	397	401
ERAC USA Finance Company, 5.63% Due 3/15/2042	72	77	82
ERAC USA Finance LLC, 6.7% Due 6/1/2034	365	443	458
ERP Operating-LP, 4.63% Due 12/15/2021	545	583	603
Fifth Third Bancorp, 3.63% Due 1/25/2016	455	460	476
Fifth Third Bancorp, 2.3% Due 3/1/2019	130	130	131
FMR LLC, 6.45% Due 11/15/2039	250	248	315
Ford Motor Credit Company, 1.7% Due 5/9/2016	208	208	211
Ford Motor Credit Company, 2.38% Due 3/12/2019	1,200	1,196	1,204
Ford Motor Credit Company LLC, 4.21% Due 4/15/2016	220	220	233
General Electric Capital Corp, 5.63% Due 9/15/2017	400	397	454
General Electric Capital Corp, 5.63% Due 5/1/2018	915	949	1,051
General Electric Capital Corp, 6.0% Due 8/7/2019	2,435	2,535	2,888
General Electric Capital Corp, 5.5% Due 1/8/2020	1,695	1,735	1,970
General Electric Capital Corp, 4.38% Due 9/16/2020	445	444	490
General Electric Capital Corp, 5.88% Due 1/14/2038	200	147	240
Goldman Sachs Group Inc, 3.63% Due 2/7/2016	415	415	434
Goldman Sachs Group Inc, 6.25% Due 9/1/2017	290	283	331
Goldman Sachs Group Inc, 5.95% Due 1/18/2018	200	206	228
Goldman Sachs Group Inc, 6.15% Due 4/1/2018	535	540	615
Goldman Sachs Group Inc, 2.9% Due 7/19/2018	255	255	264
Goldman Sachs Group Inc, 7.5% Due 2/15/2019	2,980	3,207	3,649
Goldman Sachs Group Inc, 5.38% Due 3/15/2020	450	447	510
Goldman Sachs Group Inc, 6.0% Due 6/15/2020	590	639	687
Goldman Sachs Group Inc, 5.25% Due 7/27/2021	138	138	155
Goldman Sachs Group Inc, 4.0% Due 3/3/2024	174	173	177
Goldman Sachs Group Inc, 6.75% Due 10/1/2037	140	144	168
HCP Inc, 3.75% Due 2/1/2019	105	105	112
HCP Inc, 2.63% Due 2/1/2020	465	465	467
HCP Inc, 4.2% Due 3/1/2024	66	66	69
HSBC Bank PLC, 1.5% Due 5/15/2018	521	515	517
HSBC Bank PLC, 4.13% Due 8/12/2020	389	387	420
HSBC Bank PLC, 4.75% Due 1/19/2021	300	300	336
HSBC Finance Corp, 5.5% Due 1/19/2016	300	307	323
HSBC Holdings PLC, 4.88% Due 1/14/2022	350	361	393
ING Bank NV, 1.38% Due 3/7/2016	600	599	606
Jefferies Group Inc, 5.13% Due 4/13/2018	340	341	373
Jefferies Group Inc, 8.5% Due 7/15/2019	590	631	735
Jefferies Group Inc, 6.45% Due 6/8/2027	330	285	373
Key Bank NA, 5.8% Due 7/1/2014	350	350	351
Keycorp, 5.1% Due 3/24/2021	550	615	628
Liberty Mutual Group Inc, 5.0% Due 6/1/2021	625	680	693
Lincoln National Corp, 4.85% Due 6/24/2021	384	409	429
Lincoln National Corp, 4.2% Due 3/15/2022	94	94	101
Macquarie Bank Ltd, 2.0% Due 8/15/2016	500	502	509
Macquarie Bank Ltd, 5.0% Due 2/22/2017	575	584	630
Macquarie Group, 7.3% Due 8/1/2014	560	562	566
Macquarie Group, 7.63% Due 8/13/2019	475	482	577
Macquarie Group, 6.25% Due 1/14/2021	237	235	272
Manuf & Traders Trust Co, 6.63% Due 12/4/2017	715	724	833
Mass Mutual Global Funding, 3.13% Due 4/14/2016	145	151	152
Mass Mutual Global Funding, 2.5% Due 10/17/2022	211	210	204
Merrill Lynch & Company Inc, 6.4% Due 8/28/2017	1,100	1,130	1,262
Merrill Lynch & Company Inc, 6.88% Due 4/25/2018	650	669	769
Met Life Global Funding I, 1.5% Due 1/10/2018	178	177	177
Met Life Global Funding I, 3.65% Due 6/14/2018	1,000	999	1,069

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Par Value or Shares	Cost	Fair Value
Met Life Global Funding I, 1.88% Due 6/22/2018	545	544	544
Morgan Stanley, 5.45% Due 1/9/2017	800	815	884
Morgan Stanley, 5.95% Due 12/28/2017	1,115	1,156	1,272
Morgan Stanley, 6.63% Due 4/1/2018	650	665	761
Morgan Stanley, 5.63% Due 9/23/2019	1,310	1,276	1,508
Morgan Stanley, 5.75% Due 1/25/2021	115	116	133
National Australia Bank, 3.0% Due 7/27/2016	500	499	523
National City Bank, 5.8% Due 6/7/2017	850	853	958
National Rural Utilities Co-op, 5.45% Due 2/1/2018	195	214	222
National Rural Utilities Co-op, 10.38% Due 11/1/2018	410	497	555
Nationwide Mutual Insurance, 9.38% Due 8/15/2039	615	744	961
Nomura Holdings Inc, 5.0% Due 3/4/2015	195	198	201
Nomura Holdings Inc, 6.7% Due 3/4/2020	94	95	113
Nordea Bank AB, 4.88% Due 5/13/2021	355	354	384
Northern Trust Company, 6.5% Due 8/15/2018	250	271	295
Pacific Life Global Funding, 5.0% Due 5/15/2017	400	400	420
PNC Bank NA, 6.88% Due 4/1/2018	250	266	295
PNC Bank NA, 2.7% Due 11/1/2022	400	400	387
PNC Financial Services Group, 3.9% Due 4/29/2024	118	118	120
PNC Funding Corp, 5.25% Due 11/15/2015	300	300	319
PNC Funding Corp, 5.63% Due 2/1/2017	300	313	333
PNC Funding Corp, 5.13% Due 2/8/2020	160	160	183
Prcoa Global Funding 1, 1.6% Due 5/29/2018	150	150	148
Principal Financial Group Inc, 1.85% Due 11/15/2017	52	52	52
Principal LFE GLB FND II, 1.0% Due 12/11/2015	47	47	47
Principal LFE GLB FND II, 2.25% Due 10/15/2018	353	352	355
Principal Life Global, 5.05% Due 3/15/2015	500	488	518
Progressive Corp, 4.35% Due 4/25/2044	362	361	368
Prudential Insurance Company, 8.3% Due 7/1/2025	650	779	892
Rabobank Nederland, 3.38% Due 1/19/2017	82	82	87
Rabobank Nederland, 4.5% Due 1/11/2021	219	219	242
Rabobank Nederland, 3.88% Due 2/8/2022	426	423	452
Rabobank Nederland, 5.8% Due 9/30/2110	300	290	334
Simon Property Group LP, 5.63% Due 8/15/2014	50	50	51
Simon Property Group LP, 6.13% Due 5/30/2018	455	504	532
Simon Property Group LP, 7.38% Due 6/15/2018	166	173	201
Simon Property Group LP, 5.65% Due 2/1/2020	275	290	323
Simon Property Group LP, 3.75% Due 2/1/2024	385	383	397
Skandinaviska Enskilda, 1.75% Due 3/19/2018	242	241	242
Southtrust Bank NA, 7.69% Due 5/15/2025	400	458	493
Stadshypotek AB, 1.88% Due 10/2/2019	332	331	329
Standard Chartered PLC, 5.2% Due 1/26/2024	500	500	532
State Street Corp, 3.1% Due 5/15/2023	54	54	53
SunTrust Banks Inc, 3.6% Due 4/15/2016	630	634	663
Svenska Handelsbanken AB, 3.13% Due 7/12/2016	494	494	519
Svenska Handelsbanken AB, 2.88% Due 4/4/2017	463	463	485
Travelers PPTY Casualty, 7.75% Due 4/15/2026	410	483	566
UBS AG Stamford CT, 5.88% Due 12/20/2017	175	177	201
UBS AG Stamford CT, 5.75% Due 4/25/2018	100	105	115
Ventas Realty LP/CAP Corp, 1.55% Due 9/26/2016	141	141	143
Ventas Realty LP/CAP Corp, 3.75% Due 5/1/2024	59	59	60
Ventas Realty LP/CAP CRP, 4.75% Due 6/1/2021	185	201	204
Wachovia Bank NA, 0.56% Due 3/15/2016	850	817	850
Wachovia Corp, 5.75% Due 6/15/2017	775	788	879
WEA Finance/WT Fin Aust, 6.75% Due 9/2/2019	658	696	802
Wells Fargo & Company, 5.63% Due 12/11/2017	865	870	985
Wells Fargo & Company, 4.6% Due 4/1/2021	425	437	474
Wells Fargo & Company, 4.48% Due 1/16/2024	209	201	221
Wells Fargo & Company, 4.1% Due 6/3/2026	323	323	326
Westpac Banking Corp, 4.88% Due 11/19/2019	406	406	458
<i>Total Financial Services</i>		79,422	86,613
<i>Health Care</i>			
Abbvie Inc, 1.75% Due 11/6/2017	283	283	285
Abbvie Inc, 2.9% Due 11/6/2022	196	195	193
Actavis Inc., 3.25% Due 10/1/2022	164	163	161

See accompanying notes to financial statements.



# Core Fixed Income Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Par Value or Shares	Cost	Fair Value
Aetna Inc, 6.75% Due 12/15/2037	490	638	654
Aetna Inc, 4.5% Due 5/15/2042	71	68	73
Amgen Inc, 6.15% Due 6/1/2018	285	314	334
Amgen Inc, 5.7% Due 2/1/2019	210	216	245
Amgen Inc, 3.45% Due 10/1/2020	610	597	641
Amgen Inc, 4.95% Due 10/1/2041	200	198	211
Amgen Inc, 5.65% Due 6/15/2042	103	103	119
Baxter International Inc, 1.85% Due 6/15/2018	214	214	215
Baxter International Inc, 4.25% Due 3/15/2020	250	270	274
Baxter International Inc, 2.4% Due 8/15/2022	127	127	120
Celgene Corporation, 3.95% Due 10/15/2020	250	268	265
Celgene Corporation, 3.25% Due 8/15/2022	294	294	293
Celgene Corporation, 3.63% Due 5/15/2024	75	75	76
Gilead Sciences Inc, 4.4% Due 12/1/2021	265	297	292
GlaxoSmithKline Cap Inc, 6.38% Due 5/15/2038	275	313	359
Medco Health Solutions, 7.13% Due 3/15/2018	690	782	820
Medtronic Inc, 4.45% Due 3/15/2020	360	407	403
Mylan Inc, 1.8% Due 6/24/2016	144	144	146
Novartis Capital Copr, 3.4% Due 5/6/2024	313	311	319
Pfizer Inc, 4.65% Due 3/1/2018	205	223	228
Pfizer Inc, 6.2% Due 3/15/2019	700	826	832
Teva Pharm Fin IV BV, 3.65% Due 11/10/2021	445	459	458
UnitedHealth Group Inc, 4.7% Due 2/15/2021	180	202	201
UnitedHealth Group Inc, 6.88% Due 2/15/2038	380	534	516
Zoetis Inc, 3.25% Due 2/1/2023	470	455	465
<i>Total Health Care</i>		8,976	9,198
<i>Technology</i>			
Apple Inc, 1.0% Due 5/3/2018	313	312	308
Apple Inc, 2.85% Due 5/6/2021	608	607	616
Apple Inc, 2.4% Due 5/3/2023	284	284	270
Cisco Systems Inc, 4.45% Due 1/15/2020	250	249	278
Cisco Systems Inc, 2.9% Due 3/4/2021	99	99	101
Cisco Systems Inc, 5.5% Due 1/15/2040	300	294	352
eBay Inc, 3.25% Due 10/15/2020	1,110	1,098	1,150
EMC Corporation, 2.65% Due 6/1/2020	410	409	417
Hewlett-Packard Company, 4.75% Due 6/2/2014	105	105	105
Hewlett-Packard Company, 3.75% Due 12/1/2020	300	298	313
Hewlett-Packard Company, 4.38% Due 9/15/2021	297	297	319
Hewlett-Packard Company, 6.0% Due 9/15/2041	122	122	138
IBM, 7.63% Due 10/15/2018	330	363	412
IBM, 8.38% Due 11/1/2019	460	574	605
IBM, 1.63% Due 5/15/2020	696	692	668
IBM, 4.0% Due 6/20/2042	508	400	491
Intel Corporation, 3.3% Due 10/1/2021	456	455	473
Intuit Inc, 5.75% Due 3/15/2017	863	912	969
Microsoft Corporation, 3.63% Due 12/15/2023	120	119	126
Microsoft Corporation, 3.75% Due 5/1/2043	500	493	468
National Semiconductor, 6.6% Due 6/15/2017	430	486	498
Oracle Corporation, 5.75% Due 4/15/2018	250	255	290
Oracle Corporation, 5.0% Due 7/8/2019	400	406	457
Oracle Corporation, 6.5% Due 4/15/2038	605	671	794
Oracle Corporation, 5.38% Due 7/15/2040	270	274	316
<i>Total Technology</i>		10,274	10,934
<i>Utilities</i>			
AGL Capital Corporation, 5.25% Due 8/15/2019	400	417	454
AGL Capital Corporation, 3.5% Due 9/15/2021	353	349	367
AGL Capital Corporation, 5.88% Due 3/15/2041	120	120	149
Alabama Power Co, 6.13% Due 5/15/2038	303	379	390
American Water Cap Corp, 6.59% Due 10/15/2037	300	350	398
Appalachian Power Company, 5.95% Due 5/15/2033	250	232	292
Arizona Public Service, 5.05% Due 9/1/2041	175	204	198
Arizona Public Service, 4.5% Due 4/1/2042	103	102	109
Atmos Energy Corp, 6.35% Due 6/15/2017	875	963	1,009
Atmos Energy Corp, 8.5% Due 3/15/2019	150	150	192

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Par Value or Shares	Cost	Fair Value
Baltimore Gas & Electric Co, 2.8% Due 8/15/2022	278	277	275
Boston Gas Company, 4.49% Due 2/15/2042	85	85	88
Centerpoint Energy Inc, 6.5% Due 5/1/2018	310	347	360
Cleveland Electric Illum, 7.88% Due 11/1/2017	300	326	362
Cleveland Electric Illum, 8.88% Due 11/15/2018	225	241	288
Commonwealth Edison, 4.6% Due 8/15/2043	300	299	324
Connecticut Light and Power, 5.65% Due 5/1/2018	435	488	495
Cons Edison Co of NY, 5.1% Due 6/15/2033	200	209	224
Cons Edison Co of NY, 6.3% Due 8/15/2037	150	161	197
Cons Edison Co of NY, 5.5% Due 12/1/2039	350	340	419
Consumers Energy Company, 6.7% Due 9/15/2049	394	456	483
Detroit Edison Company, 3.9% Due 6/1/2021	310	333	336
Detroit Edison Company, 2.65% Due 6/15/2022	53	53	52
Dominion Resources Inc, 6.4% Due 6/15/2018	465	493	547
Dominion Resources Inc, 5.2% Due 8/15/2019	50	55	57
Dominion Resources Inc, 4.9% Due 8/1/2041	64	63	68
DTE Energy Company, 3.5% Due 6/1/2024	120	120	121
Duke Energy Carolinas, 7.0% Due 11/15/2018	250	280	305
Duke Energy Carolinas, 4.3% Due 6/15/2020	211	211	233
Duke Energy Carolinas, 3.9% Due 6/15/2021	210	226	228
Duke Energy Carolinas, 6.0% Due 1/15/2038	71	93	91
Duke Energy Corp, 3.55% Due 9/15/2021	176	177	185
Duke Energy Ohio Inc, 5.45% Due 4/1/2019	395	402	456
Electricite De France, 2.15% Due 1/22/2019	194	192	196
Enel Finance International NV, 5.13% Due 10/7/2019	700	699	788
Entergy Gulf States LA, 6.0% Due 5/1/2018	380	417	432
Exelon Generation Co LLC, 4.0% Due 10/1/2020	288	288	305
Exelon Generation Co LLC, 5.75% Due 10/1/2041	86	86	96
Florida Power & Light, 3.25% Due 6/1/2024	500	499	507
Florida Power & Light, 5.95% Due 10/1/2033	120	148	152
Florida Power & Light, 4.95% Due 6/1/2035	250	294	283
Florida Power & Light, 5.96% Due 4/1/2039	335	365	432
Florida Power Corp, 6.4% Due 6/15/2038	280	320	377
Georgia Power Company, 5.25% Due 12/15/2015	200	201	214
Great Plains Energy Inc, 6.38% Due 3/1/2018	280	318	325
Great Plains Energy Inc, 5.3% Due 10/1/2041	385	383	432
Indiana Michigan Power, 7.0% Due 3/15/2019	145	158	177
John Sevier Comb Cycle, 4.63% Due 1/15/2042	1,128	1,175	1,213
Kentucky Utilities, 3.25% Due 11/1/2020	170	182	178
Massachusetts Electric, 5.9% Due 11/15/2039	182	181	222
Midamerican Energy Co, 3.7% Due 9/15/2023	485	483	510
Midamerican Energy Holdings Co, 6.13% Due 4/1/2036	125	155	156
Nevada Power Company, 6.5% Due 8/1/2018	355	403	423
Nevada Power Company, 7.13% Due 3/15/2019	300	322	369
Nevada Power Company, 5.38% Due 9/15/2040	51	51	60
Nextera Energy Capital, 1.2% Due 6/1/2015	39	39	39
Nextera Energy Capital, 6.0% Due 3/1/2019	125	125	145
Niagara Mohawk Power, 4.88% Due 8/15/2019	100	100	113
NiSource Finance Corp, 6.4% Due 3/15/2018	750	839	867
NiSource Finance Corp, 5.45% Due 9/15/2020	299	329	341
Northern States Power- Minn, 6.25% Due 6/1/2036	360	388	470
Northern States Power- Minn, 5.35% Due 11/1/2039	64	64	76
Nstar Electric Co, 2.38% Due 10/15/2022	200	198	191
Ohio Power Company, 6.05% Due 5/1/2018	205	201	238
Oncor Electric Delivery, 6.8% Due 9/1/2018	615	679	736
Pacific Gas & Electric Corp, 8.25% Due 10/15/2018	605	718	760
Pacific Gas & Electric Corp, 3.25% Due 9/15/2021	49	49	51
Pacific Gas & Electric Corp, 6.35% Due 2/15/2038	420	580	535
PacifiCorp, 5.5% Due 1/15/2019	350	359	405
PacifiCorp, 6.1% Due 8/1/2036	316	355	405
Pennsylvania Electric Co, 6.05% Due 9/1/2017	210	227	231
Potomac Electric Power, 5.4% Due 6/1/2035	180	213	205
Potomac Electric Power, 7.9% Due 12/15/2038	455	623	708
PPL Capital Funding Inc, 4.2% Due 6/15/2022	120	127	128
Progress Energy Carolina, 5.3% Due 1/15/2019	200	206	230
Progress Energy Carolina, 2.8% Due 5/15/2022	83	83	83

See accompanying notes to financial statements.

## Core Fixed Income Pool

### Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Par Value or Shares	Cost	Fair Value
Progress Energy Carolina, 4.1% Due 3/15/2043	150	149	149
Progress Energy Inc, 7.75% Due 3/1/2031	100	120	142
PSEG Power LLC, 5.13% Due 4/15/2020	504	513	568
PSEG Power LLC, 4.15% Due 9/15/2021	152	152	162
Public Service Colorado, 3.2% Due 11/15/2020	45	45	47
Public Service Electric & Gas, 5.38% Due 11/1/2039	169	176	202
Public Service Oklahoma, 5.15% Due 12/1/2019	213	226	242
Public Service Oklahoma, 4.4% Due 2/1/2021	137	136	151
San Diego Gas & Electric, 5.35% Due 5/15/2040	27	27	33
Sempra Energy, 6.5% Due 6/1/2016	100	100	111
Sempra Energy, 9.8% Due 2/15/2019	450	535	603
Sempra Energy, 2.88% Due 10/1/2022	105	105	103
Sempra Energy, 4.05% Due 12/1/2023	137	137	145
Sierra Pacific Power Co, 3.38% Due 8/15/2023	98	98	100
South Carolina E & G, 4.5% Due 6/1/2064	55	54	56
Southern Cal Edison, 4.15% Due 9/15/2014	100	100	101
Southern Cal Edison, 6.05% Due 3/15/2039	250	248	321
Southern Cal Edison, 5.5% Due 3/15/2040	170	167	206
Southern Calif Gas Co, 5.75% Due 11/15/2035	375	479	470
Southern Company, 1.95% Due 9/1/2016	130	130	133
Southwestern Electric Power, 6.45% Due 1/15/2019	115	121	137
Southwestern Public Service, 8.75% Due 12/1/2018	288	327	371
State Grid Overseas Inv, 3.13% Due 5/22/2023	600	594	582
Teco Finance Inc, 5.15% Due 3/15/2020	570	644	644
Virginia Electric & Power Co, 5.4% Due 4/30/2018	490	497	560
Virginia Electric & Power Co, 3.45% Due 2/15/2024	71	71	73
Wisconsin Electric Power, 1.7% Due 6/15/2018	300	300	300
Wisconsin Electric Power, 2.95% Due 9/15/2021	11	11	11
Xcel Energy Inc, 4.7% Due 5/15/2020	45	45	50
<i>Total Utilities</i>		29,130	31,329
Total Corporate Bonds - 23.7%		224,844	242,508
<b><u>Corporate Asset Backed Issues</u></b>			
Academic Loan Funding Trust, 0.95% Due 12/27/2022	318	318	321
Ally Auto Receivables Trust, 0.45% Due 7/15/2014	39	39	39
Ally Auto Receivables Trust, 1.55% Due 10/15/2014	45	45	45
American Credit Acceptance Rec, 1.64% Due 5/15/2015	101	101	102
American Credit Acceptance Rec, 1.45% Due 12/15/2015	420	420	421
American Credit Acceptance Rec, 1.32% Due 2/15/2017	632	632	633
Americredit Auto Receivables, 0.51% Due 6/8/2014	58	58	58
Americredit Auto Receivables, 1.05% Due 11/10/2014	83	83	83
Americredit Auto Receivables, 0.62% Due 7/8/2015	155	155	155
Americredit Auto Receivables, 0.49% Due 4/8/2016	39	39	39
Ascentium Equipment Receivable, 1.83% Due 9/15/2019	119	119	119
Bank of America Auto Trust, 0.78% Due 3/15/2015	136	136	137
Bayview Opportunity Master Tst, 3.23% Adj, Due 3/28/2033	972	972	972
BXG Receivables Note Trust, 2.66% Due 7/2/2019	227	227	227
California Republic Auto Recv, 1.18% Due 3/15/2016	328	328	329
Carlyle Global Market Strategy, 2.13% Due 7/15/2019	867	867	867
Carnow Auto Receivables Trust, 1.16% Due 10/16/2017	151	151	151
CFC LLC, 1.65% Due 7/17/2017	315	315	317
Chase Funding Mortgage Loan, 4.5% Due 11/25/2034	96	96	96
Chase Funding Mortgage Loan, 5.31% Adj, Due 11/25/2034	500	477	516
Chase Funding Mortgage Loan, 4.28% Due 11/25/2034	460	422	465
CNH Equipment Trust, 2.04% Due 10/17/2016	207	207	208
CNH Equipment Trust, 0.94% Due 5/15/2017	113	113	114
Concord Funding Company LLC, 2.42% Due 2/15/2015	500	500	500
Concord Funding Company LLC, 3.15% Due 1/15/2017	1,250	1,250	1,250
CPS Auto Trust, 3.68% Due 5/16/2016	140	142	144
CPS Auto Trust, 4.21% Due 9/15/2016	192	192	198
CPS Auto Trust, 2.78% Due 11/15/2016	123	123	125
CPS Auto Trust, 2.52% Due 3/15/2017	573	573	581
CPS Auto Trust, 1.82% Due 6/15/2017	298	298	300
Credit Acceptance Auto Loan, 1.52% Due 3/16/2020	453	453	455
Exeter Auto Receivables Trust, 1.29% Due 12/15/2015	124	124	124

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Par Value or Shares	Cost	Fair Value
Exeter Auto Receivables Trust, 1.3% Due 6/15/2017	182	182	182
Exeter Automobile Receivables, 1.49% Due 11/15/2017	698	698	701
Exeter Automobile Receivables, 1.29% Due 5/15/2018	767	767	769
First Investors Auto Owner Tst, 1.47% Due 5/15/2018	121	121	122
Flagship Credit Auto Trust, 1.32% Due 4/15/2016	478	478	479
GMAT Trust, 3.72% Adj, Due 2/25/2044	430	430	431
HLSS Servicer Advance Receiv, 1.15% Due 5/15/2015	498	498	498
HLSS Servicer Advance Receiv, 1.99% Due 10/15/2015	438	438	442
HLSS Servicer Advance Receiv, 1.5% Due 1/15/2016	599	599	600
HLSS Servicer Advance Receiv, 1.74% Due 1/15/2016	186	186	186
Honda Auto Receivables Owner, 0.77% Due 5/18/2017	310	310	308
Honda Auto Receivables Trust, 0.97% Due 3/16/2016	68	68	68
Huntington Auto Trust, 0.81% Due 5/15/2015	166	166	166
Huntington Auto Trust, 1.01% Due 1/15/2016	77	77	77
Huntington Auto Trust, 1.31% Due 11/15/2016	400	400	403
Hyundai Auto Receivables Trust, 1.63% Due 7/15/2015	264	264	265
John Deere Owner Trust, 1.96% Due 4/16/2018	202	202	202
LV Tower 52, 5.5% Due 6/15/2018	1,068	1,068	1,072
Macquarie Equipment Fdg Trust, 0.61% Due 10/20/2014	286	286	286
Nationstar Agency Advance Fdg, 1.0% Due 2/17/2015	337	337	336
Nationstar Agency Advance Fdg, 1.89% Due 2/15/2018	168	168	165
Nationstar Mortgage Advance, 1.68% Due 6/20/2016	800	800	800
NCUA Guaranteed Notes, 0.5% Adj, Due 12/7/2020	139	139	139
Normandy Mortgage Loan Trust, 4.95% Due 9/16/2043	2,912	2,912	2,912
NYMT Residential LLC, 4.85% Adj, Due 9/25/2018	1,313	1,313	1,313
Ondeck Asset Securitization, 3.15% Due 5/17/2018	651	651	651
Park Place Securities Inc, 1.09% Due 10/25/2034	674	645	669
PFS Tax Lien Trust, 1.44% Due 9/17/2018	379	379	379
Progreso Receivables Funding, 4.0% Due 7/9/2018	1,000	993	988
Residential Asset Mtg Prod, 0.49% Due 10/25/2035	262	262	259
Residential Asset Mtg Prod, 0.45% Due 3/25/2036	1,021	975	972
Santander Drive Auto Rec Trust, 2.06% Due 7/15/2014	28	28	28
Santander Drive Auto Rec Trust, 1.08% Due 4/15/2016	42	42	42
Santander Drive Auto Rec Trust, 0.83% Due 12/15/2016	90	90	90
Santander Drive Auto Rec Trust, 2.39% Due 6/15/2017	321	321	321
Saxon Asset Securities Trust, 4.8% Adj, Due 6/25/2033	185	187	187
SNAAC Auto Receivables Trust, 1.14% Due 10/15/2015	69	69	69
Springcastle SPV, 3.75% Due 4/5/2021	1,207	1,205	1,218
Springleaf Funding Trust, 2.58% Due 3/15/2016	3,250	3,247	3,271
Springleaf Funding Trust, 2.41% Due 6/15/2017	1,400	1,400	1,403
Springleaf Mortgage Loan Trust, 2.67% Due 9/25/2057	226	226	230
Springleaf Mortgage Loan Trust, 6.0% Due 9/25/2057	650	605	695
Stanwich Mortgage Loan Trust, 2.98% Due 10/16/2015	916	916	924
Stanwich Mortgage Loan Trust, 2.98% Due 9/15/2042	129	129	130
Stanwich Mortgage Loan Trust, 2.98% Due 10/18/2042	50	50	50
Trafigura Securitisation Fin, 2.55% Due 4/15/2015	1,190	1,190	1,203
Vericrest Opportunity Loan, 3.25% Due 5/25/2017	743	743	743
Vericrest Opportunity Loan, 3.63% Adj, Due 10/27/2053	1,126	1,126	1,138
Vericrest Opportunity Loan, 3.63% Adj, Due 11/25/2053	1,125	1,125	1,131
VFC LLC, 3.13% Due 12/20/2014	234	234	236
Wells Fargo Mortgage Backed Se, 2.62% Adj, Due 3/25/2035	1,412	1,433	1,436
Westgate Resorts, 4.5% Due 9/20/2015	376	376	380
Westgate Resorts, 3.0% Due 1/20/2025	442	442	446
Westgate Resorts, 2.5% Due 3/20/2025	182	182	183
<b>Total Corporate Asset Backed Issues - 4.1%</b>		<b>42,153</b>	<b>42,485</b>
<b>Corporate CMO</b>			
A10 Securitization, 3.49% Due 4/15/2024	396	396	397
A10 Securitization, 2.4% Due 11/15/2025	514	514	517
American General Mortgage Loan, 5.15% Due 3/25/2040	63	63	63
American General Mortgage Loan, 5.75% Due 9/25/2048	432	424	433
American Tower Trust I, 1.55% Due 3/15/2018	380	382	378
ASG Resecuritization Trust, 5.36% Adj, Due 5/24/2036	400	400	407
ASG Resecuritization Trust, 5.36% Adj, Due 5/24/2036	113	113	114
ASG Resecuritization Trust, 2.07% Adj, Due 3/26/2037	774	762	774

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Par Value or Shares	Cost	Fair Value
ASG Resecuritization Trust, 2.13% Adj, Due 6/26/2037	422	367	415
ASG Resecuritization Trust, 6.0% Due 6/28/2037	364	364	377
Banc of Amer Altern Loan Trust, 5.0% Due 9/25/2018	213	213	216
Banc of Amer Altern Loan Trust, 5.5% Due 2/25/2019	202	195	207
Banc of Amer Altern Loan Trust, 5.5% Due 9/25/2019	152	152	159
Banc of Amer Altern Loan Trust, 5.5% Due 9/25/2033	212	190	221
Banc of Amer Altern Loan Trust, 5.5% Due 11/25/2033	96	96	98
Banc of Amer Altern Loan Trust, 6.0% Due 1/25/2034	212	206	224
Banc of Amer Altern Loan Trust, 6.0% Due 1/25/2034	358	345	373
Banc of America Commercial Mtg, 4.73% Due 7/10/2043	600	581	617
Banc of America Commercial Mtg, 5.89% Due 7/10/2044	981	978	1,063
Banc of America Commercial Mtg, 5.37% Due 9/10/2045	660	619	699
Banc of America Commercial Mtg, 5.12% Due 10/10/2045	222	222	231
Banc of America Commercial Mtg, 5.63% Due 7/10/2046	684	675	739
Banc of America Funding Corp, 5.5% Due 10/25/2034	474	470	497
Banc of America Funding Corp, 5.08% Adj, Due 12/20/2034	129	128	129
Banc of America Funding Corp, 5.19% Adj, Due 2/26/2035	374	389	382
Banc of America Merrill Lynch, 2.96% Due 12/10/2030	187	192	185
Banc of America Mortgage Sec, 0.6% Due 8/25/2018	84	83	84
Banc of America Mortgage Sec, 5.0% Due 4/25/2019	51	52	52
Banc of America Mortgage Sec, 6.5% Due 9/25/2032	102	101	107
Banc of America Mortgage Sec, 2.62% Adj, Due 4/25/2033	162	161	167
Banc of America Mortgage Sec, 5.5% Due 5/25/2033	383	388	399
Banc of America Mortgage Sec, 2.7% Adj, Due 6/25/2033	195	195	197
Banc of America Mortgage Sec, 2.7% Adj, Due 4/25/2034	520	516	528
Banc of America Mortgage Sec, 5.5% Due 4/25/2034	443	459	456
Bank of America Corp, 5.75% Due 9/20/2034	270	239	292
BB-UBS Trust, 2.89% Due 6/5/2020	1,000	1,019	982
BB-UBS Trust, 3.43% Due 11/5/2024	1,100	1,090	1,092
BCAP LLC Trust, 5.5% Due 11/26/2034	506	481	522
BCAP LLC Trust, 4.98% Adj, Due 4/26/2035	106	106	105
BCAP LLC Trust, 1.99% Adj, Due 5/26/2037	478	475	479
BCAP LLC Trust, 5.75% Due 6/26/2037	206	204	210
BCAP LLC Trust, 2.21% Adj, Due 7/26/2045	949	953	956
Bear Stearns Adj Rate Mortgage, 2.38% Adj, Due 7/25/2033	179	180	181
Bear Stearns Adj Rate Mortgage, 2.98% Adj, Due 5/25/2034	91	92	92
Bear Stearns Adj Rate Mortgage, 2.16% Adj, Due 8/25/2035	279	270	284
Bear Stearns Alt-A Trust, 0.79% Due 7/25/2034	575	560	552
Bear Stearns Commercial Mtg, 5.47% Due 6/11/2041	31	31	31
Bear Stearns Commercial Mtg, 5.54% Due 10/12/2041	296	279	322
Chase Mortgage Finance Corp, 2.64% Adj, Due 2/25/2037	496	486	500
Chase Mortgage Finance Corp, 2.65% Adj, Due 2/25/2037	131	130	131
Chase Mortgage Finance Corp, 2.65% Adj, Due 7/25/2037	295	274	296
Citigroup Commercial Mortgage, 2.11% Due 1/12/2018	381	388	386
Citigroup Commercial Mortgage, 4.83% Adj, Due 5/15/2043	400	400	412
Citigroup Mortgage Loan Trust, 5.25% Due 10/25/2033	169	138	175
Citigroup Mortgage Loan Trust, 2.82% Adj, Due 8/25/2034	98	98	96
Citigroup Mortgage Loan Trust, 2.61% Adj, Due 2/25/2035	154	154	156
Citigroup Mortgage Loan Trust, 5.5% Due 5/25/2035	271	270	279
Citigroup Mortgage Loan Trust, 6.0% Due 6/25/2036	624	576	650
Citigroup Mortgage Loan Trust, 4.0% Due 11/25/2036	1,201	1,215	1,237
Citigroup Mortgage Loan Trust, 4.5% Due 12/25/2036	1,306	1,329	1,347
Citigroup Mortgage Loan Trust, 2.68% Adj, Due 11/25/2038	640	640	647
Cobalt CMBS Commercial Mortgage, 5.22% Due 8/15/2048	236	248	252
Commercial Mortgage Pass-Thru, 4.98% Due 5/10/2043	1,000	980	1,026
Countrywide Home Loans, 4.5% Due 6/25/2019	171	167	176
Countrywide Home Loans, 5.0% Due 10/25/2033	383	370	400
Countrywide Home Loans, 5.25% Due 4/25/2034	645	634	675
Credit Suisse Mortgage Capital, 3.25% Due 7/27/2037	432	433	429
Credit Suisse Mortgage Capital, 5.67% Due 3/15/2039	500	499	533
Credit Suisse Mortgage Capital, 1.15% Adj, Due 2/27/2047	287	287	287
Credit Suisse Mortgage Capital, 1.15% Due 6/28/2047	933	926	893
Credit Suisse Mortgage Capital, 3.59% Adj, Due 6/25/2050	300	289	298
CS First Boston Mortgage Sec, 2.73% Adj, Due 6/25/2033	340	327	341
CS First Boston Mortgage Sec, 5.25% Due 11/25/2033	583	569	597
CS First Boston Mortgage Sec, 5.5% Due 9/25/2034	395	416	432

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Par Value or Shares	Cost	Fair Value
CS First Boston Mortgage Sec, 5.5% Due 12/25/2034	483	506	523
CS First Boston Mortgage Sec, 4.73% Due 7/15/2037	400	399	414
DBRR Trust, 0.85% Due 11/25/2015	580	580	579
DBRR Trust, 0.95% Due 9/25/2045	15	15	15
Deutsche ALT-A Sec Inc Mtg, 5.74% Adj, Due 2/25/2020	171	170	177
Deutsche Mortgage Securities, 0.28% Adj, Due 4/26/2037	76	76	75
Federal Home Loan Mortgage, 3.0% Due 6/15/2043	1,000	844	915
First Horizon Mortgage Ps Thru, 4.5% Due 9/25/2018	141	141	141
GE Capital Commercial Mortgage, 4.83% Due 6/10/2048	1,000	1,002	1,020
GE Capital Commercial Mortgage, 4.85% Due 6/10/2048	500	501	507
GMAC Commercial Mortgage Sec, 5.24% Due 11/10/2045	1,729	1,627	1,803
GMAC Mortgage Corp Loan Trust, 5.0% Due 1/25/2020	124	125	127
GMAC Mortgage Corp Loan Trust, 2.94% Adj, Due 10/19/2033	450	433	449
GMAC Mortgage Corp Loan Trust, 5.0% Due 10/25/2033	258	249	269
GMAC Mortgage Corp Loan Trust, 5.0% Due 11/25/2033	402	371	415
GMAC Mortgage Corp Loan Trust, 2.87% Adj, Due 12/19/2033	853	840	859
GMAC Mortgage Corp Loan Trust, 6.5% Due 1/25/2035	298	307	314
Government National Mortgage, 0.6% Adj, Due 11/20/2059	1,190	1,188	1,191
Greenwich Capital Comm Funding, 4.86% Adj, Due 1/10/2015	210	209	214
GS Mortgage Securities Trust, 2.32% Due 1/10/2018	489	498	495
GS Mortgage Securities Trust, 2.71% Due 12/10/2019	470	481	477
GS Mortgage Securities Trust, 5.55% Due 4/10/2038	1,000	952	1,061
GSR Mortgage Loan Trust, 6.0% Due 9/25/2034	382	366	398
GSR Mortgage Loan Trust, 0.5% Due 3/25/2035	440	286	386
GSR Mortgage Loan Trust, 0.65% Due 6/25/2035	57	51	55
GSR Mortgage Loan Trust, 5.5% Due 1/25/2037	62	54	62
Household Home Equity Loan Tst, 0.31% Due 1/20/2036	263	236	261
Household Home Equity Loan Tst, 0.3% Due 3/20/2036	219	201	217
Household Home Equity Loan Tst, 0.35% Due 3/20/2036	142	129	141
Household Home Equity Loan Tst, 1.35% Due 11/20/2036	337	296	337
IMPAC CMB Trust, 0.45% Due 5/25/2035	303	273	304
IMPAC Secured Assets Corp, 5.5% Due 8/25/2033	470	443	496
IMPAC Secured Assets Corp, 0.5% Due 5/25/2036	342	297	339
IMPAC Secured Assets Corp, 0.5% Due 8/25/2036	537	484	530
JP Morgan Chase Commercial Mtg, 5.58% Adj, Due 7/12/2014	200	200	200
JP Morgan Chase Commercial Mtg, 5.39% Adj, Due 8/12/2037	700	705	725
JP Morgan Chase Commercial Mtg, 5.55% Due 5/12/2045	487	505	524
JP Morgan Chase Commercial Mtg, 5.4% Due 5/15/2045	936	874	1,010
JP Morgan Chase Commercial Mtg, 0.31% Due 5/15/2047	340	340	339
JP Morgan Mortgage Trust, 2.56% Adj, Due 11/25/2033	707	702	707
JP Morgan Mortgage Trust, 2.7% Adj, Due 8/25/2034	899	857	899
JP Morgan Mortgage Trust, 3.15% Adj, Due 2/25/2035	449	449	457
JP Morgan Mortgage Trust, 2.66% Adj, Due 7/25/2035	574	575	590
JP Morgan Re-REMIC, 1.87% Adj, Due 8/26/2035	227	227	227
Ladder Capital Commercial Mtg, 3.99% Due 2/15/2028	461	472	452
Lake Country Mortgage Loan Tst, 0.5% Due 7/25/2034	181	174	181
LB-UBS Commercial Mortgage Tst, 5.16% Due 1/15/2016	300	293	317
LB-UBS Commercial Mortgage Tst, 5.43% Due 2/15/2040	329	361	362
Master Adjustable Rate Mtg, 2.64% Adj, Due 11/21/2034	979	971	1,000
Master Reperforming Loan Trust, 0.5% Due 5/25/2035	610	415	519
MASTR Asset Securitization, 5.5% Due 9/25/2033	59	52	61
MASTR Asset Securitization, 5.25% Due 12/25/2033	659	679	694
Merrill Lynch Mortgage Invest, 0.77% Due 10/25/2028	241	227	239
Merrill Lynch Mortgage Invest, 2.63% Adj, Due 7/25/2033	111	109	115
MLCC Mortgage Investors Inc, 0.61% Due 4/25/2029	300	279	288
MLCC Mortgage Investors Inc, 0.83% Due 4/25/2029	268	222	265
MLCC Mortgage Investors Inc, 1.05% Due 8/25/2029	316	293	312
MLCC Mortgage Investors Inc, 2.47% Adj, Due 8/25/2034	190	186	196
MLCC Mortgage Investors Inc, 2.15% Adj, Due 12/25/2034	431	421	423
Morgan Stanley BAML Trust, 3.67% Due 1/15/2021	1,000	1,028	1,050
Morgan Stanley Capital I, 4.05% Due 6/15/2021	340	342	367
Morgan Stanley Capital I, 5.65% Adj, Due 6/11/2042	250	250	280
Morgan Stanley Mortgage Loan, 5.69% Adj, Due 4/25/2034	207	210	219
Morgan Stanley Re-REMIC Trust, 2.0% Due 9/27/2017	1,430	1,431	1,437
Morgan Stanley Re-REMIC Trust, 0.25% Due 3/27/2019	400	307	329
Morgan Stanley Re-REMIC Trust, 1.0% Due 4/27/2019	308	304	310

See accompanying notes to financial statements.



# Core Fixed Income Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Par Value or Shares	Cost	Fair Value
Morgan Stanley Re-REMIC Trust, 4.97% Due 4/16/2040	90	90	90
NCUA Guaranteed Notes, 2.65% Due 1/1/2018	3,413	3,417	3,511
NCUA Guaranteed Notes, 2.9% Due 10/29/2020	1,500	1,565	1,560
NCUA Guaranteed Notes, 0.71% Adj, Due 12/8/2020	727	727	733
NCUA Guaranteed Notes, 2.4% Due 12/8/2020	304	303	310
Northstar, 2.0% Due 3/25/2019	1,077	1,076	1,077
Northstar, 5.15% Due 7/25/2019	250	249	248
Northstar Mortgage Trust, 1.35% Adj, Due 4/25/2015	578	578	578
Prime Mortgage Trust, 6.0% Due 2/25/2034	164	169	173
RBSCF Trust, 3.26% Due 2/11/2023	531	540	531
RBSSP Resecuritization Trust, 6.5% Due 2/26/2036	478	478	515
RBSSP Resecuritization Trust, 4.0% Due 5/26/2037	235	233	240
RCMC, 5.62% Due 12/15/2018	568	568	581
Residential Accredit Loans, 16.31% Due 10/25/2017	74	74	77
Residential Accredit Loans, 0.8% Due 7/25/2033	314	283	300
Residential Accredit Loans, 5.5% Due 8/25/2033	722	722	737
Residential Accredit Loans, 5.75% Due 10/25/2033	352	330	371
Residential Accredit Loans, 5.5% Due 5/25/2034	1,645	1,349	1,684
Salomon Brothers Mortgage Sec, 3.95% Adj, Due 4/25/2032	99	88	100
Salomon Brothers Mortgage Sec, 2.62% Adj, Due 9/25/2033	385	373	393
Senior Homeowner as Program, 4.0% Due 5/25/2053	1,186	1,170	1,168
Sequoia Mortgage Trust, 0.45% Due 12/20/2034	1,285	1,218	1,230
Springleaf Mortgage Loan Trust, 2.22% Due 10/25/2057	563	563	570
Springleaf Mortgage Loan Trust, 6.0% Due 10/25/2057	600	583	628
Springleaf Mortgage Loan Trust, 4.05% Adj, Due 1/25/2058	544	543	568
Springleaf Mortgage Loan Trust, 5.45% Due 1/25/2058	1,000	989	1,050
Springleaf Mortgage Loan Trust, 1.27% Due 6/25/2058	374	374	372
Springleaf Mortgage Loan Trust, 2.31% Due 6/25/2058	414	414	404
Springleaf Mortgage Loan Trust, 3.14% Due 6/25/2058	288	288	283
Springleaf Mortgage Loan Trust, 3.79% Due 6/25/2058	286	286	283
Springleaf Mortgage Loan Trust, 1.57% Due 12/25/2059	799	798	798
Springleaf Mortgage Loan Trust, 2.66% Due 12/25/2059	308	308	307
Springleaf Mortgage Loan Trust, 3.56% Due 12/25/2059	235	235	237
Springleaf Mortgage Loan Trust, 4.44% Due 12/25/2059	177	177	182
Springleaf Mortgage Loan Trust, 5.3% Due 12/25/2059	121	121	125
Springleaf Mortgage Loan Trust, 1.78% Adj, Due 12/25/2065	2,895	2,869	2,889
Springleaf Mortgage Loan Trust, 3.52% Adj, Due 12/25/2065	498	483	502
Springleaf Mortgage Loan Trust, 4.48% Adj, Due 12/25/2065	1,500	1,435	1,545
Structured Asset Mortgage Inv, 0.85% Due 3/19/2034	1,208	1,165	1,187
Structured Asset Mortgage Inv, 0.48% Adj, Due 10/19/2034	519	473	494
Structured Asset Securities Co, 3.45% Due 2/25/2032	239	222	238
Structured Asset Securities Co, 0.65% Due 6/25/2033	159	153	158
Structured Asset Securities Co, 5.5% Due 10/25/2033	445	435	455
Structured Asset Securities Co, 5.5% Adj, Due 11/25/2033	99	98	103
Structured Asset Securities Co, 3.62% Adj, Due 12/25/2033	157	157	159
Structured Asset Securities Co, 5.54% Due 12/25/2033	741	714	762
Structured Asset Securities Co, 5.55% Adj, Due 3/25/2034	441	427	458
Structured Asset Securities Co, 4.51% Adj, Due 2/25/2035	693	700	698
Structured Asset Securities Co, 5.0% Due 5/25/2035	83	64	84
Thornburg Mtg Securities Trust, 0.79% Due 9/25/2043	415	386	408
Thornburg Mtg Securities Trust, 2.0% Adj, Due 12/25/2044	298	300	300
TIAA Seasoned Commercial Mtg, 5.56% Adj, Due 8/15/2039	772	773	786
UBS-BAMLL Trust, 3.66% Due 6/10/2022	578	588	584
UBS-Barclays Commercial Mortg, 3.24% Due 3/10/2023	229	235	230
Vendee Mortgage Trust, 6.75% Due 6/15/2026	540	566	627
Vendee Mortgage Trust, 6.75% Due 6/15/2028	459	516	527
VNO Mortgage Trust, 3.0% Due 11/15/2022	544	556	538
Wachovia Bank Comm Mtg Trust, 5.22% Due 1/15/2041	199	204	199
Wachovia Bank Comm Mtg Trust, 5.72% Adj, Due 5/15/2043	1,354	1,307	1,440
WAMU Mortgage Pass-Through Cer, 5.5% Due 8/25/2019	307	306	317
WAMU Mortgage Pass-Through Cer, 2.3% Adj, Due 8/25/2033	144	140	146
WAMU Mortgage Pass-Through Cer, 2.41% Adj, Due 8/25/2033	179	177	181
WAMU Mortgage Pass-Through Cer, 2.42% Adj, Due 9/25/2033	545	539	556
WAMU Mortgage Pass-Through Cer, 2.44% Adj, Due 9/25/2033	205	200	208
WAMU Mortgage Pass-Through Cer, 5.25% Due 10/25/2033	1,008	934	1,036
WAMU Mortgage Pass-Through Cer, 0.55% Due 3/25/2034	1	1	1

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Par Value or Shares	Cost	Fair Value
WAMU Mortgage Pass-Through Cer, 2.38% Adj, Due 6/25/2034	164	152	167
WAMU Mortgage Pass-Through Cer, 2.38% Adj, Due 6/25/2034	410	408	418
WAMU Mortgage Pass-Through Cer, 5.5% Due 6/25/2034	686	669	720
WAMU Mortgage Pass-Through Cer, 5.0% Due 7/25/2034	331	340	348
Wells Fargo Mortgage Backed, 2.49% Adj, Due 11/25/2033	370	368	380
Wells Fargo Mortgage Backed, 2.49% Adj, Due 2/25/2034	215	215	217
Wells Fargo Mortgage Backed, 2.61% Adj, Due 9/25/2034	911	855	931
Wells Fargo Mortgage Backed, 2.64% Adj, Due 10/25/2034	383	363	385
Wells Fargo Mortgage Backed, 2.62% Adj, Due 10/25/2034	301	293	305
Wells Fargo Mortgage Backed, 2.62% Adj, Due 10/25/2034	207	190	215
Wells Fargo Mortgage Backed, 2.61% Adj, Due 12/25/2034	422	398	432
Wells Fargo Mortgage Backed, 2.63% Adj, Due 12/25/2034	209	188	212
Wells Fargo Mortgage Backed, 2.61% Adj, Due 12/25/2034	282	267	289
Wells Fargo Mortgage Backed, 2.63% Adj, Due 12/25/2034	209	205	213
Wells Fargo Mortgage Backed, 2.62% Adj, Due 6/25/2035	113	108	114
Wells Fargo Mortgage Loan Trst, 2.85% Adj, Due 8/27/2037	872	873	877
Wells Fargo Re-REMIC Trust, 1.75% Due 4/20/2017	401	400	401
WF-RBS Commercial Mortgage Tst, 4.38% Due 5/15/2021	600	604	657
WF-RBS Commercial Mortgage Tst, 3.44% Due 1/15/2022	400	403	414
<b>Total Corporate CMO - 10.6%</b>		<b>104,404</b>	<b>108,841</b>
<b>Corporate CMO Interest-Only</b>			
Bear Stearns Commercial Mtg, 0.75% Adj, Due 6/11/2041	12,567	193	71
Citigroup/Deutsche Bank Commer, 0.08% Adj, Due 1/15/2046	62,168	158	64
Citigroup/Deutsche Bank Commer, 0.38% Adj, Due 12/11/2049	36,898	319	323
Commercial Mortgage Pass-Thru, 1.93% Adj, Due 8/15/2045	999	97	108
LB-UBS Commercial Mortgage Tst, 0.37% Adj, Due 2/15/2041	22,686	173	118
Merrill Lynch/Countrywide Comm, 0.21% Adj, Due 12/12/2049	14,534	138	173
Morgan Stanley Capital I, 0.5% Adj, Due 12/15/2043	13,347	172	147
Morgan Stanley Capital I, 0.22% Adj, Due 2/12/2044	33,806	114	163
Morgan Stanley Mortgage Loan, 5.5% Due 8/25/2034	3,259	394	383
Washington Mutual MSC Mortgage, 5.5% Due 5/25/2035	509	44	135
<b>Total Corporate CMO Interest-Only - 0.2%</b>		<b>1,802</b>	<b>1,685</b>
<b>Corporate CMO Principal-Only</b>			
Master Resecuritization Trust, Due 5/28/2035	209	115	167
Structured Asset Mortgage Inv, Due 7/25/2032	104	80	95
Washington Mutual MSC Mortgage, Due 7/25/2033	147	96	131
<b>Total Corporate CMO Principal-Only - 0.0%</b>		<b>291</b>	<b>393</b>
<b>Foreign Government Bonds</b>			
<i>Canada</i>			
Nova Scotia Province, 9.25% Due 3/1/2020	200	246	269
Quebec Province, 6.35% Due 1/30/2026	900	1,082	1,137
<i>Total Canada</i>		<u>1,328</u>	<u>1,406</u>
<i>Israel</i>			
Aid-Israel, Zero Coupon, Due 3/15/2018	5,000	4,646	4,730
Aid-Israel, Zero Coupon, Due 2/15/2022	2,500	2,124	2,040
<i>Total Israel</i>		<u>6,770</u>	<u>6,770</u>
<i>Mexico</i>			
United Mexican States, 3.5% Due 1/21/2021	294	292	305
United Mexican States, 4.0% Due 10/2/2023	578	576	608
United Mexican States, 4.75% Due 3/8/2044	364	359	371
United Mexican States, 5.55% Due 1/21/2045	162	161	185
United Mexican States, 5.75% Due 10/12/2110	326	315	349
<i>Total Mexico</i>		<u>1,703</u>	<u>1,818</u>
<i>Poland</i>			
Republic of Poland, 4.0% Due 1/22/2024	162	161	169

See accompanying notes to financial statements.



## Core Fixed Income Pool

### Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Par Value or Shares	Cost	Fair Value
<i>South Africa</i>			
Republic of South Africa, 5.88% Due 9/16/2025	200	197	225
Total Foreign Government Bonds - 1.0%		10,159	10,388
<b><u>Foreign Corporate Bond</u></b>			
<i>Germany</i>			
Deutsche Bank AG London, 3.7% Due 5/30/2024 - 0.0%	333	332	335
<b><u>Short-term Issue</u></b>			
Dreyfus Cash Management Institutional Fund - 3.0%	31,347,581	31,348	31,348
<b><u>Investments Made with Cash Collateral for Securities Loaned</u></b>			
BNY Mellon Securities Lending Overnight Fund		55,261	55,261
Mellon SL DBT II Liquidating Fund		198	196
Total Investments Made with Cash Collateral for Securities Loaned - 5.4%		55,459	55,457
Total Investments - 105.2%		\$ 1,034,475	\$ 1,082,007

See accompanying notes to financial statements.

## Core Fixed Income Pool

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**Statement of Operations - Unaudited**  
**Period Ended May 31, 2014\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>		
Interest	\$ 3,187	\$ 36,669
Dividends	2	8
Net securities lending income	<u>5</u>	<u>60</u>
<b>Total investment income</b>	3,194	36,737
<b>Expenses</b>		
Investment advisor fees	(130)	(1,566)
Trustee fees	-	(3)
Custodian bank fees	(6)	(69)
Management fees	(24)	(298)
Fiduciary bond fees	-	(2)
Professional service fees	<u>(4)</u>	<u>(67)</u>
<b>Total expenses</b>	<u>(164)</u>	<u>(2,005)</u>
<b>Investment income, net</b>	3,030	34,732
<b>Realized and unrealized gain (loss) from investments</b>		
Net realized gain from investments	55	13,396
Net change in unrealized appreciation (depreciation) on investments	<u>8,944</u>	<u>(873)</u>
<b>Net gain from investments</b>	<u>8,999</u>	<u>12,523</u>
<b>Net increase in net assets from operations</b>	<u>\$ 12,029</u>	<u>\$ 47,255</u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## Core Fixed Income Pool

### Statement of Changes in Net Assets - Unaudited

Period Ended May 31, 2014\*

*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 3,030	\$ 34,732
Net realized gain from investments	55	13,396
Net change in unrealized appreciation (depreciation) on investments	8,944	(873)
<b>Net increase in net assets from operations</b>	12,029	47,255
<b>Distributions to unitholders</b>		
Investment income, net	(3,030)	(34,732)
<b>Unit transactions</b>		
Proceeds from sale of units	26,025	123,781
Reinvestment of distributions	3,009	34,117
Amount paid for repurchase of units	(3,033)	(419,450)
<b>Net increase (decrease) in net assets from unit transactions</b>	26,001	(261,552)
<b>Increase (decrease) in net assets</b>	35,000	(249,029)
<b>Net assets, beginning of period</b>	993,738	1,277,767
<b>Net assets, end of period</b>	\$ 1,028,738	\$ 1,028,738
<b>Unit data</b>		
Units sold	2,351,141	11,229,449
Units issued from reinvestment of distributions	271,758	3,098,260
Units repurchased	(274,007)	(38,022,518)
<b>Net increase (decrease) in units</b>	2,348,892	(23,694,809)

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Core Fixed Income Pool

## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate 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 Coal Workers' Pneumoconiosis funds, and certain other state government funds.

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

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's Core Fixed Income Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. Generally Accepted Accounting Principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The main objective of this Pool is to generate investment income, provide stability and diversification, but not at the expense of total return. JP Morgan Investment Advisors, Inc. (JPM) manages this Pool. This Pool's investment objective, net of external investment management fees, is to meet or exceed the Barclays Capital U.S. Aggregate Index.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Investment Valuation** - The IMB invests funds of the State and its component units, all of which are government entities. The IMB reports its investments at fair value in accordance with the Financial Accounting Standards Board's Accounting Standards Codification Topic 820 (ASC 820). Refer to Note 3 for further discussion and presentation of the reporting requirements under ASC 820.

# Core Fixed Income Pool

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## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value of the Pool's portfolio securities is determined as follows:

- Fixed income securities are valued according to prices furnished by independent pricing services to the Pool's custodian. These services determine the security prices by a number of methods including, but not limited to, dealer quotes, live market trading levels when available, live feeds of trade execution data, spreads over U.S. Treasury securities, and other models and formulae appropriate to the specific security type.
- Open-end regulated investment companies or other commingled investment funds are valued at the net asset value of the fund as reported by the fund's administrator.

Investments for which the fair value cannot be determined by one of the above listed processes are valued at fair value as determined in accordance with the IMB's established procedures.

**Security Loans** - The IMB, through its agent, the Bank of New York Mellon, loans securities to various brokers on a temporary basis. Each transaction for U.S. securities is secured by initial collateral of at least 102 percent of the market value of the securities loaned. For international securities, the collateral is at least 105 percent of the market value of the securities on loan. Cash collateral received is invested in the BNY Institutional Cash Reserves Trust, specifically the BNY Mellon Securities Lending Overnight Fund, and the Mellon GSL Reinvestment Trust, specifically of the Mellon SL DBT II Liquidating Fund. Such investments are made at the risk of the Pool and, as such, the Pool is liable for investment losses. Investments made with cash are reported at fair value on the Statement of Assets and Liabilities. Securities loaned remain on the Statement of Assets and Liabilities and Schedule of Investments. The IMB receives compensation in the form of loan premium fees and income from the investment of the cash collateral. Expenses related to the lending of securities are rebates paid by the lending agent to brokers and the lending agent's fees for its services. The income earned by the IMB is reported in the Statement of Operations as net securities lending income. Unrealized gains or losses resulting from changes in the value of the investment of cash collateral are reported as part of the change in unrealized appreciation or depreciation of investments. The IMB 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 Statement of Operations as a change in unrealized appreciation or depreciation on investments.

**Asset-Backed Securities** - The Pool invests in various asset-backed securities, mortgage-backed securities, and structured corporate debt. The securities are reported at fair value, which is determined by a third party pricing service based on asset portfolio pricing models and other sources. The Pool invests 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 GAAP 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.

**Interest Income** - Interest income is recognized as earned on the accrual method. 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 asset-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 reflected in the Statement of Operations in the year of the change.

# Core Fixed Income Pool

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## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

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

**Distributions to Participants** - The monthly net investment income is declared as a dividend on the last day of the month and distributed to the participants of the Pool on the first day of the following 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 Pool does not routinely distribute dividends of net realized gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. Accordingly, no provision for income taxes is required as of May 31, 2014.

**Indemnifications** - In the normal course of business, the IMB has entered into contracts that provide a variety of indemnifications. Any exposure to the Pool under these arrangements would involve future claims that may be made against the IMB. The Pool's maximum exposure under these arrangements is unknown. No such claims have occurred, nor are they expected to occur and the IMB expects the risk of loss to be remote.

### NOTE 3. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

ASC 820 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

## Core Fixed Income Pool

### Notes to Financial Statements (Amounts in thousands, except share data)

#### NOTE 3. FAIR VALUE MEASUREMENTS (continued)

The table below summarizes the valuation of the investment securities in accordance with ASC 820 fair value hierarchy levels as of May 31, 2014:

Assets	Level 1	Level 2	Level 3	Total
Corporate asset backed issues	\$ -	\$ 42,485	\$ -	\$ 42,485
Corporate bonds	-	242,508	-	242,508
Corporate CMO	-	108,841	-	108,841
Corporate CMO interest-only	-	1,685	-	1,685
Corporate CMO principal-only	-	393	-	393
Foreign government bonds	-	10,388	-	10,388
Foreign corporate bonds	-	335	-	335
Investments made with cash collateral for securities loaned	-	55,457	-	55,457
Municipal bonds	-	8,378	-	8,378
Short-term issue	31,348	-	-	31,348
U.S. Government agency bonds	-	24,709	-	24,709
U.S. Government agency CMO	-	166,680	-	166,680
U.S. Government agency CMO interest-only	-	9,210	-	9,210
U.S. Government agency CMO principal-only	-	13,165	-	13,165
U.S. Government agency MBS	-	201,504	-	201,504
U.S. Treasury bonds	-	164,921	-	164,921
Total	<u>\$ 31,348</u>	<u>\$ 1,050,659</u>	<u>\$ -</u>	<u>\$ 1,082,007</u>

There were no transfers in or out of Levels 1 and 2 during the period ended May 31, 2014.

#### NOTE 4. SECURITIES LENDING

The following table presents the amounts of various accounts related to securities lending at May 31, 2014.

Fair value of securities on loan	\$ 57,476		
Initial collateral received:	Cost	Fair Value	Unrealized Depreciation
Cash	<u>\$ 55,459</u>	\$ 55,457	<u>\$ (2)</u>
Non-cash		<u>3,510</u>	
Total		<u>\$ 58,967</u>	

#### NOTE 5. INVESTMENT ADVISORY FEES

The IMB has approved an investment advisory agreement with JPM to manage the investments of the Pool. This agreement provides for quarterly payments, based on average end of month assets under management, to the investment advisor. The IMB makes these payments and the Pool transfers funds to the IMB to facilitate the payments.

The fees paid to JPM consist of a base fee of 0.075 percent annually of the net assets under management and a performance incentive fee that is earned when the actual investment return exceeds the return of the Barclays Capital US Aggregate index over rolling three-year periods. The maximum fee allowable under the agreement is 0.15 percent annually of the net assets under management. The effective fee rate earned by JPM for the period ended May 31, 2014, was 0.15 percent.

# Core Fixed Income Pool

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## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 6. FINANCIAL HIGHLIGHTS

**Per Unit Operating Performance:**

Net asset value at June 30, 2013	\$	11.03
Income from investment operations:		
Net investment income		0.34
Net realized and unrealized gain on investment transactions		<u>0.14</u>
Total from investment operations		0.48
Less distributions from net investment income		<u>(0.34)</u>
Net asset value at May 31, 2014	\$	<u>11.17</u>

**Total Return \*** 4.4%

**Supplemental Data:**

Net assets, end of period	\$	1,028,738
Ratio to average net assets:		
Expenses **		0.19%
Net investment income **		3.30%
Portfolio turnover rate		15.75%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized



## Core Fixed Income Pool

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### Notes to Financial Statements (Amounts in thousands, except share data)

#### NOTE 7. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at May 31, 2014. The balances do not include the dividend declared by the Pool on the last day of the month and reinvested to the participant's account on the first day of the following month.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 276,675
Public Employees' Retirement System	237,997
Workers' Compensation Old Fund	177,836
Revenue Shortfall Reserve Fund - Part B	72,903
Revenue Shortfall Reserve Fund	70,727
West Virginia Prepaid Tuition Trust Fund	40,153
Coal Workers' Pneumoconiosis Fund	28,406
West Virginia Retiree Health Benefit Trust Fund	25,702
Public Employees Insurance Agency	25,293
State Police Death, Disability and Retirement Fund	23,948
Board of Risk and Insurance Management	16,289
Judges' Retirement System	7,050
Deputy Sheriff's Retirement System	6,967
State Police Retirement System	5,490
West Virginia Department of Environmental Protection Agency	4,359
Emergency Medical Services Retirement System	2,405
Wildlife Endowment Fund	2,324
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	1,669
Workers' Compensation Uninsured Employers' Fund	966
Workers' Compensation Self-Insured Employer Security Risk Pool	777
West Virginia Department of Environmental Protection Trust	689
Municipal Model A	64
Municipal Police Officers' and Firefighters' Retirement System	49
Total	<u>\$ 1,028,738</u>



**Financial Statements - Unaudited**

**May 31, 2014**



# TIPS Pool

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## Financial Statements - Unaudited May 31, 2014

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# TIPS Pool

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## Statement of Assets and Liabilities - Unaudited

May 31, 2014

(Amounts in thousands, except unit data)

### Assets

Investments at fair value (cost \$607,543), including securities on loan of \$231,488 (Note 4)	\$	619,097
Receivables:		
Accrued interest		2,103
Investments sold		18,358
Securities lending income		10
		<hr/>
<b>Total assets</b>		639,568

### Liabilities

Accrued expenses		61
Payable for investments purchased		18,435
		<hr/>
<b>Total liabilities</b>		18,496
		<hr/>
<b>Net assets</b>	\$	<u>621,072</u>

### Analysis of net assets

Paid-in capital	\$	548,720
Accumulated undistributed net investment income		18,206
Accumulated undistributed net realized gain from investments		42,592
Unrealized net appreciation of investments		11,554
		<hr/>
<b>Net assets</b>	\$	<u>621,072</u>

### Unit data

Units outstanding		56,687,074
Net asset value, unit price	\$	<u>10.96</u>

See accompanying notes to financial statements.

# TIPS Pool

## Schedule of Investments - Unaudited May 31, 2014 (Amounts in thousands, except share data)

Description	Par Value or Shares	Cost	Fair Value
<b><u>U.S. Treasury Inflation-Protected Securities</u></b>			
United States Treasury, 1.88% Due 7/15/2015	11,105	\$ 13,860	\$ 14,052
United States Treasury, 2.0% Due 1/15/2016	11,359	14,011	14,285
United States Treasury, 0.13% Due 4/15/2016	25,389	27,707	27,902
United States Treasury, 2.5% Due 7/15/2016	11,310	13,991	14,396
United States Treasury, 2.38% Due 1/15/2017	9,794	12,196	12,572
United States Treasury, 0.13% Due 7/15/2017	33,399	36,196	35,926
United States Treasury, 2.63% Due 7/15/2017	8,629	10,829	11,033
United States Treasury, 1.63% Due 1/15/2018	9,211	11,005	11,347
United States Treasury, 0.13% Due 7/15/2018	33,265	35,105	35,153
United States Treasury, 1.38% Due 7/15/2018	9,351	10,933	11,214
United States Treasury, 2.13% Due 1/15/2019	8,662	10,360	10,757
United States Treasury, 0.13% Due 4/15/2019	17,027	17,586	17,670
United States Treasury, 1.88% Due 7/15/2019	9,788	11,756	12,215
United States Treasury, 1.38% Due 1/15/2020	12,022	13,863	14,420
United States Treasury, 1.25% Due 7/15/2020	18,632	21,441	22,163
United States Treasury, 1.13% Due 1/15/2021	21,377	23,780	25,033
United States Treasury, 0.63% Due 7/15/2021	23,379	25,418	25,856
United States Treasury, 0.13% Due 1/15/2022	25,914	27,947	27,262
United States Treasury, 0.13% Due 7/15/2022	27,157	29,895	28,141
United States Treasury, 0.13% Due 1/15/2023	27,385	29,230	28,009
United States Treasury, 0.38% Due 7/15/2023	27,386	27,443	28,433
United States Treasury, 0.63% Due 1/15/2024	33,394	34,448	35,135
United States Treasury, 2.38% Due 1/15/2025	14,314	20,606	21,861
United States Treasury, 2.0% Due 1/15/2026	10,979	14,421	15,475
United States Treasury, 2.38% Due 1/15/2027	8,976	12,473	12,971
United States Treasury, 1.75% Due 1/15/2028	9,351	11,385	12,197
United States Treasury, 3.63% Due 4/15/2028	6,378	12,281	13,156
United States Treasury, 2.5% Due 1/15/2029	9,230	12,134	12,875
United States Treasury, 3.88% Due 4/15/2029	7,714	14,989	16,288
United States Treasury, 3.38% Due 4/15/2032	3,078	5,455	5,945
United States Treasury, 2.13% Due 2/15/2040	6,779	8,837	9,403
United States Treasury, 2.13% Due 2/15/2041	6,629	8,376	9,137
United States Treasury, 0.75% Due 2/15/2042	12,029	13,064	11,789
United States Treasury, 0.63% Due 2/15/2043	8,922	8,206	8,286
United States Treasury, 1.38% Due 2/15/2044	5,383	5,551	5,975
Total U.S. Treasury Inflation-Protected Securities - 99.6%		606,778	618,332
<b><u>Short-term Issue</u></b>			
Dreyfus Cash Management Institutional Fund - 0.1%	764,839	765	765
Total Investments - 99.7%		\$ 607,543	\$ 619,097

See accompanying notes to financial statements.

# TIPS Pool

**Statement of Operations - Unaudited**  
**Period Ended May 31, 2014\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>		
Interest	\$ 3,991	\$ 10,349
Net securities lending income	<u>10</u>	<u>125</u>
<b>Total investment income</b>	4,001	10,474
<b>Expenses</b>		
Investment advisor fees	(12)	(133)
Trustee fees	-	(2)
Custodian bank fees	(2)	(18)
Management fees	(14)	(164)
Fiduciary bond fees	-	(1)
Professional service fees	<u>(3)</u>	<u>(37)</u>
<b>Total expenses</b>	<u>(31)</u>	<u>(355)</u>
<b>Investment income, net</b>	3,970	10,119
<b>Realized and unrealized gain (loss) from investments</b>		
Net realized gain (loss) from investments	406	(1,514)
Net change in unrealized appreciation (depreciation) on investments	<u>8,498</u>	<u>15,102</u>
<b>Net gain from investments</b>	<u>8,904</u>	<u>13,588</u>
<b>Net increase in net assets from operations</b>	<u>\$ 12,874</u>	<u>\$ 23,707</u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*



# TIPS Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended May 31, 2014\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 3,970	\$ 10,119
Net realized gain (loss) from investments	406	(1,514)
Net change in unrealized appreciation (depreciation) on investments	8,498	15,102
<b>Net increase in net assets from operations</b>	12,874	23,707
<b>Unit transactions</b>		
Proceeds from sale of units	6,537	58,511
Amount paid for repurchase of units	-	(118,240)
<b>Net increase (decrease) in net assets from unit transactions</b>	6,537	(59,729)
<b>Increase (decrease) in net assets</b>	19,411	(36,022)
<b>Net assets, beginning of period</b>	601,661	657,094
<b>Net assets, end of period</b>	\$ 621,072	\$ 621,072
<b>Unit data</b>		
Units sold	609,282	5,543,850
Units repurchased	-	(11,304,512)
<b>Net increase (decrease) in units</b>	609,282	(5,760,662)

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# TIPS Pool

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## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate 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 Coal Workers' Pneumoconiosis funds, and certain other state government funds.

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

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's TIPS Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. Generally Accepted Accounting Principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The Pool invests in Treasury Inflation-Protected Securities (TIPS) and its objective is to match the performance of the Barclay's Capital U.S. TIPS Bond Index on an annualized basis over rolling three-year to five-year periods, gross of fees. Assets are managed by State Street Global Advisors (SSgA).

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Investment Valuation** - The IMB reports its investments at fair value in accordance with the Financial Accounting Standards Board's Accounting Standards Codification Topic 820 (ASC 820). Refer to Note 3 for further discussion and presentation of the reporting requirements under ASC 820.

# TIPS Pool

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## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value of the Pool's portfolio securities is determined as follows:

- Fixed income securities are valued according to prices furnished by independent pricing services to the Pool's custodian. These services determine the security prices primarily by dealer quotes.
- Open-end regulated investment companies or other commingled investment funds are valued at the net asset value of the fund as reported by the fund's administrator.

Investments for which the fair value cannot be determined by one of the above listed processes are valued at fair value as determined in accordance with the IMB's established procedures.

**Security Loans** - The IMB, through its agent, the Bank of New York Mellon, loans securities to various brokers on a temporary basis. Each transaction for U.S. securities is secured by initial collateral of at least 102 percent of the market value of the securities loaned. Cash collateral received is invested in the BNY Institutional Cash Reserves Trust, specifically the BNY Mellon Securities Lending Overnight Fund, and the Mellon GSL Reinvestment Trust, specifically of the Mellon SL DBT II Liquidating Fund. Such investments are made at the risk of the Pool and, as such, the Pool is liable for investment losses. Investments made with cash are reported at fair value on the Statement of Assets and Liabilities. Securities loaned remain on the Statement of Assets and Liabilities and Schedule of Investments. The IMB receives compensation in the form of loan premium fees and income from the investment of the cash collateral. Expenses related to the lending of securities are rebates paid by the lending agent to brokers and the lending agent's fees for its services. The income earned by the IMB is reported in the Statement of Operations as net securities lending income. Unrealized gains or losses resulting from changes in the value of the investment of cash collateral are reported as part of the change in unrealized appreciation or depreciation of investments. The IMB 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 Statement of Operations as a change in unrealized appreciation or depreciation on investments.

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

**Use of Estimates** - The preparation of the financial statements in conformity with GAAP 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.

**Interest Income** - Interest income is recognized as earned on the accrual method. 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. For TIPS the principal amount is adjusted monthly to keep pace with inflation. Interest is accrued based on the adjusted principal amount. The adjustments to principal due to inflation are reflected as increases or decreases to interest income.

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

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or net realized gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

# TIPS Pool

## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. Accordingly, no provision for income taxes is required as of May 31, 2014.

**Indemnifications** - In the normal course of business, the IMB has entered into contracts that provide a variety of indemnifications. Any exposure to the Pool under these arrangements would involve future claims that may be made against the IMB. The Pool's maximum exposure under these arrangements is unknown. No such claims have occurred, nor are they expected to occur and the IMB expects the risk of loss to be remote.

### NOTE 3. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

ASC 820 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with ASC 820 fair value hierarchy levels as of May 31, 2014:

<u>Assets</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Short-term issue	\$ 765	\$ -	\$ -	\$ 765
U.S. Treasury inflation-protected securities	-	618,332	-	618,332
Total	<u>\$ 765</u>	<u>\$ 618,332</u>	<u>\$ -</u>	<u>\$ 619,097</u>

There were no transfers in or out of Levels 1 and 2 during the period ended May 31, 2014.

# TIPS Pool

## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 4. SECURITIES LENDING

The following table presents the amounts of various accounts related to securities lending at May 31, 2014.

Fair value of securities on loan	\$	231,488		
Initial collateral received:		Cost	Fair Value	Unrealized Depreciation
Cash	\$	-	\$ -	\$ -
Non-cash			237,218	
Total			\$ 237,218	

### NOTE 5. INVESTMENT ADVISORY FEES

The IMB has approved an investment advisory agreement with SSgA to manage the investments of the Pool. This agreement provides for quarterly payments, based on average end of month assets under management, to the investment advisor. The IMB makes these payments and the Pool transfers funds to the IMB to facilitate the payments.

The fees paid to SSgA include a base fee of 0.03 percent annually on the first \$200 million of net assets under management and a base fee of 0.02 percent annually on the assets over \$200 million. The effective fee rate earned by SSgA for the period ended May 31, 2014, was 0.02 percent.

### NOTE 6. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2013	\$	10.52
Income from investment operations:		
Net investment income		0.17
Net realized and unrealized gain on investment transactions		0.27
Total from investment operations		0.44
Net asset value at May 31, 2014	\$	10.96

**Total Return \*** 4.1%

#### Supplemental Data:

Net assets, end of period	\$	621,072
Ratio to average net assets:		
Expenses **		0.06%
Net investment income **		1.75%
Portfolio turnover rate		40.22%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized

# TIPS Pool

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## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 7. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at May 31, 2014. The balances do not include the dividend declared by the Pool on the last day of the month and reinvested to the participant's account on the first day of the following month.

<u>Participant</u>	<u>Account Value</u>
Revenue Shortfall Reserve Fund	\$ 240,079
Workers' Compensation Old Fund	118,073
Teachers' Retirement System	64,800
Revenue Shortfall Reserve Fund - Part B	57,462
Public Employees' Retirement System	55,865
Coal Workers' Pneumoconiosis Fund	27,257
Public Employees Insurance Agency	21,481
Board of Risk and Insurance Management	14,790
West Virginia Retiree Health Benefit Trust Fund	5,782
State Police Death, Disability and Retirement Fund	5,757
Judges' Retirement System	1,641
Deputy Sheriff's Retirement System	1,594
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	1,584
State Police Retirement System	1,179
Workers' Compensation Uninsured Employers' Fund	1,074
West Virginia Department of Environmental Protection Trust	866
Workers' Compensation Self-Insured Employer Security Risk Pool	723
Emergency Medical Services Retirement System	523
Wildlife Endowment Fund	518
Municipal Model A	14
Municipal Police Officers' and Firefighters' Retirement System	10
Total	<u>\$ 621,072</u>

**Financial Statements - Unaudited**

**May 31, 2014**





# TRS Annuity Pool

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## Financial Statements - Unaudited May 31, 2014

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# TRS Annuity Pool

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## Statement of Assets and Liabilities - Unaudited

May 31, 2014

(Amounts in thousands, except unit data)

<b>Assets</b>	\$	-
<b>Liabilities</b>		
Accrued expenses		<u>28</u>
	<b>Net assets</b>	<u><u>\$ (28)</u></u>
<b>Analysis of net assets</b>		
Paid-in capital	\$	363
Accumulated undistributed net investment loss		<u>(391)</u>
	<b>Net assets</b>	<u><u>\$ (28)</u></u>

See accompanying notes to financial statements.

## TRS Annuity Pool

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### Statement of Operations - Unaudited

Period Ended May 31, 2014\*

(Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>	\$ -	\$ -
<b>Expenses</b>		
Professional service fees	<u>(2)</u>	<u>(297)</u>
<b>Total expenses</b>	<u>(2)</u>	<u>(297)</u>
<b>Investment loss, net</b>	<u>(2)</u>	<u>(297)</u>
<b>Net decrease in net assets from operations</b>	<u>\$ (2)</u>	<u>\$ (297)</u>

\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed.  
See accompanying notes to financial statements.

## TRS Annuity Pool

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### Statement of Changes in Net Assets - Unaudited

Period Ended May 31, 2014\*

(Amounts in thousands, except unit data)

	<u>Month</u>	<u>Year To Date</u>
<b>Operations</b>		
Investment loss, net	\$ (2)	\$ (297)
<b>Unit transactions</b>		
Proceeds from sale of units	-	363
<b>Increase in net assets from unit transactions</b>	-	363
<b>Increase (decrease) in net assets</b>	(2)	66
<b>Net assets, beginning of period</b>	(26)	(94)
<b>Net assets, end of period</b>	<u>\$ (28)</u>	<u>\$ (28)</u>

\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed.  
See accompanying notes to financial statements.

# TRS Annuity Pool

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## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate 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 Coal Workers' Pneumoconiosis funds, and certain other state government funds.

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

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the TRS Annuity Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. Generally Accepted Accounting Principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The Pool held an investment contract issued by the Variable Annuity Life Insurance Company (VALIC) strictly for the benefit of the Teachers Retirement System (TRS). On December 10, 2008, the IMB assumed responsibility for this investment as part of the restructuring of the Teachers Defined Contribution (TDC) plan, a separate retirement plan administered solely by the Consolidated Public Retirement System, whereby certain TDC participants elected to transfer the ownership of their individual TDC retirement accounts to the TRS in exchange for current participation in the TRS defined benefit plan. The final amount transferred under the contract was \$248,293.

The IMB initially requested the immediate redemption of the entire balance but VALIC denied the request, claiming the amounts were subject to withdrawal restrictions. Effective April 23, 2009, the IMB, while reserving its rights under the contract, executed the appropriate forms with VALIC to elect to withdraw funds under the Five Year Equal Annual Installment method. By making this election the guaranteed minimum annual yield of 4.5 percent became the fixed rate for this contract. The first four withdrawals of \$55,058 each occurred on May 4, 2009, 2010, 2011 and 2012. The final withdraw of \$55,191 occurred on May 8, 2013.

# TRS Annuity Pool

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## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY (continued)

In response to VALIC's denial to allow the IMB to liquidate the contract in its entirety, the IMB sued VALIC and the litigation is ongoing. The outcome of the litigation is unknown and accordingly the IMB has not accrued any potential revenues from the case. There are ongoing legal fees associated with this litigation and these expenses are accrued to the Pool. The funding for the payment of these expenses results from contributions by the TRS into the TRS Annuity Pool. Amounts recovered pursuant to the litigation, if any, will be recorded in the TRS Annuity Pool and distributed to the TRS. Once the case is resolved the TRS Annuity Pool will be closed.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Investment Valuation** - The investment contract held by this Pool was the sole investment of the Pool and it was fully redeemed on May 8, 2013. However, the Pool is to be kept open so that all on-going expenses associated with the investment contract can be properly reported and charged to the TRS.

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

**Use of Estimates** - The preparation of the financial statements in conformity with GAAP 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.

**Interest Income** - Interest income is recognized as earned on the accrual method.

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or net realized gains

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. Accordingly, no provision for income taxes is required as of May 31, 2014.

**Financial Statements - Unaudited**

**May 31, 2014**





# Private Equity Pool

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## Financial Statements - Unaudited May 31, 2014

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# Private Equity Pool

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## Statement of Assets and Liabilities - Unaudited

May 31, 2014

(Amounts in thousands, except unit data)

### Assets

Investments at fair value (cost \$1,054,874)	\$	1,388,851
Cash		20
Dividends receivable		<u>1</u>
<b>Total assets</b>		<b>1,388,872</b>

### Liabilities

Accrued expenses		<u>219</u>
<b>Net assets</b>	<b>\$</b>	<b><u><u>1,388,653</u></u></b>

### Analysis of net assets

Paid-in capital	\$	904,141
Accumulated undistributed net investment loss		(7,718)
Accumulated undistributed net realized gain from investments		158,253
Unrealized net appreciation of investments		<u>333,977</u>
<b>Net assets</b>	<b>\$</b>	<b><u><u>1,388,653</u></u></b>

### Unit data

Units outstanding		93,493,282
Net asset value, unit price	\$	<u><u>14.85</u></u>

See accompanying notes to financial statements.

# Private Equity Pool

## Schedule of Investments - Unaudited

**May 31, 2014**

*(Amounts in thousands, except share data)*

Description	Shares	Cost	Fair Value
<b><u>Private Equity Partnerships</u></b>			
<i>Corporate Finance - Buyout Funds</i>			
Advent International GPE VI - A, L.P.		\$ 29,334	\$ 43,444
Investment Objective - To provide risk capital for, and make investments in the securities of, privately held and publicly listed companies primarily in Europe and North America. Contractual termination date is in March 2018.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
Altaris Health Partners III, L.P.		2,656	2,656
Investment Objective - To make growth equity investments in control and non-control environments in small and lower middle market companies within the healthcare industry. Contractual termination date is in March 2023.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
Carlyle Partners V, L.P.		32,683	45,488
Investment Objective - To generate superior, long-term capital appreciation through privately negotiated equity and equity related investments. Contractual termination date is in December 2018.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
Court Square Capital Partners III, L.P.		6,064	5,672
Investment Objective - To make leveraged acquisitions of mature, upper middle market companies in the U.S., primarily in the business services, general industrial, healthcare, and telecom & technology sectors. Contractual termination date is in May 2023.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
Franklin Park International Fund 2013, L.P.		3,481	3,121
Investment Objective - To realize long-term compounded returns in excess of those available through conventional investments in the public equity markets by investing in funds outside of the United States, Canada, and western Europe. Contractual termination date is in February 2028.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
Hellman & Friedman Capital Partners VII, L.P.		23,562	25,990
Investment Objective - To make investments, both domestically and internationally, in public and private companies seeking long-term capital appreciation. Contractual termination date is in June 2021.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			

*See accompanying notes to financial statements.*

# Private Equity Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

*(Amounts in thousands, except share data)*

Description	Shares	Cost	Fair Value
JFL Equity Investors III, L.P. Investment Objective - To seek long-term capital appreciation by acquiring, holding, and disposing of securities involved in or connected with defense, aerospace, marine, or engineering industries. Contractual termination date is in September 2020. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		13,781	16,301
LS Power Equity Partners III, L.P. Investment Objective - To acquire and operate electric power generation and transmission assets in the United States through multi-asset acquisitions. Contractual termination date is in February 2024. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		419	(299)
Mason Wells Buyout Fund III, L.P. Investment Objective - To deliver superior risk-adjusted investment returns by applying the Mason Wells Value Creation System to drive improvements to operating and financial performance at portfolio companies. Contractual termination date is in August 2020. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		25,295	22,110
Natural Gas Partners IX, L.P. Investment Objective - To generate long-term capital gains through equity investments in companies engaged in the energy and resource related industries, with an emphasis on privately negotiated equity investments in North American oil and gas companies. Contractual termination date is in December 2017. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		29,929	36,718
NGP Natural Resources X, L.P. Investment Objective - To generate long-term capital gains through equity investments in companies engaged in the energy, water, and food and agriculture sectors, with an emphasis on privately negotiated equity investments in North American oil and gas companies. Contractual termination date is in December 2021. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		31,508	33,227
Odyssey Investment Partners Fund IV, L.P. Investment Objective - To seek long-term capital appreciation by principally pursuing control oriented equity and equity related investments in middle market companies located primarily in the United States. Contractual termination date is in August 2018. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		20,360	25,421

*See accompanying notes to financial statements.*

# Private Equity Pool

## Schedule of Investments - Unaudited (continued)

**May 31, 2014**

*(Amounts in thousands, except share data)*

Description	Shares	Cost	Fair Value
Riverside Fund IV, L.P.		23,090	26,703
<p>Investment Objective - To pursue and add value to control investments in small, profitable healthcare and technology companies primarily in the United States through financial and operational improvements and to grow the companies both organically and through add-on acquisitions. Contractual termination date is in December 2019.</p> <p>Redemption Provisions - Upon termination of the partnership.</p> <p>A detail of the underlying investments is not available.</p>			
Riverside Fund V, L.P.		8,351	6,962
<p>Investment Objective - To pursue and add value to control investments in small, profitable healthcare and technology companies primarily in the United States through financial and operational improvements and to grow the companies both organically and through add-on acquisitions. Contractual termination date is in May 2022.</p> <p>Redemption Provisions - Upon termination of the partnership.</p> <p>A detail of the underlying investments is not available.</p>			
Thoma Bravo Fund X, L.P.		16,990	20,510
<p>Investment Objective - To seek long-term capital appreciation by acquiring, holding, and disposing of securities involved in or connected with enterprise and infrastructure software, financial and business services, and education. Contractual termination date is in December 2021.</p> <p>Redemption Provisions - Upon termination of the partnership.</p> <p>A detail of the underlying investments is not available.</p>			
Wellspring Capital Partners V, L.P.		18,863	16,059
<p>Investment Objective - To target under-managed or underperforming companies possessing strong core franchises and solid fundamentals in the consumer products, manufacturing, retail, distribution, and business and consumer service industries. Contractual termination date is in June 2021.</p> <p>Redemption Provisions - Upon termination of the partnership.</p> <p>A detail of the underlying investments is not available.</p>			
Welsh, Carson, Anderson & Stowe XI, L.P.		33,628	47,108
<p>Investment Objective - To provide capital to domestic or foreign corporations, partnerships and joint ventures and to assist in developing the business of those enterprises. Contractual termination date is in May 2020.</p> <p>Redemption Provisions - Upon termination of the partnership.</p> <p>A detail of the underlying investments is not available.</p>			

*See accompanying notes to financial statements.*

# Private Equity Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Shares	Cost	Fair Value
Wicks Capital Partners Fund IV, L.P.		14,902	17,422
Investment Objective - To invest in and build middle market businesses in selected segments of the information, education and media industries. Contractual termination date is in October 2022.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
<i>Total Corporate Finance - Buyout Funds</i>		334,896	394,613
<i>Corporate Finance - Distressed Debt</i>			
Castlelake II, L.P.		36,999	47,310
Investment Objective - To pursue an opportunistic distressed investment strategy, with a primary focus of acquiring assets such as non-performing loan portfolios, aviation assets, corporate debt, and other distressed assets. Contractual termination date is in July 2018.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
Castlelake III, L.P.		9,993	9,878
Investment Objective - To pursue an opportunistic distressed investment strategy, with a primary focus of acquiring assets such as non-performing loan portfolios, aviation assets, corporate debt, and other distressed assets. Contractual termination date is in July 2018.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
Clearlake Capital III, L.P.		18,300	22,137
Investment Objective - To make special situation investments in small and middle market companies, specifically distressed debt, rescue financing, growth capital, and turnaround investments. Contractual termination date is in October 2022.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
<i>Total Corporate Finance - Distressed Debt</i>		65,292	79,325
<i>Corporate Finance - Growth Equity</i>			
LLR Equity Partners III, L.P.		26,785	35,570
Investment Objective - To provide investors with substantial long-term capital gains by investing in a diversified portfolio of equity securities. Contractual termination date is in July 2018.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			

See accompanying notes to financial statements.

# Private Equity Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Shares	Cost	Fair Value
TA XI, L.P.		23,215	27,164
Investment Objective - To achieve capital appreciation with relatively modest risk by originating investments in profitable, middle-market companies in growth industries. Contractual termination date is in July 2020.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
<i>Total Corporate Finance - Growth Equity</i>		50,000	62,734
<i>Corporate Finance - Mezzanine</i>			
Insight Equity Mezzanine I, L.P.		7,436	7,653
Investment Objective - To invest in mezzanine securities issued by companies in which Insight is also an equity sponsor. Contractual termination date is in February 2019.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
Levine Leichtman Capital Partners V, L.P.		5,243	4,486
Investment Objective - To make debt and equity investments in middle market companies which typically provide both elements of current income and equity appreciation. Contractual termination date is ten years from the final close.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
<i>Total Corporate Finance - Mezzanine</i>		12,679	12,139
<i>Corporate Finance - Turnaround</i>			
H.I.G. Bayside Debt & LBO Fund II, L.P.		25,426	24,956
Investment Objective - To invest in distressed debt obligations and other securities of distressed lower middle market companies. Contractual termination date is in May 2016.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
Insight Equity II, L.P.		23,545	26,617
Investment Objective - To acquire underperforming, operationally challenged, or financially distressed small and middle market businesses and to seek to reorganize operations and strategy to restore profitability and growth. Contractual termination date is in October 2018.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			

See accompanying notes to financial statements.

# Private Equity Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Shares	Cost	Fair Value
KPS Special Situations Fund III (Supplemental), L.P. Investment Objective - Seek to invest alongside KPS Special Situations Fund III, L.P. and KPS Special Situations Fund III (A), L.P., to make controlling equity and equity-related investments in underperforming or distressed companies engaged in manufacturing, transportation, and service industries that need immediate and significant change. Contractual termination date is in November 2017. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		21,966	30,168
KPS Special Situations Fund IV, L.P. Investment Objective - To make controlling equity and equity-related investments in underperforming or distressed companies engaged in manufacturing, transportation, and service industries that need immediate and significant change. Contractual termination date is May 2026. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		2,240	2,240
Platinum Equity Capital Partners II, L.P. Investment Objective - To make private investments in equity, equity oriented or debt securities that offer equity-like returns, of underperforming companies to generate capital appreciation. Contractual termination date is in August 2018. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available. <i>Total Corporate Finance - Turnaround</i>		27,404	34,795
Sycamore Partners II, L.P. Investment Objective - To realize long-term compounded returns in excess of those available through conventional investments in the public equity markets. Contractual termination date is in February 2028. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available. <i>Total Corporate Finance - Turnaround</i>		2,136	2,136
<i>Venture Capital</i> Franklin Park Venture Fund Series 2008, L.P. Investment Objective - To realize long-term compounded returns in excess of those available through conventional investments in the public equity markets. Contractual termination date is in March 2023. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		19,850	24,907
		102,717	120,912

See accompanying notes to financial statements.



# Private Equity Pool

## Schedule of Investments - Unaudited (continued)

**May 31, 2014**

*(Amounts in thousands, except share data)*

Description	Shares	Cost	Fair Value
Franklin Park Venture Fund Series 2009, L.P. Investment Objective - To target underperforming middle market retail and consumer companies. Contractual termination date is May 2024. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		16,940	28,356
Franklin Park Venture Fund Series 2010, L.P. Investment Objective - To realize long-term compounded returns in excess of those available through conventional investments in the public equity markets. Contractual termination date is in January 2025. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		10,931	11,538
Franklin Park Venture Fund Series 2011, L.P. Investment Objective - To realize long-term compounded returns in excess of those available through conventional investments in the public equity markets. Contractual termination date is in January 2026. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		12,125	14,268
Franklin Park Venture Fund Series 2012, L.P. Investment Objective - To realize long-term compounded returns in excess of those available through conventional investments in the public equity markets. Contractual termination date is in January 2027. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		8,971	9,152
Franklin Park Venture Fund Series 2013, L.P. Investment Objective - To realize long-term compounded returns in excess of those available through conventional investments in the public equity markets. Contractual termination date is in February 2028. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		2,470	2,427
Franklin Park Venture Fund Series 2014, L.P. Investment Objective - To realize long-term compounded returns in excess of those available through conventional investments in the public equity markets. Contractual termination date is in January 2029. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		887	887
<i>Total Venture Capital</i>		71,287	91,535
Total Private Equity Partnerships - 54.8%		637,758	761,258

*See accompanying notes to financial statements.*

# Private Equity Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

*(Amounts in thousands, except share data)*

Description	Shares	Cost	Fair Value
<b><u>Hedge Fund</u></b>			
<i>Multiple Strategy fund</i>			
Bridgewater All Weather Portfolio II, LTD	305,212	331,437	536,511
Investment Objective - To seek to provide attractive returns with relatively limited risks, with no material bias to perform better or worse in any particular type of economic environment.			
Redemption Provisions - Monthly on the first business day			
A detail of the underlying investments is not available.			
Total Hedge Fund - 38.6%		331,437	536,511
<b><u>Investment in Other Fund</u></b>			
State Street Global Advisors Russell 3000 Index Non-Lending Fund	3,237,370	57,933	63,336
Investment Objective - To match the return of the Russell 3000 Index.			
Redemption Provisions - Daily			
No underlying investments exceed 5% of net assets of the Private Equity Pool.			
Total Investment in Other Fund - 4.6%		57,933	63,336
<b><u>Short-term Issue</u></b>			
Dreyfus Cash Management Institutional Fund - 2.0%	27,746,181	27,746	27,746
Total Investments - 100.0%		<u>\$ 1,054,874</u>	<u>\$ 1,388,851</u>

*See accompanying notes to financial statements.*

# Private Equity Pool

**Statement of Operations - Unaudited**  
**Period Ended May 31, 2014\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Investment income</b>		
Dividends	\$ -	\$ 15
Fund closing income	-	18
	-	33
<b>Total investment income</b>		
 <b>Expenses</b>		
Investment advisor fees	(1)	(14)
Trustee fees	(1)	(4)
Custodian bank fees	-	(3)
Management fees	(32)	(328)
Fiduciary bond fees	-	(2)
Professional service fees	(73)	(822)
Fund closing costs	-	(25)
Management fees - external	(2)	(149)
	(109)	(1,347)
<b>Total expenses</b>		
	(109)	(1,314)
<b>Investment loss, net</b>		
 <b>Realized and unrealized gain from investments</b>		
Net realized gain from investments	3,852	91,548
Net change in unrealized appreciation (depreciation) on investments	28,480	104,973
	32,332	196,521
<b>Net gain from investments</b>		
<b>Net increase in net assets from operations</b>	<b>\$ 32,223</b>	<b>\$ 195,207</b>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Private Equity Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended May 31, 2014\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment loss, net	\$ (109)	\$ (1,314)
Net realized gain from investments	3,852	91,548
Net change in unrealized appreciation (depreciation) on investments	28,480	104,973
<b>Net increase in net assets from operations</b>	32,223	195,207
<b>Unit transactions</b>		
Proceeds from sale of units	3	122,324
Amount paid for repurchase of units	(19,776)	(84,042)
<b>Net increase (decrease) in net assets from unit transactions</b>	(19,773)	38,282
<b>Increase in net assets</b>	12,450	233,489
<b>Net assets, beginning of period</b>	1,376,203	1,155,164
<b>Net assets, end of period</b>	\$ 1,388,653	\$ 1,388,653
<b>Unit data</b>		
Units sold	206	9,197,519
Units repurchased	(1,363,149)	(6,108,950)
<b>Net increase (decrease) in units</b>	(1,362,943)	3,088,569

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Private Equity Pool

**Statement of Cash Flows - Unaudited**  
**Period Ended May 31, 2014\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Cash flows from operating activities</b>		
Net increase in net assets from operations	\$ 32,223	\$ 195,207
Adjustments to reconcile net increase in net assets from operations to net cash provided by (used in) operating activities:		
Purchase of investments	(14,979)	(267,322)
Proceeds from disposition of investments	29,102	197,735
Purchases and sales of short-term investment securities, net	5,637	32,626
Decrease in dividends receivable	-	2
Increase (decrease) in accrued expenses	(5)	11
Net realized gain from investments	(3,852)	(91,548)
Net change in unrealized appreciation (depreciation) on investments	(28,480)	(104,973)
<b>Net cash provided by (used in) operating activities</b>	19,646	(38,262)
<b>Cash flows from financing activities</b>		
Proceeds from units sold	3	122,324
Paid for repurchase of units	(19,776)	(84,042)
<b>Net cash provided by (used in) financing activities</b>	(19,773)	38,282
<b>Net change in cash</b>	(127)	20
<b>Cash</b>		
Beginning balance	147	-
Ending balance	\$ 20	\$ 20

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Private Equity Pool

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## Notes to Financial Statements

(Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate 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 Coal Workers' Pneumoconiosis funds, and certain other state government funds.

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

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's Private Equity Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. Generally Accepted Accounting Principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The Pool was established to hold the IMB's investments in various types of private equity funds. Franklin Park Associates, LLC has been retained by the IMB to provide consulting services for this asset class.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Investment Valuation** - The IMB reports its investments at fair value in accordance with the Financial Accounting Standards Board's Accounting Standards Codification Topic 820 (ASC 820). Refer to Note 3 for further discussion and presentation of the reporting requirements under ASC 820.

# Private Equity Pool

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## Notes to Financial Statements

(Amounts in thousands, except share data)

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value of the Pool's portfolio securities is determined as follows:

- Investments in private equity partnerships and other private funds are not securities for which market quotations are readily available. The IMB has concluded that the net asset value reported by the general partners approximates the fair value of these investments and consequently these investments are carried at net asset value as a practical expedient for fair market value. Due to the nature of the investments held by the funds, changes in market conditions and the economic environment may significantly impact the net asset value of the funds and, consequently, the fair value of the IMB's interests in the funds. Although a secondary market exists for these investments, it is not active and individual transactions are typically not observable. When transactions do occur in this limited secondary market, they may occur at discounts to the reported net asset value. It is therefore reasonably possible that if the IMB were to sell these investments in the secondary market a buyer may require a discount to the reported net asset value, and the discount could be significant. The IMB believes that the carrying amount of such investments is a reasonable estimate of fair value as of May 31, 2014.
- Open-end regulated investment companies or other commingled investment funds are valued at the net asset value of the fund as reported by the fund's administrator.

Investments for which the fair value cannot be determined by one of the above listed processes are valued at fair value as determined in accordance with the IMB's established procedures.

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

**Use of Estimates** - The preparation of the financial statements in conformity with GAAP 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 investments in partnerships are recognized when the partnership has realized its interest in a portfolio company and we have sufficient information as to the amount and date of the distribution. Gains and losses on the sale of other investments are recognized at the time of sale by the average cost method.

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

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or net realized gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool. In addition to these direct and allocated expenses, the Pool bears certain expenses indirectly, such as fees of other investment funds in which the Pool invests that are reflected in the reported net asset value of such funds.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. Accordingly, no provision for income taxes is required as of May 31, 2014.

**Indemnifications** - In the normal course of business, the IMB has entered into contracts that provide a variety of indemnifications. Any exposure to the Pool under these arrangements would involve future claims that may be made against the IMB. The Pool's maximum exposure under these arrangements is unknown. No such claims have occurred, nor are they expected to occur and the IMB expects the risk of loss to be remote.

# Private Equity Pool

## Notes to Financial Statements

(Amounts in thousands, except share data)

### NOTE 3. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

ASC 820 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with ASC 820 fair value hierarchy levels as of May 31, 2014:

Assets	Level 1	Level 2	Level 3	Total
Corporate finance - buyout funds	\$ -	\$ -	\$ 394,613	\$ 394,613
Corporate finance - distressed debt	-	-	79,325	79,325
Corporate finance - growth equity	-	-	62,734	62,734
Corporate finance - mezzanine	-	-	12,139	12,139
Corporate finance - turnaround	-	-	120,912	120,912
Investment in other fund	-	63,336	-	63,336
Multiple strategy fund	-	-	536,511	536,511
Short-term issue	27,746	-	-	27,746
Venture capital	-	-	91,535	91,535
Total	<u>\$ 27,746</u>	<u>\$ 63,336</u>	<u>\$ 1,297,769</u>	<u>\$ 1,388,851</u>

There were no transfers in or out of Levels 1 and 2 during the period ended May 31, 2014.



# Private Equity Pool

## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 3. FAIR VALUE MEASUREMENTS (continued)

The reconciliation of the beginning and ending balances of Level 3 investments for the period ended May 31, 2014, was as follows:

	Corporate finance - buyout funds	Corporate finance - distressed debt	Corporate finance - growth equity	Corporate finance - mezzanine
Balance at June 30, 2013	\$ 354,938	\$ 37,401	\$ 55,428	\$ 6,340
Net realized gain	61,729	971	5,471	729
Net change in unrealized appreciation/(depreciation)	8,136	10,003	2,681	(877)
Purchases	80,146	32,721	6,300	7,073
Sales	(110,336)	(1,771)	(7,146)	(1,126)
Net transfers in/(out) of Level 3	-	-	-	-
Balance at May 31, 2014	<u>\$ 394,613</u>	<u>\$ 79,325</u>	<u>\$ 62,734</u>	<u>\$ 12,139</u>

	Corporate finance - turnaround	Multiple strategy fund	Venture capital	Total
Balance at June 30, 2013	\$ 106,467	\$ 472,217	\$ 62,205	\$ 1,094,996
Net realized gain/(loss)	14,418	-	5,299	88,617
Net change in unrealized appreciation	4,791	64,294	10,543	99,571
Purchases	15,811	-	20,271	162,322
Sales	(20,575)	-	(6,783)	(147,737)
Net transfers in/(out) of Level 3	-	-	-	-
Balance at May 31, 2014	<u>\$ 120,912</u>	<u>\$ 536,511</u>	<u>\$ 91,535</u>	<u>\$ 1,297,769</u>

The total change in unrealized appreciation (depreciation) included in the Statement of Operations attributable to Level 3 investments still held at May 31, 2014, includes the following:

Corporate finance - buyout funds	\$ 8,136
Corporate finance - distressed debt	10,003
Corporate finance - growth equity	2,681
Corporate finance - mezzanine	(877)
Corporate finance - turnaround	4,791
Multiple strategy fund	64,294
Venture capital	10,543
Total	<u>\$ 99,571</u>

# Private Equity Pool

## Notes to Financial Statements

(Amounts in thousands, except share data)

### NOTE 4. COMMITMENTS

The IMB, with the assistance of its consultant, began implementing its plan to invest in private equity partnerships in February 2008. As of May 31, 2014, the IMB had made commitments to forty-one private equity general partnerships.

Partnership Classification	Total Commitment	Funded Commitment	Unfunded Commitment
Corporate finance - buyout funds	\$ 834,000	\$ 395,747	\$ 438,253
Corporate finance - distressed debt	120,000	65,293	54,707
Corporate finance - growth equity	80,000	62,214	17,786
Corporate finance - mezzanine	50,000	12,497	37,503
Corporate finance - turnaround	250,000	126,933	123,067
Venture capital	173,000	75,454	97,546
Total	<u>\$ 1,507,000</u>	<u>\$ 738,138</u>	<u>\$ 768,862</u>

### NOTE 5. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2013	\$ 12.78
Income from investment operations:	
Net investment loss	(0.01)
Net realized and unrealized gain on investment transactions	<u>2.08</u>
Total from investment operations	<u>2.07</u>
Net asset value at May 31, 2014	<u>\$ 14.85</u>

**Total Return \*** 16.2%

#### Supplemental Data:

Net assets, end of period	\$ 1,388,653
Ratio to average net assets:	
Expenses **	0.12%
Net investment income **	-0.11%
Portfolio turnover rate	17.50%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized and do not reflect the Pool's proportionate share of income and expenses of the underlying investee funds.

# Private Equity Pool

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## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 6. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at May 31, 2014.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 653,583
Public Employees' Retirement System	563,427
West Virginia Retiree Health Benefit Trust Fund	58,313
State Police Death, Disability and Retirement Fund	58,063
Judges' Retirement System	16,558
Deputy Sheriff's Retirement System	16,075
State Police Retirement System	11,889
Emergency Medical Services Retirement System	5,276
Wildlife Endowment Fund	5,224
Municipal Model A	141
Municipal Police Officers' and Firefighters' Retirement System	104
Total	<u>\$ 1,388,653</u>



**Financial Statements - Unaudited**

**May 31, 2014**



# Real Estate Pool

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## Financial Statements - Unaudited May 31, 2014

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# Real Estate Pool

## Statement of Assets and Liabilities - Unaudited

May 31, 2014

(Amounts in thousands, except unit data)

### Assets

Investments at fair value (cost \$1,101,139), including securities on loan of \$5,635 (Note 4)	\$	1,249,132
Cash denominated in foreign currencies (cost \$3)		3
Receivables:		
Investments sold		164
Foreign tax withholding		27
Interest		1,737
Dividends		184
Securities lending income		9
		<u>9</u>
<b>Total assets</b>		<u>1,251,256</u>

### Liabilities

Accrued expenses		641
Payable for investments purchased		2,370
Payable upon return of securities loaned (Note 4)		5,075
		<u>5,075</u>
<b>Total liabilities</b>		<u>8,086</u>
<b>Net assets</b>	<b>\$</b>	<u><u>1,243,170</u></u>

### Analysis of net assets

Paid-in capital	\$	980,915
Accumulated undistributed net investment income		51,294
Accumulated undistributed net realized gain from investments		62,936
Accumulated undistributed net realized gain from foreign currency transactions		32
Unrealized net appreciation of investments		148,679
Unrealized net depreciation on translation of assets and liabilities in foreign currencies		(686)
		<u>(686)</u>
<b>Net assets</b>	<b>\$</b>	<u><u>1,243,170</u></u>

### Unit data

Units outstanding		107,593,869
Net asset value, unit price	\$	<u><u>11.55</u></u>

See accompanying notes to financial statements.



# Real Estate Pool

## Schedule of Investments - Unaudited May 31, 2014 (Amounts in thousands, except share data)

Description	Par Value or Shares	Cost	Fair Value
<b>Private Real Estate Partnerships and Funds</b>			
<i>Core Funds</i>			
CIM VI-1, LLC		\$ 29,866	\$ 30,973
Investment Objective - To invest in substantially stabilized core real estate and real estate related assets located in urban areas that are experiencing positive transition due to urbanization trends. Contractual termination date is in December 2019.			
Redemption Provisions - Upon termination of partnership.			
A detail of the underlying investments is not available.			
Harrison Street Core Property Fund, L.P.		50,000	55,609
Investment Objective - To invest primarily in a core portfolio of properties related to education, healthcare, and storage sectors of the commercial real estate market. No contractual termination date.			
Redemption Provisions - Quarterly subject to the terms of the fund's governing documents and available liquidity.			
A detail of the underlying investments is not available.			
Invesco Core Real Estate - U.S.A., L.P.		30,000	47,771
Investment Objective - The Fund will invest in core properties located in the United States. No contractual termination date.			
Redemption Provisions - Quarterly with 90 days written notice.			
A detail of the underlying investments is not available.			
PCCP First Mortgage II, L.P.		35,955	35,510
Investment Objective - To invest in senior, floating-rate first mortgage loans secured by commercial real estate properties. Contractual termination date is in December 2019.			
Redemption Provisions - Upon termination of partnership.			
A detail of the underlying investments is not available.			
Quadrant Fund I, LLC		15,000	14,329
Investment Objective - To achieve a highly stable dividend yield and attractive total return by investing in real estate assets on a relative value basis across private and public, debt and equity investments. No contractual termination date.			
Redemption Provisions - Quarterly on the last business day.			
No underlying investments exceed 5% of net assets of the Private Real Estate Pool.			
RREEF America REIT II, Inc.		130,000	154,449
Investment Objective - To invest in a portfolio of income producing core real estate properties diversified by property type and geographically in the United States. No contractual termination date.			
Redemption Provisions - Quarterly with 45 days written notice.			
A detail of the underlying investments is not available.			
UBS Trumbull Property Fund		50,000	67,355
Investment Objective - To invest in a portfolio of core equity investments in income producing real property diversified by property type and geographically in the United States. No contractual termination date.			
Redemption Provisions - Quarterly with 60 days written notice.			
A detail of the underlying investments is not available.			
UBS Trumbull Property Income Fund		50,000	56,380
Investment Objective - To provide investors with a positive total return in excess of the rate of inflation in all market conditions on a rolling three to five year period. No contractual termination date.			
Redemption Provisions - Quarterly with 60 days written notice.			
A detail of the underlying investments is not available.			
<i>Total Core Funds</i>		390,821	462,376
<i>Opportunistic Funds</i>			
Blackstone RE Partners Europe III, L.P.		15,051	19,815
Investment Objective - To invest in a broad range of real estate and real estate related investments in Europe. Contractual termination date is in December 2018.			
Redemption Provisions - Upon termination of partnership.			
A detail of the underlying investments is not available.			

See accompanying notes to financial statements.

# Real Estate Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Par Value or Shares	Cost	Fair Value
Blackstone RE Partners Europe IV, L.P. Investment Objective - To invest in a broad range of real estate and real estate related investments in Europe. Contractual termination date is in March 2025. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		10,534	10,517
Kennedy Wilson Real Estate Fund IV, L.P. Investment Objective - To seek targeted real estate investment in opportunistic and value-add strategies located primarily in the western United States. Contractual termination date is in May 2019. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		37,327	40,598
Lone Star Real Estate Fund II, L.P. Investment Objective - To invest in distressed global commercial real estate debt and equity investments. Contractual termination date is in December 2017. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		5,990	9,083
Lone Star Real Estate Fund III, L.P. Investment Objective - To invest in distressed global commercial real estate debt and equity investments. Contractual termination date is in October 2021. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		769	769
Lone Star Fund VII, L.P. Investment Objective - To invest in global real estate investments in distressed loans and securities, with a focus on single family and residential assets. Contractual termination date is in December 2017. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		1,414	5,227
Lone Star Fund VIII, L.P. Investment Objective - To invest in global real estate investments in distressed loans and securities, with a focus on single family and residential assets. Contractual termination date is in May 2021. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		4,385	5,223
Oaktree Real Estate Opportunities Fund V, L.P. Investment Objective - To target distressed real estate debt and equity investments that provide an opportunity for substantial long-term capital appreciation and current income. Contractual termination date is in December 2021. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		20,000	27,472
Oaktree Real Estate Opportunities Fund VI, L.P. Investment Objective - To target distressed real estate debt and equity investments that provide an opportunity for substantial long-term capital appreciation and current income. Contractual termination date is in August 2022. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		21,000	21,141
<i>Total Opportunistic Funds</i>		116,470	139,845
<i>Value Funds</i>			
ABR Chesapeake Investors IV, L.P. Investment Objective - To generate a 14% net return to investors through the acquisition of moderately leveraged real estate assets generally valued between \$10 million and \$30 million in the value-add sector. Contractual termination date is in September 2020. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		21,292	22,624

See accompanying notes to financial statements.

# Real Estate Pool

## Schedule of Investments - Unaudited (continued)

**May 31, 2014**

*(Amounts in thousands, except share data)*

Description	Par Value or Shares	Cost	Fair Value
AG Core Plus Realty Fund III, L.P. Investment Objective - To invest in core plus equity real estate investments primarily located in the U.S. that provide opportunities to enhance and stabilize returns, and to generate a gross return ranging from 13-15%. Contractual termination date is in February 2021. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		28,925	35,165
BPG Investment Partnership IX, L.P. Investment Objective -To invest in a broad range of real estate assets in the U.S. in which value can be enhanced through intense operations and asset management, and to generate an internal rate of return in excess of 12%, net of fees, costs, and carried interest. Contractual termination date is in February 2019. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		11,113	11,439
Bristol Value II, L.P. Investment Objective -To invest in properties and other real estate-related investments with high return value-added potential and achieve a leveraged internal rate of return of 14-18%. Contractual termination date is in January 2021. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		6,604	7,088
DRA Growth & Income Fund VII, LLC Investment Objective - To capitalize on inefficiencies in real estate markets and to make real estate investments that provide value-add opportunities expected to provide investors a 12-15% rate of return on their investments. Contractual termination date is in December 2021. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		29,538	31,584
Madison International Real Estate Liquidity Fund V, L.P. Investment Objective - To acquire illiquid ownership interests in core-quality properties within the United States and Europe with long-term cash flow profiles and limited lease expiration risks. Contractual termination date is eight years from the final closing. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		18,609	23,469
Mesa West Real Estate Income Fund II, L.P. Investment Objective - To originate and service first mortgage and mezzanine loans on middle-market, value-added and traditional commercial real estate assets in the United States. Contractual termination date is in December 2017. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		9,320	16,714
Mesa West Real Estate Income Fund III, L.P. Investment Objective - To originate and service first mortgage and mezzanine loans on middle-market, value-added and traditional commercial real estate assets in the United States. Contractual termination date is in March 2021. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		13,861	13,267
RCG Longview Debt Fund IV, L.P. Investment Objective - To generate attractive risk-adjusted returns by capitalizing on inefficiencies in the commercial real estate lending marketplace by making debt and debt-like investments in real estate assets. Contractual termination date is in December 2016. Redemption Provisions - Upon termination of partnership. A detail of the underlying investments is not available.		13,753	11,608

*See accompanying notes to financial statements.*

# Real Estate Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Par Value or Shares	Cost	Fair Value
Rubenstein Properties Fund II, L.P.		5,100	5,100
Investment Objective - To invest in value-added office real estate opportunities across the eastern United States. Contractual termination date is in April 2024.			
Redemption Provisions - Upon termination of partnership.			
A detail of the underlying investments is not available.			
<i>Total Value Funds</i>		<u>158,115</u>	<u>178,058</u>
Total Private Real Estate Partnerships and Funds - 62.8%		665,406	780,279
<b>Equity Securities</b>			
<i>Australia</i>			
Australand Property Group	9,734	33	39
CFS Retail Property Trust	109,957	210	210
Federation Centres	106,400	217	250
Goodman Group	92,211	342	437
GPT Group	109,000	334	396
Investa Office Fund	58,954	158	184
Mirvac Group	284,085	423	479
Stockland	262,876	970	954
Westfield Group	42,419	428	422
Westfield Retail Trust	127,390	384	378
<i>Total Australia - 0.3%</i>		<u>3,499</u>	<u>3,749</u>
<i>Bermuda</i>			
Hongkong Land Holdings	169,084	1,060	1,187
Kerry Properties Ltd	142,000	661	467
Shangri-La Asia Ltd	240,416	544	377
<i>Total Bermuda - 0.2%</i>		<u>2,265</u>	<u>2,031</u>
<i>Canada</i>			
Boardwalk	2,900	154	172
Canadian	3,500	129	146
RioCan	49,074	1,203	1,235
<i>Total Canada - 0.1%</i>		<u>1,486</u>	<u>1,553</u>
<i>Cayman Islands</i>			
China Resources Land Ltd	68,200	134	138
Lifestyle International Hldngs	310,000	704	600
Lifestyle Properties Develop - Rights	15,500	-	2
<i>Total Cayman Islands - 0.1%</i>		<u>838</u>	<u>740</u>
<i>China</i>			
Guangzhou R&F Properties Corp - 0.0%	158,700	243	218
<i>France</i>			
Fonciere des Regions	1,382	106	138
Gecina SA	1,320	166	189
ICADE	9,680	929	970
Klepierre	14,380	542	699
Mercialys	4,920	105	110
Unibail-Rodamco	6,929	1,480	1,939
<i>Total France - 0.3%</i>		<u>3,328</u>	<u>4,045</u>
<i>Germany</i>			
Gafgah SA	5,900	89	98
LEG Immobilien AG	5,350	322	378
<i>Total Germany - 0.0%</i>		<u>411</u>	<u>476</u>
<i>Hong Kong</i>			
China Overseas Land & Invstmnt	210,500	475	548
Hang Lung Properties Ltd	172,000	757	546
Hysan Development Company	154,471	564	756
Link REIT	46,600	172	248
Sino Land Company Ltd.	48,648	75	75
Sun Hung Kai Properties - Rights	5,080	-	6

See accompanying notes to financial statements.

# Real Estate Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Par Value or Shares	Cost	Fair Value
Sun Hung Kai Properties Ltd	73,193	1,044	1,001
Swire Properties Limited	101,900	301	318
Wharf Hldgs Ltd	37,124	248	263
<i>Total Hong Kong - 0.3%</i>		<u>3,636</u>	<u>3,761</u>
<i>Japan</i>			
Activia Properties Inc	17	128	143
AEON Mall Company Ltd	28,600	593	719
Daiwa House Industry Co Ltd	46,500	539	871
GLP-J-REIT	98	99	104
Hulic Company Limited	11,760	140	154
Japan Real Estate Inv Corp	76	356	444
Japan Retail Fund Inv Corp	239	437	526
Kenedix Realty Investment Corp	38	153	199
Mitsubishi Estate Co Ltd	67,537	1,229	1,640
Mitsui Fudosan Co Ltd	76,100	1,439	2,409
Nippon Prologis REIT Inc	105	190	230
Orix Jreit Inc	80	101	107
Sumitomo Realty & Development	28,100	937	1,207
Tokyo Tatemono Company Ltd	21,100	122	192
United Urban Investment Corp	161	205	258
<i>Total Japan - 0.7%</i>		<u>6,668</u>	<u>9,203</u>
<i>Netherlands</i>			
Corio NV	1,590	66	80
Eurocommercial Properties NV	3,341	131	161
Nieuwe Steen Investments NV	39,640	213	250
<i>Total Netherlands - 0.0%</i>		<u>410</u>	<u>491</u>
<i>Singapore</i>			
CapitaCommercial Trust	231,000	246	311
CapitaLand Ltd	200,000	572	509
City Developments Ltd	66,000	582	545
Global Logistic Properties	229,700	438	509
Suntec REIT	159,000	207	228
Wing Tai Holdings Ltd	118,938	155	185
<i>Total Singapore - 0.2%</i>		<u>2,200</u>	<u>2,287</u>
<i>Spain</i>			
Melia International SA- 0.0%	43,600	368	558
<i>Sweden</i>			
Castellum AB	37,907	475	653
Fabege AB	2,700	34	38
Hufvudstaden AB	10,032	120	145
<i>Total Sweden - 0.1%</i>		<u>629</u>	<u>836</u>
<i>Switzerland</i>			
PSP Swiss Property AG - 0.0%	2,319	212	211
<i>Thailand</i>			
Central Pattana Public Company- 0.0%	362,400	167	519
<i>United Kingdom</i>			
British Land Company PLC	40,256	366	483
Capital & Counties Properties	56,145	322	318
Derwent London PLC	23,640	554	1,085
Great Portland Estates PLC	97,274	546	1,062
Hammerson PLC	78,301	525	780
Land Securities Group PLC	87,986	1,060	1,576
Safestore Holdings PLC	34,000	69	118
Shaftesbury PLC	20,833	136	234
Unite Group PLC	7,970	55	56
<i>Total United Kingdom - 0.5%</i>		<u>3,633</u>	<u>5,712</u>

See accompanying notes to financial statements.

# Real Estate Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Par Value or Shares	Cost	Fair Value
<i>United States</i>			
Alexandria Real Estate Equitie	111,050	5,265	5,658
American Campus Communities	15,500	575	602
American Homes 4 Rent-A	28,700	467	506
American Realty Capital Prop	112,700	2,056	2,264
Apartment Investment & Mgmt Co - Preferred Stock	183,900	4,598	4,684
Apartment Investment & Mgmt Co	111,263	3,164	3,503
Ashford Hospitality Trust - Preferred Stock	13,000	307	333
Avalonbay Communities Inc	54,810	7,105	7,774
BioMed Realty Trust Inc	145,950	2,919	3,167
Boston Properties Inc	54,830	5,581	6,617
Brandywine Realty Trust	15,300	221	234
Brixmor Property Group Inc	68,000	1,420	1,479
Campus Crest Communities Inc	59,600	1,494	1,547
CBL & Associates Properties - Preferred Stock	373,350	9,161	9,561
CBL & Associates Properties	140,000	3,132	3,430
Commonwealth REIT - Preferred Stock	99,800	2,405	2,567
CubeSmart	112,550	1,820	2,053
DCT Industrial Trust Inc	26,800	206	212
DDR Corp	264,290	4,768	5,140
Douglas Emmett Inc	51,560	1,228	1,464
Duke Realty Corp	266,745	4,380	4,828
EastGroup Properties Inc	21,400	1,352	1,362
Equity Lifestyle Properties - Preferred Stock	90,150	2,274	2,330
Equity One, Inc	15,900	353	365
Equity Residential	129,450	7,248	8,000
Essex Property Trust Inc	21,821	3,328	3,949
Extended Stay America Inc	3,000	65	66
Extra Space Storage Inc	25,820	1,144	1,352
Federal Realty Investment Trst	21,750	2,290	2,600
General Growth Properties Inc	254,444	5,122	6,143
Glimcher Realty Trust - Preferred Stock	108,965	2,615	2,818
Glimcher Realty Trust	232,600	5,792	5,842
HCP Inc	137,450	5,801	5,739
Health Care REIT Inc	108,187	6,455	6,841
Healthcare Realty Trust Inc	10,700	263	267
Healthcare Trust of America	12,700	146	154
Highwoods Properties Inc	4,500	147	183
Hilton Worldwide Holdings	13,000	266	294
Host Hotels & Resorts Inc	320,840	5,623	7,081
Hudson Pacific Properties - Preferred Stock	575,350	14,579	15,673
Hyatt Hotels Corp	11,650	674	713
Inland Real Estate Corp	80,700	2,159	2,190
Kilroy Realty Corporation	37,580	1,838	2,277
Kimco Realty Corporation	248,970	5,272	5,819
LaSalle Hotel Properties	88,600	2,474	2,628
Lexington Realty Trust	17,900	207	203
Liberty Property Trust	65,500	2,321	2,536
Macerich Company	75,730	4,388	5,001
Pebblebrook Hotel Trust	184,200	4,601	4,937
Piedmont Office Realty Trust	43,000	809	801
Plum Creek Timber Co Inc	13,800	611	622
Post Properties Inc	5,700	238	292
Prologis Inc	236,706	8,698	9,826
PS Business Parks Inc	42,600	954	1,071
Public Storage	41,480	6,392	7,150
Ramco-Gershenson Properties	6,400	101	106
Realty Income Corp	3,400	140	147
Regency Centers Corp	101,820	3,252	3,544
RLJ Lodging Trust	73,400	1,782	2,034
Saul Centers Inc - Preferred Stock	95,400	2,385	2,353
Senior Housing Prop Trust	89,250	2,032	2,125
Simon Property Group Inc	101,160	13,813	16,840
SL Green Realty Corp	25,700	2,102	2,814
Spirit Realty Capital Inc	33,600	361	379

See accompanying notes to financial statements.

# Real Estate Pool

## Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Par Value or Shares	Cost	Fair Value
STAG Industrial Inc - Preferred Stock	45,750	1,150	1,281
Starwood Hotels & Resorts Inc	9,300	629	743
Strategic Hotel Capital Inc	13,600	115	148
Sunstone Hotel Investors Inc	145,100	1,839	2,132
Tanger Factory Outlet Centers	3,140	82	111
Taubman Centers Inc	111,070	4,648	5,213
UDR Inc	130,060	3,144	3,579
Urstadt Biddle Properties Inc	94,200	2,328	2,364
Ventas Inc	78,097	4,806	5,217
Vornado Realty LP	56,800	1,553	1,471
Vornado Realty Trust	124,900	7,296	8,947
Washington Prime Group	39,155	715	779
Washington Prime Group	11,425	147	227
Weingarten Realty Investors	94,590	2,407	2,607
Total United States - 20.1%		225,598	249,909
Total Equity Securities - 22.9%		255,591	286,299
<b>Corporate Bonds</b>			
Brandywine Operation Partners, 5.7% Due 5/1/2017	2,120	2,321	2,346
Commonwealth, 5.75% Due 11/1/2015	1,351	1,381	1,400
Commonwealth, 6.25% Due 8/15/2016	7,425	7,769	7,894
Commonwealth, 6.25% Due 6/15/2017	5,000	5,171	5,386
DDR Corp, 5.5% Due 5/1/2015	2,492	2,582	2,597
DDR Corp, 9.63% Due 3/15/2016	2,772	2,992	3,186
Equity One, Inc, 6.0% Due 9/15/2016	400	415	440
First Industrial LP, 6.42% Due 6/1/2014	5,888	5,887	5,888
HCP Inc, 6.0% Due 6/15/2014	3,000	3,006	3,005
HCP Inc, 6.0% Due 3/1/2015	2,163	2,244	2,250
Health Care REIT Inc, 3.63% Due 3/15/2016	12,000	11,946	12,585
Health Care REIT Inc, 6.2% Due 6/1/2016	6,947	7,541	7,651
Hospitality Properties Trust, 5.13% Due 2/15/2015	3,290	3,329	3,318
Hospitality Properties Trust, 6.3% Due 6/15/2016	6,950	7,262	7,479
Kilroy Realty Corporation, 5.0% Due 11/3/2015	2,212	2,248	2,343
Mack-Cali Realty LP, 5.13% Due 1/15/2015	2,180	2,230	2,235
Mack-Cali Realty LP, 5.8% Due 1/15/2016	5,000	5,318	5,352
Mid-America Apartments LP, 6.25% Due 6/15/2014	1,793	1,796	1,796
Mid-America Apartments LP, 5.5% Due 10/1/2015	6,759	7,124	7,170
Mid-America Apartments LP, 6.05% Due 9/1/2016	2,925	3,196	3,218
Prologis LP, 5.63% Due 11/15/2016	2,000	2,198	2,247
Reckson Operating Partnership, 5.88% Due 8/15/2014	6,586	6,609	6,648
Reckson Operating Partnership, 6.0% Due 3/31/2016	13,370	13,930	14,455
Senior Housing Prop Trust, 6.75% Due 4/15/2020	795	913	924
SL Green Realty Corp, 7.75% Due 3/15/2020	466	560	567
Total Corporate Bonds - 9.0%		109,968	112,380
<b>Short-term Issue</b>			
Dreyfus Cash Management Institutional Fund- 5.2%	65,099,315	65,099	65,099
<b>Investments Made with Cash Collateral for Securities Loaned</b>			
BNY Mellon Securities Lending Overnight Fund		5,057	5,057
Mellon SL DBT II Liquidating Fund		18	18
Total Investments Made with Cash Collateral for Securities Loaned - 0.4%		5,075	5,075
Total Investments - 100.3%		\$ 1,101,139	\$ 1,249,132

See accompanying notes to financial statements.

## Real Estate Pool

**Statement of Operations - Unaudited**  
**Period Ended May 31, 2014\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Investment income</b>		
Interest	\$ 686	\$ 4,141
Operating	432	8,569
Dividends, net of foreign withholding taxes (\$60)	769	9,593
Fund closing interest	-	969
Net securities lending income	9	52
<b>Total investment income</b>	1,896	23,324
<b>Expenses</b>		
Investment advisor fees	(240)	(2,391)
Trustee fees	-	(3)
Custodian bank fees	(6)	(72)
Management fees	(29)	(287)
Fiduciary bond fees	-	(2)
Professional service fees	(49)	(500)
Management fees - external	(110)	(316)
Fund closing costs	-	(315)
<b>Total expenses</b>	(434)	(3,886)
<b>Investment income, net</b>	1,462	19,438
<b>Realized and unrealized gain (loss) from investments and foreign currency</b>		
Net realized gain (loss) from:		
Investments	2,772	19,043
Foreign currency transactions	(2)	(155)
	2,770	18,888
Net change in unrealized appreciation (depreciation) on:		
Investments	11,431	58,770
Translation of assets and liabilities in foreign currencies	(64)	574
	11,367	59,344
<b>Net gain from investments and foreign currency</b>	14,137	78,232
<b>Net increase in net assets from operations</b>	\$ 15,599	\$ 97,670

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*



## Real Estate Pool

### Statement of Changes in Net Assets - Unaudited Period Ended May 31, 2014\*

*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 1,462	\$ 19,438
Net realized gain from investments and foreign currency transactions	2,770	18,888
Net change in unrealized appreciation (depreciation) on investment and translation of assets and liabilities in foreign currencies	11,367	59,344
<b>Net increase in net assets from operations</b>	15,599	97,670
<b>Unit transactions</b>		
Proceeds from sale of units	756	186,463
Amount paid for repurchase of units	-	(19,374)
<b>Net increase in net assets from unit transactions</b>	756	167,089
<b>Increase in net assets</b>	16,355	264,759
<b>Net assets, beginning of period</b>	1,226,815	978,411
<b>Net assets, end of period</b>	\$ 1,243,170	\$ 1,243,170
<b>Unit data</b>		
Units sold	66,248	17,284,226
Units repurchased	-	(1,812,504)
<b>Net increase in units</b>	66,248	15,471,722

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## Real Estate Pool

**Statement of Cash Flows - Unaudited**  
**Period Ended May 31, 2014\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Cash flows from operating activities</b>		
Net increase in net assets from operations	\$ 15,599	\$ 97,670
Adjustments to reconcile net increase in net assets from operations to net cash used in operating activities:		
Purchase of investments	(27,499)	(422,817)
Proceeds from disposition of investments	31,059	262,090
Purchases and sales of short-term investment securities, net	(5,535)	(27,741)
Net disbursement from foreign currency contracts	-	(4)
Decrease (increase) in receivable for investments sold	180	(15)
Increase in foreign tax withholding receivable	(4)	(4)
Decrease (increase) in interest receivable	182	(294)
Decrease (increase) in dividends receivable	(20)	900
Increase in securities lending income receivable	(2)	(7)
Decrease in accrued expenses	(431)	(123)
Decrease in payable for investments purchased	(5)	(476)
Net amortization (accretion)	(141)	1,967
Net realized gain from investments	(2,772)	(19,043)
Net realized loss from foreign currency transactions	2	155
Net change in unrealized appreciation (depreciation) on investments	(11,431)	(58,770)
Net change in unrealized appreciation (depreciation) on the translation of investments in foreign currencies	64	(574)
<b>Net cash used in operating activities</b>	<b>(754)</b>	<b>(167,086)</b>
<b>Cash flows from financing activities</b>		
Proceeds from units sold	756	186,463
Amount paid for repurchase of units	-	(19,374)
<b>Net cash provided by financing activities</b>	<b>756</b>	<b>167,089</b>
<b>Net change in cash</b>	<b>2</b>	<b>3</b>
<b>Cash</b>		
Beginning balance	1	-
Ending balance	\$ 3	\$ 3

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Real Estate Pool

## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate 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 Coal Workers' Pneumoconiosis funds, and certain other state government funds.

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

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's Real Estate Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. Generally Accepted Accounting Principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The Pool holds the IMB's investments in real estate funds, real estate limited partnerships and real estate investment trusts (REITs). Courtland Partners, Ltd. has been retained by the IMB to provide consulting services for the real estate funds and limited partnerships. The REITs are managed by European Investors, Inc. (EII), CBRE Clarion Securities, LLC (CBRE), and Security Capital Research & Management Inc. (SCRM).

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Investment Valuation** - The IMB reports its investments at fair value in accordance with the Financial Accounting Standards Board's Accounting Standards Codification Topic 820 (ASC 820). Refer to Note 3 for further discussion and presentation of the reporting requirements under ASC 820.

# Real Estate Pool

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## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value of the Pool's portfolio securities is determined as follows:

- Investments in private real estate partnerships and funds are not securities for which market quotations are readily available. The IMB has concluded that the net asset value reported by the general partners or fund administrators approximates the fair value of these investments and consequently these investments are carried at net asset value as a practical expedient for fair market value. Due to the nature of the investments held by the funds, changes in market conditions and the economic environment may significantly impact the net asset value of the funds and, consequently, the fair value of the IMB's interests in the funds. Although a secondary market exists for these investments, it is not active and individual transactions are typically not observable. When transactions do occur in this limited secondary market, they may occur at discounts to the reported net asset value. It is therefore reasonably possible that if the IMB were to sell these investments in the secondary market a buyer may require a discount to the reported net asset value, and the discount could be significant. The IMB believes that the carrying amount of such investments is a reasonable estimate of fair value as of May 31, 2014.
- Equity securities are valued at the last sale price or official closing price reported in the market in which they are primarily traded. If no sales have been recorded within the five days preceding the date of the financial statement date, the fair value of the securities is determined in accordance with approved procedures.
- Equity securities that trade in non-U.S. markets are valued in US Dollars using period end spot market exchange rates as supplied by the Pool's custodian.
- Fixed income securities are valued according to prices furnished by independent pricing services to the Pool's custodian. These services determine the security prices by a number of methods including, but not limited to, dealer quotes, live market trading levels when available, live feeds of trade execution data, spreads over U.S. Treasury securities, and other models and formulae appropriate to the specific security type.
- Open-end regulated investment companies or other commingled investment funds are valued at the net asset value of the fund as reported by the fund's administrator.

Investments for which the fair value cannot be determined by one of the above listed processes are valued at fair value as determined in accordance with the IMB's established procedures.

**Security Loans** - The IMB, through its agent, the Bank of New York Mellon, loans securities to various brokers on a temporary basis. Each transaction for U.S. securities is secured by initial collateral of at least 102 percent of the market value of the securities loaned. For international securities, the collateral is at least 105 percent of the market value of the securities on loan. Cash collateral received is invested in the BNY Institutional Cash Reserves Trust, specifically the BNY Mellon Securities Lending Overnight Fund, and the Mellon GSL Reinvestment Trust, specifically of the Mellon SL DBT II Liquidating Fund. Such investments are made at the risk of the Pool and, as such, the Pool is liable for investment losses. Investments made with cash are reported at fair value on the Statement of Assets and Liabilities. Securities loaned remain on the Statement of Assets and Liabilities and Schedule of Investments. The IMB receives compensation in the form of loan premium fees and income from the investment of the cash collateral. Expenses related to the lending of securities are rebates paid by the lending agent to brokers and the lending agent's fees for its services. The income earned by the IMB is reported in the Statement of Operations as net securities lending income. Unrealized gains or losses resulting from changes in the value of the investment of cash collateral are reported as part of the change in unrealized appreciation or depreciation of investments. The IMB 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 Statement of Operations as a change in unrealized appreciation or depreciation on investments.

**Foreign Currency** - Amounts denominated in or expected to settle in foreign currencies are translated into U.S. dollars at exchange rates reported by the Bank of New York Mellon on the following basis:

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

# Real Estate Pool

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## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

The IMB 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 U.S. 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.

**Foreign Currency Contracts** - A foreign currency contract is an agreement between two parties to exchange different currencies at a specified exchange rate at an agreed upon future date. The managers enter into such contracts to correspond to investment transactions trading in foreign currencies. Risks 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 settlement date. The unrealized gain or loss is reclassified to realized gain or loss when the contract settles.

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

**Use of Estimates** - The preparation of the financial statements in conformity with GAAP 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 investments in real estate funds are recognized when the real estate fund has realized its interest in a portfolio holding and we have sufficient information as to the amount and date of the distribution. Gains and losses on the sale of other investments are recognized at the time of sale by the average cost method.

**Interest Income** - Interest income is recognized as earned on the accrual method. 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.

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

**Income from partnerships** - Income from real estate partnerships is recognized when distributed to the partners.

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or net realized gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool. In addition to these direct and allocated expenses, the Pool bears certain expenses indirectly, such as fees of other investment funds in which the Pool invests that are reflected in the reported net asset value of such funds.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. Accordingly, no provision for income taxes is required as of May 31, 2014.

# Real Estate Pool

## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

In certain foreign countries the Pool's dividend income and capital gains may be taxable. Such taxes are generally withheld from the payments of these types of income and as a result there is no provision recorded for these taxes. In certain cases there may be a full or partial reclaim available for the withheld taxes. The outstanding reclaims are reported on the Statement of Assets and Liabilities. Dividend income is reported net of withheld taxes on the Statement of Operations.

**Indemnifications** - In the normal course of business, the IMB has entered into contracts that provide a variety of indemnifications. Any exposure to the Pool under these arrangements would involve future claims that may be made against the IMB. The Pool's maximum exposure under these arrangements is unknown. No such claims have occurred, nor are they expected to occur and the IMB expects the risk of loss to be remote.

### NOTE 3. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

ASC 820 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with ASC 820 fair value hierarchy levels as of May 31, 2014:

Assets	Level 1	Level 2	Level 3	Total
Core funds	\$ -	\$ -	\$ 462,376	\$ 462,376
Corporate bonds	-	112,380	-	112,380
Equity securities	286,299	-	-	286,299
Investments made with cash collateral for securities loaned	-	5,075	-	5,075
Opportunistic funds	-	-	139,845	139,845
Short-term issue	65,099	-	-	65,099
Value funds	-	-	178,058	178,058
Total	<u>\$ 351,398</u>	<u>\$ 117,455</u>	<u>\$ 780,279</u>	<u>\$ 1,249,132</u>

## Real Estate Pool

### Notes to Financial Statements (Amounts in thousands, except share data)

#### NOTE 3. FAIR VALUE MEASUREMENTS (continued)

The reconciliation of the beginning and ending balances of Level 3 investments for the period ended May 31, 2014 was as follows:

	Core funds	Opportunistic funds	Value funds	Total
Balance at June 30, 2013	\$ 348,971	\$ 115,346	\$ 142,982	\$ 607,299
Net realized gain	413	8,669	4,752	13,834
Net change in unrealized appreciation	27,104	4,558	7,877	39,539
Purchases	100,094	41,967	52,596	194,657
Sales	(14,206)	(30,695)	(30,149)	(75,050)
Net transfers in/(out) of Level 3	-	-	-	-
Balance at May 31, 2014	<u>\$ 462,376</u>	<u>\$ 139,845</u>	<u>\$ 178,058</u>	<u>\$ 780,279</u>

The total change in unrealized appreciation (depreciation) included in the Statement of Operations attributable to Level 3 investments still held at May 31, 2014, includes the following:

Core funds	\$ 27,104
Opportunistic funds	4,558
Value funds	7,877
Total	<u>\$ 39,539</u>

#### NOTE 4. SECURITIES LENDING

The following table presents the amounts of various accounts related to securities lending at May 31, 2014.

Fair value of securities of loan	\$ 5,635		
Initial collateral received:	Cost	Fair Value	Unrealized Depreciation
Cash	<u>\$ 5,075</u>	\$ 5,075	<u>\$ -</u>
Non-cash		746	
Total		<u>\$ 5,821</u>	

#### NOTE 5. COMMITMENTS

The IMB, with the assistance of its consultant, began implementing its plan to invest in real estate in February 2008. As of May 31, 2014, the IMB has made commitments to twenty-nine real estate investment funds/partnerships.

Partnership Classification	Total Commitment	Funded Commitment	Unfunded Commitment
Core funds	\$ 615,000	\$ 390,955	\$ 224,045
Opportunistic funds	258,400	139,103	119,297
Value funds	430,000	162,396	267,604
Total	<u>\$ 1,303,400</u>	<u>\$ 692,454</u>	<u>\$ 610,946</u>

## Real Estate Pool

### Notes to Financial Statements (Amounts in thousands, except share data)

#### NOTE 6. FOREIGN CURRENCY CONTRACTS

At May 31, 2014, open foreign currency contracts are as follows:

Position	Foreign Currency	Trade Date	Settlement Date	Receivable		Payable		Unrealized Appreciation (Depreciation)
				(in foreign currency)	(in U. S. dollars)	(in foreign currency)	(in U. S. dollars)	
Long	British Pound	05/28/2014	06/02/2014	-	\$ 1	\$ 1	\$ -	-
Long	British Pound	05/29/2014	06/03/2014	1	1	1	1	-
Long	British Pound	05/30/2014	06/04/2014	1	1	1	1	-
Long	Hong Kong Dollar	05/30/2014	06/04/2014	318	41	41	41	-
Short	Japanese Yen	05/28/2014	06/02/2014		21	2,186	21	-
Short	Japanese Yen	05/29/2014	06/03/2014		14	1,380	14	-
Short	Japanese Yen	05/30/2014	06/04/2014		4	405	4	-
					\$ 83	\$ 83	\$ -	-

The contracts listed above were initiated to correspond to transactions in securities trading in foreign currencies. The fair value, gains and losses, and risks are not material to the Pool.

#### NOTE 7. INVESTMENT ADVISORY FEES

The IMB has approved investment advisory agreements with EII, CBRE, and SCRM to manage the publicly traded real estate investment trusts of the Pool. These agreements provide for quarterly payments, based on average end of month assets under management, to the investment advisors. The IMB makes these payments and the Pool transfers funds to the IMB to facilitate the payments.

The fees paid to EII are based on a descending scale of fee rates ranging from 1.00 percent annually on the first \$10 million of assets under management to 0.90 percent annually on assets between \$10 million and \$30 million. For assets greater than \$30 million the fee rate is 0.75 percent annually. The effective fee rate earned by EII for the period ended May 31, 2014, was 0.91 percent.

The fees paid to CBRE are based on a descending scale of fee rates ranging from 0.65 percent annually on the first \$50 million of assets under management to 0.55 percent annually on assets between \$50 million and \$100 million. For assets greater than \$100 million the fee rate is 0.45 percent annually. The effective fee rate earned by CBRE for the period ended May 31, 2014, was 0.65 percent.

The fees paid to SCRM are based on a descending scale of fee rates ranging from 0.75 percent annually on the first \$50 million of assets under management to 0.65 percent annually on assets between \$50 million and \$100 million. For assets greater than \$100 million the fee rate is 0.60 percent annually. The effective fee rate earned by SCRM for the period ended May 31, 2014, was 0.63 percent.



# Real Estate Pool

## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 8. FINANCIAL HIGHLIGHTS

**Per Unit Operating Performance:**

Net asset value at June 30, 2013	\$	10.62
Income from investment operations:		
Net investment income		0.19
Net realized and unrealized gain on investment transactions		0.73
Net increase in the translation of assets and liabilities in foreign currencies		0.01
Total from investment operations		0.93
Net asset value at May 31, 2014	\$	11.55

**Total Return \*** 8.8%

**Supplemental Data:**

Net assets, end of period	\$	1,243,170
Ratio to average net assets:		
Expenses **		0.39%
Net investment income **		1.93%
Portfolio turnover rate		24.95%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized and do not reflect the Pool's proportionate share of income and expenses of the underlying investee funds.

### NOTE 9. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at May 31, 2014.

Participant	Account Value
Teachers' Retirement System	\$ 584,415
Public Employees' Retirement System	504,395
State Police Death, Disability and Retirement Fund	52,866
West Virginia Retiree Health Benefit Trust Fund	52,281
Judges' Retirement System	14,826
Deputy Sheriff's Retirement System	14,348
State Police Retirement System	10,495
Wildlife Endowment Fund	4,665
Emergency Medical Services Retirement System	4,663
Municipal Model A	124
Municipal Police Officers' and Firefighters' Retirement System	92
Total	\$ 1,243,170



**Financial Statements - Unaudited**

**May 31, 2014**



# Hedge Fund Pool

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## Financial Statements - Unaudited May 31, 2014

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# Hedge Fund Pool

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## Statement of Assets and Liabilities - Unaudited

May 31, 2014

(Amounts in thousands, except unit data)

### Assets

Investments at fair value (cost \$1,141,048)	\$	1,451,631
Receivables:		
Investment funds redeemed		10,263
Accrued interest		<u>37</u>
<b>Total assets</b>		<b>1,461,931</b>

### Liabilities

Accrued expenses		<u>163</u>
<b>Net assets</b>	<b>\$</b>	<b><u>1,461,768</u></b>

### Analysis of net assets

Paid-in capital	\$	1,126,020
Accumulated undistributed net investment loss		(5,157)
Accumulated undistributed net realized gain from investments		30,322
Unrealized net appreciation of investments		<u>310,583</u>
<b>Net assets</b>	<b>\$</b>	<b><u>1,461,768</u></b>

### Unit data

Units outstanding		112,074,094
Net asset value, unit price	\$	<u>13.04</u>

See accompanying notes to financial statements.

# Hedge Fund Pool

## Schedule of Investments - Unaudited

May 31, 2014

(Amounts in thousands, except share data)

Description	Shares	Cost	Fair Value
<b>Hedge Funds</b>			
<i>Directional Funds</i>			
Brevan Howard Fund Limited		\$ 38,256	\$ 53,253
Investment Objective - To generate consistent long-term appreciation through active leveraged trading and investment on a global basis.			
Redemption Provisions - Monthly with 90 days prior written notice subject to provisions on maximum withdrawals.			
A detail of the underlying investments is not available.			
Bridgewater Pure Alpha Ltd.		38,624	60,448
Investment Objective - To achieve substantial capital appreciation in a wide range of asset classes using proprietary investment systems.			
Redemption Provisions - Monthly with 5 days prior written notice.			
A detail of the underlying investments is not available.			
Bridgewater Pure Alpha Major Markets, Ltd.		13,900	16,991
Investment Objective - To achieve substantial capital appreciation in a wide range of asset classes using proprietary investment systems.			
Redemption Provisions - Monthly with 5 days prior written notice.			
A detail of the underlying investments is not available.			
Graham Global Investment Fund II, Ltd.		35,000	31,438
Investment Objective - To achieve long-term capital appreciation through professionally managed trading in derivative instruments of global fixed income, foreign exchange, commodities, and other stock indices.			
Redemption Provisions - Monthly with 3 days prior written notice.			
A detail of the underlying investments is not available.			
Winton Futures Fund, Ltd.		35,000	38,640
Investment Objective - To deliver long-term capital appreciation through compound growth.			
Redemption Provisions - Monthly with 3 days prior written notice.			
A detail of the underlying investments is not available.			
<i>Total Directional Funds</i>		160,780	200,770
<i>Equity Long/Short Funds</i>			
MW Eureka Fund		55,000	76,422
Investment Objective - To provide investors with above average absolute returns primarily through investing and trading in equities and equity related instruments.			
Redemption Provisions - Monthly with 30 days prior written notice.			
A detail of the underlying investments is not available.			

See accompanying notes to financial statements.

## Hedge Fund Pool

### Schedule of Investments - Unaudited (continued)

May 31, 2014

(Amounts in thousands, except share data)

Description	Shares	Cost	Fair Value
PFM Diversified Offshore Fund		55,000	69,718
Investment Objective - To generate attractive risk-adjusted capital appreciation by employing a variety of strategies primarily focused in liquid equity markets.			
Redemption Provisions - Eighty-five percent lockup until January 2015, then every three years with 45 days prior written notice and subject to maximum withdrawal restrictions.			
A detail of the underlying investments is not available.			
Scopia PX International, Ltd.		50,000	54,508
Investment Objective - To identify investment opportunities that will yield attractive rates of return, regardless of market direction.			
Redemption Provisions - Quarterly with 60 days prior written notice, subject to provisions on maximum withdrawals.			
A detail of the underlying investments is not available.			
<i>Total Equity Long/Short Funds</i>		160,000	200,648
<i>Event Driven Funds</i>			
Pershing Square International, Ltd.		30,000	48,488
Investment Objective - To invest in long and short investment opportunities that exhibit significant valuation discrepancies between current trading prices and intrinsic business value.			
Redemption Provisions - Hard lockup until September 2013, then quarterly with 65 days prior written notice subject to maximum withdrawal restrictions.			
A detail of the underlying investments is not available.			
<i>Total Event Driven Funds</i>		30,000	48,488
<i>Long Biased Funds</i>			
Elementum NatCat Offshore Fund Ltd.		40,000	42,209
Investment Objective - To achieve long-term capital appreciation through investment in a portfolio of natural catastrophe-linked securities, derivatives, and other instruments.			
Redemption Provisions - Monthly with 90 days prior written notice.			
A detail of the underlying investments is not available.			
VICIS Capital Fund (International)		14,405	1,137
The IMB has elected to withdraw from the VICIS Capital fund. Our redemption has been requested and proceeds will be paid to us as investments are liquidated.			
<i>Total Long Biased Funds</i>		54,405	43,346
<i>Multiple Strategy Funds</i>			
AllBlue Limited		58,048	84,443
Investment Objective - To provide consistent long-term appreciation of assets through active investment in a diversified portfolio.			
Redemption Provisions - Monthly on the first business day with 33 days prior written notice subject to provisions on maximum withdrawals.			
A detail of the underlying investments is not available.			

See accompanying notes to financial statements.



## Hedge Fund Pool

### Schedule of Investments - Unaudited (continued)

May 31, 2014

*(Amounts in thousands, except share data)*

Description	Shares	Cost	Fair Value
Anchorage Capital Partners Offshore, Ltd. Investment Objective - To earn superior risk-adjusted returns while emphasizing preservation of capital. Redemption Provisions - Annually with 90 days prior written notice subject to provisions on maximum withdrawals. A detail of the underlying investments is not available.		40,000	56,539
AQR Delta Offshore Fund V, Ltd. Investment Objective - To produce high, risk-adjusted returns while targeting a low, long-term correlation to traditional markets. Redemption Provisions - Semi-monthly with 15 days prior written notice. A detail of the underlying investments is not available.		26,807	27,913
CQS Diversified Fund (SPC) Ltd. SPA II Investment Objective - To target an absolute return of 10-15% with limited volatility through investments in several hedge fund strategies within the CQS group. Redemption Provisions - Monthly with 95 days prior written notice subject to provisions on maximum withdrawals. A detail of the underlying investments is not available.		86,842	91,924
Davidson Kempner International, Ltd. Investment Objective - To achieve capital appreciation. Redemption Provisions - Quarterly with 60 days prior written notice subject to provisions on maximum withdrawals. A detail of the underlying investments is not available.		57,917	87,415
Double Black Diamond, Ltd. Investment Objective - To produce returns substantially in excess of those derived from risk-free investments without a substantial increase in overall risk. Redemption Provisions - Quarterly with 60 days prior written notice subject to maximum withdrawal provisions. A detail of the underlying investments is not available.		90,000	104,283
GoldenTree Offshore Fund, Ltd. Investment Objective - To achieve superior risk-adjusted total returns through investments in public and private non-investment grade and nonrated debt securities. Redemption Provisions - Quarterly with 90 days prior written notice subject to provisions on maximum withdrawals. A detail of the underlying investments is not available.		31,280	52,183

*See accompanying notes to financial statements.*

## Hedge Fund Pool

### Schedule of Investments - Unaudited (continued)

May 31, 2014

*(Amounts in thousands, except share data)*

Description	Shares	Cost	Fair Value
Highbridge Capital Corporation		653	1,211
Investment Objective - To attain consistent capital appreciation with low volatility through arbitrage and absolute return investment strategies in the global equity and corporate debt securities markets.			
Redemption Provisions - Redemption has been requested and proceeds will be paid subject to provisions on maximum withdrawals and upon liquidation of investments.			
A detail of the underlying investments is not available.			
Magnetar Capital Fund II, Ltd.		59,246	74,479
Investment Objective - To achieve superior risk-adjusted returns.			
Redemption Provisions - Quarterly with 90 days prior written notice subject to provisions on maximum withdrawals.			
A detail of the underlying investments is not available.			
OZ Asia Overseas Fund, Ltd.		40,000	48,152
Investment Objective - To achieve consistent, absolute returns with low volatility primarily by seeking to exploit pricing inefficiencies in equity debt securities of Asian companies.			
Redemption Provisions - Annually with 45 days prior written notice.			
A detail of the underlying investments is not available.			
O'Connor Global Multi-Strategy Alpha, Ltd.		31,281	49,448
Investment Objective - To realize consistently high risk-adjusted appreciation in the value of its assets.			
Redemption Provisions - Quarterly with 60 days prior written notice.			
A detail of the underlying investments is not available.			
Perry Partners International, Inc.		51,394	78,875
Investment Objective - To achieve positive annual returns accompanied by a low level of beta and volatility in correlation relative to equity markets.			
Redemption Provisions - Quarterly with 90 days prior written notice subject to provisions on maximum withdrawals.			
A detail of the underlying investments is not available.			
Pine River Fund, Ltd.		80,000	95,255
Investment Objective - To generate superior risk-adjusted returns by investing and trading in global markets, primarily employing relative value strategies.			
Redemption Provisions - Quarterly with 45 days prior written notice, subject to provisions on maximum withdrawals.			
A detail of the underlying investments is not available.			

*See accompanying notes to financial statements.*

## Hedge Fund Pool

### Schedule of Investments - Unaudited (continued)

May 31, 2014

*(Amounts in thousands, except share data)*

Description	Shares	Cost	Fair Value
Shepherd Investments International, Ltd. Investment Objective - To achieve an attractive rate of return, relative to the level of risk assumed. Redemption Provisions - Redemption has been requested and proceeds will be paid subject to provisions on maximum withdrawals and upon liquidation of investments. A detail of the underlying investments is not available.		1,208	1,349
Taconic Opportunity Offshore Fund Ltd. Investment Objective - To provide solid risk-adjusted, absolute returns by focusing on bottom-up, research-driven, probabilistic investing. Redemption Provisions - Quarterly with 60 days prior written notice subject to provisions on maximum withdrawals. A detail of the underlying investments is not available.		51,041	69,154
Tenor Opportunity Fund, Ltd. Investment Objective - To generate attractive risk-adjusted returns by employing a variety of strategies primarily focused on convertible arbitrage. Redemption Provisions - Quarterly with 60 days prior written notice subject to to maximum withdrawal provisions. A detail of the underlying investments is not available.		30,002	35,612
<i>Total Multiple Strategy Funds</i>		735,719	958,235
Total Hedge Funds - 99.3%		1,140,904	1,451,487
<b><u>Short-term Issue</u></b>			
Dreyfus Cash Management Institutional Fund - 0.0%	144,186	144	144
Total Investments - 99.3%		\$ 1,141,048	\$ 1,451,631

*See accompanying notes to financial statements.*

# Hedge Fund Pool

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**Statement of Operations - Unaudited**  
**Period Ended May 31, 2014\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>		
Interest	\$ -	\$ 15
Dividends	-	3
	<hr/>	<hr/>
<b>Total investment income</b>	-	18
 <b>Expenses</b>		
Trustee fees	-	(4)
Custodian bank fees	-	(1)
Management fees	(33)	(365)
Fiduciary bond fees	-	(2)
Professional service fees	(55)	(469)
	<hr/>	<hr/>
<b>Total expenses</b>	(88)	(841)
<b>Investment loss, net</b>	(88)	(823)
 <b>Realized and unrealized gain from investments</b>		
Net realized gain from investments	-	160
Net change in unrealized appreciation (depreciation) on investments	16,200	102,905
	<hr/>	<hr/>
<b>Net gain from investments</b>	16,200	103,065
<b>Net increase in net assets from operations</b>	<u>\$ 16,112</u>	<u>\$ 102,242</u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## Hedge Fund Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended May 31, 2014\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment loss, net	\$ (88)	\$ (823)
Net realized gain from investments	-	160
Net change in unrealized appreciation (depreciation) on investments	16,200	102,905
<b>Net increase in net assets from operations</b>	16,112	102,242
<b>Unit transactions</b>		
Proceeds from sale of units	590	41,739
Amount paid for repurchase of units	(695)	(22,310)
<b>Net increase (decrease) in net assets from unit transactions</b>	(105)	19,429
<b>Increase in net assets</b>	16,007	121,671
<b>Net assets, beginning of period</b>	1,445,761	1,340,097
<b>Net assets, end of period</b>	\$ 1,461,768	\$ 1,461,768
<b>Unit data</b>		
Units sold	45,740	3,289,033
Units repurchased	(53,897)	(1,795,173)
<b>Net increase (decrease) in units</b>	(8,157)	1,493,860

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Hedge Fund Pool

**Statement of Cash Flows - Unaudited**  
**Period Ended May 31, 2014\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Cash flows from operating activities</b>		
Net increase in net assets from operations	\$ 16,112	\$ 102,242
Adjustments to reconcile net increase in net assets from operations to net cash provided by (used in) operating activities:		
Purchase of investment funds	-	(95,000)
Proceeds from redemption of investment funds	144	37,635
Purchases and sales of short-term investment securities, net	36	453
Increase in interest receivable	-	(15)
Decrease (increase) in receivable for investment funds redeemed	(1)	38,312
Increase in accrued expenses	14	9
Net realized gain from investments	-	(160)
Net change in unrealized appreciation (depreciation) on investments	(16,200)	(102,905)
<b>Net cash provided by (used in) operating activities</b>	105	(19,429)
<b>Cash flows from financing activities</b>		
Proceeds from units sold	590	41,739
Amount paid for repurchase of units	(695)	(22,310)
<b>Net cash provided by (used in) financing activities</b>	(105)	19,429
<b>Net change in cash</b>	-	-
<b>Cash</b>		
Beginning balance	-	-
Ending balance	\$ -	\$ -

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Hedge Fund Pool

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## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public body corporate 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 Coal Workers' Pneumoconiosis funds, and certain other state government funds.

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

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's Hedge Fund Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. Generally Accepted Accounting Principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The Pool was established to hold the IMB's investments in hedge funds. Albourne America, LLC has been retained by the IMB to provide consulting services for this investment strategy.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Investment Valuation** - The IMB reports its investments at fair value in accordance with the Financial Accounting Standards Board's Accounting Standards Codification Topic 820 (ASC 820). Refer to Note 3 for further discussion and presentation of the reporting requirements under ASC 820.

# Hedge Fund Pool

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## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value of the Pool's portfolio securities is determined as follows:

- Investments in hedge funds are not securities for which market quotations are readily available. The IMB has concluded that the net asset value reported by the underlying funds approximates the fair value of these investments and consequently these investments are carried at net asset value as a practical expedient for fair market value. These investments are redeemable with the fund at net asset value under the original terms of the agreements and operations of the underlying fund. However, it is possible that these redemption rights may be restricted or eliminated by the funds in the future in accordance with the underlying fund agreements. Due to the nature of the investments held by the funds, changes in market conditions and the economic environment may significantly impact the net asset value of the funds and, consequently, the fair value of the IMB's interests in the funds. Although a secondary market exists for these investments, it is not active and individual transactions are typically not observable. When transactions do occur in this limited secondary market, they may occur at discounts to the reported net asset value. It is therefore reasonably possible that if the IMB were to sell these investments in the secondary market a buyer may require a discount to the reported net asset value, and the discount could be significant. The IMB believes that the carrying amount of such investments is a reasonable estimate of fair value as of May 31, 2014.
- Open-end regulated investment companies or other commingled investment funds are valued at the net asset value of the fund as reported by the fund's administrator.

Investments for which the fair value cannot be determined by one of the above listed processes are valued at fair value as determined in accordance with the IMB's established procedures.

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

**Use of Estimates** - The preparation of the financial statements in conformity with GAAP 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 investments in other funds are recognized at the time of sale by the average cost method.

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

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or net realized gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool. In addition to these direct and allocated expenses, the Pool bears certain expenses indirectly, such as fees of other investment funds in which the Pool invests that are reflected in the reported net asset value of such funds.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from U.S. federal and state taxation. In accordance with FASB Accounting Standards Codification (ASC) 740 Income Taxes, the IMB has considered and assessed the impact of uncertain tax positions and determined that it has no such positions and therefore there is no impact on the Pool's financial statements. Accordingly, no provision for income taxes is required as of May 31, 2014.

**Indemnifications** - In the normal course of business, the IMB has entered into contracts that provide a variety of indemnifications. Any exposure to the Pool under these arrangements would involve future claims that may be made against the IMB. The Pool's maximum exposure under these arrangements is unknown. No such claims have occurred, nor are they expected to occur and the IMB expects the risk of loss to be remote.



# Hedge Fund Pool

## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 3. FAIR VALUE MEASUREMENTS

ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

ASC 820 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with ASC 820 fair value hierarchy levels as of May 31, 2014:

Assets	Level 1	Level 2	Level 3	Total
Directional funds	\$ -	\$ -	\$ 200,770	\$ 200,770
Equity long/short funds	-	-	200,648	200,648
Event driven funds	-	-	48,488	48,488
Long biased funds	-	-	43,346	43,346
Multiple strategy funds	-	-	958,235	958,235
Short-term issue	144	-	-	144
Total	\$ 144	\$ -	\$ 1,451,487	\$ 1,451,631

## Hedge Fund Pool

### Notes to Financial Statements (Amounts in thousands, except share data)

#### NOTE 3. FAIR VALUE MEASUREMENTS (continued)

The reconciliation of the beginning and ending balances of Level 3 investments for the period ended May 31, 2014, was as follows:

	Directional funds	Equity long/short funds	Event driven funds
Balance at June 30, 2013	\$ 182,512	\$ 185,482	\$ 38,408
Net realized gain/(loss)	-	-	-
Net change in unrealized appreciation	8,258	15,166	10,080
Purchases	10,000	-	-
Sales	-	-	-
Net transfers in/(out) of Level 3	-	-	-
Balance at May 31, 2014	\$ 200,770	\$ 200,648	\$ 48,488

	Long biased funds	Multiple strategy funds	Total
Balance at June 30, 2013	\$ 43,284	\$ 841,371	\$ 1,291,057
Net realized gain/(loss)	(1,675)	1,835	160
Net change in unrealized appreciation	2,278	67,123	102,905
Purchases	-	85,000	95,000
Sales	(541)	(37,094)	(37,635)
Net transfers in/(out) of Level 3	-	-	-
Balance at May 31, 2014	\$ 43,346	\$ 958,235	\$ 1,451,487

The total change in unrealized appreciation (depreciation) included in the Statement of Operations attributable to Level 3 investments still held at May 31, 2014, includes the following:

Directional funds	\$ 8,258
Equity long/short funds	15,166
Event driven funds	10,080
Long biased funds	2,278
Multiple strategy funds	67,123
Total	\$ 102,905

# Hedge Fund Pool

## Notes to Financial Statements (Amounts in thousands, except share data)

### NOTE 4. FINANCIAL HIGHLIGHTS

<b>Per Unit Operating Performance:</b>	
Net asset value at June 30, 2013	\$ 12.12
Income from investment operations:	
Net investment loss	(0.01)
Net realized and unrealized gain on investment transactions	0.93
Total from investment operations	0.92
Net asset value at May 31, 2014	\$ 13.04
<b>Total Return *</b>	7.6%
<b>Supplemental Data:</b>	
Net assets, end of period	\$ 1,461,768
Ratio to average net assets:	
Expenses **	0.07%
Net investment income **	-0.06%
Portfolio turnover rate	2.73%

\* Return data is net of fees and is for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized and do not reflect the Pool's proportionate share of income and expenses of the underlying investee funds.

### NOTE 5. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at May 31, 2014.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 622,314
Public Employees' Retirement System	538,245
State Police Death, Disability and Retirement Fund	55,787
West Virginia Retiree Health Benefit Trust Fund	55,386
Coal Workers' Pneumoconiosis Fund	53,080
Public Employees Insurance Agency	41,957
Board of Risk and Insurance Management	28,685
Judges' Retirement System	15,805
Deputy Sheriff's Retirement System	15,302
State Police Retirement System	11,213
West Virginia Department of Environmental Protection Agency	6,908
Emergency Medical Services Retirement System	4,983
Wildlife Endowment Fund	4,973
Workers' Compensation Self-Insured Employer Guaranty Risk Pool	3,074
Workers' Compensation Uninsured Employers' Fund	2,443
Workers' Compensation Self-Insured Employer Security Risk Pool	1,381
Municipal Model A	131
Municipal Police Officers' and Firefighters' Retirement System	101
Total	\$ 1,461,768