



Board of Retirement Regular Meeting

Sacramento County Employees' Retirement System

Agenda Item 9

MEETING DATE: March 21, 2018

SUBJECT: Monthly Investment Manager Activity, Compliance and Watch List Report – February 2018

SUBMITTED FOR: Consent Deliberation and Action Receive and File

RECOMMENDATION

Staff recommends the Board receive and file the Monthly Investment Manager Activity, Compliance and Watch List report for February 2018.

PURPOSE

To comply with SCERS' investment policy statement reporting requirements.

DISCUSSION

Report for the month of February 2018 is provided.

SCERS' investment manager transactions have been reviewed for compliance with their respective investment guidelines and objectives. No compliance violations have been found.

As of February 28, 2018, investment managers on the Watch List include:

1. Brown Advisory (Large Cap Growth).
2. Huber Capital Management (Large Cap Value).
3. Och-Ziff Capital Management (Absolute Return and Opportunities-Real Estate).
4. Weatherbie Capital Management (Small Cap Growth).

Brevan Howard Capital Management (Absolute Return) was removed from the Watch List. In February, SCERS submitted a redemption request to Brevan Howard to redeem its investment in the Brevan Howard Master Fund. Brevan Howard employs a 25% gate per quarter on redemptions and requires 3 months' notice. Therefore, SCERS should receive its first quarterly redemption on May 31, 2018 and receive its full redemption over the following year.

No other changes in manager status are recommended at this time. Staff and the investment consultants will continue to monitor the performance and/or organizational concerns and advise when satisfactorily resolved.

ATTACHMENTS

1. Monthly Investment Manager Activity, Compliance and Watch List Report – February 2018
2. Watch List with Commentary Report – February 2018

Prepared by:

/S/

Brian Miller
Investment Officer

Reviewed by:

/S/

Steve Davis
Chief Investment Officer

/S/

Eric Stern
Chief Executive Officer

SACRAMENTO COUNTY EMPLOYEES' RETIREMENT SYSTEM
 Monthly Investment Manager Activity, Compliance, and Watch List Report February 28, 2018

#	Investment Manager	Fund Type	Watch List	Net Asset Value (as of February 28, 2018)*	SCERS Investment / Commitment	Total Capital Called to Date	Total Capital Returned to Date**	Benchmark	Comply	Counter-Party Comply	Monthly Purchases / Capital Called	Monthly Sales / Capital Returned**	Top 10 Holdings / Notes
DOMESTIC EQUITY													
1	JP Morgan Asset Management	Equity 130/30		\$123,159,571				Russell 1000	Yes	N/A	\$26,677,087	\$26,703,516	Alphabet, Microsoft, Apple, Amazon.com, Bank of America, Pfizer, Occidental Petroleum, UnitedHealth Group, Citigroup, Northrop Grumman
2	Eagle Capital Management	Large Cap Core		\$262,549,474				Russell 1000	Yes	N/A	\$19,840,779	\$19,708,424	Berkshire Hathaway Inc Cl B, Microsoft Corp, Alphabet Inc Cl C, Oracle Corp, Amazon.Com Inc, Citigroup Inc, Aon Plc, Liberty Global Plc C, Unitedhealth Group Inc, Ecolab Inc
3	Brown Advisory	Large Cap Growth	YES	\$136,802,959				Russell 1000 Growth	Yes	N/A	\$6,751,922	\$6,167,130	Amazon.Com Inc, Zoetis Inc, Visa Inc Class A Shares, Intuitive Surgical Inc, Adobe Systems Inc, Paypal Holdings Inc, Alphabet Inc Cl C, Salesforce.Com Inc, Amphenol Corp Cl A, Roper Technologies Inc
4	Alliance Bernstein	Large Cap Passive		\$1,190,517,813				Russell 1000	Yes	N/A	\$1,348,925	\$1,645,808	Apple Inc, Microsoft Corp, Amazon.Com Inc, Facebook Inc A, Jpmorgan Chase + Co, Berkshire Hathaway Inc Cl B, Johnson + Johnson, Alphabet Inc Cl C, Alphabet Inc Cl A, Exxon Mobil Corp
5	Huber Capital Management	Large Cap Value	YES	\$121,346,189				Russell 1000 Value	Yes	N/A	\$3,503,020	\$4,504,019	Kbr Inc, Citigroup Inc, Microsoft Corp, Bank Of America Corp, Northrop Grumman Corp, Jpmorgan Chase + Co, State Street Bank + Trust Co, Philip Morris International, Ca Inc, Eli Lilly + Co
6	CenterSquare Investment Management (formerly Urdang)	REIT - US		\$217,640				FTSE NAREIT Equity REIT	Yes	N/A	\$4,821,912	\$92,194,409	Account was terminated; Assets were transferred to Transition Account.
7	Weatherbie Capital	Small Cap Growth	YES	\$117,233,967				Russell 2000 Growth	Yes	N/A	\$6,879,440	\$7,069,737	Firstservice Corp, Xpo Logistics Inc, Chegg Inc, State Street Bank + Trust Co, Stamps.Com Inc, Ebix Inc, Insulet Corp, Wayfair Inc Class A, Paylocity Holding Corp, Gtt Communications Inc
8	UBS Global Asset Management	Small Cap Growth		\$75,821,146				Russell 2000 Growth	Yes	N/A	\$2,111,309	\$2,032,918	Universal Display Corp, Callidus Software Inc, Wix.Com Ltd, Varonis Systems Inc, State Street Bank + Trust Co, Abiomed Inc, 8X8 Inc, Mulesoft Inc A, Summit Materials Inc Cl A, Chegg Inc
9	Dalton, Greiner, Hartman, Maher	Small Cap Value		\$79,963,099				Russell 2000 Value	Yes	N/A	\$4,251,616	\$4,484,871	American Eagle Outfitters, State Street Bank + Trust Co, Brandywine Realty Trust, Abm Industries Inc, Wpx Energy Inc, Allscripts Healthcare Soluti, Teradyne Inc, Kennedy Wilson Holdings Inc, Radian Group Inc, Cousins Properties Inc
10	Wedge Capital Management	Small Cap Value		\$88,507,316				Russell 2000 Value	Yes	N/A	\$2,970,186	\$3,026,439	Prosperity Bancshares Inc, Stag Industrial Inc, Aecom, Cullen/Frost Bankers Inc, Colfax Corp, Great Western Bancorp Inc, Integrated Device Tech Inc, State Street Bank + Trust Co, Tcf Financial Corp, Standex International Corp
11	Transition Account	Transition Assets		\$94,572,784				N/A	N/A	N/A	\$94,572,484		Domestic REITs transferred from manager to Transition Account for Rebalance occurring March 2018
12	TOTAL DOMESTIC EQUITY			\$2,290,691,957							\$173,728,679	\$167,537,271	

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INTERNATIONAL EQUITY													
13	Lazard Asset Management	ACWI ex-US		\$384,368,308				MSCI ACWI Ex.-U.S.	Yes	N/A	\$53,504,133	\$145,131,259	Lazard Emerging Markets Equity, State Street Bank + Trust Co, Prudential Plc, Sampo Oyj A Shs, Don Quijote Holdings Co Ltd, British American Tobacco Plc, Daiwa House Industry Co Ltd, Makita Corp, Informa Plc, Vivendi \$129 withdrawal. Assets transferred to Transition Account
14	LSV Asset Management	Developed Large Cap Value		\$484,085,407				MSCI World Ex.-U.S.	Yes	N/A	\$10,973,854	\$73,256,647	Sanofi, Total Sa, Bp Plc, Nippon Telegraph + Telephone, Kddi Corp, Roche Holding Ag Genusschein, Glaxosmithkline Plc, Bae Systems Plc, Enel Spa, Allianz Se Reg \$65 withdrawal. Assets transferred to Transition Account
15	Walter Scott International EAFE Income Growth	Developed Large Cap Growth		\$481,597,180				MSCI World Ex.-U.S.	Yes	N/A	\$260,718	\$13,387,462	Keyence Corp, Aia Group Ltd, Novo Nordisk A/S B, Lvmh Moet Hennessy Louis Vui, Kao Corp, Csl Ltd, Novozymes A/S B Shares, Denso Corp, Adidas Ag, Fanuc Corp \$13 withdrawal. Assets transferred to Transition Account
16	William Blair International Small Cap	Developed Small Cap Growth		\$99,243,149				MSCI Small Cap World ex.-U.S.	Yes	N/A	\$6,972,256	\$40,996,359	Localiza Rent A Car, Nissan Chemical Industries, Rubis, Nabtesco Corp, Canadian Western Bank, Indutrade Ab, Nihon M&A Center Inc, Ssp Group Plc, Kose Corp, Tokyo Century Corp \$38 withdrawal. Assets transferred to Transition Account
17	Mondrian International Small Cap	Developed Small Cap Value		\$114,367,703				MSCI Small Cap World ex.-U.S.	Yes	N/A	\$1,686,614	\$5,538,144	Nifco Inc, Croda International PLC, AAK AB, Rubis SCA, CAE Inc, US Dollar, SATS Ltd, ContourGlobal PLC, Nihon MA Center Inc, Auckland International Airport Ltd
18	Ballie Gifford EM All Cap	Emerging Market - All Cap		\$202,871,950				MSCI Emerging Markets	Yes	N/A			Tencent Holdings, Sberbank Of Russia (Lon) Adr, Alibaba Group Hldg.Spn. Adr 1:1, Taiwan Semicon.Mnfg., Ping An Insurance 'H', Cnooc, Reliance Industries, Samsung Electronics, China Merchants Bank 'H', Housing Development Fin.
19	Mondrian EM All Cap	Emerging Market - All Cap		\$163,282,801				MSCI Emerging Markets	Yes	N/A	\$3,961,493	\$7,334,081	China Construction Bank Corp Class H, Samsung Electronics Co Ltd, Taiwan Semiconductor Manufacturing Ltd, China Mobile Ltd, Embraer SA Sponsored ADR, Gazprom PJSC Sponsored ADR, WH Group Ltd, Shinhan Financial Group Ltd, Woolworths Holdings Ltd, Indiabulls Housing Finance Ltd
20	Mondrian EM Small Cap	Emerging Market - Small Cap		\$27,883,042				MSCI Emerging Markets Small Cap	Yes	N/A	\$154,277	\$1,152,253	Hartalega Holdings Bhd, Varun Beverages Ltd, QL Resources Bhd, Major Cineplex Group PCL - Foreign, D&L Industries Inc, Dialog Group Bhd, Alicorp SAA, Mouwasat Med Serv Co - ML PN 10-Sep-20, Korea Kolmar Co Ltd, Atrium European Real Estate
21	William Blair EM Small Cap	Emerging Market - Small Cap		\$35,079,251				MSCI Emerging Markets Small Cap	Yes	N/A			Grupo Supervielle Sa-Sp Adr, Cvc Brasil Operadora E Agenc, Hiwin Technologies Corp, Psg Group Ltd, Bank Tabungan Negara Persero, Localiza Rent A Car, Ing Life Insurance Korea Ltd, Tcs Group Holding -Reg S, Fuyao Glass Industry Group-H, Parade Technologies Ltd
22	CBRE Clarion Securities	REIT - Internat'l		\$437,800				FTSE NAREIT Developed e.x.-U.S.	Yes	N/A	\$8,162,841	\$98,674,629	Account was terminated; Assets were transferred to Transition Account.
23	Transition Account	Transition Assets		\$325,487,475				N/A	N/A	N/A	\$325,487,475		International Equity and REITs transferred from managers to Transition Account for Rebalance occuring March 2018
24	TOTAL INTERNATIONAL EQUITY			\$2,318,704,066							\$411,163,662	\$385,470,834	

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PRIVATE EQUITY													
25	Abbott Capital Private Equity Fund VI, LP	aFund of Funds		\$56,540,963	\$75,000,000	\$72,000,000	\$48,751,320	Cambridge Assoc. All Private Equity	Yes	N/A			
26	HarbourVest International PEP VI, LP	aFund of Funds		\$36,303,071	\$50,000,000	\$36,893,009	\$16,053,602	Cambridge Assoc. All Private Equity	Yes	N/A			Fund is denominated in Euros and has been converted to US dollars based on the exchange rate at the time of the transaction.
27	HarbourVest VIII, LP	aFund of Funds		\$22,256,552	\$50,000,000	\$47,587,499	\$23,677,972	Cambridge Assoc. All Private Equity	Yes	N/A		\$949,343	
28	Private Equity (Goldman Sachs) X, LP	aFund of Funds		\$36,925,158	\$75,000,000	\$74,960,334	\$55,391,146	Cambridge Assoc. All Private Equity	Yes	N/A			
29	Accel-KKR Capital Partners IV, LP	Buyout		\$11,452,096	\$15,000,000	\$12,307,042	\$6,650,498	Cambridge Assoc. All Private Equity	Yes	N/A			
30	Accel-KKR Capital Partners V, LP	Buyout		\$4,781,862	\$25,000,000	\$5,060,932		Cambridge Assoc. All Private Equity	Yes	N/A			
31	H.I.G. Capital Partners V, LP	Buyout		\$8,293,465	\$14,000,000	\$8,195,022	\$1,437,210	Cambridge Assoc. All Private Equity	Yes	N/A	\$1,523,998		
32	Marlin Equity IV, LP	Buyout		\$18,843,468	\$20,000,000	\$17,608,308	\$190,655	Cambridge Assoc. All Private Equity	Yes	N/A	\$834,284		
33	Linden Capital Partners III, LP	Buyout - Middle Market Healthcare		\$36,858,035	\$35,000,000	\$32,375,287		Cambridge Assoc. All Private Equity	Yes	N/A	\$5,257,894		
34	Thoma Bravo Fund XI, LP	Buyout - Middle Market Technology		\$33,433,617	\$30,000,000	\$30,010,615	\$5,395,896	Cambridge Assoc. All Private Equity	Yes	N/A			
35	Thoma Bravo Fund XII, LP	Buyout - Middle Market Technology		\$16,083,105	\$30,000,000	\$16,522,885	\$674,826	Cambridge Assoc. All Private Equity	Yes	N/A	\$1,694,396		
36	H.I.G. Europe Capital Partners II, LP	Buyout - Non-US		\$9,999,431	\$21,000,000	\$10,621,345		Cambridge Assoc. All Private Equity	Yes	N/A	\$2,927,898		Fund is denominated in Euros and has been converted to US dollars based on the exchange rate at the time of the transaction.

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PRIVATE EQUITY													
37	Waterland Fund V, LP	Buyout - Non-US		\$14,724,542	\$23,193,600	\$15,407,191	\$19,524,838	Cambridge Assoc. All Private Equity	Yes	N/A			Fund is denominated in Euros and has been converted to US dollars based on the exchange rate at the time of the transaction.
38	Waterland Fund VI, LP	Buyout - Non-US		\$12,391,017	\$30,000,000	\$10,314,617		Cambridge Assoc. All Private Equity	Yes	N/A			Fund is denominated in Euros and has been converted to US dollars based on the exchange rate at the time of the transaction.
39	Marlin Heritage, LP	Buyout - Small / Middle Market		\$8,022,212	\$10,000,000	\$8,764,637	\$7,093,276	Cambridge Assoc. All Private Equity	Yes	N/A		\$399,159	
40	Marlin Heritage II, LP	Buyout - Small / Middle Market		\$1,341,247	\$10,000,000	\$1,341,247		Cambridge Assoc. All Private Equity	Yes	N/A	\$439,262		
41	Marlin Heritage Europe, LP	Buyout - Small / Middle Market		\$4,694,712	\$14,400,000	\$4,893,215		Cambridge Assoc. All Private Equity	Yes	N/A	\$77,011		Fund is denominated in Euros and has been converted to US dollars based on the exchange rate at the time of the transaction.
42	Marlin Heritage Equity Partners V, LP	Buyout - Middle Market		\$2,082,232	\$25,000,000	\$2,063,907		Cambridge Assoc. All Private Equity	Yes	N/A	\$2,063,907		
43	RRJ Capital Master Fund II, LP	Buyout - Special Situations SE Asia		\$20,455,825	\$35,000,000	\$41,854,303	\$25,923,053	Cambridge Assoc. All Private Equity	Yes	N/A		\$200,383	
44	RRJ Capital Master Fund III, LP	Buyout - Special Situations SE Asia		\$14,945,641	\$40,000,000	\$15,620,918	\$4,049,102	Cambridge Assoc. All Private Equity	Yes	N/A		\$56,820	
46	Atalaya Special Opportunities Fund VI, LP	Distressed Debt - US		\$17,976,612	\$25,000,000	\$23,061,004	\$7,036,137	Cambridge Assoc. All Private Equity	Yes	N/A		\$94,538	
47	DavidsonKempner Long-Term Distressed Opportunities Fund IV, LP	Distressed Debt			\$35,000,000			Cambridge Assoc. All Private Equity	Yes	N/A			
48	Garrison Opportunity Fund III, LP	Distressed Debt		\$13,727,383	\$20,000,000	\$20,000,000	\$6,220,104	Cambridge Assoc. All Private Equity	Yes	N/A			
49	H.I.G. Bayside Loan Opportunity III (Europe), LP	Distressed Debt		\$22,329,789	\$30,000,000	\$23,358,256	\$6,569,108	Cambridge Assoc. All Private Equity	Yes	N/A			
50	TPG Opportunities Partners III, LP	Distressed Debt		\$20,741,485	\$40,000,000	\$25,925,248	\$8,674,985	Cambridge Assoc. All Private Equity	Yes	N/A			

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PRIVATE EQUITY													
51	Wayzata Opportunities Fund III, LP	Distressed Debt		\$7,100,366	\$30,000,000	\$14,718,000	\$7,580,634	Cambridge Assoc. All Private Equity	Yes	N/A			
52	Summit Partners Venture Capital Fund III, LP	Growth Equity		\$15,561,738	\$16,350,000	\$16,350,000	\$13,650,630	Cambridge Assoc. All Private Equity	Yes	N/A			
53	Summit Partners Venture Capital Fund IV, LP	Growth Equity		\$12,463,409	\$35,000,000	\$13,129,603	\$4,935,627	Cambridge Assoc. All Private Equity	Yes	N/A			
54	Summit Partners Europe Growth Equity Fund II, LP	Growth Equity		\$1,156,283	\$30,000,000	\$1,613,115		Cambridge Assoc. All Private Equity	Yes	N/A	\$1,156,283		
55	TSG 7A, LP and TSG 7B, LP	Buyout - Consumer Brands		\$5,868,997	\$20,000,000	\$6,214,551	\$7,227	Cambridge Assoc. All Private Equity	Yes	N/A			
56	Accel-KKR Growth Capital Partners II, LP	Growth Equity - Software Technology		\$4,371,938	\$15,000,000	\$6,527,489	\$2,059,777	Cambridge Assoc. All Private Equity	Yes	N/A			
57	Spectrum Equity Investors VII, LP	Growth Equity - Software Technology		\$19,280,477	\$25,000,000	\$21,812,500	\$9,097,783	Cambridge Assoc. All Private Equity	Yes	N/A			
58	Spectrum Equity Fund VIII, LP	Growth Equity - Software Technology			\$25,000,000			Cambridge Assoc. All Private Equity	Yes	N/A			
59	Dyal II US Investors, LP	Other		\$8,313,034	\$35,000,000	\$13,495,512	\$3,608,953	Cambridge Assoc. All Private Equity	Yes	N/A			
60	Dyal Capital Partners III, LP	Other		\$12,746,511	\$35,000,000	\$18,715,859	\$7,112,840	Cambridge Assoc. All Private Equity	Yes	N/A			
61	Khosla Ventures Fund IV, LP	Venture Capital		\$16,959,258	\$10,000,000	\$9,810,000	\$3,153,782	Cambridge Assoc. All Private Equity	Yes	N/A			
62	Khosla Ventures Fund V, LP	Venture Capital		\$15,893,644	\$20,000,000	\$13,600,000	\$1,012,798	Cambridge Assoc. All Private Equity	Yes	N/A			
63	NEA 14, LP	Venture Capital		\$36,208,568	\$25,000,000	\$23,500,000	\$3,099,450	Cambridge Assoc. All Private Equity	Yes	N/A		\$806,138	

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64	NEA 15, LP	Venture Capital		\$33,443,926	\$35,000,000	\$26,429,431		Cambridge Assoc. All Private Equity	Yes	N/A	\$525,000		
65	NEA 16, LP	Venture Capital		\$5,942,169	\$35,000,000	\$6,037,500		Cambridge Assoc. All Private Equity	Yes	N/A	\$700,000		
66	Trinity Ventures XI, LP	Venture Capital		\$26,178,713	\$25,000,000	\$19,500,000		Cambridge Assoc. All Private Equity	Yes	N/A			
67	Trinity Ventures XII, LP	Venture Capital		\$11,523,382	\$30,000,000	\$10,650,000		Cambridge Assoc. All Private Equity	Yes	N/A	\$675,000		
68	TOTAL PRIVATE EQUITY			\$683,687,364	\$1,248,943,600	\$786,645,783	\$300,677,434				\$17,874,934	\$2,506,381	

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PUBLIC CREDIT													
69	Brigade SC Credit Opportunities Mandate, LLC	Strategic Credit		\$175,455,762				50% BofA Merrill Lynch High Yield Master II Constrained / 50% Credit Suisse Leveraged Loan	Yes	N/A			
70	TOTAL PUBLIC CREDIT			\$175,455,762									
PRIVATE CREDIT													
71	Athyrium Opportunities Fund II, LP	Opport. Credit - Healthcare		\$16,000,150	\$32,000,000	\$32,103,138	\$19,421,611	Credit Suisse Leveraged Loan + 200 bps	Yes	N/A		\$1,814,566	
72	Athyrium Opportunities Fund III, LP	Opport. Credit - Healthcare		\$5,471,432	\$25,000,000	\$7,795,401	\$2,044,205	Credit Suisse Leveraged Loan + 200 bps	Yes	N/A			
73	Summit Partners Credit Fund I, LP	Corp. Credit Lending		\$4,549,425	\$20,000,000	\$24,939,499	\$25,193,775	Credit Suisse Leveraged Loan + 200 bps	Yes	N/A		\$1,279,559	
74	Summit Partners Credit Fund II, LP	Corp. Credit Lending		\$22,072,030	\$35,000,000	\$35,607,734	\$18,796,450	Credit Suisse Leveraged Loan + 200 bps	Yes	N/A		\$2,927,179	
75	Tennenbaum Capital Partners Direct Lending Fund VIII	Corp. Credit Lending		\$2,999,700	\$100,000,000	\$2,999,700		Credit Suisse Leveraged Loan + 200 bps	Yes	N/A	\$2,999,700		
76	Benefit Street Partners Senior Secured Opportunities Fund, LP	Corp. Credit Lending		\$19,863,942	\$50,000,000	\$19,918,928		Credit Suisse Leveraged Loan + 200 bps	Yes	N/A	\$19,918,928		
77	TOTAL PRIVATE CREDIT			\$70,956,679	\$262,000,000	\$123,364,399	\$65,456,040				\$22,918,628	\$6,021,304	

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ABSOLUTE RETURN													
78	Grosvenor SC Absolute Return Fund (SCARF)	Separate Account		\$266,608,238				HFRI FoF Composite Index +100 bps / HFRI FoF Conservative Index	Yes	Yes			
79	Grosvenor SC Absolute Return Fund, Series B (SCARF-B)	Interim Separate Account		\$71,067,042				HFRI FoF Composite Index +100 bps / HFRI FoF Conservative Index	Yes	Yes			
80	Lakewood Capital Partners, LP	Equity Long/Short		\$46,117,500	\$35,000,000	\$33,000,000		HFRI FoF Composite Index +100 bps	Yes	Yes			
81	Elliott Associates, LP	Event Driven		\$51,916,699				HFRI FoF Conservative Index	Yes	Yes			
82	Jana Partners Qualified, LP	Event Driven		\$40,987,590				HFRI FoF Composite Index +100 bps	Yes	Yes			
83	Third Point Partners Qualified, LP	Event Driven		\$49,301,146				HFRI FoF Composite Index +100 bps	Yes	Yes			
84	Grosvenor	Fund of Funds		\$162,144				HFRI FoF Composite Index +100 bps	Yes	N/A		\$27,249	Fund was terminated; redemptions from the fund continues to progress.
85	Claren Road Credit Partners, LP	Global Long-Short Credit		\$141,746				HFRI FoF Conservative Index	Yes	Yes			SCERS put in a full redemption request for this fund. Due to significant redemptions incurred by Claren Road, final distribution of SCERS' capital will be made over multiple quarters.
86	Brevan Howard Master Fund, LLC	Global Macro - Discretion		\$33,943,945				HFRI FoF Conservative Index	Yes	Yes			SCERS submitted a full redemption request for this fund. The fund employs a 25% gate per quarter with the final distribution expected during Q2 2019.
87	Laurion Capital Management, LP	Market Neutral - Vol/Arb		\$43,008,387				HFRI FoF Conservative Index	Yes	Yes			
88	AQR DELTA Fund, LP	Multi-Strategy		\$73,449,780				HFRI FoF Conservative Index	Yes	Yes			
89	Och-Ziff Domestic Partners Fund II, LP	Multi-Strategy	YES	\$46,768,470				HFRI FoF Composite Index +100 bps	Yes	Yes			
90	Winton Diversified Futures Fund, LP	Systematic Global Macro		\$37,216,060				HFRI FoF Conservative Index	Yes	Yes			
91	Graham Global Investment Fund II SPC, Ltd	Systematic Global Macro		\$35,303,646				HFRI FoF Conservative Index	Yes	Yes			
92	TOTAL ABSOLUTE RETURN			\$795,992,392	\$35,000,000	\$33,000,000						\$27,249	

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PUBLIC FIXED INCOME													
93	Neuberger Investment Management	U.S. Treasury		\$347,533,853				Barclays U.S. Treasury	Yes	N/A	\$363,142,356	\$378,166,408	Us Treasury N/B, Us Treasury N/B, Us Treasury N/B, Us Treasury N/B, Us Treasury N/B, Us Treasury N/B, Us Treasury N/B, Us Treasury N/B, Us Treasury N/B, Us Treasury N/B
94	TCW MetWest Asset Management	Core Plus		\$357,466,056				Barclays U.S. Aggregate Bond	Yes	N/A	\$133,742,666	\$135,802,658	Us Treasury N/B, Us Treasury N/B, Us Treasury N/B, Us Treasury N/B, Us Treasury N/B, Metropolitan West High Yield B, Us Treasury N/B, Fnma Tba 30 Yr 4.5, Fnma Tba 30 Yr 3.5, Us Treasury N/B <i>Monthly Purchases and Sales excludes derivative transactions.</i>
95	Prudential Investment Management	Core Plus		\$429,952,417				Barclays U.S. Aggregate Bond	Yes	N/A	\$14,917,296	\$12,970,477	B8A4Lnzs0 Irs Usd R V 03Mlibor, B8A4Xsge8 Irs Usd R V 00Mfedl0, B8A4Rwjs2 Irs Usd R V 12Mlibor, B8A3U8Pu1 Irs Usd R V 01Musois, B8A4Xw9N7 Irs Usd R V 12Mfedl, B8A3U3H15 Irs Usd R V 01Musois, B8A4Qqmn3 Irs Usd R V 12Mfedl, B8A4Txuh9 Irs Usd R V 12Mlibor, B8A2G7517 Irs Usd R V 03Mlibor, Inhy <i>Monthly Purchases and Sales excludes derivative transactions.</i>
96	Brandywine Global Investment Management	Global		\$233,856,485				80% Citigroup WGBI ex.-U.S. / 20% JP Morgan GBI EM Diversified	Yes	N/A	\$21,831,544	\$10,834,193	Us Treasury Frn Flt 07/31/19, Uk Tsy Gilt 1.25% 07/22/18, Mexican Bonos 7.75% 11/13/42, Us Treasury Frn Flt 04/30/19, Rep South Africa 8.75% 02/28/48, Goldman Sachs Gp Flt 02/23/23, Mexican Bonos 8.5% 11/18/38, Mexican Bonos 8.5% 05/31/29, Brazil Ntn-F 10% 01/01/25, Australian Govt. 2.75% 10/21/19
97	TOTAL FIXED INCOME			\$1,368,808,811							\$533,633,863	\$537,773,736	

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CORE REAL ESTATE													
98	BlackRock Realty	Real Estate - Core Separate Account		\$173,160,820				NFI-ODCE Index	Yes	N/A	\$530,000	\$623,786	Assets managed does not include \$49.9 million of debt. Any capital called is for the Block 295 (Leland James Center) redevelopment project in Portland, OR.
99	Barings (formerly Cornerstone)	Real Estate - Core Separate Account		\$77,429,989				NFI-ODCE Index	Yes	N/A			Assets managed does not include \$39 million of debt.
100	Jamestown Premier Property Fund, LP	Real Estate - Core / Core Plus		\$20,178,425				NFI-ODCE Index	Yes	N/A			
101	MetLife Core Property Fund	Real Estate - Core		\$55,072,419				NFI-ODCE Index	Yes	N/A			
102	Prime Property Fund, LLC	Real Estate - Core		\$55,824,191				NFI-ODCE Index	Yes	N/A			
103	Principal US Property Account	Real Estate - Core		\$42,701,890				NFI-ODCE Index	Yes	N/A			
104	Prologis Targeted Europe Logistics Fund, LP	Real Estate - Core		\$34,289,382				NFI-ODCE Index	Yes	N/A			Fund is denominated in Euros, which will then be converted to US dollars based on the exchange rate at the time of the transaction.
105	Prologis Targeted US Logistics Fund, LP	Real Estate - Core		\$61,379,328				NFI-ODCE Index	Yes	N/A		\$475,631	
106	Townsend Real Estate Fund, LP	Real Estate - Core		\$100,525,897				NFI-ODCE Index	Yes	N/A			
107	TOTAL CORE REAL ESTATE			\$620,562,342							\$530,000	\$1,099,417	

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NON-CORE REAL ESTATE													
108	DRC European Real Estate Debt Fund II, LP	Real Estate - Value Add Debt		\$12,800,849	\$50,000,000	\$77,430,712	\$67,873,577	NFI-ODCE + 100 bps	Yes	N/A		\$345,874	Fund is denominated in UK pound sterling and has been converted to US dollars based on the exchange rate at the time of the transaction.
109	Carlyle China Realty, LP	Real Estate - Opport.		\$3,527,965	\$10,000,000	\$3,977,692		NFI-ODCE + 100 bps	Yes	N/A			
110	Carlyle China Rome Logistics, LP	Real Estate - Opport.		\$10,698,728	\$20,000,000	\$11,032,508		NFI-ODCE + 100 bps	Yes	N/A			
111	CIM Opportunity Fund VIII, LP	Real Estate - Opport.		\$28,470,069	\$35,000,000	\$30,804,150	\$5,906,609	NFI-ODCE + 100 bps	Yes	N/A			
112	KKR Real Estate Partners Americas, LP	Real Estate - Opport.		\$16,008,864	\$35,000,000	\$31,097,072	\$24,556,571	NFI-ODCE + 100 bps	Yes	N/A	\$200,044		
113	Och-Ziff Real Estate Fund III, LP	Real Estate - Opport.	YES	\$11,690,268	\$35,000,000	\$16,282,651	\$8,730,265	NFI-ODCE + 100 bps	Yes	N/A		\$300,896	
114	AEW Value Investors II, LP	Real Estate - Value Add		\$49,301	\$25,000,000	\$21,812,596	\$27,457,757	NFI-ODCE + 100 bps	Yes	N/A			The fund has reached the end of its term. AEW has been undergoing an orderly sale of the assets and extended the closing of the fund until 2017.
115	Allegis Value Trust	Real Estate - Value Add		\$15,574,719	\$25,000,000	\$25,000,000	\$15,859,000	NFI-ODCE + 100 bps	Yes	N/A			The fund has reached the end of its term. Allegis Value Trust has been undergoing an orderly sale of the assets and extended the closing of the fund until 2018.
116	ECE European Prime Shopping Centre Fund II, SCS SIF	Real Estate - Value Add		\$8,843,419	\$35,000,000	\$7,922,479	\$1,472,250	NFI-ODCE + 100 bps	Yes	N/A			Fund is denominated in Euros, which will then be converted to US dollars based on the exchange rate at the time of the transaction.
117	Hammes Partners II, LP	Real Estate - Value Add		\$16,587,634	\$25,000,000	\$19,494,075	\$4,725,597	NFI-ODCE + 100 bps	Yes	N/A			
118	Hammes Partners III, L.P.	Real Estate - Value Add			\$31,250,000			NFI-ODCE + 100 bps	Yes	N/A			
119	Hines US Office Value Fund II, LP	Real Estate - Value Add		\$613,724	\$22,572,950	\$21,726,796	\$16,970,755	NFI-ODCE + 100 bps	Yes	N/A			The fund has reached the end of its term. Hines completed the final disposition of assets. The net asset value represents the leftover cash.
120	NREP Nordic Strategies Fund, FCP-FIS	Real Estate - Value Add		\$14,778,290	\$25,000,000	\$22,760,539	\$19,642,960	NFI-ODCE + 100 bps	Yes	N/A			Fund is denominated in Euros, which will then be converted to US dollars based on the exchange rate at the time of the transaction.
121	NREP Nordic Strategies Fund II, SCSp	Real Estate - Value Add		\$19,838,362	\$35,000,000	\$20,488,866	\$1,420,650	NFI-ODCE + 100 bps	Yes	N/A			Fund is denominated in Euros, which will then be converted to US dollars based on the exchange rate at the time of the transaction.
122	TOTAL NON-CORE REAL ESTATE			\$159,482,191	\$408,822,950	\$309,830,135	\$194,615,990				\$200,044	\$646,770	
123	TOTAL REAL ESTATE			\$780,044,533	\$408,822,950	\$309,830,135	\$194,615,990				\$730,044	\$1,746,186	

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REAL ASSETS													
124	ACM Fund II, LLC	Real Assets - Agriculture		\$12,369,445	\$25,000,000	\$17,076,419	\$4,277,491	Blended Index***	Yes	N/A	\$5,474,729		
125	Arclight Energy Partners VI, LP	Energy - Midstream		\$30,036,805	\$40,000,000	\$34,687,792	\$6,878,640	Blended Index***	Yes	N/A			
126	EnCap Flatrock Midstream III, LP	Energy - Midstream		\$7,058,226	\$20,000,000	\$12,214,720	\$11,912,977	Blended Index***	Yes	N/A		\$6,956,904	
127	EnCap Flatrock Midstream Fund IV, LP	Energy - Midstream		\$903,032	\$22,500,000			Blended Index***	Yes	N/A			
128	Quantum Energy Partners VI, LP	Energy - Midstream		\$18,521,063	\$35,000,000	\$21,939,851	\$9,767,605	Blended Index***	Yes	N/A		\$2,113,664	
129	Quantum Energy Partners VII, LP	Energy - Midstream		\$8,088,380	\$40,000,000	\$9,747,539	\$944,433	Blended Index***	Yes	N/A	\$2,085,022	\$420,657	
130	EnCap Energy Capital Fund IX, LP	Energy - Upstream		\$24,702,083	\$33,000,000	\$34,983,900	\$22,112,598	Blended Index***	Yes	N/A		\$265,946	
131	EnCap Energy Capital Fund X, LP	Energy - Upstream		\$26,527,829	\$40,000,000	\$28,716,234	\$6,190,851	Blended Index***	Yes	N/A	\$502,012		
132	First Reserve Energy Infrastructure II, LP	Energy Infrastruc.		\$15,481,575	\$35,000,000	\$24,071,991	\$17,158,100	Blended Index***	Yes	N/A		\$263,113	
133	Carlyle Power Partners II, LP	Energy - Power		\$15,432,034	\$40,000,000	\$23,519,341	\$6,710,786	Blended Index***	Yes	N/A			
134	Brookfield Infrastructure Fund III, LP	Infrastruc. - Core		\$13,964,192	\$40,000,000	\$14,555,104	\$2,277,964	Blended Index***	Yes	N/A			
135	IFM Global Infrastructure Fund (US), LP	Infrastruc. - Core		\$94,501,066	\$100,000,000	\$100,000,000	\$13,314,822	Blended Index***	Yes	N/A		\$9,936,256	
136	Meridiam Infrastructure North America III, LP	Infrastruc. - Core		\$285,254	\$50,000,000	\$586,566		Blended Index***	Yes	N/A			
137	Wastewater Opportunity Fund, LP	Infrastruc. - Water/Wastewater		\$5,608,020	\$25,000,000	\$7,101,937	\$139,642	Blended Index***	Yes	N/A			
138	Pantheon SCERS Secondary Infrastructure, LLC	Infrastruc. - Secondary Separate Account		\$68,357,110	\$100,000,000	\$44,500,000		Blended Index***	Yes	N/A			

*** Real Assets Blended Index: 45% Cambridge Private Infrastructure, 35% Cambridge Private Energy, 10% NCREIF Agriculture, 10% NCREIF Timber

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REAL ASSETS													
139	Atalaya SCERS SMA, LLC	Asset Backed Lending Separate Account		\$28,605,595	\$100,000,000	\$34,228,318	\$8,056,647	Blended Index***	Yes	N/A			
140	SSgA Real Asset Strategy Proxy	Real Assets Overlay		\$239,441,236				Blend of weighted real return asset class benchmarks.	Yes	N/A	\$693,219	\$77,887	This is the overlay proxy for the Real Return asset category.
141	TOTAL PRIVATE REAL ASSETS			\$609,882,945	\$745,500,000	\$407,929,711	\$109,742,557				\$8,754,982	\$20,034,427	

*** Real Assets Blended Index: 45% Cambridge Private Infrastructure, 35% Cambridge Private Energy, 10% NCREIF Agriculture, 10% NCREIF Timber

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COMMODITIES													
142	Gresham Strategic Commodities Fund	Commodities		\$27,267,451				Bloomberg Commodity Index	Yes	N/A			
143	TOTAL COMMODITIES			\$27,267,451									
OPPORTUNITIES													
144	Atalaya Special Opportunities Fund V, LP	Distressed Debt - US		\$9,386,111	\$25,000,000	\$24,875,000	\$20,702,554	Cambridge Assoc. All PE	Yes	N/A		\$44,843	
145	TOTAL OPPORTUNITIES			\$9,386,111	\$25,000,000	\$24,875,000	\$20,702,554					\$44,843	
SHORT-TERM													
146	State Street Global Advisors - STIF (Cash Account)	Cash		\$55,803,335				91 Day T-Bill	Yes	N/A	\$24,814,579	\$50,118,403	Unallocated cash is swept into a short-term investment fund.
147	TOTAL SHORT-TERM			\$55,803,335							\$24,814,579	\$50,118,403	
FUTURES OVERLAY													
148	State Street Global Advisors (Futures Overlay)	Overlay		\$35,674,144				Target Asset Allocation	Yes	N/A	\$120,359,441	\$114,006,042	Fnma Tba 30 Yr 4, Fnma Tba 15 Yr 2.5, Gnma li Tba 30 Yr 3.5, State Street Bank + Trust Co, Us Dollar, Fhlmc Tba 30 Yr 3.5, Fnma Tba 30 Yr 3, Euro Currency, Pound Sterling, Japanese Yen
149	TOTAL FUTURES OVERLAY			\$35,674,144							\$120,359,441	\$114,006,042	
SCERS TOTAL PORTFOLIO				\$9,222,355,548	\$2,725,266,550	\$1,685,645,028	\$691,194,576				\$1,313,978,813	\$1,285,286,678	

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#	Investment Manager	Fund Type	Reason	Effective (month - year)	Commentary
1	Brown Advisory	Large Cap Growth	Performance	Feb-17	Returns have significantly underperformed the benchmark over long-term periods: 3-Year (+11.3% vs. +13.8%); 5-Year (+13.9% vs. +17.3%); and since inception (+12.3% vs. +15.4%).
2	Huber Capital Management	Large Cap Value	Performance	Feb-15	Returns have underperformed the benchmark over the long-term periods: 3-Year (+9.7% vs. +8.7%); 5-Year (+13.0% vs. +14.0%); and since inception (+12.5% vs. +13.6%).
3	Och-Ziff Capital Management	Absolute Return and Opportunistic Real Estate	Organization	Oct-16	In September 2016, Och-Ziff settled with the Department of Justice and the SEC by pleading guilty to violations under the Foreign Corrupt Practices Act. The firm will pay fines of \$213 million to the DOJ and civil penalties of \$199 million to the SEC. In light of this, the firm has been receiving some redemptions. The potential business risks remain related to further investor redemptions, ancillary regulatory scrutiny, employee retention, and reputational risk.
4	Weatherbie Capital Management	Small Cap Growth	Organization	Sep-15	Weatherbie was initially placed on the watch list for poor performance but has dramatically improved performance by outperforming the benchmark over all periods. However, Weatherbie was acquired by Algiers Associates in January 2017 and will be watched to evaluate the organizational change.