



Board of Retirement Regular Meeting

Sacramento County Employees' Retirement System

Agenda Item 9

MEETING DATE: February 20, 2019

SUBJECT: Monthly Investment Manager Activity, Compliance, and Watch List Report – January 2019

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 January 2019.

PURPOSE

This item does not specifically support the 2018-19 Strategic Management Plan, but complies with SCERS' investment policy statement reporting requirements and contributes to the effective management and oversight of investment activities.

DISCUSSION

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

As of January 31, 2019, investment managers on the Watch List include:

1. Carlyle Group (Opportunistic Real Estate).

Staff and the investment consultants will continue to monitor the performance and/or organizational concerns for SCERS' investment managers and update the Watch List accordingly.

ATTACHMENTS

1. Monthly Investment Manager Activity, Compliance, and Watch List Report – January 2019
2. Watch List with Commentary Report – January 2019

Prepared by:

/S/

Brian Miller
Investment Officer

Reviewed by:

/S/

Steve Davis
Chief Investment Officer

/S/

Eric Stern
Chief Executive Officer

#	Investment Manager	Fund Type	Watch List	Net Asset Value (as of January 31, 2019)*	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		\$122,491,734				Russell 1000	Yes	N/A	\$20,605,104	\$20,749,416	Alphabet, Microsoft, Amazon, Apple, Pfizer, Marathon Petroleum, General Dynamics, Dowdupont, Honeywell International, Bank of America
2	D.E. Shaw Broad Market Core Alpha Extension	Equity 130/30		\$118,215,481				Russell 1000	Yes	N/A	\$118,215,481		New account added January 2019. Account funded via securities transferred from Large Cap Paasive account.
3	Eagle Capital Management	Large Cap Core		\$240,088,542				Russell 1000	Yes	N/A	\$5,267,380	\$5,616,385	Alphabet Inc Cl C, Microsoft Corp, Berkshire Hathaway Inc Cl B, Citigroup Inc, Amazon.Com Inc, Comcast Corp Class A, Unitedhealth Group Inc, Goldman Sachs Group Inc, Oracle Corp, Wells Fargo + Co
4	AQR US Enhanced Equity	Large Cap Core		\$227,152,615				Russell 1000	Yes	N/A	\$22,437,258	\$22,204,110	Microsoft Corp, Apple Inc, Amazon.Com Inc, Facebook Inc Class A, Pfizer Inc, Johnson + Johnson, Berkshire Hathaway Inc Cl B, Intel Corp, Exelon Corp, Alphabet Inc Cl C
5	Alliance Bernstein	Large Cap Passive		\$1,067,089,118				Russell 1000	Yes	N/A	\$2,344,949	\$121,927,759	Microsoft Corp, Apple Inc, Amazon.Com Inc, Berkshire Hathaway Inc Cl B, Facebook Inc Class A, Johnson + Johnson, Jpmorgan Chase + Co, Alphabet Inc Cl C, Alphabet Inc Cl A, Exxon Mobil Corp Transferred \$115 million in securities to fund new Domestic Equity 130/30 account.
6	Weatherbie Capital	Small Cap Growth		\$92,041,602				Russell 2000 Growth	Yes	N/A	\$4,813,877	\$5,440,972	Chegg Inc, Firstservice Corp, Wayfair Inc Class A, Insulet Corp, Stamps.Com Inc, Paylocity Holding Corp, Everbridge Inc, Trade Desk Inc/The Class A, State Street Bank + Trust Co, Heico Corp
7	Dalton, Greiner, Hartman, Maher	Small Cap Value		\$89,508,212				Russell 2000 Value	Yes	N/A	\$2,909,457	\$3,399,775	Brandywine Realty Trust, Quanta Services Inc, Ciena Corp, Moog Inc Class A, Cousins Properties Inc, American Eagle Outfitters, El Paso Electric Co, Orion Engineered Carbons Sa, Forward Air Corp, State Street Bank + Trust Co
TOTAL DOMESTIC EQUITY				\$1,956,587,304							\$176,593,506	\$179,338,418	

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**Capital returned includes return of capital, income, and gains.

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

January 31, 2019

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INTERNATIONAL EQUITY													
8	Lazard Asset Management	ACWI ex-US		\$358,419,161				MSCI ACWI Ex.-U.S.	Yes	N/A	\$10,538,282	\$9,692,101	Lazard Emerging Markets Equity, State Street Bank + Trust Co, Sampo Oyj A Shs, Vivendi, Accenture Plc Cl A, Informa Plc, Cae Inc, Diageo Plc, Relx Plc, Aon Plc
9	LSV Asset Management	Developed Large Cap Value		\$419,099,036				MSCI World Ex.-U.S.	Yes	N/A	\$4,083,530	\$5,799,023	Roche Holding Ag Genusschein, Sanofi, Royal Dutch Shell Plc B Shs, Bp Plc, Total Sa, Kddi Corp, Enel Spa, Nippon Telegraph + Telephone, Swiss Life Holding Ag Reg, Glaxosmithkline Plc
10	Walter Scott International EAFE Income Growth	Developed Large Cap Growth		\$469,040,103				MSCI World Ex.-U.S.	Yes	N/A	\$1,209,766	\$5,219,836	Aia Group Ltd, Keyence Corp, Smc Corp, Lvmh Moet Hennessy Louis Vui, Adidas Ag, Compass Group Plc, Roche Holding Ag Genusschein, Kao Corp, Hong Kong + China Gas, Diageo Plc
11	William Blair International Small Cap	Developed Small Cap Growth		\$79,698,289				MSCI Small Cap World ex.-U.S.	Yes	N/A	\$1,412,607	\$1,201,547	Euronext Nv, Beazley Plc, Royal Unibrew, Alten Sa, Nihon Unisys Ltd, Ssp Group Plc, Paltac Corporation, Indutrade Ab, Evolution Gaming Group, Tis Inc
12	Mondrian International Small Cap	Developed Small Cap Value		\$89,088,765				MSCI Small Cap World ex.-U.S.	Yes	N/A	\$1,315,969	\$2,246,856	Fielmann AG, Nifco Inc, SATS Ltd, Capitaland Mall Trust, Innergex Renewable Energy Inc, AAK AB, Rubis SCA, Mercury NZ Ltd, Cineworld Group PLC, WSP Global Inc
13	Ballie Gifford EM All Cap	Emerging Market - All Cap		\$185,709,736				MSCI Emerging Markets	Yes	N/A	13,612,785		Alibaba Group Hldg.Spn. Adr 1:1, Taiwan Semicon.Mnfg., Crooc, Tencent Holdings, Samsung Electronics, Naspers, Ping An Insurance 'H', Reliance Industries, Sberbank Of Russia (Lon) Adr, Norilsk Nickel Adr
14	Mondrian EM All Cap	Emerging Market - All Cap		\$166,471,979				MSCI Emerging Markets	Yes	N/A	\$5,737,230	\$6,618,755	Samsung Electronics Co Ltd, Ping An Insurance Co of China Class H, Taiwan Semiconductor Manufacturing Ltd, WH Group Ltd, China Construction Bank Corp Class H, LG Chem Ltd, Midea Group Co Ltd Class A, Suzano Papel E Celulose SA, Indiabulls Housing Finance Ltd, Sands China Ltd
	TOTAL INTERNATIONAL EQUITY			\$1,767,527,069							\$37,910,169	\$30,778,118	

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PRIVATE EQUITY													
15	Abbott Capital Private Equity Fund VI, LP	Fund of Funds		\$52,912,032	\$75,000,000	\$73,875,000	\$64,876,320	Cambridge Assoc. All Private Equity	Yes	N/A			
16	HarbourVest International PEP VI, LP	Fund of Funds		\$34,171,739	\$50,000,000	\$37,652,420	\$22,933,482	Cambridge Assoc. All Private Equity	Yes	N/A		\$506,886	Fund is denominated in Euros and has been converted to US dollars based on the exchange rate at the time of the transaction.
17	HarbourVest VIII, LP	Fund of Funds		\$16,169,656	\$50,000,000	\$47,962,500	\$28,307,997	Cambridge Assoc. All Private Equity	Yes	N/A		\$1,116,004	
18	Private Equity (Goldman Sachs) X, LP	Fund of Funds		\$31,604,744	\$75,000,000	\$74,960,334	\$55,391,146	Cambridge Assoc. All Private Equity	Yes	N/A			
19	Accel-KKR Capital Partners IV, LP	Buyout		\$13,412,893	\$15,000,000	\$14,150,945	\$18,211,334	Cambridge Assoc. All Private Equity	Yes	N/A			
20	Accel-KKR Capital Partners V, LP	Buyout		\$9,284,565	\$25,000,000	\$9,153,044	\$256,088	Cambridge Assoc. All Private Equity	Yes	N/A	\$1,086,386		
21	H.I.G. Capital Partners V, LP	Buyout		\$11,875,279	\$14,000,000	\$10,031,979	\$3,373,594	Cambridge Assoc. All Private Equity	Yes	N/A			
22	Marlin Equity IV, LP	Buyout		\$15,241,430	\$20,000,000	\$19,765,522	\$7,956,774	Cambridge Assoc. All Private Equity	Yes	N/A			
23	Linden Capital Partners III, LP	Buyout - Middle Market Healthcare		\$42,093,859	\$35,000,000	\$32,852,736	\$3,512,203	Cambridge Assoc. All Private Equity	Yes	N/A			
24	Linden Capital Partners IV, LP	Buyout - Middle Market Healthcare		\$1,940,450	\$44,000,000	\$1,886,101		Cambridge Assoc. All Private Equity	Yes	N/A			
25	Thoma Bravo Fund XI, LP	Buyout - Middle Market Technology		\$42,360,301	\$30,000,000	\$30,010,615	\$19,962,299	Cambridge Assoc. All Private Equity	Yes	N/A			
26	Thoma Bravo Fund XII, LP	Buyout - Middle Market Technology		\$29,101,251	\$30,000,000	\$26,958,375	\$1,060,670	Cambridge Assoc. All Private Equity	Yes	N/A		\$41,705	

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PRIVATE EQUITY													
27	Thoma Bravo Fund XIII, LP	Buyout - Middle Market Technology			\$45,000,000			Cambridge Assoc. All Private Equity	Yes	N/A			
28	H.I.G. Europe Capital Partners II, LP	Buyout - Non-US		\$8,582,562	\$21,000,000	\$11,066,384	\$2,792,723	Cambridge Assoc. All Private Equity	Yes	N/A		\$1,340,743	Fund is denominated in Euros and has been converted to US dollars based on the exchange rate at the time of the transaction.
29	Waterland Fund V, LP	Buyout - Non-US		\$14,418,143	\$23,193,600	\$15,555,142	\$24,601,388	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.
30	Waterland Fund VI, LP	Buyout - Non-US		\$23,079,881	\$30,000,000	\$16,258,309		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.
31	Marlin Heritage, LP	Buyout - Small / Middle Market		\$8,051,056	\$10,000,000	\$9,356,804	\$9,134,035	Cambridge Assoc. All Private Equity	Yes	N/A			
32	Marlin Heritage II, LP	Buyout - Small / Middle Market		\$3,684,558	\$10,000,000	\$3,912,130		Cambridge Assoc. All Private Equity	Yes	N/A			
33	Marlin Heritage Europe, LP	Buyout - Small / Middle Market		\$4,910,476	\$14,400,000	\$4,980,774		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.
34	Marlin Heritage Equity Partners V, LP	Buyout - Middle Market		\$4,152,010	\$25,000,000	\$4,846,711	\$374,749	Cambridge Assoc. All Private Equity	Yes	N/A			
35	RRJ Capital Master Fund II, LP	Buyout - Special Situations SE Asia		\$20,416,139	\$35,000,000	\$41,905,971	\$28,416,222	Cambridge Assoc. All Private Equity	Yes	N/A			
36	RRJ Capital Master Fund III, LP	Buyout - Special Situations SE Asia		\$30,740,845	\$40,000,000	\$37,027,640	\$9,862,883	Cambridge Assoc. All Private Equity	Yes	N/A	\$808,141	\$308,037	
38	Atalaya Special Opportunities Fund VI, LP	Distressed Debt - US		\$22,501,991	\$25,000,000	\$30,180,043	\$11,924,969	Cambridge Assoc. All Private Equity	Yes	N/A			
39	DavidsonKempner Long-Term Distressed Opportunities Fund IV, LP	Distressed Debt		\$14,669,048	\$35,000,000	\$13,650,000		Cambridge Assoc. All Private Equity	Yes	N/A	\$2,800,000		
40	Garrison Opportunity Fund III, LP	Distressed Debt		\$13,546,000	\$20,000,000	\$20,000,000	\$7,660,415	Cambridge Assoc. All Private Equity	Yes	N/A		\$177,887	

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PRIVATE EQUITY													
41	H.I.G. Bayside Loan Opportunity III (Europe), LP	Distressed Debt		\$19,350,594	\$30,000,000	\$23,358,256	\$12,432,568	Cambridge Assoc. All Private Equity	Yes	N/A			
42	TPG Opportunities Partners III, LP	Distressed Debt		\$24,464,307	\$40,000,000	\$37,013,827	\$20,107,620	Cambridge Assoc. All Private Equity	Yes	N/A		\$1,067,220	
43	TSSP Opportunities Partners IV, LP	Distressed Debt		\$1,798,490	\$35,000,000	\$1,798,490		Cambridge Assoc. All Private Equity	Yes	N/A	\$1,798,490		
44	Wayzata Opportunities Fund III, LP	Distressed Debt		\$6,360,696	\$30,000,000	\$14,718,000	\$7,910,776	Cambridge Assoc. All Private Equity	Yes	N/A			
45	Summit Partners Venture Capital Fund III, LP	Growth Equity		\$16,260,394	\$16,350,000	\$16,350,000	\$14,050,927	Cambridge Assoc. All Private Equity	Yes	N/A			
46	Summit Partners Venture Capital Fund IV, LP	Growth Equity		\$16,117,364	\$35,000,000	\$18,785,603	\$12,291,218	Cambridge Assoc. All Private Equity	Yes	N/A			
47	Summit Partners Europe Growth Equity Fund II, LP	Growth Equity		\$7,409,405	\$30,000,000	\$10,783,854	\$8,591,015	Cambridge Assoc. All Private Equity	Yes	N/A			
48	TSG 7A, LP and TSG 7B, LP	Buyout - Consumer Brands		\$12,710,358	\$20,000,000	\$12,755,050	\$100,211	Cambridge Assoc. All Private Equity	Yes	N/A	\$303,456		
49	TSG8, LP	Buyout - Consumer Brands		\$367,680	\$45,000,000	\$367,680		Cambridge Assoc. All Private Equity	Yes	N/A	\$367,680		
50	Accel-KKR Growth Capital Partners II, LP	Growth Equity - Software Technology		\$10,017,748	\$15,000,000	\$11,165,488	\$2,368,117	Cambridge Assoc. All Private Equity	Yes	N/A			
51	Accel-KKR Growth Capital Partners III, LP	Growth Equity - Software Technology			\$33,320,000			Cambridge Assoc. All Private Equity	Yes	N/A			
52	Spectrum Equity Investors VII, LP	Growth Equity - Software Technology		\$29,044,244	\$25,000,000	\$23,500,000	\$16,872,609	Cambridge Assoc. All Private Equity	Yes	N/A			
53	Spectrum Equity Fund VIII, LP	Growth Equity - Software Technology		\$3,709,653	\$25,000,000	\$4,062,500		Cambridge Assoc. All Private Equity	Yes	N/A			

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PRIVATE EQUITY													
54	Dyal II US Investors, LP	Other		\$16,981,994	\$35,000,000	\$24,721,670	\$5,141,566	Cambridge Assoc. All Private Equity	Yes	N/A		\$698,611	
55	Dyal Capital Partners III, LP	Other		\$17,863,002	\$35,000,000	\$22,157,633	\$9,483,952	Cambridge Assoc. All Private Equity	Yes	N/A			
56	Khosla Ventures Fund IV, LP	Venture Capital		\$6,089,193	\$10,000,000	\$9,810,000	\$5,755,267	Cambridge Assoc. All Private Equity	Yes	N/A			
57	Khosla Ventures Fund V, LP	Venture Capital		\$16,148,343	\$20,000,000	\$17,360,000	\$1,012,798	Cambridge Assoc. All Private Equity	Yes	N/A			
58	Khosla Ventures Fund VI, LP	Venture Capital		\$7,866,264	\$35,000,000	\$7,980,000		Cambridge Assoc. All Private Equity	Yes	N/A			
59	NEA 14, LP	Venture Capital		\$31,512,973	\$25,000,000	\$23,500,000	\$16,547,844	Cambridge Assoc. All Private Equity	Yes	N/A			
60	NEA 15, LP	Venture Capital		\$41,508,742	\$35,000,000	\$30,279,431	\$3,993,842	Cambridge Assoc. All Private Equity	Yes	N/A	\$875,000		
61	NEA 16, LP	Venture Capital		\$14,678,649	\$35,000,000	\$13,300,000		Cambridge Assoc. All Private Equity	Yes	N/A	\$962,500		
62	Trinity Ventures XI, LP	Venture Capital		\$30,003,116	\$25,000,000	\$21,250,000	\$4,241,647	Cambridge Assoc. All Private Equity	Yes	N/A			
63	Trinity Ventures XII, LP	Venture Capital		\$18,853,762	\$30,000,000	\$17,475,000		Cambridge Assoc. All Private Equity	Yes	N/A	\$1,200,000		
64	RCP Advisors	Buyout & Co-Investment FoF		\$2,750,000	\$75,000,000	\$2,750,000		Cambridge Assoc. All Private Equity	Yes	N/A			
TOTAL PRIVATE EQUITY				\$829,200,302	\$1,486,263,600	\$964,917,101	\$464,675,681				\$10,201,653	\$5,257,092	

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PUBLIC CREDIT													
65	Brigade SC Credit Opportunities Mandate, LLC	Strategic Credit		\$172,073,729				50% BofA Merrill Lynch High Yield Master II Constrained / 50% Credit Suisse Leveraged Loan	Yes	N/A			
TOTAL PUBLIC CREDIT				\$172,073,729									
PRIVATE CREDIT													
66	Athyrium Opportunities Fund II, LP	Opport. Credit - Healthcare		\$13,228,166	\$32,000,000	\$36,642,018	\$28,542,796	Credit Suisse Leveraged Loan + 200 bps	Yes	N/A		\$1,290,335	
67	Athyrium Opportunities Fund III, LP	Opport. Credit - Healthcare		\$11,162,421	\$25,000,000	\$14,425,140	\$3,164,412	Credit Suisse Leveraged Loan + 200 bps	Yes	N/A			
68	Summit Partners Credit Fund I, LP	Direct Lending		\$3,450,004	\$20,000,000	\$24,939,499	\$27,983,238	Credit Suisse Leveraged Loan + 200 bps	Yes	N/A			
69	Summit Partners Credit Fund II, LP	Direct Lending		\$23,228,496	\$35,000,000	\$41,592,558	\$24,648,779	Credit Suisse Leveraged Loan + 200 bps	Yes	N/A	\$797,137		
70	Summit Partners Credit Fund III, LP	Direct Lending		\$12,886,020	\$50,000,000	\$12,954,628	\$1,591,560	Credit Suisse Leveraged Loan + 200 bps	Yes	N/A			
71	Tennenbaum Capital Partners Direct Lending Fund VIII	Direct Lending		\$38,597,935	\$100,000,000	\$39,136,486	\$1,199,868	Credit Suisse Leveraged Loan + 200 bps	Yes	N/A	\$6,899,310		
72	Benefit Street Partners Senior Secured Opportunities Fund, LP	Direct Lending		\$42,173,630	\$50,000,000	\$42,205,324	\$2,040,186	Credit Suisse Leveraged Loan + 200 bps	Yes	N/A			
TOTAL PRIVATE CREDIT				\$144,726,672	\$312,000,000	\$211,895,654	\$89,170,839				\$7,696,447	\$1,290,335	

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GROWTH ABSOLUTE RETURN													
73	Grosvenor SC Absolute Return Fund, Series G (SCARF-G)	Separate Account		\$131,868,556				HFRI FoF Composite Index +100 bps	Yes	Yes			
74	Lakewood Capital Partners, LP	Equity Long/Short		\$42,894,885				HFRI FoF Composite Index +100 bps	Yes	Yes			
75	Jana Partners Qualified, LP	Event Driven		\$37,739,660				HFRI FoF Composite Index +100 bps	Yes	Yes			
76	Third Point Partners Qualified, LP	Event Driven		\$43,907,904				HFRI FoF Composite Index +100 bps	Yes	Yes			
77	Och-Ziff Domestic Partners Fund II, LP	Multi-Strategy		\$45,698,460				HFRI FoF Composite Index +100 bps	Yes	Yes			
	TOTAL GROWTH ABSOLUTE RETURN			\$302,109,464									

TOTAL GROWTH ASSET CATEGORY				\$5,172,224,540							\$232,401,775	\$216,663,964	
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DIVERSIFYING ABSOLUTE RETURN													
78	Grosvenor SC Absolute Return Fund, Series D (SCARF-D)	Separate Account		\$128,010,469				HFRI FoF Conservative Index	Yes	Yes			
79	Grosvenor SC Absolute Return Fund, Series B (SCARF-B)	Interim Separate Account		\$165,350,006				HFRI FoF Conservative Index	Yes	Yes			
80	Elliott Associates, LP	Event Driven		\$54,211,208				HFRI FoF Conservative Index	Yes	Yes			
81	Brevan Howard Master Fund, LLC	Global Macro - Discretion		\$9,855,030				HFRI FoF Conservative Index	Yes	Yes	\$27,444	\$18,558,301	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.
82	Laurion Capital Management, LP	Market Neutral - Vol/Arb		\$46,181,738				HFRI FoF Conservative Index	Yes	Yes			
82	AQR DELTA Fund, LP	Multi-Strategy		\$61,142,520				HFRI FoF Conservative Index	Yes	Yes			
83	Winton Diversified Futures Fund, LP	Systematic Global Macro		\$36,390,585				HFRI FoF Conservative Index	Yes	Yes			
83	Graham Global Investment Fund II SPC, Ltd	Systematic Global Macro		\$30,361,259				HFRI FoF Conservative Index	Yes	Yes			
84	Marshall Wace Global Opportunities Fund	Equity Long/Short		\$40,000,000				HFRI FoF Conservative Index	Yes	Yes			SCERS funded the initial investment at the end of December 2018.
84	KLS Diversified Fund, LP	Fixed Income Arbitrage		\$40,000,000				HFRI FoF Conservative Index	Yes	Yes			SCERS funded the initial investment at the end of December 2018.
	TOTAL DIVERSIFYING ABSOLUTE RETURN			\$611,502,815							\$27,444	\$18,558,301	

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PUBLIC FIXED INCOME													
85	Neuberger Investment Management	U.S. Treasury		\$439,251,213				Barclays U.S. Treasury	Yes	N/A	\$87,491,315	\$92,194,867	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
86	TCW MetWest Asset Management	Core Plus		\$438,897,195				Barclays U.S. Aggregate Bond	Yes	N/A	\$129,198,899	\$134,305,490	Us Treasury N/B, State Street Bank + Trust Co, Us Treasury N/B, United States Treas Nts, United States Treas Bonds, Metropolitan West Floating Rat, Japan Treasury Disc Bill, Wi Treasury Sec, Metropolitan West High Yield B, FnmA Tba 30 Yr 3.5 Monthly Purchases and Sales excludes derivative transactions.
87	Prudential Investment Management	Core Plus		\$443,967,909				Barclays U.S. Aggregate Bond	Yes	N/A	\$26,010,639	\$21,188,799	B8A6305A7 Irs Usd R V 01Mlibor, B8A6305E9 Irs Usd R V 01Mlibor, B8A4Rwjs2 Irs Usd R V 00Mfedl, B8A4Lnzs0 Irs Usd R V 03Mlibor, B8A4Xsge8 Irs Usd R V 00Mfedl0, S8A5Y3Z40 Irs Eur R F .75776, B8A5Zge27 Irs Usd R V 00Mfedl0, B8A4Xw9N7 Irs Usd R V 12Mfedl, B8A4Qqmn3 Irs Usd R V 12Mfedl, B8A4Txuh9 Irs Usd R V 12Mlibor Monthly Purchases and Sales excludes derivative transactions.
88	Brandywine Global Investment Management	Global		\$245,727,129				80% Citigroup WGBI ex.-U.S. / 20% JP Morgan GBI EM Diversified	Yes	N/A	\$157,428,537	\$66,248,475	Us Treasury N/B 2.875% 08/15/28, Us Treasury N/B 3.375% 11/15/48, Uk Tsy Gilt 1.75% 07/22/19, Rep South Africa 8.75% 02/28/48, Mexican Bonos 7.75% 11/13/42, Goldman Sachs Gp Fit 02/23/23, Mexican Bonos 8.5% 05/31/29, Mexican Bonos 8.5% 11/18/38, Colombia Tes 6% 04/28/28, Brazil Ntn-F 10% 01/01/25
TOTAL FIXED INCOME				\$1,567,843,446							\$400,129,390	\$313,937,631	
TOTAL DIVERSIFYING ASSET CATEGORY				\$2,179,346,261							\$400,156,834	\$332,495,932	

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CORE REAL ESTATE													
89	BlackRock Realty	Real Estate - Core Separate Account		\$17,656,528				NFI-ODCE Index	Yes	N/A			Assets sold as part of real estate separate account transition. Remaining value is for the Block 295 (Leland James Center) redevelopment project in Portland, OR.
90	Barings (formerly Cornerstone)	Real Estate - Core Separate Account		\$1,419,396				NFI-ODCE Index	Yes	N/A			Assets sold as part of real estate separate account transition.
91	Brookfield Premier Real Estate Partners, LP	Real Estate - Core		\$98,973,599				NFI-ODCE Index	Yes	N/A		\$1,026,401	\$100 million commitment to Brookfield as part of real estate separate account transition.
92	Clarion Lion Properties Fund, LP	Real Estate - Core		\$152,100,853				NFI-ODCE Index	Yes	N/A		\$1,186,848	\$152.4 million commitment to Clarion as part of real estate separate account transition.
93	Jamestown Premier Property Fund, LP	Real Estate - Core / Core Plus		\$18,054,711				NFI-ODCE Index	Yes	N/A			
94	MetLife Core Property Fund	Real Estate - Core		\$59,077,405				NFI-ODCE Index	Yes	N/A			
95	Prime Property Fund, LLC	Real Estate - Core		\$60,270,074				NFI-ODCE Index	Yes	N/A			
96	Principal US Property Account	Real Estate - Core		\$45,936,730				NFI-ODCE Index	Yes	N/A			
97	Prologis Targeted Europe Logistics Fund, LP	Real Estate - Core		\$37,404,731				NFI-ODCE Index	Yes	N/A		\$391,152	Fund is denominated in Euros, which will then be converted to US dollars based on the exchange rate at the time of the transaction.
98	Prologis Targeted US Logistics Fund, LP	Real Estate - Core		\$67,011,461				NFI-ODCE Index	Yes	N/A		\$658,773	
99	Townsend Real Estate Fund, LP	Real Estate - Core		\$110,076,235				NFI-ODCE Index	Yes	N/A			
TOTAL CORE REAL ESTATE				\$667,981,723								\$3,263,174	

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NON-CORE REAL ESTATE													
100	DRC European Real Estate Debt Fund II, LP	Real Estate - Value Add Debt		\$14,794,589	\$50,000,000	\$80,487,528	\$69,925,433	NFI-ODCE + 100 bps	Yes	N/A			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.
101	Carlyle China Realty, LP	Real Estate - Opport.	YES	\$6,820,543	\$10,000,000	\$9,080,376	\$1,593,478	NFI-ODCE + 100 bps	Yes	N/A	\$1,019,400		
102	Carlyle China Rome Logistics, LP	Real Estate - Opport.	YES	\$30,107,316	\$40,000,000	\$34,499,372	\$2,566,008	NFI-ODCE + 100 bps	Yes	N/A	\$4,004,759		
103	CIM Opportunity Fund VIII, LP	Real Estate - Opport.		\$34,693,618	\$35,000,000	\$37,069,434	\$8,785,762	NFI-ODCE + 100 bps	Yes	N/A		\$739,206	
104	KKR Real Estate Partners Americas, LP	Real Estate - Opport.		\$9,834,628	\$35,000,000	\$31,263,244	\$32,471,363	NFI-ODCE + 100 bps	Yes	N/A			
105	Och-Ziff Real Estate Fund III, LP	Real Estate - Opport.		\$12,578,185	\$35,000,000	\$22,886,649	\$19,835,313	NFI-ODCE + 100 bps	Yes	N/A		\$713,973	
106	AEW Value Investors II, LP	Real Estate - Value Add		\$1,557	\$25,000,000	\$21,812,596	\$27,783,280	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.
107	Allegis Value Trust	Real Estate - Value Add		\$2,755,834	\$25,000,000	\$25,000,000	\$26,659,000	NFI-ODCE + 100 bps	Yes	N/A		\$1,800,000	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.
108	ECE European Prime Shopping Centre Fund II, SCS SIF	Real Estate - Value Add		\$17,010,023	\$35,000,000	\$15,602,223	\$2,021,024	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.
109	Hammes Partners II, LP	Real Estate - Value Add		\$17,320,609	\$25,000,000	\$25,331,313	\$13,663,397	NFI-ODCE + 100 bps	Yes	N/A			
110	Hammes Partners III, L.P.	Real Estate - Value Add		\$942,721	\$31,250,000	\$1,018,336	\$75,615	NFI-ODCE + 100 bps	Yes	N/A			
111	Hines US Office Value Fund II, LP	Real Estate - Value Add		\$28,864	\$22,572,950	\$21,726,796	\$17,393,514	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.
112	NREP Nordic Strategies Fund, FCP-FIS	Real Estate - Value Add		\$13,606,298	\$25,000,000	\$23,320,832	\$23,081,908	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.
113	NREP Nordic Strategies Fund II, SCSp	Real Estate - Value Add		\$30,183,532	\$35,000,000	\$28,384,502	\$1,876,343	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.
114	NREP Nordic Strategies Fund III, SCSp	Real Estate - Value Add		\$1,789,448	\$40,000,000	\$1,655,156		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.
115	Asana Partners Fund II, LP	Real Estate - Value Add			\$40,000,000			NFI-ODCE + 100 bps	Yes	N/A			
	TOTAL NON-CORE REAL ESTATE			\$192,467,765	\$468,822,950	\$379,138,357	\$247,731,438				\$5,024,159	\$3,253,179	
	TOTAL REAL ESTATE			\$860,449,488	\$468,822,950	\$379,138,357	\$247,731,438				\$5,024,159	\$6,516,353	

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REAL ASSETS													
116	ACM Fund II, LLC	Real Assets - Agriculture		\$12,432,019	\$25,000,000	\$17,998,135	\$4,596,346	Blended Index***	Yes	N/A			
117	ArcLight Energy Partners VI, LP	Energy - Midstream		\$36,093,571	\$40,000,000	\$37,470,434	\$12,252,576	Blended Index***	Yes	N/A			
118	EnCap Flatrock Midstream III, LP	Energy - Midstream		\$13,469,379	\$20,000,000	\$19,145,280	\$9,386,943	Blended Index***	Yes	N/A			
119	EnCap Flatrock Midstream Fund IV, LP	Energy - Midstream		\$6,286,050	\$22,500,000	\$8,298,942	\$1,764,000	Blended Index***	Yes	N/A	\$177,078		
120	Quantum Energy Partners VI, LP	Energy - Midstream		\$30,554,299	\$35,000,000	\$26,875,945	\$13,693,439	Blended Index***	Yes	N/A			
121	Quantum Energy Partners VII, LP	Energy - Midstream		\$14,611,846	\$40,000,000	\$17,046,238	\$2,415,366	Blended Index***	Yes	N/A			
122	EnCap Energy Capital Fund IX, LP	Energy - Upstream		\$24,870,445	\$33,000,000	\$36,610,648	\$25,751,607	Blended Index***	Yes	N/A		\$168,416	
123	EnCap Energy Capital Fund X, LP	Energy - Upstream		\$31,277,247	\$40,000,000	\$33,594,289	\$6,921,883	Blended Index***	Yes	N/A	\$346,215		
124	First Reserve Energy Infrastructure II, LP	Energy Infrastruc.		\$24,030,801	\$35,000,000	\$32,130,896	\$19,215,300	Blended Index***	Yes	N/A			
125	Carlisle Power Partners II, LP	Energy - Power		\$16,654,421	\$40,000,000	\$24,477,102	\$8,955,458	Blended Index***	Yes	N/A	\$413,746		
126	Brookfield Infrastructure Fund III, LP	Infrastruc. - Core		\$26,300,074	\$40,000,000	\$29,136,457	\$5,053,597	Blended Index***	Yes	N/A	\$2,155,275		
127	IFM Global Infrastructure Fund (US), LP	Infrastruc. - Core		\$91,345,008	\$125,000,000	\$100,000,000	\$32,529,013	Blended Index***	Yes	N/A		\$534,362	
128	Meridiam Infrastructure North America III, LP	Infrastruc. - Core		\$373,839	\$50,000,000	\$1,362,015		Blended Index***	Yes	N/A			
129	Wastewater Opportunity Fund, LP	Infrastruc. - Water/Wastewater		\$12,439,067	\$25,000,000	\$16,500,727	\$2,137,666	Blended Index***	Yes	N/A			
130	Pantheon SCERS Secondary Infrastructure, LLC	Infrastruc. - Secondary Separate Account		\$83,831,303	\$100,000,000	\$70,131,683	\$9,300,000	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													
131	Atalaya SCERS SMA, LLC	Asset Backed Lending Separate Account		\$16,685,601	\$100,000,000	\$37,113,506	\$25,602,464	Blended Index***	Yes	N/A		\$792,001	
132	Tailwater Energy Fund III, LP	Energy - Midstream Infrastruc.		\$18,111,613	\$32,000,000	\$14,011,433		Blended Index***	Yes	N/A	\$1,183,465		
133	ISQ Global Infrastructure Fund II, LP	Infrastruc. - Value Add		\$12,984,631	\$50,000,000	\$13,540,407	\$555,776	Blended Index***	Yes	N/A			
134	Paine Schwartz Food Chain Fund V, LP	Agriculture			\$40,000,000			Blended Index***	Yes	N/A			
135	SSgA Real Asset Strategy Proxy	Real Assets Overlay		\$108,372,011				Blend of weighted real return asset class benchmarks.	Yes	N/A	\$1,521,206	\$1,293,124	This is the overlay proxy for the Real Return asset category.
TOTAL PRIVATE REAL ASSETS				\$580,723,226	\$892,500,000	\$535,444,138	\$180,131,432				\$5,796,986	\$2,787,903	

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

COMMODITIES													
136	Gresham TAP Fund	Commodities		\$25,685,953				Bloomberg Commodity Index	Yes	N/A			Gresham Strategic Commodities Fund was transferred to the Gresham TAP Fund, effective January 2019
TOTAL COMMODITIES				\$25,685,953									

TOTAL REAL RETURN ASSET CATEGORY				\$1,466,858,667							\$10,821,145	\$9,304,256	
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OPPORTUNITIES													
137	Atalaya Special Opportunities Fund V, LP	Distressed Debt - US		\$8,371,559	\$25,000,000	\$24,875,000	\$22,043,096	Cambridge Assoc. All PE	Yes	N/A		\$421,748	
	TOTAL OPPORTUNITIES			\$8,371,559	\$25,000,000	\$24,875,000	\$22,043,096					\$421,748	
SHORT-TERM													
138	State Street Global Advisors - STIF (Cash Account)	Cash		\$333,847,438				91 Day T-Bill	Yes	N/A	\$149,792,239	\$54,165,486	Unallocated cash is swept into a short-term investment fund.
	TOTAL SHORT-TERM			\$333,847,438							\$149,792,239	\$54,165,486	
FUTURES OVERLAY													
139	State Street Global Advisors (Futures Overlay)	Overlay		\$108,615,001				Target Asset Allocation	Yes	N/A	\$58,409,164	\$59,354,944	State Street Bank + Trust Co., Us Dollar, Fnma Tba 15 Yr 2.5, Gnma li Tba 30 Yr 3.5, Fnma Tba 30 Yr 4, Fhlmc Tba 30 Yr 3.5, Fnma Tba 30 Yr 3, Euro Currency, Swedish Krona, Hong Kong Dollar
	TOTAL FUTURES OVERLAY			\$108,615,001							\$58,409,164	\$59,354,944	
SCERS TOTAL PORTFOLIO				\$9,269,263,467	\$3,184,586,550	\$2,116,270,249	\$1,003,752,486				\$851,581,157	\$672,406,330	

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#	Investment Manager	Fund Type	Reason	Effective (month - year)	Commentary
1	Carlyle Group	Opportunistic Real Estate	Organization	Sep-18	In September 2018, Carlyle announced plans to exit the Asia real estate business by year end. The existing team will continue to manage the current investments and will be spun-out as a separate entity. Following the separation, the existing arrangement of management fees and promote sharing between Carlyle and the new entity is expected to remain in place. Given the change in management structure and increased risk of further management team departures, the investment with Carlyle has been added to the watch list.