



Board of Retirement Regular Meeting

Sacramento County Employees' Retirement System

Agenda Item 6

MEETING DATE: March 20, 2019

SUBJECT: Monthly Investment Manager Activity, Compliance, and Watch List Report – February 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 February 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 February 28, 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 – February 2019
2. Watch List with Commentary Report – February 2019

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, 2019

#	Investment Manager	Fund Type	Watch List	Net Asset Value (as of February 28, 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		\$125,281,975				Russell 1000	Yes	N/A	\$16,513,616	\$19,293,488	Alphabet, Microsoft, Amazon, Apple, Pfizer, General Dynamics, Marathon Petroleum, Zimmer Holdings, Dowdupont Inc, Honeywell International
2	D.E. Shaw Broad Market Core Alpha Extension	Equity 130/30		\$122,636,740				Russell 1000	Yes	N/A			New account added January 2019. Account funded via securities transferred from Large Cap Paassive account.
3	Eagle Capital Management	Large Cap Core		\$243,815,812				Russell 1000	Yes	N/A	\$277,293	\$440,188	Alphabet Inc Cl C, Microsoft Corp, Berkshire Hathaway Inc Cl B, Citigroup Inc, Comcast Corp Class A, Amazon.Com Inc, Oracle Corp, Unitedhealth Group Inc, Goldman Sachs Group Inc, Marriott International Cl A
4	AQR US Enhanced Equity	Large Cap Core		\$234,418,738				Russell 1000	Yes	N/A	\$18,447,872	\$18,317,724	Microsoft Corp, Apple Inc, Amazon.Com Inc, Facebook Inc Class A, Pfizer Inc, Johnson + Johnson, Exelon Corp, Intel Corp, Berkshire Hathaway Inc Cl B, Cisco Systems Inc
5	Alliance Bernstein	Large Cap Passive		\$1,101,272,659				Russell 1000	Yes	N/A	\$6,420,081	\$6,496,311	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
6	Weatherbie Capital	Small Cap Growth		\$102,371,463				Russell 2000 Growth	Yes	N/A	\$11,098,949	\$11,330,998	Chegg Inc, Wayfair Inc Class A, Firstservice Corp, Heico Corp, State Street Bank + Trust Co, Paylocity Holding Corp, Trade Desk Inc/The Class A, Insulet Corp, Everbridge Inc, Canada Goose Holdings Inc
7	Dalton, Greiner, Hartman, Maher	Small Cap Value		\$93,968,802				Russell 2000 Value	Yes	N/A	\$5,885,490	\$5,873,114	State Street Bank + Trust Co, Ciena Corp, Brandywine Realty Trust, Sleep Number Corp, Cousins Properties Inc, Moog Inc Class A, Quanta Services Inc, Forward Air Corp, Nexstar Media Group Inc Cl A, Provident Financial Services
	TOTAL DOMESTIC EQUITY			\$2,023,766,189							\$58,643,300	\$61,751,823	

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INTERNATIONAL EQUITY													
8	Lazard Asset Management	ACWI ex-US		\$366,978,374				MSCI ACWI Ex.-U.S.	Yes	N/A	\$2,607,477	\$2,964,331	Lazard Emerging Markets Equity, State Street Bank + Trust Co, Vivendi, Sampo Oyj A Shs, Accenture Plc Cl A, Informa Plc, Diageo Plc, Cae Inc, Aon Plc, Relx Plc
9	LSV Asset Management	Developed Large Cap Value		\$423,596,086				MSCI World Ex.-U.S.	Yes	N/A	\$7,495,959	\$7,260,967	Roche Holding Ag Genusschein, Sanofi, Royal Dutch Shell Plc B Shs, Bp Plc, Total Sa, Swiss Life Holding Ag Reg, Enel Spa, Kddi Corp, Nippon Telegraph + Telephone, Glaxosmithkline Plc
10	Walter Scott International EAFE Income Growth	Developed Large Cap Growth		\$487,874,707				MSCI World Ex.-U.S.	Yes	N/A	\$673,881	\$535,598	Aia Group Ltd, Keyence Corp, Smc Corp, Lvmh Moet Hennessy Louis Vui, Kao Corp, Hong Kong + China Gas, Roche Holding Ag Genusschein, Adidas Ag, Compass Group Plc, Novo Nordisk A/S B
11	William Blair International Small Cap	Developed Small Cap Growth		\$81,884,114				MSCI Small Cap World ex.-U.S.	Yes	N/A	\$4,061,517	\$4,311,054	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		\$90,750,974				MSCI Small Cap World ex.-U.S.	Yes	N/A	\$3,936,522	\$3,195,137	Nifco Inc, SATS Ltd, Fielmann AG, Innergex Renewable Energy Inc, Capitaland Mall Trust, Cineworld Group PLC, Mercury NZ Ltd, Rubis SCA, WSP Global Inc, Nihon MA Center Inc
13	Ballie Gifford EM All Cap	Emerging Market - All Cap		\$186,736,927				MSCI Emerging Markets	Yes	N/A	3,925,023	\$1,281,181	Alibaba Group Hldg.Spn. Adr 1:1, Taiwan Semicon.Mnfg., Cnooc, Ping An Insurance 'H', Samsung Electronics, Tencent Holdings, Reliance Industries, Naspers, Norlisk Nickel Adr, Sberbank Of Russia (Lon) Adr
14	Mondrian EM All Cap	Emerging Market - All Cap		\$167,357,068				MSCI Emerging Markets	Yes	N/A	\$4,047,655	\$4,018,533	Samsung Electronics Co Ltd, Ping An Insurance Co of China Class H, Taiwan Semiconductor Manufacturing Ltd, China Construction Bank Corp Class H, WH Group Ltd, Midea Group Co Ltd Class A, LG Chem Ltd, Indiabulls Housing Finance Ltd, Sands China Ltd, Alibaba Group Holding Sponsored ADR
	TOTAL INTERNATIONAL EQUITY			\$1,805,178,251							\$26,748,035	\$23,566,801	

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PRIVATE EQUITY													
15	Abbott Capital Private Equity Fund VI, LP	Fund of Funds		\$51,412,032	\$75,000,000	\$73,875,000	\$64,876,320	Cambridge Assoc. All Private Equity	Yes	N/A		\$1,500,000	
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			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			
18	Private Equity (Goldman Sachs) X, LP	Fund of Funds		\$28,334,926	\$75,000,000	\$74,960,334	\$55,391,146	Cambridge Assoc. All Private Equity	Yes	N/A		\$3,269,818	
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		\$10,865,936	\$25,000,000	\$10,734,414	\$256,088	Cambridge Assoc. All Private Equity	Yes	N/A	\$1,581,370		
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		\$13,320,728	\$20,000,000	\$19,765,522	\$9,877,476	Cambridge Assoc. All Private Equity	Yes	N/A		\$1,920,702	
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		\$33,645	\$44,000,000	\$1,886,101	\$1,906,805	Cambridge Assoc. All Private Equity	Yes	N/A		\$126,255	
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			

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PRIVATE EQUITY													
27	Thoma Bravo Fund XIII, LP	Buyout - Middle Market Technology		\$6,476,718	\$45,000,000	\$6,476,718		Cambridge Assoc. All Private Equity	Yes	N/A	\$6,476,718		
28	H.I.G. Europe Capital Partners II, LP	Buyout - Non-US		\$8,722,661	\$21,000,000	\$11,066,384	\$2,792,723	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.
29	Waterland Fund V, LP	Buyout - Non-US		\$12,816,495	\$23,193,600	\$15,555,142	\$26,193,460	Cambridge Assoc. All Private Equity	Yes	N/A		\$1,588,764	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		\$3,725,302	\$10,000,000	\$3,952,874		Cambridge Assoc. All Private Equity	Yes	N/A	\$40,744		
33	Marlin Heritage Europe, LP	Buyout - Small / Middle Market		\$5,056,616	\$14,400,000	\$5,126,913		Cambridge Assoc. All Private Equity	Yes	N/A	\$146,031		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		\$4,319,214	\$25,000,000	\$5,013,915	\$374,749	Cambridge Assoc. All Private Equity	Yes	N/A	\$167,204		
35	RRJ Capital Master Fund II, LP	Buyout - Special Situations SE Asia		\$20,794,944	\$35,000,000	\$41,957,342	\$28,863,460	Cambridge Assoc. All Private Equity	Yes	N/A	\$39,272	\$447,238	
36	RRJ Capital Master Fund III, LP	Buyout - Special Situations SE Asia		\$33,157,533	\$40,000,000	\$37,240,973	\$10,511,772	Cambridge Assoc. All Private Equity	Yes	N/A	\$213,333	\$648,889	
38	Atalaya Special Opportunities Fund VI, LP	Distressed Debt - US		\$22,628,124	\$25,000,000	\$30,180,043	\$12,456,601	Cambridge Assoc. All Private Equity	Yes	N/A		\$531,632	
39	DavidsonKempner Long-Term Distressed Opportunities Fund IV, LP	Distressed Debt		\$16,769,048	\$35,000,000	\$15,750,000		Cambridge Assoc. All Private Equity	Yes	N/A	\$2,100,000		
40	Garrison Opportunity Fund III, LP	Distressed Debt		\$13,380,727	\$20,000,000	\$20,000,000	\$7,660,415	Cambridge Assoc. All Private Equity	Yes	N/A			

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PRIVATE EQUITY													
41	H.I.G. Bayside Loan Opportunity III (Europe), LP	Distressed Debt		\$17,426,165	\$30,000,000	\$23,358,256	\$12,432,568	Cambridge Assoc. All Private Equity	Yes	N/A		\$1,924,429	
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			
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			
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		\$9,491,276	\$35,000,000	\$18,785,603	\$18,917,306	Cambridge Assoc. All Private Equity	Yes	N/A		\$6,626,088	
47	Summit Partners Europe Growth Equity Fund II, LP	Growth Equity		\$8,207,174	\$30,000,000	\$11,582,407	\$8,591,015	Cambridge Assoc. All Private Equity	Yes	N/A	\$796,615		
48	TSG 7A, LP and TSG 7B, LP	Buyout - Consumer Brands		\$12,710,358	\$20,000,000	\$12,760,588	\$105,749	Cambridge Assoc. All Private Equity	Yes	N/A			
49	TSG8, LP	Buyout - Consumer Brands		\$367,680	\$45,000,000	\$367,680		Cambridge Assoc. All Private Equity	Yes	N/A			
50	Accel-KKR Growth Capital Partners II, LP	Growth Equity - Software Technology		\$7,859,412	\$15,000,000	\$11,165,488	\$2,368,117	Cambridge Assoc. All Private Equity	Yes	N/A		\$2,158,335	
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		\$16,591,790	\$35,000,000	\$24,721,670	\$5,531,770	Cambridge Assoc. All Private Equity	Yes	N/A		\$390,204	
55	Dyal Capital Partners III, LP	Other		\$17,602,083	\$35,000,000	\$22,309,444	\$9,896,681	Cambridge Assoc. All Private Equity	Yes	N/A		\$260,919	
56	Khosla Ventures Fund IV, LP	Venture Capital		\$4,889,193	\$10,000,000	\$9,810,000	\$6,955,267	Cambridge Assoc. All Private Equity	Yes	N/A		\$1,200,000	
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		\$31,297,088	\$25,000,000	\$23,500,000	\$16,547,844	Cambridge Assoc. All Private Equity	Yes	N/A			
60	NEA 15, LP	Venture Capital		\$43,462,410	\$35,000,000	\$30,279,431	\$3,993,842	Cambridge Assoc. All Private Equity	Yes	N/A			
61	NEA 16, LP	Venture Capital		\$15,539,201	\$35,000,000	\$14,000,000		Cambridge Assoc. All Private Equity	Yes	N/A	\$700,000		
62	Trinity Ventures XI, LP	Venture Capital		\$32,547,163	\$25,000,000	\$21,625,000	\$4,241,647	Cambridge Assoc. All Private Equity	Yes	N/A	\$375,000		
63	Trinity Ventures XII, LP	Venture Capital		\$27,648,902	\$30,000,000	\$18,750,000		Cambridge Assoc. All Private Equity	Yes	N/A	\$1,275,000		
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			\$833,825,917	\$1,486,263,600	\$979,436,794	\$481,553,847				\$14,050,992	\$23,492,335	

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PUBLIC CREDIT													
65	Brigade SC Credit Opportunities Mandate, LLC	Strategic Credit		\$178,833,213				50% BofA Merrill Lynch High Yield Master II Constrained / 50% Credit Suisse Leveraged Loan	Yes	N/A			
TOTAL PUBLIC CREDIT				\$178,833,213									
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			
67	Athyrium Opportunities Fund III, LP	Opport. Credit - Healthcare		\$10,403,064	\$25,000,000	\$14,862,052	\$4,360,681	Credit Suisse Leveraged Loan + 200 bps	Yes	N/A	\$139,705	\$899,062	
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		\$25,186,499	\$35,000,000	\$43,550,561	\$24,648,779	Credit Suisse Leveraged Loan + 200 bps	Yes	N/A	\$1,958,003		
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		\$43,097,485	\$100,000,000	\$43,636,036	\$1,199,868	Credit Suisse Leveraged Loan + 200 bps	Yes	N/A	\$4,499,550		
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				\$150,424,869	\$312,000,000	\$218,790,119	\$90,367,108				\$6,597,258	\$899,062	

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GROWTH ABSOLUTE RETURN													
73	Grosvenor SC Absolute Return Fund, Series G (SCARF-G)	Separate Account		\$134,836,727				HFRI FoF Composite Index +100 bps	Yes	Yes			
74	Lakewood Capital Partners, LP	Equity Long/Short		\$43,850,730				HFRI FoF Composite Index +100 bps	Yes	Yes			
75	Jana Partners Qualified, LP	Event Driven		\$1,315,272				HFRI FoF Composite Index +100 bps	Yes	Yes			Redeemed investment with Jana Partners. Received 90% of the account value, approximately \$34 million, with the remaining balance to be received following audit of the fund.
76	Third Point Partners Qualified, LP	Event Driven		\$45,225,141				HFRI FoF Composite Index +100 bps	Yes	Yes			
77	Och-Ziff Domestic Partners Fund II, LP	Multi-Strategy		\$47,491,440				HFRI FoF Composite Index +100 bps	Yes	Yes			
	TOTAL GROWTH ABSOLUTE RETURN			\$272,719,310									

TOTAL GROWTH ASSET CATEGORY				\$5,264,747,747							\$106,039,585	\$109,710,020	
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DIVERSIFYING ABSOLUTE RETURN													
78	Grosvenor SC Absolute Return Fund, Series D (SCARF-D)	Separate Account		\$129,861,618				HFRI FoF Conservative Index	Yes	Yes			
79	Grosvenor SC Absolute Return Fund, Series B (SCARF-B)	Interim Separate Account		\$167,594,022				HFRI FoF Conservative Index	Yes	Yes			
80	Elliott Associates, LP	Event Driven		\$55,024,376				HFRI FoF Conservative Index	Yes	Yes			
81	Brevan Howard Master Fund, LLC	Global Macro - Discretion		\$9,913,672				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.
82	Laurion Capital Management, LP	Market Neutral - Vol/Arb		\$46,313,429				HFRI FoF Conservative Index	Yes	Yes			
82	AQR DELTA Fund, LP	Multi-Strategy		\$61,002,780				HFRI FoF Conservative Index	Yes	Yes			
83	Winton Diversified Futures Fund, LP	Systematic Global Macro		\$36,693,755				HFRI FoF Conservative Index	Yes	Yes			
83	Graham Global Investment Fund II SPC, Ltd	Systematic Global Macro		\$29,316,438				HFRI FoF Conservative Index	Yes	Yes			
84	Marshall Wace Global Opportunities Fund	Equity Long/Short		\$39,628,190				HFRI FoF Conservative Index	Yes	Yes			
84	KLS Diversified Fund, LP	Fixed Income Arbitrage		\$40,610,211				HFRI FoF Conservative Index	Yes	Yes			
	TOTAL DIVERSIFYING ABSOLUTE RETURN			\$615,958,491									

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PUBLIC FIXED INCOME													
85	Neuberger Investment Management	U.S. Treasury		\$438,664,833				Barclays U.S. Treasury	Yes	N/A	\$17,077,973	\$13,191,345	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, Us Treasury N/B
86	TCW MetWest Asset Management	Core Plus		\$437,601,655				Barclays U.S. Aggregate Bond	Yes	N/A	\$160,729,501	\$173,921,535	Us Treasury N/B, Us Treasury N/B, Us Treasury N/B, State Street Bank + Trust Co, Us Treasury N/B, Metropolitan West Floating Rat, Us Treasury N/B, Metropolitan West High Yield B, Fed Hm Ln Pc Pool G67708, Fed Hm Ln Pc Pool G08747 <i>Monthly Purchases and Sales excludes derivative transactions.</i>
87	Prudential Investment Management	Core Plus		\$444,220,795				Barclays U.S. Aggregate Bond	Yes	N/A	\$30,358,203	\$29,917,185	B8A66Yxt8 Irs Usd R V 01Mlibor, B8A66Yxp6 Irs Usd R V 01Mlibor, B8A4Rwjs2 Irs Usd R V 00Mfedl, B8A4Lnzs0 Irs Usd R V 03Mlibor, S8A5Y3Z40 Irs Eur R F .75776, State Street Bank + Trust Co, B8A5Zge27 Irs Usd R V 00Mfedl0, B8A5C9Jh0 Irs Usd R V 03Mlibor, B8A55Uuu9 Irs Usd R V 00Mfedl0, B8A4Rleb8 Irs Usd R V 03Mlibor <i>Monthly Purchases and Sales excludes derivative transactions.</i>
88	Brandywine Global Investment Management	Global		\$245,727,129				80% Citigroup WGBI ex.-U.S. / 20% JP Morgan GBI EM Diversified	Yes	N/A	\$301,976,558	\$284,365,726	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, Us Treasury N/B 2.625% 02/15/29, Mexican Bonos 7.75% 11/13/42, Rep South Africa 8.75% 02/28/48, Mexican Bonos 8.5% 05/31/29, Mexican Bonos 8.5% 11/18/38, Colombia Tes 6% 04/28/28, Australian Govt. 2.75% 10/21/19
TOTAL FIXED INCOME				\$1,566,214,412							\$510,142,236	\$501,395,792	
TOTAL DIVERSIFYING ASSET CATEGORY				\$2,182,172,903							\$510,142,236	\$501,395,792	

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CORE REAL ESTATE													
89	BlackRock Realty	Real Estate - Core Separate Account		\$19,020,501				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		\$99,832,032				NFI-ODCE Index	Yes	N/A			\$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			\$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		\$38,459,066				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.
98	Prologis Targeted US Logistics Fund, LP	Real Estate - Core		\$69,093,994				NFI-ODCE Index	Yes	N/A			
99	Townsend Real Estate Fund, LP	Real Estate - Core		\$110,076,235				NFI-ODCE Index	Yes	N/A			
TOTAL CORE REAL ESTATE				\$673,340,997									

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

February 28, 2019

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NON-CORE REAL ESTATE													
100	DRC European Real Estate Debt Fund II, LP	Real Estate - Value Add Debt		\$14,015,087	\$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			
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			
103	CIM Opportunity Fund VIII, LP	Real Estate - Opport.		\$35,268,711	\$35,000,000	\$37,069,434	\$8,785,762	NFI-ODCE + 100 bps	Yes	N/A			
104	KKR Real Estate Partners Americas, LP	Real Estate - Opport.		\$9,785,903	\$35,000,000	\$31,305,017	\$32,471,363	NFI-ODCE + 100 bps	Yes	N/A	\$41,773		
105	Och-Ziff Real Estate Fund III, LP	Real Estate - Opport.		\$12,050,963	\$35,000,000	\$22,886,649	\$19,835,313	NFI-ODCE + 100 bps	Yes	N/A		\$527,222	
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			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		\$17,226,720	\$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		\$17,065,975	\$25,000,000	\$25,337,064	\$13,923,782	NFI-ODCE + 100 bps	Yes	N/A		\$254,634	
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		\$13,859,807	\$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		\$1,811,716	\$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			\$191,925,249	\$468,822,950	\$379,185,881	\$247,991,823				\$41,773	\$781,856	
	TOTAL REAL ESTATE			\$865,266,246	\$468,822,950	\$379,185,881	\$247,991,823				\$41,773	\$781,856	

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 Monthly Investment Manager Activity, Compliance, and Watch List Report

February 28, 2019

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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		\$39,138,802	\$40,000,000	\$40,515,665	\$12,252,576	Blended Index***	Yes	N/A	\$3,045,231		
118	EnCap Flatrock Midstream III, LP	Energy - Midstream		\$14,485,165	\$20,000,000	\$20,199,760	\$9,386,943	Blended Index***	Yes	N/A	\$1,054,480		
119	EnCap Flatrock Midstream Fund IV, LP	Energy - Midstream		\$6,208,014	\$22,500,000	\$8,298,942	\$1,764,000	Blended Index***	Yes	N/A			
120	Quantum Energy Partners VI, LP	Energy - Midstream		\$30,257,713	\$35,000,000	\$26,875,945	\$13,990,025	Blended Index***	Yes	N/A		\$296,587	
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		\$22,889,664	\$33,000,000	\$36,610,648	\$25,751,607	Blended Index***	Yes	N/A			
123	EnCap Energy Capital Fund X, LP	Energy - Upstream		\$31,303,678	\$40,000,000	\$33,594,289	\$6,921,883	Blended Index***	Yes	N/A			
124	First Reserve Energy Infrastructure II, LP	Energy Infrastruc.		\$22,917,923	\$35,000,000	\$32,130,896	\$20,328,178	Blended Index***	Yes	N/A		\$1,112,878	
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			
126	Brookfield Infrastructure Fund III, LP	Infrastruc. - Core		\$26,548,598	\$40,000,000	\$29,136,457	\$5,053,597	Blended Index***	Yes	N/A			
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			
128	Meridiam Infrastructure North America III, LP	Infrastruc. - Core		\$349,318	\$50,000,000	\$1,574,046		Blended Index***	Yes	N/A	\$212,031		
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		\$16,891,416	\$100,000,000	\$37,113,506	\$25,602,464	Blended Index***	Yes	N/A			
132	Tailwater Energy Fund III, LP	Energy - Midstream Infrastruc.		\$18,111,613	\$32,000,000	\$14,011,433		Blended Index***	Yes	N/A			
133	ISQ Global Infrastructure Fund II, LP	Infrastruc. - Value Add		\$12,421,435	\$50,000,000	\$13,540,407	\$1,118,972	Blended Index***	Yes	N/A		\$563,196	
134	Paine Schwartz Food Chain Fund V, LP	Agriculture			\$40,000,000			Blended Index***	Yes	N/A			
135	EQT INFRASTRUCTURE FD IV SCSP	Infrastruc. - Value Add			\$35,000,000			Blended Index***	Yes	N/A			
136	SSgA Real Asset Strategy Proxy	Real Assets Overlay		\$109,392,520				Blend of weighted real return asset class benchmarks.	Yes	N/A	\$26,412		This is the overlay proxy for the Real Return asset category.
TOTAL PRIVATE REAL ASSETS				\$582,229,523	\$927,500,000	\$539,755,880	\$182,104,093				\$4,338,154	\$1,972,661	

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

COMMODITIES													
137	Gresham TAP Fund	Commodities		\$25,343,849				Bloomberg Commodity Index	Yes	N/A			Gresham Strategic Commodities Fund was transferred to the Gresham TAP Fund, effective January 2019
TOTAL COMMODITIES				\$25,343,849									

TOTAL REAL RETURN ASSET CATEGORY				\$1,472,839,618							\$4,379,927	\$2,754,517	
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February 28, 2019

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OPPORTUNITIES													
138	Atalaya Special Opportunities Fund V, LP	Distressed Debt - US		\$8,546,223	\$25,000,000	\$24,875,000	\$22,043,096	Cambridge Assoc. All PE	Yes	N/A			
	TOTAL OPPORTUNITIES			\$8,546,223	\$25,000,000	\$24,875,000	\$22,043,096						
SHORT-TERM													
139	State Street Global Advisors - STIF (Cash Account)	Cash		\$343,908,255				91 Day T-Bill	Yes	N/A	\$54,242,546	\$46,529,917	Unallocated cash is swept into a short-term investment fund.
	TOTAL SHORT-TERM			\$343,908,255							\$54,242,546	\$46,529,917	
FUTURES OVERLAY													
140	State Street Global Advisors (Futures Overlay)	Overlay		\$118,065,402				Target Asset Allocation	Yes	N/A	\$42,954,625	\$20,750,985	State Street Bank + Trust Co, Fnma Tba 15 Yr 2.5, Gnma li Tba 30 Yr 3.5, Fnma Tba 30 Yr 4, Euro Currency, Fhmc Tba 30 Yr 3.5, Fnma Tba 30 Yr 3, Swedish Krona, Hong Kong Dollar, Singapore Dollar
	TOTAL FUTURES OVERLAY			\$118,065,402							\$42,954,625	\$20,750,985	
SCERS TOTAL PORTFOLIO				\$9,390,280,148	\$3,219,586,550	\$2,142,043,673	\$1,024,059,967				\$717,758,919	\$681,141,231	

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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.