



# Board of Retirement Regular Meeting

## Sacramento County Employees' Retirement System

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### Agenda Item 10

**MEETING DATE:** April 18, 2018

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

**SUBMITTED FOR:**  Consent       Deliberation and Action       Receive and File

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#### **RECOMMENDATION**

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

#### **PURPOSE**

To comply with SCERS' investment policy statement reporting requirements.

#### **DISCUSSION**

Report for the month of March 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 March 31, 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).

No 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 – March 2018
2. Watch List with Commentary Report – March 2018

Prepared by:

/S/

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Brian Miller  
Investment Officer

Reviewed by:

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Steve Davis  
Chief Investment Officer

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Eric Stern  
Chief Executive Officer

SACRAMENTO COUNTY EMPLOYEES' RETIREMENT SYSTEM

Monthly Investment Manager Activity, Compliance, and Watch List Report

March 31, 2018

#	Investment Manager	Fund Type	Watch List	Net Asset Value (as of March 31, 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
<b>DOMESTIC EQUITY</b>													
1	JP Morgan Asset Management	Equity 130/30		\$119,319,406				Russell 1000	Yes	N/A	\$21,067,585	\$22,228,701	Alphabet, Microsoft, Amazon.com, Apple, Occidental Petroleum, Bank of America, UnitedHealth Group, Northrop Grumman, Citigroup, Twenty First Century Fox
2	Eagle Capital Management	Large Cap Core		\$252,859,175				Russell 1000	Yes	N/A	\$10,439,255	\$11,207,342	Berkshire Hathaway Inc Cl B, Microsoft Corp, Alphabet Inc Cl C, Oracle Corp, Amazon.Com Inc, Citigroup Inc, Aon Plc, Ecolab Inc, Liberty Global Plc C, Unitedhealth Group Inc
3	Brown Advisory	Large Cap Growth	YES	\$136,545,946				Russell 1000 Growth	Yes	N/A	\$6,001,159	\$6,288,919	Zoetis Inc, Amazon.Com Inc, Visa Inc Class A Shares, Intuitive Surgical Inc, Adobe Systems Inc, Salesforce.Com Inc, Paypal Holdings Inc, Intuit Inc, Roper Technologies Inc, Estee Lauder Companies Cl A
4	Alliance Bernstein	Large Cap Passive		\$1,162,296,109				Russell 1000	Yes	N/A	\$4,506,600	\$3,215,723	Apple Inc, Microsoft Corp, Amazon.Com Inc, Jpmorgan Chase + Co, Berkshire Hathaway Inc Cl B, Facebook Inc A, Johnson + Johnson, Exxon Mobil Corp, Alphabet Inc Cl C, Alphabet Inc Cl A
5	Huber Capital Management	Large Cap Value	YES	\$118,666,917				Russell 1000 Value	Yes	N/A	\$5,370,323	\$5,233,406	Kbr Inc, Microsoft Corp, Northrop Grumman Corp, Citigroup Inc, Bank Of America Corp, State Street Bank + Trust Co, Jpmorgan Chase + Co, Philip Morris International, Eli Lilly + Co, Ca Inc
6	Weatherbie Capital	Small Cap Growth	YES	\$118,893,370				Russell 2000 Growth	Yes	N/A	\$4,043,783	\$3,852,280	Firstservice Corp, Xpo Logistics Inc, Insulet Corp, Chegg Inc, Stamps.Com Inc, Paylocity Holding Corp, State Street Bank + Trust Co, Gtt Communications Inc, Wayfair Inc Class A, Ebix Inc
7	UBS Global Asset Management	Small Cap Growth		\$76,346,055				Russell 2000 Growth	Yes	N/A	\$2,097,859	\$2,134,310	Mulesoft Inc A, Wix.Com Ltd, Callidus Software Inc, Varonis Systems Inc, Abiomed Inc, State Street Bank + Trust Co, 8X8 Inc, Universal Display Corp, Proofpoint Inc, Chegg Inc
8	Dalton, Greiner, Hartman, Maher	Small Cap Value		\$79,860,599				Russell 2000 Value	Yes	N/A	\$1,147,112	\$1,356,438	State Street Bank + Trust Co, American Eagle Outfitters, Wpx Energy Inc, Brandywine Realty Trust, Abm Industries Inc, Kennedy Wilson Holdings Inc, Teradyne Inc, Cousins Properties Inc, Allscripts Healthcare Soluti, El Paso Electric Co
9	Wedge Capital Management	Small Cap Value		\$89,069,638				Russell 2000 Value	Yes	N/A	\$6,651,034	\$6,925,374	State Street Bank + Trust Co, Prosperity Bancshares Inc, Stag Industrial Inc, Aecom, Colfax Corp, Great Western Bancorp Inc, Assurant Inc, Integrated Device Tech Inc, Tcf Financial Corp, Standex International Corp
10	TOTAL DOMESTIC EQUITY			\$2,153,857,216							\$61,324,709	\$62,442,494	

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<b>INTERNATIONAL EQUITY</b>													
11	Lazard Asset Management	ACWI ex-US		\$383,315,133				MSCI ACWI Ex.-U.S.	Yes	N/A	\$19,281,382	\$52,430,230	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, Informa Plc, Makita Corp, Vivendi
12	LSV Asset Management	Developed Large Cap Value		\$475,151,269				MSCI World Ex.-U.S.	Yes	N/A	\$893,644	\$3,181,054	Sanofi, Total Sa, Bp Plc, Glaxosmithkline Plc, Kddi Corp, Nippon Telegraph + Telephone, Enel Spa, Bae Systems Plc, Roche Holding Ag Genusschein, Swiss Life Holding Ag Reg
13	Walter Scott International EAFE Income Growth	Developed Large Cap Growth		\$481,834,935				MSCI World Ex.-U.S.	Yes	N/A	\$5,646,090	\$1,026,945	Keyence Corp, Aia Group Ltd, Lvmh Moet Hennessy Louis Vui, Kao Corp, Adidas Ag, Novo Nordisk A/S B, Novozymes A/S B Shares, Csl Ltd, Galp Energia Sgps Sa, Fanuc Corp
14	William Blair International Small Cap	Developed Small Cap Growth		\$95,345,791				MSCI Small Cap World ex.-U.S.	Yes	N/A	\$12,381,537	\$16,408,856	Custodian Interest Bearing Deposit Account, Localiza Rent A Car, Nissan Chemical Industries, Nihon M&A Center Inc, Rubis, Avi Ltd, Kose Corp, Indiabulls Housing Finance L, Tokyo Century Corp, Bank Negara Indonesia Perser
15	Mondrian International Small Cap	Developed Small Cap Value		\$94,955,378				MSCI Small Cap World ex.-U.S.	Yes	N/A	\$4,694,251	\$3,910,266	Nifco Inc, AAK AB, SATS Ltd, Nihon MA Center Inc, Rubis SCA, CAE Inc, Spirax-Sarco Engineering PLC, Cineworld Group PLC, WSP Global Inc, Auckland International Airport Ltd <i>\$18 million withdrawal</i>
16	Ballie Gifford EM All Cap	Emerging Market - All Cap		\$199,022,340				MSCI Emerging Markets	Yes	N/A	6,478,677	\$29,319,335	Tencent Holdings, Alibaba Group Hldg.Spn. ADR 1:1, Taiwan Semicon.Mnfg., Sberbank Of Russia (Lon) ADR, Ping An Insurance 'H', Chooc, Reliance Industries, Samsung Electronics, Housing Development Fin., China Merchants Bank 'H'
17	Mondrian EM All Cap	Emerging Market - All Cap		\$177,744,383				MSCI Emerging Markets	Yes	N/A	\$7,583,541	\$11,320,271	Samsung Electronics Co Ltd, Taiwan Semiconductor Manufacturing Ltd, China Construction Bank Corp Class H, Embraer SA Sponsored ADR, Ping An Insurance Co of China Class H, Gazprom PJSC Sponsored ADR, China Mobile Ltd, Suzano Papel E Celulose SA, Indiabulls Housing Finance Ltd, WH Group Ltd <i>\$17 million contribution</i>
18	TOTAL INTERNATIONAL EQUITY			\$1,907,369,229							\$56,959,122	\$117,596,956	

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<b>PRIVATE EQUITY</b>													
19	Abbott Capital Private Equity Fund VI, LP	aFund of Funds		\$54,665,963	\$75,000,000	\$72,750,000	\$51,376,320	Cambridge Assoc. All Private Equity	Yes	N/A		\$1,875,000	
20	HarbourVest International PEP VI, LP	aFund of Funds		\$34,824,401	\$50,000,000	\$36,905,207	\$17,159,087	Cambridge Assoc. All Private Equity	Yes	N/A		\$1,477,469	Fund is denominated in Euros and has been converted to US dollars based on the exchange rate at the time of the transaction.
21	HarbourVest VIII, LP	aFund of Funds		\$21,270,596	\$50,000,000	\$47,587,500	\$24,496,922	Cambridge Assoc. All Private Equity	Yes	N/A		\$206,869	
22	Private Equity (Goldman Sachs) X, LP	aFund of Funds		\$35,736,270	\$75,000,000	\$74,960,334	\$55,391,146	Cambridge Assoc. All Private Equity	Yes	N/A		\$2,530,021	
23	Accel-KKR Capital Partners IV, LP	Buyout		\$11,884,999	\$15,000,000	\$12,307,042	\$6,650,498	Cambridge Assoc. All Private Equity	Yes	N/A			
24	Accel-KKR Capital Partners V, LP	Buyout		\$5,502,329	\$25,000,000	\$5,617,643		Cambridge Assoc. All Private Equity	Yes	N/A	\$556,711		
25	H.I.G. Capital Partners V, LP	Buyout		\$8,808,741	\$14,000,000	\$8,195,022	\$1,437,210	Cambridge Assoc. All Private Equity	Yes	N/A			
26	Marlin Equity IV, LP	Buyout		\$18,805,328	\$20,000,000	\$17,613,347	\$190,655	Cambridge Assoc. All Private Equity	Yes	N/A	\$5,039		
27	Linden Capital Partners III, LP	Buyout - Middle Market Healthcare		\$38,015,473	\$35,000,000	\$32,375,287		Cambridge Assoc. All Private Equity	Yes	N/A			
28	Linden Capital Partners IV, LP	Buyout - Middle Market Healthcare			\$40,000,000			Cambridge Assoc. All Private Equity	Yes	N/A			
29	Thoma Bravo Fund XI, LP	Buyout - Middle Market Technology		\$42,612,403	\$30,000,000	\$30,010,615	\$5,395,896	Cambridge Assoc. All Private Equity	Yes	N/A			
30	Thoma Bravo Fund XII, LP	Buyout - Middle Market Technology		\$20,286,459	\$30,000,000	\$19,363,548	\$674,826	Cambridge Assoc. All Private Equity	Yes	N/A	\$2,850,693		
31	H.I.G. Europe Capital Partners II, LP	Buyout - Non-US		\$10,051,598	\$21,000,000	\$10,621,345		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.

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<b>PRIVATE EQUITY</b>													
32	Waterland Fund V, LP	Buyout - Non-US		\$13,505,407	\$23,193,600	\$15,407,645	\$19,565,197	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.
33	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.
34	Marlin Heritage, LP	Buyout - Small / Middle Market		\$8,782,660	\$10,000,000	\$8,770,439	\$7,498,237	Cambridge Assoc. All Private Equity	Yes	N/A			
35	Marlin Heritage II, LP	Buyout - Small / Middle Market		\$1,233,466	\$10,000,000	\$1,341,247		Cambridge Assoc. All Private Equity	Yes	N/A			
36	Marlin Heritage Europe, LP	Buyout - Small / Middle Market		\$4,658,299	\$14,400,000	\$4,897,050		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.
37	Marlin Heritage Equity Partners V, LP	Buyout - Middle Market		\$2,100,557	\$25,000,000	\$2,082,232		Cambridge Assoc. All Private Equity	Yes	N/A	\$18,325		
38	RRJ Capital Master Fund II, LP	Buyout - Special Situations SE Asia		\$20,147,710	\$35,000,000	\$41,854,303	\$26,460,417	Cambridge Assoc. All Private Equity	Yes	N/A		\$308,115	
39	RRJ Capital Master Fund III, LP	Buyout - Special Situations SE Asia		\$24,723,418	\$40,000,000	\$15,620,918	\$6,715,769	Cambridge Assoc. All Private Equity	Yes	N/A	\$9,777,777		
41	Atalaya Special Opportunities Fund VI, LP	Distressed Debt - US		\$18,634,848	\$25,000,000	\$24,130,563	\$7,541,999	Cambridge Assoc. All Private Equity	Yes	N/A	\$1,000,000	\$341,764	
42	DavidsonKempner Long-Term Distressed Opportunities Fund IV, LP	Distressed Debt		\$1,750,000	\$35,000,000	\$1,750,000		Cambridge Assoc. All Private Equity	Yes	N/A	\$1,750,000		
43	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			
44	H.I.G. Bayside Loan Opportunity III (Europe), LP	Distressed Debt		\$22,287,924	\$30,000,000	\$23,358,256	\$6,569,108	Cambridge Assoc. All Private Equity	Yes	N/A			
45	TPG Opportunities Partners III, LP	Distressed Debt		\$21,742,984	\$40,000,000	\$25,925,248	\$8,674,985	Cambridge Assoc. All Private Equity	Yes	N/A			

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<b>PRIVATE EQUITY</b>													
46	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			
47	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			
48	Summit Partners Venture Capital Fund IV, LP	Growth Equity		\$12,883,409	\$35,000,000	\$13,549,603	\$4,935,627	Cambridge Assoc. All Private Equity	Yes	N/A	\$420,000		
49	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			
50	TSG 7A,LP and TSG 7B, LP	Buyout - Consumer Brands		\$7,191,167	\$20,000,000	\$7,181,869	\$7,227	Cambridge Assoc. All Private Equity	Yes	N/A	\$967,318		
51	Accel-KKR Growth Capital Partners II, LP	Growth Equity - Software Technology		\$5,660,639	\$15,000,000	\$7,027,603	\$2,059,777	Cambridge Assoc. All Private Equity	Yes	N/A	\$500,114		
52	Spectrum Equity Investors VII, LP	Growth Equity - Software Technology		\$23,279,325	\$25,000,000	\$23,000,000	\$9,097,783	Cambridge Assoc. All Private Equity	Yes	N/A	\$1,187,500		
53	Spectrum Equity Fund VIII, LP	Growth Equity - Software Technology			\$25,000,000			Cambridge Assoc. All Private Equity	Yes	N/A			
54	Dyal II US Investors, LP	Other		\$9,938,884	\$35,000,000	\$15,121,362	\$3,608,953	Cambridge Assoc. All Private Equity	Yes	N/A	\$1,625,850		
55	Dyal Capital Partners III, LP	Other		\$12,616,097	\$35,000,000	\$18,715,859	\$7,112,840	Cambridge Assoc. All Private Equity	Yes	N/A			
56	Khosla Ventures Fund IV, LP	Venture Capital		\$16,552,147	\$10,000,000	\$9,810,000	\$4,993,413	Cambridge Assoc. All Private Equity	Yes	N/A		\$1,839,632	
57	Khosla Ventures Fund V, LP	Venture Capital		\$16,305,830	\$20,000,000	\$13,960,000	\$1,012,798	Cambridge Assoc. All Private Equity	Yes	N/A	\$360,000		
58	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			

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<b>PRIVATE EQUITY</b>													
59	NEA 15, LP	Venture Capital		\$34,143,926	\$35,000,000	\$27,129,431		Cambridge Assoc. All Private Equity	Yes	N/A	\$700,000		
60	NEA 16, LP	Venture Capital		\$5,942,169	\$35,000,000	\$6,037,500		Cambridge Assoc. All Private Equity	Yes	N/A			
61	Trinity Ventures XI, LP	Venture Capital		\$26,178,713	\$25,000,000	\$19,500,000		Cambridge Assoc. All Private Equity	Yes	N/A			
62	Trinity Ventures XII, LP	Venture Capital		\$11,523,382	\$30,000,000	\$11,325,000		Cambridge Assoc. All Private Equity	Yes	N/A			
63	<b>TOTAL PRIVATE EQUITY</b>			<b>\$717,371,363</b>	<b>\$1,288,943,600</b>	<b>\$801,748,473</b>	<b>\$311,337,942</b>				<b>\$23,257,421</b>	<b>\$8,578,870</b>	

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<b>PUBLIC CREDIT</b>													
64	Brigade SC Credit Opportunities Mandate, LLC	Strategic Credit		\$175,618,835				50% BofA Merrill Lynch High Yield Master II Constrained / 50% Credit Suisse Leveraged Loan	Yes	N/A			
65	TOTAL PUBLIC CREDIT			\$175,618,835									
<b>PRIVATE CREDIT</b>													
66	Athyrium Opportunities Fund II, LP	Opport. Credit - Healthcare		\$16,942,354	\$32,000,000	\$32,705,808	\$19,421,611	Credit Suisse Leveraged Loan + 200 bps	Yes	N/A	\$602,670		
67	Athyrium Opportunities Fund III, LP	Opport. Credit - Healthcare		\$6,978,488	\$25,000,000	\$9,449,722	\$2,160,432	Credit Suisse Leveraged Loan + 200 bps	Yes	N/A	\$1,538,094		
68	Summit Partners Credit Fund I, LP	Direct Lending		\$3,834,489	\$20,000,000	\$24,939,499	\$27,188,270	Credit Suisse Leveraged Loan + 200 bps	Yes	N/A		\$714,936	
69	Summit Partners Credit Fund II, LP	Direct Lending		\$22,868,275	\$35,000,000	\$37,168,419	\$19,560,891	Credit Suisse Leveraged Loan + 200 bps	Yes	N/A	\$1,560,685	\$764,441	
70	Summit Partners Credit Fund III, LP	Direct Lending			\$50,000,000			Credit Suisse Leveraged Loan + 200 bps	Yes	N/A			
71	Tennenbaum Capital Partners Direct Lending Fund VIII	Direct Lending		\$4,999,700	\$100,000,000	\$4,999,700		Credit Suisse Leveraged Loan + 200 bps	Yes	N/A	\$2,000,000		
72	Benefit Street Partners Senior Secured Opportunities Fund, LP	Direct Lending		\$32,278,594	\$50,000,000	\$32,630,444	\$351,850	Credit Suisse Leveraged Loan + 200 bps	Yes	N/A	\$12,766,502		
73	TOTAL PRIVATE CREDIT			\$87,901,900	\$312,000,000	\$141,893,591	\$68,683,054				\$18,467,951	\$1,479,377	

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<b>ABSOLUTE RETURN</b>													
74	Grosvenor SC Absolute Return Fund (SCARF)	Separate Account		\$270,012,132				HFRI FoF Composite Index +100 bps / HFRI FoF Conservative Index	Yes	Yes			
75	Grosvenor SC Absolute Return Fund, Series B (SCARF-B)	Interim Separate Account		\$141,936,503				HFRI FoF Composite Index +100 bps / HFRI FoF Conservative Index	Yes	Yes	\$70,000,000		
76	Lakewood Capital Partners, LP	Equity Long/Short		\$45,256,068	\$35,000,000	\$33,000,000		HFRI FoF Composite Index +100 bps	Yes	Yes			
77	Elliott Associates, LP	Event Driven		\$52,876,647				HFRI FoF Conservative Index	Yes	Yes			
78	Jana Partners Qualified, LP	Event Driven		\$40,687,920				HFRI FoF Composite Index +100 bps	Yes	Yes			
79	Third Point Partners Qualified, LP	Event Driven		\$51,166,156				HFRI FoF Composite Index +100 bps	Yes	Yes			
80	Grosvenor	Fund of Funds		\$162,144				HFRI FoF Composite Index +100 bps	Yes	N/A			Fund was terminated; redemptions from the fund continues to progress.
81	Claren Road Credit Partners, LP	Global Long Short Credit		\$142,203				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.
82	Brevan Howard Master Fund, LLC	Global Macro - Discretion		\$34,760,845				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.
83	Laurion Capital Management, LP	Market Neutral - Vol/Arb		\$44,754,686				HFRI FoF Conservative Index	Yes	Yes			
84	AQR DELTA Fund, LP	Multi-Strategy		\$70,416,480				HFRI FoF Conservative Index	Yes	Yes			
85	Och-Ziff Domestic Partners Fund II, LP	Multi-Strategy	YES	\$48,413,700				HFRI FoF Composite Index +100 bps	Yes	Yes			
86	Winton Diversified Futures Fund, LP	Systematic Global Macro		\$36,487,136				HFRI FoF Conservative Index	Yes	Yes			
87	Graham Global Investment Fund II SPC, Ltd	Systematic Global Macro		\$35,303,646				HFRI FoF Conservative Index	Yes	Yes			
88	<b>TOTAL ABSOLUTE RETURN</b>			<b>\$872,376,266</b>	<b>\$35,000,000</b>	<b>\$33,000,000</b>					<b>\$70,000,000</b>		

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Monthly Investment Manager Activity, Compliance, and Watch List Report

March 31, 2018

#	Investment Manager	Fund Type	Watch List	Net Asset Value (as of March 31, 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
<b>PUBLIC FIXED INCOME</b>													
89	Neuberger Investment Management	U.S. Treasury		\$418,642,098				Barclays U.S. Treasury	Yes	N/A	\$234,545,395	\$166,919,496	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
90	TCW MetWest Asset Management	Core Plus		\$417,925,018				Barclays U.S. Aggregate Bond	Yes	N/A	\$285,710,168	\$149,752,577	Us Treasury N/B, State Street Bank + Trust Co, Us Treasury N/B, Us Treasury N/B, Us Treasury N/B, Metropolitan West High Yield B, Fnma Tba 30 Yr 3.5, Fnma Tba 30 Yr 4.5, Treasury Bill, Us Treasury N/B <i>Monthly Purchases and Sales excludes derivative transactions.</i>
91	Prudential Investment Management	Core Plus		\$442,039,956				Barclays U.S. Aggregate Bond	Yes	N/A	\$11,497,122	\$21,473,890	B8A4Lnzs0 Irs Usd R V 03Mlibor, B8A4Xsge8 Irs Usd R V 00Mfedl0, B8A4Rwjs2 Irs Usd R V 12Mlibor, B8A3U8Pu1 Irs Usd R V 01Musois, State Street Bank + Trust Co, B8A4Xw9N7 Irs Usd R V 12Mfedl, B8A3U3H15 Irs Usd R V 01Musois, B8A4Qqmn3 Irs Usd R V 12Mfedl, B8A4Txuh9 Irs Usd R V 12Mlibor, B8A50Tx34 Irs Usd R V 12Mfedl <i>Monthly Purchases and Sales excludes derivative transactions.</i>
92	Brandywine Global Investment Management	Global		\$233,856,485				80% Citigroup WGBI ex.-U.S. / 20% JP Morgan GBI EM Diversified	Yes	N/A	\$18,951,935	\$5,524,296	Us Treasury Frn Fit 07/31/19, Uk Tsy Gilt 1.25% 07/22/18, Mexican Bonos 7.75% 11/13/42, Rep South Africa 8.75% 02/28/48, Mexican Bonos 8.5% 11/18/38, Mexican Bonos 8.5% 05/31/29, Goldman Sachs Gp Fit 02/23/23, Fnm Discount Nt 0% 04/16/18, Brazil Ntn-F 10% 01/01/25, Us Treasury Frn Fit 04/30/19
93	TOTAL FIXED INCOME			\$1,512,463,557							\$550,704,620	\$343,670,259	

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<b>CORE REAL ESTATE</b>													
94	BlackRock Realty	Real Estate - Core Separate Account		\$172,783,820				NFI-ODCE Index	Yes	N/A			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.
95	Barings (formerly Comerstone)	Real Estate - Core Separate Account		\$77,429,989				NFI-ODCE Index	Yes	N/A			Assets managed does not include \$39 million of debt.
96	Jamestown Premier Property Fund, LP	Real Estate - Core / Core Plus		\$15,234,676				NFI-ODCE Index	Yes	N/A		\$4,943,750	
97	MetLife Core Property Fund	Real Estate - Core		\$55,072,419				NFI-ODCE Index	Yes	N/A			
98	Prime Property Fund, LLC	Real Estate - Core		\$55,824,191				NFI-ODCE Index	Yes	N/A			
99	Principal US Property Account	Real Estate - Core		\$42,937,650				NFI-ODCE Index	Yes	N/A			
100	Prologis Targeted Europe Logistics Fund, LP	Real Estate - Core		\$36,286,423				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.
101	Prologis Targeted US Logistics Fund, LP	Real Estate - Core		\$61,379,328				NFI-ODCE Index	Yes	N/A			
102	Townsend Real Estate Fund, LP	Real Estate - Core		\$102,779,687				NFI-ODCE Index	Yes	N/A			
103	TOTAL CORE REAL ESTATE			\$619,728,182								\$4,943,750	

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<b>NON-CORE REAL ESTATE</b>													
104	DRC European Real Estate Debt Fund II, LP	Real Estate - Value Add Debt		\$12,800,849	\$50,000,000	\$77,430,712	\$68,381,790	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.
105	Carlyle China Realty, LP	Real Estate - Opport.		\$3,527,965	\$10,000,000	\$3,977,692		NFI-ODCE + 100 bps	Yes	N/A			
106	Carlyle China Rome Logistics, LP	Real Estate - Opport.		\$10,698,728	\$20,000,000	\$11,032,508		NFI-ODCE + 100 bps	Yes	N/A			
107	CIM Opportunity Fund VIII, LP	Real Estate - Opport.		\$28,261,474	\$35,000,000	\$30,804,150	\$5,906,609	NFI-ODCE + 100 bps	Yes	N/A			
108	KKR Real Estate Partners Americas, LP	Real Estate - Opport.		\$15,477,452	\$35,000,000	\$31,097,072	\$25,102,626	NFI-ODCE + 100 bps	Yes	N/A		\$531,412	
109	Och-Ziff Real Estate Fund III, LP	Real Estate - Opport.	YES	\$17,470,302	\$35,000,000	\$20,265,478	\$9,167,441	NFI-ODCE + 100 bps	Yes	N/A	\$3,982,827	\$136,280	
110	AEW Value Investors II, LP	Real Estate - Value Add		\$47,053	\$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.
111	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.
112	ECE European Prime Shopping Centre Fund II, SCS SIF	Real Estate - Value Add		\$9,543,496	\$35,000,000	\$7,922,479	\$1,472,175	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	Hammes Partners II, LP	Real Estate - Value Add		\$18,979,986	\$25,000,000	\$21,777,779	\$5,056,412	NFI-ODCE + 100 bps	Yes	N/A	\$2,283,705		
114	Hammes Partners III, L.P.	Real Estate - Value Add			\$31,250,000			NFI-ODCE + 100 bps	Yes	N/A			
115	Hines US Office Value Fund II, LP	Real Estate - Value Add		\$587,083	\$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.
116	NREP Nordic Strategies Fund, FCP-FIS	Real Estate - Value Add		\$16,166,811	\$25,000,000	\$22,760,416	\$19,639,572	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	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.
118	NREP Nordic Strategies Fund III, SCSp				\$40,000,000			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.
119	TOTAL NON-CORE REAL ESTATE			\$168,974,279	\$448,822,950	\$316,096,544	\$196,434,787				\$6,266,532	\$667,692	
120	TOTAL REAL ESTATE			\$788,702,461	\$448,822,950	\$316,096,544	\$196,434,787				\$6,266,532	\$5,611,442	

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<b>REAL ASSETS</b>													
121	ACM Fund II, LLC	Real Assets - Agriculture		\$12,264,806	\$25,000,000	\$17,076,419	\$4,277,491	Blended Index***	Yes	N/A			
122	Arclight Energy Partners VI, LP	Energy - Midstream		\$33,384,163	\$40,000,000	\$37,470,434	\$6,878,640	Blended Index***	Yes	N/A	\$2,782,642		
123	EnCap Flatrock Midstream III, LP	Energy - Midstream		\$7,241,159	\$20,000,000	\$12,397,653	\$8,825,342	Blended Index***	Yes	N/A	\$182,933		
124	EnCap Flatrock Midstream Fund IV, LP	Energy - Midstream		\$903,032	\$22,500,000			Blended Index***	Yes	N/A			
125	Quantum Energy Partners VI, LP	Energy - Midstream		\$18,521,063	\$35,000,000	\$21,939,851	\$11,881,269	Blended Index***	Yes	N/A			
126	Quantum Energy Partners VII, LP	Energy - Midstream		\$8,088,380	\$40,000,000	\$9,747,539	\$1,365,090	Blended Index***	Yes	N/A			
127	EnCap Energy Capital Fund IX, LP	Energy - Upstream		\$24,933,195	\$33,000,000	\$35,215,012	\$22,378,544	Blended Index***	Yes	N/A	\$231,112		
128	EnCap Energy Capital Fund X, LP	Energy - Upstream		\$27,758,177	\$40,000,000	\$30,097,514	\$6,341,783	Blended Index***	Yes	N/A	\$1,381,280		
129	First Reserve Energy Infrastructure II, LP	Energy Infrastruc.		\$16,037,755	\$35,000,000	\$24,071,991	\$17,443,369	Blended Index***	Yes	N/A			
130	Carlyle Power Partners II, LP	Energy - Power		\$19,830,169	\$40,000,000	\$23,609,859	\$6,870,227	Blended Index***	Yes	N/A			
131	Brookfield Infrastructure Fund III, LP	Infrastruc. - Core		\$15,700,924	\$40,000,000	\$16,878,679	\$2,864,807	Blended Index***	Yes	N/A	\$1,736,732		
132	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			
133	Meridiam Infrastructure North America III, LP	Infrastruc. - Core		\$324,425	\$50,000,000	\$803,451		Blended Index***	Yes	N/A	\$216,885		
134	Wastewater Opportunity Fund, LP	Infrastruc. - Water/Wastewater		\$6,768,109	\$25,000,000	\$8,427,169	\$139,642	Blended Index***	Yes	N/A	\$1,325,232		
135	Pantheon SCERS Secondary Infrastructure, LLC	Infrastruc. - Secondary Separate Account		\$65,557,110	\$100,000,000	\$44,500,000	\$2,800,000	Blended Index***	Yes	N/A		\$2,800,000	

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

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<b>REAL ASSETS</b>													
136	Atalaya SCERS SMA, LLC	Asset Backed Lending Separate Account		\$26,724,263	\$100,000,000	\$34,228,318	\$8,056,647	Blended Index***	Yes	N/A		\$1,881,332	
137	SSgA Real Asset Strategy Proxy	Real Assets Overlay		\$324,947,044				Blend of weighted real return asset class benchmarks.	Yes	N/A	\$247,173,661	\$179,983,129	This is the overlay proxy for the Real Return asset category.
138	<b>TOTAL PRIVATE REAL ASSETS</b>			<b>\$703,484,839</b>	<b>\$745,500,000</b>	<b>\$416,463,889</b>	<b>\$113,437,674</b>				<b>\$255,030,478</b>	<b>\$184,664,461</b>	

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<b>COMMODITIES</b>													
139	Gresham Strategic Commodities Fund	Commodities		\$27,204,804				Bloomberg Commodity Index	Yes	N/A			
140	TOTAL COMMODITIES			\$27,204,804									
<b>OPPORTUNITIES</b>													
141	Atalaya Special Opportunities Fund V, LP	Distressed Debt - US		\$9,386,111	\$25,000,000	\$24,875,000	\$20,747,397	Cambridge Assoc. All PE	Yes	N/A			
142	TOTAL OPPORTUNITIES			\$9,386,111	\$25,000,000	\$24,875,000	\$20,747,397						
<b>SHORT-TERM</b>													
143	State Street Global Advisors - STIF (Cash Account)	Cash		\$188,265,541				91 Day T-Bill	Yes	N/A	\$472,131,951	\$338,004,554	Unallocated cash is swept into a short-term investment fund.
144	TOTAL SHORT-TERM			\$188,265,541							\$472,131,951	\$338,004,554	
<b>FUTURES OVERLAY</b>													
145	State Street Global Advisors (Futures Overlay)	Overlay		\$42,474,258				Target Asset Allocation	Yes	N/A	\$373,906,909	\$368,697,843	State Street Bank + Trust Co, Fnma Tba 15 Yr 2.5, Gnma II Tba 30 Yr 3.5, Fnma Tba 30 Yr 4, Fhmc Tba 30 Yr 3.5, Fnma Tba 30 Yr 3, Euro Currency, Japanese Yen, Pound Sterling, Canadian Dollar
146	TOTAL FUTURES OVERLAY			\$42,474,258							\$373,906,909	\$368,697,843	
<b>SCERS TOTAL PORTFOLIO</b>				\$9,186,476,380	\$2,855,266,550	\$1,734,077,496	\$710,640,854				\$1,888,049,693	\$1,430,746,256	

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#	Investment Manager	Fund Type	Reason	Effective (month - year)	Commentary
1	<b>Brown Advisory</b>	Large Cap Growth	<b>Performance</b>	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	<b>Huber Capital Management</b>	Large Cap Value	<b>Performance</b>	Feb-15	Returns have underperformed the benchmark over the long-term periods: 5-Year (+13.0% vs. +14.0%); and since inception (+12.5% vs. +13.6%).
3	<b>Och-Ziff Capital Management</b>	Absolute Return and Opportunistic Real Estate	<b>Organization</b>	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	<b>Weatherbie Capital Management</b>	Small Cap Growth	<b>Organization</b>	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.