



Board of Retirement Regular Meeting

Sacramento County Employees' Retirement System

Agenda Item 10

MEETING DATE: August 15, 2018

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

SUBMITTED FOR: Consent Deliberation and Action Receive and File

RECOMMENDATION

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

PURPOSE

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

DISCUSSION

Report for the month of July 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 July 31, 2018, investment managers on the Watch List include:

1. Och-Ziff Capital Management (Absolute Return and Opportunities-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 – July 2018
2. Watch List with Commentary Report – July 2018

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 July 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
DOMESTIC EQUITY													
1	JP Morgan Asset Management	Equity 130/30		\$123,683,893				Russell 1000	Yes	N/A	\$16,010,576	\$17,579,464	Alphabet, Microsoft, Amazon, Apple, Occidental Petroleum, UnitedHealth Group, Pfizer, Dowdupont, Norfolk Southern, Broadcom Ltd.
2	Eagle Capital Management	Large Cap Core		\$248,149,975				Russell 1000	Yes	N/A	\$1,410,722	\$25,187,200	Alphabet Inc Cl C, Microsoft Corp, Berkshire Hathaway Inc Cl B, Amazon.Com Inc, Citigroup Inc, Oracle Corp, Comcast Corp Class A, Unitedhealth Group Inc, Wells Fargo + Co, Liberty Global Plc C <i>Reduced allocation by \$23 million in July</i>
3	AQR US Enhanced Equity	Large Cap Core		\$237,228,643				Russell 1000	Yes	N/A	\$249,473,540	\$11,990,619	Microsoft Corp, Apple Inc, Amazon.Com Inc, Facebook Inc A, Alphabet Inc Cl A, Boeing Co/The, Exxon Mobil Corp, Berkshire Hathaway Inc Cl B, Chevron Corp, Lyondellbasell Indu Cl A <i>Added \$235 million allocation in July</i>
4	Alliance Bernstein	Large Cap Passive		\$1,235,649,303				Russell 1000	Yes	N/A	\$3,349,277	\$3,940,900	Apple Inc, Microsoft Corp, Amazon.Com Inc, Facebook Inc A, Jpmorgan Chase + Co, Berkshire Hathaway Inc Cl B, Alphabet Inc Cl C, Alphabet Inc Cl A, Johnson + Johnson, Exxon Mobil Corp
5	Weatherbie Capital	Small Cap Growth		\$94,159,198				Russell 2000 Growth	Yes	N/A	\$3,352,039	\$43,046,523	Firstservice Corp, Xpo Logistics Inc, Chegg Inc, Insulet Corp, Paylocity Holding Corp, Wayfair Inc Class A, Ebix Inc, Stamps.Com Inc, State Street Bank + Trust Co, Everbridge Inc <i>Reduced allocation by \$38 million in July</i>
6	Dalton, Greiner, Hartman, Maher	Small Cap Value		\$101,667,650				Russell 2000 Value	Yes	N/A	\$20,032,033	\$2,567,157	State Street Bank + Trust Co, Kennedy Wilson Holdings Inc, Brandywine Realty Trust, El Paso Electric Co, Greenbrier Companies Inc, Orion Engineered Carbons Sa, Allscripts Healthcare Soluti, Cousins Properties Inc, Nexstar Media Group Inc Cl A, Teradyne Inc <i>Added \$17 million allocation in July</i>
TOTAL DOMESTIC EQUITY				\$2,040,538,662							\$293,628,188	\$104,311,865	

*Net Asset Value for Private Equity, Private Credit, Real Estate, Real Assets, and Opportunities are most recent quarterly values adjusted for cash flows.

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INTERNATIONAL EQUITY													
7	Lazard Asset Management	ACWI ex-US		\$376,535,523				MSCI ACWI Ex.-U.S.	Yes	N/A	\$4,309,538	\$9,606,527	Lazard Emerging Markets Equity, State Street Bank + Trust Co, Prudential Plc, Daiwa House Industry Co Ltd, Sampo Oyj A Shs, Informa Plc, Wolters Kluwer, Equinor Asa, Don Quijote Holdings Co Ltd, Vivendi
8	LSV Asset Management	Developed Large Cap Value		\$462,374,289				MSCI World Ex.-U.S.	Yes	N/A	\$12,142,137	\$12,947,997	Sanofi, Total Sa, Royal Dutch Shell Plc B Shs, Bp Plc, Kddi Corp, Glaxosmithkline Plc, Roche Holding Ag Genusschein, Bae Systems Plc, Nippon Telegraph + Telephone, Enel Spa
9	Walter Scott International EAFE Income Growth	Developed Large Cap Growth		\$488,786,952				MSCI World Ex.-U.S.	Yes	N/A	\$1,113,172	\$793,610	Aia Group Ltd, Keyence Corp, Lvmh Moet Hennessy Louis Vui, Csl Ltd, Kao Corp, Coloplast B, Compass Group Plc, Sap Se, Industria De Diseno Textil, Novo Nordisk A/S B
10	William Blair International Small Cap	Developed Small Cap Growth		\$92,735,417				MSCI Small Cap World ex.-U.S.	Yes	N/A	\$8,680,778	\$8,541,450	Royal Unibrew, Ssp Group Plc, Beazley Plc, Evolution Gaming Group, Abcam Plc, Workspace Group Plc, Burford Capital Ltd, Thule Group Ab/The, Tis Inc, Indutrade Ab
11	Mondrian International Small Cap	Developed Small Cap Value		\$96,190,588				MSCI Small Cap World ex.-U.S.	Yes	N/A	\$706	\$951,060	Nifco Inc, AAK AB, CAE Inc, SATS Ltd, Spirax-Sarco Engineering PLC, Elkem ASA, WSP Global Inc, AF AB B Shares, Auckland International Airport Ltd, Glanbia PLC
12	Ballie Gifford EM All Cap	Emerging Market - All Cap		\$186,526,270				MSCI Emerging Markets	Yes	N/A	4,049,384	\$1,004,591	Tencent Holdings, Alibaba Group Hldg, Spn. Adr 1:1, Cnooc, Taiwan Semicon.Mnfg., Ping An Insurance 'H', Sberbank Of Russia (Lon) Adr, Samsung Electronics, Reliance Industries, Norilsk Nickel Adr, China Merchants Bank 'H'
13	Mondrian EM All Cap	Emerging Market - All Cap		\$164,100,344				MSCI Emerging Markets	Yes	N/A	\$4,121,283	\$10,629,961	Samsung Electronics Co Ltd, Ping An Insurance Co of China Class H, Taiwan Semiconductor Manufacturing Ltd, China Construction Bank Corp Class H, Embraer SA Sponsored ADR, China Mobile Ltd, Vedanta Ltd, Suzano Papel E Celulose SA, Gazprom PJSC Sponsored ADR, Indiabulls Housing Finance Ltd
TOTAL INTERNATIONAL EQUITY				\$1,867,249,383							\$34,416,998	\$44,475,196	

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PRIVATE EQUITY													
14	Abbott Capital Private Equity Fund VI, LP	aFund of Funds		\$54,223,769	\$75,000,000	\$73,125,000	\$57,376,320	Cambridge Assoc. All Private Equity	Yes	N/A		\$2,625,000	
15	HarbourVest International PEP VI, LP	aFund of Funds		\$37,059,541	\$50,000,000	\$36,905,207	\$18,719,312	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.
16	HarbourVest VIII, LP	aFund of Funds		\$19,871,385	\$50,000,000	\$47,587,500	\$25,260,735	Cambridge Assoc. All Private Equity	Yes	N/A			
17	Private Equity (Goldman Sachs) X, LP	aFund of Funds		\$35,792,375	\$75,000,000	\$74,960,334	\$55,391,146	Cambridge Assoc. All Private Equity	Yes	N/A			
18	Accel-KKR Capital Partners IV, LP	Buyout		\$12,528,794	\$15,000,000	\$12,400,154	\$6,650,498	Cambridge Assoc. All Private Equity	Yes	N/A			
19	Accel-KKR Capital Partners V, LP	Buyout		\$6,465,447	\$25,000,000	\$6,596,214	\$137,482	Cambridge Assoc. All Private Equity	Yes	N/A			
20	H.I.G. Capital Partners V, LP	Buyout		\$9,658,256	\$14,000,000	\$9,289,530	\$2,770,511	Cambridge Assoc. All Private Equity	Yes	N/A			
21	Marlin Equity IV, LP	Buyout		\$19,358,226	\$20,000,000	\$18,747,571	\$713,670	Cambridge Assoc. All Private Equity	Yes	N/A	\$264,864	\$523,015	
22	Linden Capital Partners III, LP	Buyout - Middle Market Healthcare		\$39,518,448	\$35,000,000	\$32,477,851	\$140,956	Cambridge Assoc. All Private Equity	Yes	N/A			
23	Linden Capital Partners IV, LP	Buyout - Middle Market Healthcare			\$44,000,000			Cambridge Assoc. All Private Equity	Yes	N/A			
24	Thoma Bravo Fund XI, LP	Buyout - Middle Market Technology		\$37,383,880	\$30,000,000	\$30,010,615	\$12,489,617	Cambridge Assoc. All Private Equity	Yes	N/A			
25	Thoma Bravo Fund XII, LP	Buyout - Middle Market Technology		\$20,111,264	\$30,000,000	\$19,363,548	\$674,826	Cambridge Assoc. All Private Equity	Yes	N/A			
26	H.I.G. Europe Capital Partners II, LP	Buyout - Non-US		\$10,226,941	\$21,000,000	\$10,621,345	\$361,238	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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PRIVATE EQUITY													
27	Waterland Fund V, LP	Buyout - Non-US		\$11,487,045	\$23,193,600	\$15,495,150	\$24,605,102	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.
28	Waterland Fund VI, LP	Buyout - Non-US		\$16,342,885	\$30,000,000	\$14,655,228		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	Marlin Heritage, LP	Buyout - Small / Middle Market		\$8,876,822	\$10,000,000	\$8,770,439	\$7,498,237	Cambridge Assoc. All Private Equity	Yes	N/A			
30	Marlin Heritage II, LP	Buyout - Small / Middle Market		\$2,636,566	\$10,000,000	\$2,785,168		Cambridge Assoc. All Private Equity	Yes	N/A			
31	Marlin Heritage Europe, LP	Buyout - Small / Middle Market		\$4,745,691	\$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.
32	Marlin Heritage Equity Partners V, LP	Buyout - Middle Market		\$4,570,183	\$25,000,000	\$4,716,535		Cambridge Assoc. All Private Equity	Yes	N/A			
33	RRJ Capital Master Fund II, LP	Buyout - Special Situations SE Asia		\$19,297,856	\$35,000,000	\$42,068,913	\$27,533,571	Cambridge Assoc. All Private Equity	Yes	N/A			
34	RRJ Capital Master Fund III, LP	Buyout - Special Situations SE Asia		\$29,139,834	\$40,000,000	\$15,620,918	\$8,643,851	Cambridge Assoc. All Private Equity	Yes	N/A		\$1,651,577	
36	Atalaya Special Opportunities Fund VI, LP	Distressed Debt - US		\$21,793,773	\$25,000,000	\$28,192,117	\$8,980,722	Cambridge Assoc. All Private Equity	Yes	N/A	\$1,125,000		
37	DavidsonKempner Long-Term Distressed Opportunities Fund IV, LP	Distressed Debt		\$3,512,785	\$35,000,000	\$3,500,000		Cambridge Assoc. All Private Equity	Yes	N/A			
38	Garrison Opportunity Fund III, LP	Distressed Debt		\$13,534,096	\$20,000,000	\$20,000,000	\$6,796,188	Cambridge Assoc. All Private Equity	Yes	N/A		\$71,157	
39	H.I.G. Bayside Loan Opportunity III (Europe), LP	Distressed Debt		\$22,087,313	\$30,000,000	\$23,358,256	\$8,278,994	Cambridge Assoc. All Private Equity	Yes	N/A			
40	TPG Opportunities Partners III, LP	Distressed Debt		\$21,546,218	\$40,000,000	\$25,925,248	\$9,920,250	Cambridge Assoc. All Private Equity	Yes	N/A		\$1,245,265	

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PRIVATE EQUITY													
41	TSSP Opportunities Partners IV, LP	Distressed Debt			\$35,000,000			Cambridge Assoc. All Private Equity	Yes	N/A			
41	Wayzata Opportunities Fund III, LP	Distressed Debt		\$7,204,281	\$30,000,000	\$14,718,000	\$7,580,634	Cambridge Assoc. All Private Equity	Yes	N/A			
42	Summit Partners Venture Capital Fund III, LP	Growth Equity		\$16,128,960	\$16,350,000	\$16,350,000	\$13,650,630	Cambridge Assoc. All Private Equity	Yes	N/A			
43	Summit Partners Venture Capital Fund IV, LP	Growth Equity		\$17,169,489	\$35,000,000	\$17,434,603	\$4,935,627	Cambridge Assoc. All Private Equity	Yes	N/A	\$840,000		
44	Summit Partners Europe Growth Equity Fund II, LP	Growth Equity		\$1,091,879	\$30,000,000	\$8,059,648	\$6,431,886	Cambridge Assoc. All Private Equity	Yes	N/A			
45	TSG 7A, LP and TSG 7B, LP	Buyout - Consumer Brands		\$8,909,722	\$20,000,000	\$8,739,456	\$7,227	Cambridge Assoc. All Private Equity	Yes	N/A	\$889,416		
46	Accel-KKR Growth Capital Partners II, LP	Growth Equity - Software Technology		\$6,395,758	\$15,000,000	\$7,578,033	\$2,059,777	Cambridge Assoc. All Private Equity	Yes	N/A			
47	Spectrum Equity Investors VII, LP	Growth Equity - Software Technology		\$24,340,264	\$25,000,000	\$23,000,000	\$10,192,832	Cambridge Assoc. All Private Equity	Yes	N/A			
48	Spectrum Equity Fund VIII, LP	Growth Equity - Software Technology		\$437,500	\$25,000,000	\$437,500		Cambridge Assoc. All Private Equity	Yes	N/A			
49	Dyal II US Investors, LP	Other		\$14,006,956	\$35,000,000	\$20,378,362	\$4,191,170	Cambridge Assoc. All Private Equity	Yes	N/A		\$245,773	
50	Dyal Capital Partners III, LP	Other		\$14,761,838	\$35,000,000	\$20,129,244	\$8,073,804	Cambridge Assoc. All Private Equity	Yes	N/A	\$134,482	\$452,421	
51	Khosla Ventures Fund IV, LP	Venture Capital		\$6,012,050	\$10,000,000	\$9,810,000	\$5,755,267	Cambridge Assoc. All Private Equity	Yes	N/A			
52	Khosla Ventures Fund V, LP	Venture Capital		\$14,225,044	\$20,000,000	\$15,460,000	\$1,012,798	Cambridge Assoc. All Private Equity	Yes	N/A			

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PRIVATE EQUITY													
53	Khosla Ventures Fund VI, LP	Venture Capital			\$35,000,000			Cambridge Assoc. All Private Equity	Yes	N/A			
54	NEA 14, LP	Venture Capital		\$33,641,215	\$25,000,000	\$23,500,000	\$10,644,298	Cambridge Assoc. All Private Equity	Yes	N/A		\$1,740,277	
55	NEA 15, LP	Venture Capital		\$37,757,292	\$35,000,000	\$27,129,431	\$3,102,564	Cambridge Assoc. All Private Equity	Yes	N/A			
56	NEA 16, LP	Venture Capital		\$9,217,725	\$35,000,000	\$9,187,500		Cambridge Assoc. All Private Equity	Yes	N/A			
57	Trinity Ventures XI, LP	Venture Capital		\$24,120,005	\$25,000,000	\$20,437,500	\$2,996,208	Cambridge Assoc. All Private Equity	Yes	N/A		\$2,996,208	
58	Trinity Ventures XII, LP	Venture Capital		\$17,681,969	\$30,000,000	\$15,000,000		Cambridge Assoc. All Private Equity	Yes	N/A	\$750,000		
	TOTAL PRIVATE EQUITY			\$742,971,645	\$1,362,943,600	\$850,446,505	\$366,262,824				\$4,717,160	\$11,550,693	

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PUBLIC CREDIT													
59	Brigade SC Credit Opportunities Mandate, LLC	Strategic Credit		\$178,136,171				50% BofA Merrill Lynch High Yield Master II Constrained / 50% Credit Suisse Leveraged Loan	Yes	N/A			
	TOTAL PUBLIC CREDIT			\$178,136,171									
PRIVATE CREDIT													
60	Athyrium Opportunities Fund II, LP	Opport. Credit - Healthcare		\$15,817,657	\$32,000,000	\$35,345,116	\$23,711,184	Credit Suisse Leveraged Loan + 200 bps	Yes	N/A			
61	Athyrium Opportunities Fund III, LP	Opport. Credit - Healthcare		\$8,100,307	\$25,000,000	\$11,027,337	\$2,684,875	Credit Suisse Leveraged Loan + 200 bps	Yes	N/A	\$713,398		
62	Summit Partners Credit Fund I, LP	Direct Lending		\$3,678,730	\$20,000,000	\$24,939,499	\$27,366,853	Credit Suisse Leveraged Loan + 200 bps	Yes	N/A			
63	Summit Partners Credit Fund II, LP	Direct Lending		\$19,690,869	\$35,000,000	\$37,168,419	\$23,007,902	Credit Suisse Leveraged Loan + 200 bps	Yes	N/A		\$1,515,229	
64	Summit Partners Credit Fund III, LP	Direct Lending			\$50,000,000			Credit Suisse Leveraged Loan + 200 bps	Yes	N/A			
65	Tennenbaum Capital Partners Direct Lending Fund VIII	Direct Lending		\$26,610,154	\$100,000,000	\$26,637,736		Credit Suisse Leveraged Loan + 200 bps	Yes	N/A	\$1,999,800		
66	Benefit Street Partners Senior Secured Opportunities Fund, LP	Direct Lending		\$39,227,738	\$50,000,000	\$39,013,694	\$670,166	Credit Suisse Leveraged Loan + 200 bps	Yes	N/A			
	TOTAL PRIVATE CREDIT			\$113,125,455	\$312,000,000	\$174,131,801	\$77,440,980				\$2,713,198	\$1,515,229	

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

July 31, 2018

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ABSOLUTE RETURN													
67	Grosvenor SC Absolute Return Fund (SCARF)	Separate Account		\$271,184,700				HFRI FoF Composite Index +100 bps / HFRI FoF Conservative Index	Yes	Yes			
68	Grosvenor SC Absolute Return Fund, Series B (SCARF-B)	Interim Separate Account		\$169,935,907				HFRI FoF Composite Index +100 bps / HFRI FoF Conservative Index	Yes	Yes			
69	Lakewood Capital Partners, LP	Equity Long/Short		\$43,401,204	\$35,000,000	\$33,000,000		HFRI FoF Composite Index +100 bps	Yes	Yes			
70	Elliott Associates, LP	Event Driven		\$53,795,907				HFRI FoF Conservative Index	Yes	Yes			
71	Jana Partners Qualified, LP	Event Driven		\$42,834,575				HFRI FoF Composite Index +100 bps	Yes	Yes			
72	Third Point Partners Qualified, LP	Event Driven		\$50,025,598				HFRI FoF Composite Index +100 bps	Yes	Yes			
73	Claren Road Credit Partners, LP	Global Long Short Credit		\$47,136				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.
74	Brevan Howard Master Fund, LLC	Global Macro - Discretion		\$27,733,887				HFRI FoF Conservative Index	Yes	Yes		\$9,249,414	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.
75	Laurion Capital Management, LP	Market Neutral - Vol/Arb		\$46,133,687				HFRI FoF Conservative Index	Yes	Yes			
76	AQR DELTA Fund, LP	Multi-Strategy		\$65,536,020				HFRI FoF Conservative Index	Yes	Yes			
77	Och-Ziff Domestic Partners Fund II, LP	Multi-Strategy	YES	\$48,599,700				HFRI FoF Composite Index +100 bps	Yes	Yes			
78	Winton Diversified Futures Fund, LP	Systematic Global Macro		\$37,216,060				HFRI FoF Conservative Index	Yes	Yes			
79	Graham Global Investment Fund II SPC, Ltd	Systematic Global Macro		\$35,303,646				HFRI FoF Conservative Index	Yes	Yes			
	TOTAL ABSOLUTE RETURN			\$891,846,038	\$35,000,000	\$33,000,000						\$9,249,414	

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PUBLIC FIXED INCOME													
80	Neuberger Investment Management	U.S. Treasury		\$417,147,562				Barclays U.S. Treasury	Yes	N/A	\$12,281,748	\$11,705,887	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
81	TCW MetWest Asset Management	Core Plus		\$414,015,768				Barclays U.S. Aggregate Bond	Yes	N/A	\$101,307,228	\$101,338,310	Us Treasury N/B, Us Treasury N/B, Us Treasury N/B, Us Treasury N/B, Us Treasury N/B, Metropolitan West High Yield B, Fnma Tba 30 Yr 3.5, Fnma Tba 30 Yr 4.5, Fed Hm Ln Pc Pool G67709, Gnma Ii Tba 30 Yr 4.5 <i>Monthly Purchases and Sales excludes derivative transactions.</i>
82	Prudential Investment Management	Core Plus		\$432,721,756				Barclays U.S. Aggregate Bond	Yes	N/A	\$21,630,601	\$22,614,603	B8A5Cwjs5 Irs Usd R V 01Mlibor, B8A5Cwjm8 Irs Usd R V 01Mlibor, B8A4Rwjs2 Irs Usd R V 00Mfedl, B8A4Lnzs0 Irs Usd R V 03Mlibor, B8A4Xsge8 Irs Usd R V 00Mfedl0, B8A3U8Pu1 Irs Usd R V 01Musois, B8A4Xw9N7 Irs Usd R V 12Mfedl, B8A3U3H15 Irs Usd R V 01Musois, B8A4Qqmn3 Irs Usd R V 12Mfedl, B8A4Txuh9 Irs Usd R V 12Mlibor <i>Monthly Purchases and Sales excludes derivative transactions.</i>
83	Brandywine Global Investment Management	Global		\$221,138,221				80% Citigroup WGBI ex.-U.S. / 20% JP Morgan GBI EM Diversified	Yes	N/A	\$15,088,152	\$823,680	Us Treasury Frn Flt 07/31/19, Us Treasury Frn Flt 04/30/20, Uk Tsy Gilt 1.75% 07/22/19, Mexican Bonos 7.75% 11/13/42, Rep South Africa 8.75% 02/28/48, Goldman Sachs Gp Flt 02/23/23, Mexican Bonos 8.5% 11/18/38, Mexican Bonos 8.5% 05/31/29, Colombia Tes 6% 04/28/28, Australian Govt. 2.75% 10/21/19
TOTAL FIXED INCOME				\$1,485,023,306							\$150,307,730	\$136,482,479	

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CORE REAL ESTATE													
84	BlackRock Realty	Real Estate - Core Separate Account		\$187,210,147				NFI-ODCE Index	Yes	N/A		\$805,000	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.
85	Barings (formerly Cornerstone)	Real Estate - Core Separate Account		\$76,847,510				NFI-ODCE Index	Yes	N/A			Assets managed does not include \$39 million of debt.
86	Jamestown Premier Property Fund, LP	Real Estate - Core / Core Plus		\$17,283,960				NFI-ODCE Index	Yes	N/A			
87	MetLife Core Property Fund	Real Estate - Core		\$56,141,379				NFI-ODCE Index	Yes	N/A			
88	Prime Property Fund, LLC	Real Estate - Core		\$56,940,419				NFI-ODCE Index	Yes	N/A			
89	Principal US Property Account	Real Estate - Core		\$44,145,920				NFI-ODCE Index	Yes	N/A			
90	Prologis Targeted Europe Logistics Fund, LP	Real Estate - Core		\$38,308,583				NFI-ODCE Index	Yes	N/A		\$400,960	Fund is denominated in Euros, which will then be converted to US dollars based on the exchange rate at the time of the transaction.
91	Prologis Targeted US Logistics Fund, LP	Real Estate - Core		\$62,694,735				NFI-ODCE Index	Yes	N/A		\$439,878	
92	Townsend Real Estate Fund, LP	Real Estate - Core		\$105,428,460				NFI-ODCE Index	Yes	N/A			
93	TOTAL CORE REAL ESTATE			\$645,001,113								\$1,645,838	

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NON-CORE REAL ESTATE													
94	DRC European Real Estate Debt Fund II, LP	Real Estate - Value Add Debt		\$13,367,229	\$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.
95	Carlyle China Realty, LP	Real Estate - Opport.		\$6,311,393	\$10,000,000	\$8,060,976	\$1,593,478	NFI-ODCE + 100 bps	Yes	N/A	\$1,485,282		
96	Carlyle China Rome Logistics, LP	Real Estate - Opport.		\$28,453,836	\$40,000,000	\$30,494,613	\$2,566,008	NFI-ODCE + 100 bps	Yes	N/A	\$12,482,770		
97	CIM Opportunity Fund VIII, LP	Real Estate - Opport.		\$31,309,685	\$35,000,000	\$34,144,107	\$7,734,948	NFI-ODCE + 100 bps	Yes	N/A	\$1,583,600		
98	KKR Real Estate Partners Americas, LP	Real Estate - Opport.		\$14,538,591	\$35,000,000	\$31,155,372	\$26,549,652	NFI-ODCE + 100 bps	Yes	N/A			
99	Och-Ziff Real Estate Fund III, LP	Real Estate - Opport.	YES	\$17,157,656	\$35,000,000	\$21,256,183	\$11,558,026	NFI-ODCE + 100 bps	Yes	N/A			
100	AEW Value Investors II, LP	Real Estate - Value Add		\$45,482	\$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.
101	Allegis Value Trust	Real Estate - Value Add		\$7,379,523	\$25,000,000	\$25,000,000	\$23,609,000	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.
102	ECE European Prime Shopping Centre Fund II, SCS SIF	Real Estate - Value Add		\$17,398,737	\$35,000,000	\$15,606,451	\$1,606,036	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.
103	Hammes Partners II, LP	Real Estate - Value Add		\$20,867,893	\$25,000,000	\$23,874,170	\$5,542,793	NFI-ODCE + 100 bps	Yes	N/A			
104	Hammes Partners III, L.P.	Real Estate - Value Add			\$31,250,000			NFI-ODCE + 100 bps	Yes	N/A			
105	Hines US Office Value Fund II, LP	Real Estate - Value Add		\$575,087	\$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.
106	NREP Nordic Strategies Fund, FCP-FIS	Real Estate - Value Add		\$15,698,512	\$25,000,000	\$22,760,416	\$20,864,597	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.
107	NREP Nordic Strategies Fund II, SCSp	Real Estate - Value Add		\$27,537,429	\$35,000,000	\$24,964,001	\$1,876,343	NFI-ODCE + 100 bps	Yes	N/A	\$1,875,575		Fund is denominated in Euros, which will then be converted to US dollars based on the exchange rate at the time of the transaction.
108	NREP Nordic Strategies Fund III, SCSp	Real Estate - Value Add		\$1,655,497	\$40,000,000			NFI-ODCE + 100 bps	Yes	N/A	\$1,655,156		Fund is denominated in Euros, which will then be converted to US dollars based on the exchange rate at the time of the transaction.
	TOTAL NON-CORE REAL ESTATE			\$202,296,550	\$468,822,950	\$358,286,393	\$216,311,184				\$17,427,227		
	TOTAL REAL ESTATE			\$847,297,663	\$468,822,950	\$358,286,393	\$216,311,184				\$17,427,227	\$1,645,838	

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REAL ASSETS													
109	ACM Fund II, LLC	Real Assets - Agriculture		\$13,047,130	\$25,000,000	\$17,998,135	\$4,277,491	Blended Index***	Yes	N/A			
110	Arclight Energy Partners VI, LP	Energy - Midstream		\$31,754,821	\$40,000,000	\$37,470,434	\$8,669,952	Blended Index***	Yes	N/A			
111	EnCap Flatrock Midstream III, LP	Energy - Midstream		\$8,034,640	\$20,000,000	\$13,237,840	\$8,825,342	Blended Index***	Yes	N/A	\$326,667		
112	EnCap Flatrock Midstream Fund IV, LP	Energy - Midstream		\$999,752	\$22,500,000	\$995,982		Blended Index***	Yes	N/A	\$84,808		
113	Quantum Energy Partners VI, LP	Energy - Midstream		\$24,373,238	\$35,000,000	\$23,630,387	\$12,084,060	Blended Index***	Yes	N/A		\$202,791	
114	Quantum Energy Partners VII, LP	Energy - Midstream		\$10,405,767	\$40,000,000	\$12,418,827	\$2,182,527	Blended Index***	Yes	N/A		\$817,436	
115	EnCap Energy Capital Fund IX, LP	Energy - Upstream		\$23,890,326	\$33,000,000	\$35,830,885	\$22,914,127	Blended Index***	Yes	N/A			
116	EnCap Energy Capital Fund X, LP	Energy - Upstream		\$28,484,456	\$40,000,000	\$31,093,182	\$6,707,655	Blended Index***	Yes	N/A			
117	First Reserve Energy Infrastructure II, LP	Energy Infrastruc.		\$19,186,752	\$35,000,000	\$27,725,300	\$18,518,783	Blended Index***	Yes	N/A		\$105,188	
118	Carlyle Power Partners II, LP	Energy - Power		\$16,061,788	\$40,000,000	\$23,609,860	\$6,870,225	Blended Index***	Yes	N/A			
119	Brookfield Infrastructure Fund III, LP	Infrastruc. - Core		\$15,793,177	\$40,000,000	\$17,822,828	\$4,271,961	Blended Index***	Yes	N/A			
120	IFM Global Infrastructure Fund (US), LP	Infrastruc. - Core		\$92,005,667	\$125,000,000	\$100,000,000	\$22,530,520	Blended Index***	Yes	N/A		\$9,215,698	
121	Meridiam Infrastructure North America III, LP	Infrastruc. - Core		\$385,286	\$50,000,000	\$1,008,255		Blended Index***	Yes	N/A			
122	Wastewater Opportunity Fund, LP	Infrastruc. - Water/Wastewater		\$8,050,321	\$25,000,000	\$9,842,589	\$139,642	Blended Index***	Yes	N/A			
123	Pantheon SCERS Secondary Infrastructure, LLC	Infrastruc. - Secondary Separate Account		\$70,000,290	\$100,000,000	\$54,531,683	\$4,000,000	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													
124	Atalaya SCERS SMA, LLC	Asset Backed Lending Separate Account		\$25,512,149	\$100,000,000	\$36,281,195	\$14,837,681	Blended Index***	Yes	N/A		\$841,501	
125	TAILWATER ENERGY FUND III, LP	Energy - Midstream Infrastruc.			\$32,000,000			Blended Index***	Yes	N/A			
126	ISQ GLOBAL INFRA FUND II, LP	Infrastruc. - Value Add			\$50,000,000			Blended Index***	Yes	N/A			
127	SSgA Real Asset Strategy Proxy	Real Assets Overlay		\$244,969,473				Blend of weighted real return asset class benchmarks.	Yes	N/A	\$27,963,370	\$543,008	This is the overlay proxy for the Real Return asset category.
	TOTAL PRIVATE REAL ASSETS			\$632,955,031	\$852,500,000	\$443,497,381	\$136,829,967				\$28,374,844	\$11,725,622	

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

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COMMODITIES													
128	Gresham Strategic Commodities Fund	Commodities		\$27,714,211				Bloomberg Commodity Index	Yes	N/A			
	TOTAL COMMODITIES			\$27,714,211									
OPPORTUNITIES													
129	Atalaya Special Opportunities Fund V, LP	Distressed Debt - US		\$9,297,812	\$25,000,000	\$24,875,000	\$20,755,294	Cambridge Assoc. All PE	Yes	N/A			
	TOTAL OPPORTUNITIES			\$9,297,812	\$25,000,000	\$24,875,000	\$20,755,294						
SHORT-TERM													
130	State Street Global Advisors - STIF (Cash Account)	Cash		\$591,168,249				91 Day T-Bill	Yes	N/A	\$520,450,233	\$26,688,682	Unallocated cash is swept into a short-term investment fund.
	TOTAL SHORT-TERM			\$591,168,249							\$520,450,233	\$26,688,682	
FUTURES OVERLAY													
131	State Street Global Advisors (Futures Overlay)	Overlay		\$42,364,724				Target Asset Allocation	Yes	N/A	\$141,443,295	\$109,306,660	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, Us Dollar, Euro Currency, Japanese Yen, Pound Sterling
	TOTAL FUTURES OVERLAY			\$42,364,724							\$141,443,295	\$109,306,660	
SCERS TOTAL PORTFOLIO				\$9,469,688,352	\$3,056,266,550	\$1,884,237,080	\$817,600,249				\$1,193,478,873	\$456,951,678	

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#	Investment Manager	Fund Type	Reason	Effective (month - year)	Commentary
1	Och-Ziff Capital Management	Absolute Return and Opportunistic Real Estate	Organization	Oct-16	In September 2016, Och-Ziff settled with the Department of Justice and the SEC by pleading guilty to violations under the Foreign Corrupt Practices Act. The firm will pay fines of \$213 million to the DOJ and civil penalties of \$199 million to the SEC. In light of this, the firm has been receiving some redemptions. The potential business risks remain related to further investor redemptions, ancillary regulatory scrutiny, employee retention, and reputational risk.