



Board of Retirement Regular Meeting

Sacramento County Employees' Retirement System

Agenda Item 10

MEETING DATE: April 17, 2019

SUBJECT: Monthly Investment Manager Activity, Compliance, and Watch List Report – March 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 March 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 March 31, 2019, investment managers on the Watch List include:

1. Carlyle Group (Opportunistic Real Estate).

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

ATTACHMENTS

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

Prepared by:

/S/

Brian Miller
Investment Officer

Reviewed by:

/S/

Steve Davis
Chief Investment Officer

/S/

Eric Stern
Chief Executive Officer

#	Investment Manager	Fund Type	Watch List	Net Asset Value (as of March 31, 2019)*	SCERS Investment / Commitment	Total Capital Called to Date	Total Capital Returned to Date**	Benchmark	Comply	Counter-Party Comply	Monthly Purchases / Capital Called	Monthly Sales / Capital Returned**	Top 10 Holdings / Notes
DOMESTIC EQUITY													
1	JP Morgan Asset Management	Equity 130/30		\$128,092,089				Russell 1000	Yes	N/A	\$15,499,428	\$18,389,684	Alphabet, Microsoft, Amazon, Apple, Marathon Petroleum, Merck, Pfizer, Zimmer Holdings, General Dynamics, Dowdupont
2	D.E. Shaw Broad Market Core Alpha Extension	Equity 130/30		\$123,791,491				Russell 1000	Yes	N/A			New account added January 2019. Account funded via securities transferred from Large Cap Paasive account.
3	Eagle Capital Management	Large Cap Core		\$246,041,919				Russell 1000	Yes	N/A	\$23,273,017	\$22,906,746	Alphabet Inc Cl C, Microsoft Corp, Berkshire Hathaway Inc Cl B, Citigroup Inc, Amazon.Com Inc, Comcast Corp Class A, State Street Bank + Trust Co, Oracle Corp, Unitedhealth Group Inc, Marriott International Cl A
4	AQR US Enhanced Equity	Large Cap Core		\$237,245,467				Russell 1000	Yes	N/A	\$17,542,885	\$16,944,340	Microsoft Corp, Apple Inc, Amazon.Com Inc, Facebook Inc Class A, Johnson + Johnson, Pfizer Inc, Exelon Corp, Berkshire Hathaway Inc Cl B, Biogen Inc, Intel Corp
5	Alliance Bernstein	Large Cap Passive		\$1,111,340,501				Russell 1000	Yes	N/A	\$7,811,546	\$6,605,330	Apple Inc, Microsoft Corp, Amazon.Com Inc, Facebook Inc Class A, Berkshire Hathaway Inc Cl B, Johnson + Johnson, Alphabet Inc Cl C, Alphabet Inc Cl A, Exxon Mobil Corp, Jpmorgan Chase + Co
6	Weatherbie Capital	Small Cap Growth		\$102,555,479				Russell 2000 Growth	Yes	N/A	\$10,677,772	\$10,045,431	Firstservice Corp, Chegg Inc, Heico Corp, Paylocity Holding Corp, State Street Bank + Trust Co, Planet Fitness Inc Cl A, Trade Desk Inc/The Class A, Everbridge Inc, Nevro Corp, Insulet Corp
7	Dalton, Greiner, Hartman, Maher	Small Cap Value		\$91,854,091				Russell 2000 Value	Yes	N/A	\$8,256,615	\$7,926,261	Brandywine Realty Trust, Quanta Services Inc, Cousins Properties Inc, Forward Air Corp, American Eagle Outfitters, Ciena Corp, Moog Inc Class A, Kennedy Wilson Holdings Inc, Cable One Inc, Teradyne Inc
	TOTAL DOMESTIC EQUITY			\$2,040,921,038							\$83,061,262	\$82,817,790	

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

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

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INTERNATIONAL EQUITY													
8	Lazard Asset Management	ACWI ex-US		\$368,439,549				MSCI ACWI Ex.-U.S.	Yes	N/A	\$16,590,721	\$16,863,252	Lazard Emerging Markets Equity, State Street Bank + Trust Co, Vivendi, Accenture Plc Cl A, Informa Plc, Sampo Oyj A Shs, Cae Inc, Aon Plc, Diageo Plc, Novartis Ag Reg
9	LSV Asset Management	Developed Large Cap Value		\$418,070,748				MSCI World Ex.-U.S.	Yes	N/A	\$4,915,545	\$4,892,427	Roche Holding Ag Genusschein, Sanofi, Royal Dutch Shell Plc B Shs, Bp Plc, Total Sa, Enel Spa, Swiss Life Holding Ag Reg, Glaxosmithkline Plc, Nippon Telegraph + Telephone, Kddi Corp
10	Walter Scott International EAFE Income Growth	Developed Large Cap Growth		\$501,407,740				MSCI World Ex.-U.S.	Yes	N/A	\$6,111,046	\$5,521,896	Aia Group Ltd, Keyence Corp, Smc Corp, Lvmh Moet Hennessy Louis Vui, Coloplast B, Compass Group Plc, Kao Corp, Novo Nordisk A/S B, Hong Kong + China Gas, Diageo Plc
11	William Blair International Small Cap	Developed Small Cap Growth		\$82,644,051				MSCI Small Cap World ex.-U.S.	Yes	N/A	\$4,597,839	\$4,164,835	Indutrade Ab, Euronext Nv, Alten Sa, Beazley Plc, Nihon Unisys Ltd, Li Ning Co Ltd, Globant Sa, Nihon M&A Center Inc, Basic-Fit Nv, Paltac Corporation
12	Mondrian International Small Cap	Developed Small Cap Value		\$91,209,021				MSCI Small Cap World ex.-U.S.	Yes	N/A	\$2,114,581	\$2,795,019	Nifco Inc, Fielmann AG, SATS Ltd, Cineworld Group PLC, Nihon MA Center Inc, Innergex Renewable Energy Inc, WSP Global Inc, Rubis SCA, Mercury NZ Ltd, Ascendas REIT
13	Ballie Gifford EM All Cap	Emerging Market - All Cap		\$191,887,947				MSCI Emerging Markets	Yes	N/A	5,571,462	\$4,116,456	Alibaba Group Hldg.Spn. Adr 1:1, Taiwan Semicon.Mnfg., Cnooc, Ping An Insurance 'H', Tencent Holdings, Naspers, Samsung Electronics, Reliance Industries, Sberbank Of Russia (Lon) Adr, Norilsk Nickel Adr
14	Mondrian EM All Cap	Emerging Market - All Cap		\$169,425,031				MSCI Emerging Markets	Yes	N/A	\$4,192,225	\$3,426,624	Ping An Insurance Co of China Class H, Samsung Electronics Co Ltd, Taiwan Semiconductor Manufacturing Ltd, Indiabulls Housing Finance Ltd, China Construction Bank Corp Class H, WH Group Ltd, Midea Group Co Ltd Class A, LG Chem Ltd, Sands China Ltd, Alibaba Group Holding Sponsored ADR
	TOTAL INTERNATIONAL EQUITY			\$1,823,084,088							\$44,093,419	\$41,780,508	

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PRIVATE EQUITY													
15	Abbott Capital Private Equity Fund VI, LP	Fund of Funds		\$49,537,032	\$75,000,000	\$73,875,000	\$66,376,320	Cambridge Assoc. All Private Equity	Yes	N/A		\$1,875,000	
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		\$15,566,092	\$50,000,000	\$47,962,500	\$28,307,997	Cambridge Assoc. All Private Equity	Yes	N/A		\$603,564	
18	Private Equity (Goldman Sachs) X, LP	Fund of Funds		\$27,432,561	\$75,000,000	\$74,960,334	\$55,391,146	Cambridge Assoc. All Private Equity	Yes	N/A			
19	Accel-KKR Capital Partners IV, LP	Buyout		\$14,256,838	\$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		\$10,932,879	\$25,000,000	\$10,734,414	\$256,088	Cambridge Assoc. All Private Equity	Yes	N/A			
21	H.I.G. Capital Partners V, LP	Buyout		\$12,211,040	\$14,000,000	\$10,461,470	\$3,373,594	Cambridge Assoc. All Private Equity	Yes	N/A	\$429,490		
22	Marlin Equity IV, LP	Buyout		\$13,707,393	\$20,000,000	\$19,765,522	\$9,877,476	Cambridge Assoc. All Private Equity	Yes	N/A			
23	Linden Capital Partners III, LP	Buyout - Middle Market Healthcare		\$46,172,078	\$35,000,000	\$32,852,736	\$3,512,203	Cambridge Assoc. All Private Equity	Yes	N/A			
24	Linden Capital Partners IV, LP	Buyout - Middle Market Healthcare		\$1,107,654	\$44,000,000	\$1,886,101	\$1,906,805	Cambridge Assoc. All Private Equity	Yes	N/A			
25	Thoma Bravo Fund XI, LP	Buyout - Middle Market Technology		\$40,735,444	\$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		\$30,694,777	\$30,000,000	\$28,353,851	\$1,060,670	Cambridge Assoc. All Private Equity	Yes	N/A	\$1,395,476		

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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			
28	H.I.G. Europe Capital Partners II, LP	Buyout - Non-US		\$8,373,465	\$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		\$10,630,458	\$23,193,600	\$15,555,142	\$28,376,293	Cambridge Assoc. All Private Equity	Yes	N/A		\$2,188,683	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		\$22,245,413	\$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		\$9,491,581	\$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		\$4,279,079	\$10,000,000	\$4,545,500		Cambridge Assoc. All Private Equity	Yes	N/A	\$592,626		
33	Marlin Heritage Europe, LP	Buyout - Small / Middle Market		\$5,872,323	\$14,400,000	\$5,126,913		Cambridge Assoc. All Private Equity	Yes	N/A			Fund is denominated in Euros and has been converted to US dollars based on the exchange rate at the time of the transaction.
34	Marlin Heritage Equity Partners V, LP	Buyout - Middle Market		\$5,020,208	\$25,000,000	\$5,013,915	\$374,749	Cambridge Assoc. All Private Equity	Yes	N/A			
35	RRJ Capital Master Fund II, LP	Buyout - Special Situations SE Asia		\$19,519,804	\$35,000,000	\$41,957,342	\$29,065,426	Cambridge Assoc. All Private Equity	Yes	N/A		\$1,275,140	
36	RRJ Capital Master Fund III, LP	Buyout - Special Situations SE Asia		\$33,267,079	\$40,000,000	\$37,507,640	\$10,588,893	Cambridge Assoc. All Private Equity	Yes	N/A	\$189,546	\$80,000	
38	Atalaya Special Opportunities Fund VI, LP	Distressed Debt - US		\$21,594,062	\$25,000,000	\$30,275,809	\$13,197,198	Cambridge Assoc. All Private Equity	Yes	N/A		\$1,034,062	
39	DavidsonKempner Long-Term Distressed Opportunities Fund IV, LP	Distressed Debt		\$20,269,048	\$35,000,000	\$19,250,000		Cambridge Assoc. All Private Equity	Yes	N/A	\$3,500,000		
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		\$18,311,347	\$30,000,000	\$23,358,256	\$14,356,997	Cambridge Assoc. All Private Equity	Yes	N/A			
42	TPG Opportunities Partners III, LP	Distressed Debt		\$23,393,491	\$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		\$6,205,514	\$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		\$13,746,544	\$16,350,000	\$16,350,000	\$16,489,728	Cambridge Assoc. All Private Equity	Yes	N/A		\$2,438,801	
46	Summit Partners Venture Capital Fund IV, LP	Growth Equity		\$12,381,992	\$35,000,000	\$18,785,603	\$18,917,306	Cambridge Assoc. All Private Equity	Yes	N/A			
47	Summit Partners Europe Growth Equity Fund II, LP	Growth Equity		\$8,181,373	\$30,000,000	\$11,582,407	\$8,591,015	Cambridge Assoc. All Private Equity	Yes	N/A			
48	TSG 7A, LP and TSG 7B, LP	Buyout - Consumer Brands		\$12,938,046	\$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		\$8,931,671	\$15,000,000	\$11,165,488	\$4,526,452	Cambridge Assoc. All Private Equity	Yes	N/A			
51	Accel-KKR Growth Capital Partners III, LP	Growth Equity - Software Technology			\$33,320,000			Cambridge Assoc. All Private Equity	Yes	N/A			
52	Spectrum Equity Investors VII, LP	Growth Equity - Software Technology		\$30,069,959	\$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		\$3,540,048	\$25,000,000	\$4,062,500		Cambridge Assoc. All Private Equity	Yes	N/A			

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SACRAMENTO COUNTY EMPLOYEES' RETIREMENT SYSTEM
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PRIVATE EQUITY													
54	Dyal II US Investors, LP	Other		\$17,803,893	\$35,000,000	\$25,933,773	\$5,531,770	Cambridge Assoc. All Private Equity	Yes	N/A	\$1,212,103		
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			
56	Khosla Ventures Fund IV, LP	Venture Capital		\$4,982,726	\$10,000,000	\$9,810,000	\$6,955,267	Cambridge Assoc. All Private Equity	Yes	N/A			
57	Khosla Ventures Fund V, LP	Venture Capital		\$16,160,306	\$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		\$7,664,670	\$35,000,000	\$7,980,000		Cambridge Assoc. All Private Equity	Yes	N/A			
59	NEA 14, LP	Venture Capital		\$30,859,907	\$25,000,000	\$23,500,000	\$16,985,025	Cambridge Assoc. All Private Equity	Yes	N/A	\$437,181	\$865,847	
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		\$16,414,201	\$35,000,000	\$14,875,000		Cambridge Assoc. All Private Equity	Yes	N/A	\$875,000		
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			
63	Trinity Ventures XII, LP	Venture Capital		\$27,648,902	\$30,000,000	\$18,750,000		Cambridge Assoc. All Private Equity	Yes	N/A			
64	RCP Advisors	Buyout & Co-Investment FoF		\$4,250,000	\$75,000,000	\$4,250,000		Cambridge Assoc. All Private Equity	Yes	N/A	\$1,500,000		
	TOTAL PRIVATE EQUITY			\$844,073,353	\$1,486,263,600	\$989,589,259	\$493,280,671				\$10,351,198	\$10,361,098	

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PUBLIC CREDIT													
65	Brigade SC Credit Opportunities Mandate, LLC	Strategic Credit		\$179,233,965				50% BofA Merrill Lynch High Yield Master II Constrained / 50% Credit Suisse Leveraged Loan	Yes	N/A			
TOTAL PUBLIC CREDIT				\$179,233,965									
PRIVATE CREDIT													
66	Athyrium Opportunities Fund II, LP	Opport. Credit - Healthcare		\$14,444,511	\$32,000,000	\$37,993,578	\$28,705,762	Credit Suisse Leveraged Loan + 200 bps	Yes	N/A	\$1,188,594		
67	Athyrium Opportunities Fund III, LP	Opport. Credit - Healthcare		\$12,115,445	\$25,000,000	\$16,647,388	\$4,426,241	Credit Suisse Leveraged Loan + 200 bps	Yes	N/A	\$1,719,776		
68	Summit Partners Credit Fund I, LP	Direct Lending		\$2,736,406	\$20,000,000	\$24,939,499	\$27,983,238	Credit Suisse Leveraged Loan + 200 bps	Yes	N/A		\$313,293	
69	Summit Partners Credit Fund II, LP	Direct Lending		\$24,083,706	\$35,000,000	\$43,550,561	\$24,648,779	Credit Suisse Leveraged Loan + 200 bps	Yes	N/A		\$613,885	
70	Summit Partners Credit Fund III, LP	Direct Lending		\$21,108,398	\$50,000,000	\$20,988,826	\$4,631,021	Credit Suisse Leveraged Loan + 200 bps	Yes	N/A	\$8,034,198		
71	Tennenbaum Capital Partners Direct Lending Fund VIII	Direct Lending		\$42,497,555	\$100,000,000	\$43,636,036	\$1,199,868	Credit Suisse Leveraged Loan + 200 bps	Yes	N/A		\$599,929	
72	Benefit Street Partners Senior Secured Opportunities Fund, LP	Direct Lending		\$40,116,066	\$50,000,000	\$42,205,324	\$3,073,931	Credit Suisse Leveraged Loan + 200 bps	Yes	N/A		\$1,033,745	
TOTAL PRIVATE CREDIT				\$157,102,088	\$312,000,000	\$229,961,213	\$94,668,840				\$10,942,568	\$2,560,852	

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GROWTH ABSOLUTE RETURN													
73	Grosvenor SC Absolute Return Fund, Series G (SCARF-G)	Separate Account		\$146,281,782				HFRI FoF Composite Index +100 bps	Yes	Yes			
74	Lakewood Capital Partners, LP	Equity Long/Short		\$44,058,630				HFRI FoF Composite Index +100 bps	Yes	Yes			
75	Jana Partners Qualified, LP	Event Driven		\$4,146,020				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		\$45,280,029				HFRI FoF Composite Index +100 bps	Yes	Yes			
77	Och-Ziff Domestic Partners Fund II, LP	Multi-Strategy		\$48,966,990				HFRI FoF Composite Index +100 bps	Yes	Yes			
	TOTAL GROWTH ABSOLUTE RETURN			\$288,733,451									

TOTAL GROWTH ASSET CATEGORY				\$5,333,147,983							\$148,448,447	\$137,520,248	
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DIVERSIFYING ABSOLUTE RETURN													
78	Grosvenor SC Absolute Return Fund, Series D (SCARF-D)	Separate Account		\$120,188,397				HFRI FoF Conservative Index	Yes	Yes			
79	Grosvenor SC Absolute Return Fund, Series B (SCARF-B)	Interim Separate Account		\$167,781,164				HFRI FoF Conservative Index	Yes	Yes			
80	Elliott Associates, LP	Event Driven		\$54,234,030				HFRI FoF Conservative Index	Yes	Yes			
81	Brevan Howard Master Fund, LLC	Global Macro - Discretion		\$19,245				HFRI FoF Conservative Index	Yes	Yes		\$9,814,220	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		\$45,930,296				HFRI FoF Conservative Index	Yes	Yes			
82	AQR DELTA Fund, LP	Multi-Strategy		\$60,122,217				HFRI FoF Conservative Index	Yes	Yes			
83	Winton Diversified Futures Fund, LP	Systematic Global Macro		\$37,343,005				HFRI FoF Conservative Index	Yes	Yes			
83	Graham Global Investment Fund II SPC, Ltd	Systematic Global Macro		\$31,612,922				HFRI FoF Conservative Index	Yes	Yes			
84	Marshall Wace Global Opportunities Fund	Equity Long/Short		\$40,412,560				HFRI FoF Conservative Index	Yes	Yes			
84	KLS Diversified Fund, LP	Fixed Income Arbitrage		\$40,610,200				HFRI FoF Conservative Index	Yes	Yes			
	TOTAL DIVERSIFYING ABSOLUTE RETURN			\$598,254,037								\$9,814,220	

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PUBLIC FIXED INCOME													
85	Neuberger Investment Management	U.S. Treasury		\$447,159,682				Barclays U.S. Treasury	Yes	N/A	\$50,706,119	\$52,851,541	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		\$445,142,321				Barclays U.S. Aggregate Bond	Yes	N/A	\$73,918,885	\$68,254,420	Us Treasury N/B, State Street Bank + Trust Co, Us Treasury N/B, Us Treasury N/B, Us Treasury N/B, Us Treasury N/B, Metropolitan West Floating Rat, Metropolitan West High Yield B, Us Treasury N/B, Fed Hm Ln Pc Pool G67708 <i>Monthly Purchases and Sales excludes derivative transactions.</i>
87	Prudential Investment Management	Core Plus		\$456,950,502				Barclays U.S. Aggregate Bond	Yes	N/A	\$30,419,422	\$25,020,061	B8A6Bf1P6 Irs Usd R V 01Mlibor, B8A6Bf2G5 Irs Usd R V 01Mlibor, B8A4Lnzs0 Irs Usd R V 03Mlibor, State Street Bank + Trust Co, S8A5Y3Z40 Irs Eur R F .75776, B8A5Zge27 Irs Usd R V 00Mfed10, B8A5C9Jh0 Irs Usd R V 03Mlibor, S8A68Lwx6 Irs Usd R F 2.40500, B8A4Rleb8 Irs Usd R V 03Mlibor, Strip Princ <i>Monthly Purchases and Sales excludes derivative transactions.</i>
88	Brandywine Global Investment Management	Global		\$244,550,077				80% Citigroup WGBI ex.-U.S. / 20% JP Morgan GBI EM Diversified	Yes	N/A	\$264,621,627	\$748,044	Us Treasury N/B 2.875% 08/15/28, Gbp/Usd Fwd 20190617 , Us Treasury N/B 3.375% 11/15/48, Us Treasury N/B 3% 02/15/49, Jpy/Usd Fwd 20190521 , Sek/Usd Fwd 20190614 , Us Treasury N/B 2.625% 02/15/29, Cad/Usd Fwd 20190416 , Usd/Cad Fwd 20190416 , Mexican Bonos 7.75% 11/13/42
	TOTAL FIXED INCOME			\$1,593,802,583							\$419,666,053	\$146,874,066	
TOTAL DIVERSIFYING ASSET CATEGORY				\$2,192,056,619							\$419,666,053	\$156,688,286	

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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		\$1,515,472				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		\$46,570,720				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		\$111,802,950				NFI-ODCE Index	Yes	N/A			
TOTAL CORE REAL ESTATE				\$675,797,778									

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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	\$6,838,490	\$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	\$30,303,783	\$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	\$38,033,990	\$9,750,318	NFI-ODCE + 100 bps	Yes	N/A			
104	KKR Real Estate Partners Americas, LP	Real Estate - Opport.		\$8,889,761	\$35,000,000	\$31,305,017	\$33,481,017	NFI-ODCE + 100 bps	Yes	N/A		\$896,142	
105	Och-Ziff Real Estate Fund III, LP	Real Estate - Opport.		\$13,015,801	\$35,000,000	\$23,319,728	\$20,362,535	NFI-ODCE + 100 bps	Yes	N/A	\$433,079		
106	AEW Value Investors II, LP	Real Estate - Value Add			\$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		\$19,236,202	\$35,000,000	\$17,052,923	\$2,021,024	NFI-ODCE + 100 bps	Yes	N/A	\$1,424,721		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		\$17,256,730	\$25,000,000	\$25,337,064	\$13,923,782	NFI-ODCE + 100 bps	Yes	N/A		\$350,766	
110	Hammes Partners III, L.P.	Real Estate - Value Add		\$578,307	\$31,250,000	\$1,018,336	\$75,615	NFI-ODCE + 100 bps	Yes	N/A		\$33,572	
111	Hines US Office Value Fund II, LP	Real Estate - Value Add		\$19,661	\$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		\$30,263,242	\$35,000,000	\$28,384,502	\$4,204,612	NFI-ODCE + 100 bps	Yes	N/A		\$1,808,648	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		\$1,550,405	\$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			\$193,851,821	\$468,822,950	\$382,034,217	\$252,821,524				\$1,857,800	\$3,089,128	
	TOTAL REAL ESTATE			\$869,649,600	\$468,822,950	\$382,034,217	\$252,821,524				\$1,857,800	\$3,089,128	

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REAL ASSETS													
116	ACM Fund II, LLC	Real Assets - Agriculture		\$12,686,363	\$25,000,000	\$17,998,135	\$4,596,346	Blended Index***	Yes	N/A			
117	ArcLight Energy Partners VI, LP	Energy - Midstream		\$38,437,213	\$40,000,000	\$40,515,665	\$12,252,576	Blended Index***	Yes	N/A			
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			
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		\$32,017,513	\$35,000,000	\$28,635,745	\$13,990,025	Blended Index***	Yes	N/A	\$1,759,800		
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		\$23,081,084	\$33,000,000	\$36,802,068	\$25,751,607	Blended Index***	Yes	N/A	\$191,420		
123	EnCap Energy Capital Fund X, LP	Energy - Upstream		\$31,566,600	\$40,000,000	\$33,977,514	\$6,921,883	Blended Index***	Yes	N/A	\$383,225	\$120,302	
124	First Reserve Energy Infrastructure II, LP	Energy Infrastruc.		\$23,121,456	\$35,000,000	\$32,130,896	\$20,328,178	Blended Index***	Yes	N/A			
125	Carlisle Power Partners II, LP	Energy - Power		\$17,234,304	\$40,000,000	\$24,477,102	\$8,955,458	Blended Index***	Yes	N/A			
126	Brookfield Infrastructure Fund III, LP	Infrastruc. - Core		\$26,417,613	\$40,000,000	\$29,376,525	\$5,424,651	Blended Index***	Yes	N/A		\$130,985	
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			
129	Wastewater Opportunity Fund, LP	Infrastruc. - Water/Wastewater		\$15,870,732	\$25,000,000	\$18,308,780	\$2,137,666	Blended Index***	Yes	N/A	\$1,808,053		
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		\$16,638,966	\$100,000,000	\$37,113,506	\$25,602,464	Blended Index***	Yes	N/A		\$252,450	
132	Tailwater Energy Fund III, LP	Energy - Midstream Infrastruc.		\$20,064,139	\$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			
134	Paine Schwartz Food Chain Fund V, LP	Agriculture			\$40,000,000			Blended Index***	Yes	N/A			
135	EQT Infrastructure Fund IV, SCSp	Infrastruc. - Value Add			\$35,000,000			Blended Index***	Yes	N/A			
136	SSgA Real Asset Strategy Proxy	Real Assets Overlay		\$111,202,738				Blend of weighted real return asset class benchmarks.	Yes	N/A	\$32,748,632	\$2,690,000	This is the overlay proxy for the Real Return asset category.
TOTAL PRIVATE REAL ASSETS				\$591,590,810	\$927,500,000	\$544,138,445	\$182,475,146				\$36,891,129	\$3,193,738	

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

COMMODITIES													
137	Gresham TAP Fund	Commodities		\$25,834,029				Bloomberg Commodity Index	Yes	N/A			Gresham Strategic Commodities Fund was transferred to the Gresham TAP Fund, effective January 2019
TOTAL COMMODITIES				\$25,834,029									

TOTAL REAL RETURN ASSET CATEGORY				\$1,487,074,440							\$38,748,930	\$6,282,866	
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OPPORTUNITIES													
138	Atalaya Special Opportunities Fund V, LP	Distressed Debt - US		\$8,177,193	\$25,000,000	\$24,875,000	\$22,412,126	Cambridge Assoc. All PE	Yes	N/A		\$369,030	
	TOTAL OPPORTUNITIES			\$8,177,193	\$25,000,000	\$24,875,000	\$22,412,126					\$369,030	
SHORT-TERM													
139	State Street Global Advisors - STIF (Cash Account)	Cash		\$311,926,643				91 Day T-Bill	Yes	N/A	\$18,784,257	\$48,476,513	Unallocated cash is swept into a short-term investment fund.
	TOTAL SHORT-TERM			\$311,926,643							\$18,784,257	\$48,476,513	
FUTURES OVERLAY													
140	State Street Global Advisors (Futures Overlay)	Overlay		\$121,790,571				Target Asset Allocation	Yes	N/A	\$57,465,320	\$30,068,038	State Street Bank + Trust Co, Fnma Tba 15 Yr 2.5, Gnma li Tba 30 Yr 3.5, Fnma Tba 30 Yr 4, Us Dollar, Fnma Tba 30 Yr 3, Fhlmc Tba 30 Yr 3.5, Euro Currency, Japanese Yen, Pound Sterling
	TOTAL FUTURES OVERLAY			\$121,790,571							\$57,465,320	\$30,068,038	
SCERS TOTAL PORTFOLIO				\$9,454,173,449	\$3,219,586,550	\$2,170,598,133	\$1,045,658,308				\$683,113,008	\$379,404,981	

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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.