



Board of Retirement Regular Meeting

Sacramento County Employees' Retirement System

Agenda Item 10

MEETING DATE: June 20, 2018

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

PURPOSE

To comply with SCERS' investment policy statement reporting requirements.

DISCUSSION

Report for the month of May 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 May 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).

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 – May 2018
2. Watch List with Commentary Report – May 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 May 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		\$123,735,596				Russell 1000	Yes	N/A	\$23,963,942	\$24,581,105	Alphabet , Microsoft, Occidental Petroleum , Amazon, Apple, Broadcom Inc, Bank of America, UnitedHealth Group, Norfolk Southern, Dowdupont
2	Eagle Capital Management	Large Cap Core		\$258,628,646				Russell 1000	Yes	N/A	\$17,551,560	\$20,889,028	Microsoft Corp, Alphabet Inc Cl C, Berkshire Hathaway Inc Cl B, Amazon.Com Inc, Oracle Corp, Aon Plc, Unitedhealth Group Inc, Citigroup Inc, Liberty Global Plc C, Wells Fargo + Co
3	Brown Advisory	Large Cap Growth	YES	\$142,918,883				Russell 1000 Growth	Yes	N/A	\$4,195,363	\$3,299,609	Amazon.Com Inc, Zoetis Inc, Visa Inc Class A Shares, Intuit Inc, Intuitive Surgical Inc, State Street Bank + Trust Co, Salesforce.Com Inc, Adobe Systems Inc, Alphabet Inc Cl C, Paypal Holdings Inc
4	Alliance Bernstein	Large Cap Passive		\$1,192,688,860				Russell 1000	Yes	N/A	\$13,297,320	\$13,349,109	Apple Inc, Microsoft Corp, Amazon.Com Inc, Facebook Inc A, Jpmorgan Chase + Co, Berkshire Hathaway Inc Cl B, Exxon Mobil Corp, Alphabet Inc Cl C, Alphabet Inc Cl A, Johnson + Johnson
5	Huber Capital Management	Large Cap Value	YES	\$119,827,350				Russell 1000 Value	Yes	N/A	\$1,124,669	\$874,893	Kbr Inc, Microsoft Corp, Northrop Grumman Corp, Citigroup Inc, Bank Of America Corp, Eli Lilly + Co, Jpmorgan Chase + Co, State Street Bank + Trust Co, Philip Morris International, Merck + Co. Inc.
6	Weatherbie Capital	Small Cap Growth		\$129,480,177				Russell 2000 Growth	Yes	N/A	\$7,393,777	\$6,579,386	Chegg Inc, Wayfair Inc Class A, Xpo Logistics Inc, Insulet Corp, Firstservice Corp, Paylocity Holding Corp, Ebix Inc, State Street Bank + Trust Co, Stamps.Com Inc, Everbridge Inc
7	UBS Global Asset Management	Small Cap Growth		\$83,813,913				Russell 2000 Growth	Yes	N/A	\$5,610,445	\$6,226,481	State Street Bank + Trust Co, Varonis Systems Inc, Wix.Com Ltd, Chegg Inc, Boise Cascade Co, 8X8 Inc, Tabula Rasa Healthcare Inc, Ligand Pharmaceuticals, Teladoc Inc, Universal Display Corp
8	Dalton, Greiner, Hartman, Maher	Small Cap Value		\$82,812,285				Russell 2000 Value	Yes	N/A	\$6,078,259	\$5,405,274	State Street Bank + Trust Co, Wpx Energy Inc, Kennedy Wilson Holdings Inc, Brandywine Realty Trust, Allscripts Healthcare Soluti, El Paso Electric Co, Cousins Properties Inc, American Eagle Outfitters, Community Trust Bancorp Inc, Lhc Group Inc
9	Wedge Capital Management	Small Cap Value		\$93,376,129				Russell 2000 Value	Yes	N/A	\$2,827,879	\$2,269,903	State Street Bank + Trust Co, Stag Industrial Inc, Prosperity Bancshares Inc, Tcf Financial Corp, Great Western Bancorp Inc, Aecom, Integrated Device Tech Inc, Assurant Inc, Colfax Corp, Standex International Corp
10	TOTAL DOMESTIC EQUITY			\$2,227,281,839							\$82,043,214	\$83,474,788	

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INTERNATIONAL EQUITY													
11	Lazard Asset Management	ACWI ex-US		\$378,344,801				MSCI ACWI Ex.-U.S.	Yes	N/A	\$29,992,766	\$23,058,816	Lazard Emerging Markets Equity, State Street Bank + Trust Co, Prudential Plc, Don Quijote Holdings Co Ltd, Daiwa House Industry Co Ltd, Informa Plc, Sampo Oyj A Shs, Equinor Asa, Accenture Plc Cl A, Vivendi
12	LSV Asset Management	Developed Large Cap Value		\$470,880,595				MSCI World Ex.-U.S.	Yes	N/A	\$7,264,003	\$6,045,280	Bp Plc, Total Sa, Sanofi, Kddi Corp, Glaxosmithkline Plc, Nippon Telegraph + Telephone, Bae Systems Plc, Roche Holding Ag Genusschein, Royal Dutch Shell Plc B Shs, Enel Spa
13	Walter Scott International EAFE Income Growth	Developed Large Cap Growth		\$490,133,558				MSCI World Ex.-U.S.	Yes	N/A	\$3,241,888	\$876,057	Keyence Corp, Aia Group Ltd, Lvmh Moet Hennessy Louis Vui, Csl Ltd, Kao Corp, Novo Nordisk A/S B, Adidas Ag, Coloplast B, Sap Se, Novozymes A/S B Shares
14	William Blair International Small Cap	Developed Small Cap Growth		\$94,736,296				MSCI Small Cap World ex.-U.S.	Yes	N/A	\$12,066,888	\$10,774,157	Nissan Chemical Industries, Rubis, Localiza Rent A Car, Tokyo Century Corp, Kose Corp, Ssp Group Plc, Norwegian Finance Holding As, Nihon M&A Center Inc, Euronext Nv, Thule Group Ab/The
15	Mondrian International Small Cap	Developed Small Cap Value		\$97,817,568				MSCI Small Cap World ex.-U.S.	Yes	N/A	\$2,743,583	\$2,040,872	Nifco Inc, CAE Inc, AAK AB, SATS Ltd, WSP Global Inc, Rubis SCA, Nihon MA Center Inc, Spirax-Sarco Engineering PLC, AF AB B Shares, Victrex PLC
16	Ballie Gifford EM All Cap	Emerging Market - All Cap		\$185,863,457				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'
17	Mondrian EM All Cap	Emerging Market - All Cap		\$168,624,781				MSCI Emerging Markets	Yes	N/A	\$6,548,391	\$6,229,722	Samsung Electronics Co Ltd, China Construction Bank Corp Class H, Taiwan Semiconductor Manufacturing Ltd, Ping An Insurance Co of China Class H, Embraer SA Sponsored ADR, China Mobile Ltd, Suzano Papel E Celulose SA, Gazprom PJSC Sponsored ADR, Indiabulls Housing Finance Ltd, WH Group Ltd
18	TOTAL INTERNATIONAL EQUITY			\$1,886,401,056							\$65,906,903	\$50,029,496	

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PRIVATE EQUITY													
19	Abbott Capital Private Equity Fund VI, LP	aFund of Funds		\$57,652,512	\$75,000,000	\$72,750,000	\$51,376,320	Cambridge Assoc. All Private Equity	Yes	N/A			
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			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		\$19,852,448	\$50,000,000	\$47,587,500	\$24,895,087	Cambridge Assoc. All Private Equity	Yes	N/A		\$1,418,148	
22	Private Equity (Goldman Sachs) X, LP	aFund of Funds		\$33,041,748	\$75,000,000	\$74,960,334	\$55,391,146	Cambridge Assoc. All Private Equity	Yes	N/A			
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			
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			
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			\$44,000,000			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			
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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PRIVATE EQUITY													
32	Waterland Fund V, LP	Buyout - Non-US		\$14,070,893	\$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		\$12,067,718	\$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			
38	RRJ Capital Master Fund II, LP	Buyout - Special Situations SE Asia		\$19,000,109	\$35,000,000	\$41,854,303	\$27,608,018	Cambridge Assoc. All Private Equity	Yes	N/A		\$267,215	
39	RRJ Capital Master Fund III, LP	Buyout - Special Situations SE Asia		\$22,782,048	\$40,000,000	\$15,620,918	\$8,568,251	Cambridge Assoc. All Private Equity	Yes	N/A	\$311,112	\$44,444	
41	Atalaya Special Opportunities Fund VI, LP	Distressed Debt - US		\$18,745,636	\$25,000,000	\$25,380,563	\$8,681,210	Cambridge Assoc. All Private Equity	Yes	N/A	\$1,250,000		
42	DavidsonKempner Long-Term Distressed Opportunities Fund IV, LP	Distressed Debt		\$3,500,000	\$35,000,000	\$3,500,000		Cambridge Assoc. All Private Equity	Yes	N/A	\$1,750,000		
43	Garrison Opportunity Fund III, LP	Distressed Debt		\$13,370,699	\$20,000,000	\$20,000,000	\$6,576,788	Cambridge Assoc. All Private Equity	Yes	N/A		\$356,684	
44	H.I.G. Bayside Loan Opportunity III (Europe), LP	Distressed Debt		\$20,578,038	\$30,000,000	\$23,358,256	\$8,278,994	Cambridge Assoc. All Private Equity	Yes	N/A		\$1,709,886	
45	TPG Opportunities Partners III, LP	Distressed Debt		\$22,791,483	\$40,000,000	\$25,925,248	\$8,674,985	Cambridge Assoc. All Private Equity	Yes	N/A			

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PRIVATE EQUITY													
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		\$15,928,409	\$35,000,000	\$16,594,603	\$4,935,627	Cambridge Assoc. All Private Equity	Yes	N/A	\$3,045,000		
49	Summit Partners Europe Growth Equity Fund II, LP	Growth Equity		\$6,492,332	\$30,000,000	\$6,913,910		Cambridge Assoc. All Private Equity	Yes	N/A	\$2,706,035		
50	TSG 7A,LP and TSG 7B, LP	Buyout - Consumer Brands		\$7,859,338	\$20,000,000	\$7,850,040	\$7,227	Cambridge Assoc. All Private Equity	Yes	N/A	\$420,181		
51	Accel-KKR Growth Capital Partners II, LP	Growth Equity - Software Technology		\$6,211,069	\$15,000,000	\$7,578,033	\$2,059,777	Cambridge Assoc. All Private Equity	Yes	N/A	\$550,431		
52	Spectrum Equity Investors VII, LP	Growth Equity - Software Technology		\$22,184,276	\$25,000,000	\$23,000,000	\$10,192,832	Cambridge Assoc. All Private Equity	Yes	N/A		\$1,095,049	
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		\$14,966,663	\$35,000,000	\$20,378,362	\$3,945,397	Cambridge Assoc. All Private Equity	Yes	N/A	\$1,057,000		
55	Dyal Capital Partners III, LP	Other		\$15,079,778	\$35,000,000	\$19,994,762	\$7,621,383	Cambridge Assoc. All Private Equity	Yes	N/A			
56	Khosla Ventures Fund IV, LP	Venture Capital		\$14,185,782	\$10,000,000	\$9,810,000	\$4,993,413	Cambridge Assoc. All Private Equity	Yes	N/A			
57	Khosla Ventures Fund V, LP	Venture Capital		\$17,805,830	\$20,000,000	\$15,460,000	\$1,012,798	Cambridge Assoc. All Private Equity	Yes	N/A			
58	Khosla Ventures Fund VI, LP	Venture Capital			\$35,000,000			Cambridge Assoc. All Private Equity	Yes	N/A			

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PRIVATE EQUITY													
59	NEA 14, LP	Venture Capital		\$35,579,203	\$25,000,000	\$23,500,000	\$8,904,021	Cambridge Assoc. All Private Equity	Yes	N/A			
59	NEA 15, LP	Venture Capital		\$37,757,292	\$35,000,000	\$27,129,431		Cambridge Assoc. All Private Equity	Yes	N/A		\$3,102,564	
60	NEA 16, LP	Venture Capital		\$7,817,725	\$35,000,000	\$7,787,500		Cambridge Assoc. All Private Equity	Yes	N/A	\$1,225,000		
61	Trinity Ventures XI, LP	Venture Capital		\$26,428,713	\$25,000,000	\$19,750,000		Cambridge Assoc. All Private Equity	Yes	N/A	\$250,000		
62	Trinity Ventures XII, LP	Venture Capital		\$11,598,382	\$30,000,000	\$12,750,000		Cambridge Assoc. All Private Equity	Yes	N/A	\$1,425,000		
63	TOTAL PRIVATE EQUITY			\$734,895,204	\$1,327,943,600	\$826,299,102	\$325,872,133				\$14,329,533	\$7,993,991	

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PUBLIC CREDIT													
64	Brigade SC Credit Opportunities Mandate, LLC	Strategic Credit		\$177,091,890				50% BofA Merrill Lynch High Yield Master II Constrained / 50% Credit Suisse Leveraged Loan	Yes	N/A			
65	TOTAL PUBLIC CREDIT			\$177,091,890									
PRIVATE CREDIT													
66	Athyrium Opportunities Fund II, LP	Opport. Credit - Healthcare		\$15,822,293	\$32,000,000	\$32,886,243	\$20,722,106	Credit Suisse Leveraged Loan + 200 bps	Yes	N/A		\$1,120,061	
67	Athyrium Opportunities Fund III, LP	Opport. Credit - Healthcare		\$7,318,263	\$25,000,000	\$9,975,052	\$2,345,987	Credit Suisse Leveraged Loan + 200 bps	Yes	N/A	\$339,775		
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			
69	Summit Partners Credit Fund II, LP	Direct Lending		\$21,038,783	\$35,000,000	\$37,168,419	\$21,390,383	Credit Suisse Leveraged Loan + 200 bps	Yes	N/A			
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		\$15,138,886	\$100,000,000	\$15,138,886		Credit Suisse Leveraged Loan + 200 bps	Yes	N/A	\$5,039,496		
72	Benefit Street Partners Senior Secured Opportunities Fund, LP	Direct Lending		\$38,661,844	\$50,000,000	\$39,013,694	\$351,850	Credit Suisse Leveraged Loan + 200 bps	Yes	N/A	\$6,383,250		
73	TOTAL PRIVATE CREDIT			\$101,814,558	\$312,000,000	\$159,121,793	\$71,998,597				\$11,762,521	\$1,120,061	

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ABSOLUTE RETURN													
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		\$171,504,603				HFRI FoF Composite Index +100 bps / HFRI FoF Conservative Index	Yes	Yes	\$15,000,000		The remaining balance of SCERS \$100M additional commitment.
76	Lakewood Capital Partners, LP	Equity Long/Short		\$44,467,467	\$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		\$40,890,850				HFRI FoF Composite Index +100 bps	Yes	Yes			
79	Third Point Partners Qualified, LP	Event Driven		\$49,082,111				HFRI FoF Composite Index +100 bps	Yes	Yes			
80	Claren Road Credit Partners, LP	Global Long Short Credit		\$46,959				HFRI FoF Conservative Index	Yes	Yes		\$96,767	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.
81	Brevan Howard Master Fund, LLC	Global Macro - Discretion		\$34,015,695				HFRI FoF Conservative Index	Yes	Yes			SCERS submitted a full redemption request for this fund. The fund employs a 25% gate per quarter with the final distribution expected during Q2 2019.
82	Laurion Capital Management, LP	Market Neutral - Vol/Arb		\$45,050,301				HFRI FoF Conservative Index	Yes	Yes			
83	AQR DELTA Fund, LP	Multi-Strategy		\$69,743,400				HFRI FoF Conservative Index	Yes	Yes			
84	Och-Ziff Domestic Partners Fund II, LP	Multi-Strategy	YES	\$47,816,580				HFRI FoF Composite Index +100 bps	Yes	Yes			
85	Winton Diversified Futures Fund, LP	Systematic Global Macro		\$36,749,027				HFRI FoF Conservative Index	Yes	Yes			
86	Graham Global Investment Fund II SPC, Ltd	Systematic Global Macro		\$33,874,991				HFRI FoF Conservative Index	Yes	Yes			
87	TOTAL ABSOLUTE RETURN			\$896,130,764	\$35,000,000	\$33,000,000					\$15,000,000	\$96,767	

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PUBLIC FIXED INCOME													
88	Neuberger Investment Management	U.S. Treasury		\$418,924,064				Barclays U.S. Treasury	Yes	N/A	\$14,521,481	\$11,954,644	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
89	TCW MetWest Asset Management	Core Plus		\$417,559,723				Barclays U.S. Aggregate Bond	Yes	N/A	\$102,787,853	\$101,955,672	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, State Street Bank + Trust Co, Fnma Tba 30 Yr 4.5, Us Treasury N/B, Fed Hm Ln Pc Pool G67709 <i>Monthly Purchases and Sales excludes derivative transactions.</i>
90	Prudential Investment Management	Core Plus		\$432,873,378				Barclays U.S. Aggregate Bond	Yes	N/A	\$22,074,640	\$14,474,192	B8A51Xhf5 Irs Usd R V 00Mfedl0, B8A565Ky6 Irs Usd R V 01Mlibor, B8A565L33 Irs Usd R V 01Mlibor, B8A4Lnzs0 Irs Usd R V 03Mlibor, B8A4Xsge8 Irs Usd R V 00Mfedl0, B8A4Rwjs2 Irs Usd R V 00Mfedl, B8A3U8Pu1 Irs Usd R V 01Musois, B8A566Rz4 Irs Usd R V 01Mlibor, B8A566S42 Irs Usd R V 01Mlibor, B8A4Xw9N7 Irs Usd R V 12Mfedl <i>Monthly Purchases and Sales excludes derivative transactions.</i>
91	Brandywine Global Investment Management	Global		\$231,953,964				80% Citigroup WGBI ex.-U.S. / 20% JP Morgan GBI EM Diversified	Yes	N/A	\$5,765,889	\$611,388	Us Treasury Frn Flt 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, Goldman Sachs Gp Flt 02/23/23, Us Treasury Frn Flt 04/30/20, Mexican Bonos 8.5% 11/18/38, Mexican Bonos 8.5% 05/31/29, Australian Govt. 2.75% 10/21/19, Us Treasury N/B 2.875% 11/15/46
92	TOTAL FIXED INCOME			\$1,501,311,129							\$145,149,863	\$128,995,896	

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CORE REAL ESTATE													
93	BlackRock Realty	Real Estate - Core Separate Account		\$185,148,705				NFI-ODCE Index	Yes	N/A	\$13,544,888	\$351,000	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.
94	Barings (formerly Cornerstone)	Real Estate - Core Separate Account		\$76,129,989				NFI-ODCE Index	Yes	N/A		\$1,300,000	Assets managed does not include \$39 million of debt.
95	Jamestown Premier Property Fund, LP	Real Estate - Core / Core Plus		\$17,283,960				NFI-ODCE Index	Yes	N/A			
96	MetLife Core Property Fund	Real Estate - Core		\$56,141,379				NFI-ODCE Index	Yes	N/A			
97	Prime Property Fund, LLC	Real Estate - Core		\$55,824,191				NFI-ODCE Index	Yes	N/A			
98	Principal US Property Account	Real Estate - Core		\$43,184,925				NFI-ODCE Index	Yes	N/A			
99	Prologis Targeted Europe Logistics Fund, LP	Real Estate - Core		\$38,714,294				NFI-ODCE Index	Yes	N/A		\$409,982	Fund is denominated in Euros, which will then be converted to US dollars based on the exchange rate at the time of the transaction.
100	Prologis Targeted US Logistics Fund, LP	Real Estate - Core		\$63,134,613				NFI-ODCE Index	Yes	N/A			
101	Townsend Real Estate Fund, LP	Real Estate - Core		\$102,779,687				NFI-ODCE Index	Yes	N/A			
102	TOTAL CORE REAL ESTATE			\$638,341,745							\$13,544,888	\$2,060,982	

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NON-CORE REAL ESTATE													
103	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.
104	Carlyle China Realty, LP	Real Estate - Opport.		\$4,826,111	\$10,000,000	\$4,982,216		NFI-ODCE + 100 bps	Yes	N/A			
105	Carlyle China Rome Logistics, LP	Real Estate - Opport.		\$14,442,593	\$20,000,000	\$17,336,063		NFI-ODCE + 100 bps	Yes	N/A			
106	CIM Opportunity Fund VIII, LP	Real Estate - Opport.		\$27,613,637	\$35,000,000	\$30,904,925	\$6,655,221	NFI-ODCE + 100 bps	Yes	N/A			
107	KKR Real Estate Partners Americas, LP	Real Estate - Opport.		\$14,244,188	\$35,000,000	\$31,155,372	\$26,549,652	NFI-ODCE + 100 bps	Yes	N/A	\$58,300	\$1,291,564	
108	Och-Ziff Real Estate Fund III, LP	Real Estate - Opport.	YES	\$15,206,915	\$35,000,000	\$20,325,826	\$11,491,176	NFI-ODCE + 100 bps	Yes	N/A		\$1,986,474	
109	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.
110	Allegis Value Trust	Real Estate - Value Add		\$9,779,523	\$25,000,000	\$25,000,000	\$21,209,000	NFI-ODCE + 100 bps	Yes	N/A		\$5,350,000	The fund has reached the end of its term. Allegis Value Trust has been undergoing an orderly sale of the assets and extended the closing of the fund until 2018.
111	ECE European Prime Shopping Centre Fund II, SCS SIF	Real Estate - Value Add		\$9,409,600	\$35,000,000	\$7,922,479	\$1,606,036	NFI-ODCE + 100 bps	Yes	N/A		\$133,890	Fund is denominated in Euros, which will then be converted to US dollars based on the exchange rate at the time of the transaction.
112	Hammes Partners II, LP	Real Estate - Value Add		\$18,979,986	\$25,000,000	\$23,786,440	\$5,056,412	NFI-ODCE + 100 bps	Yes	N/A			
113	Hammes Partners III, L.P.	Real Estate - Value Add			\$31,250,000			NFI-ODCE + 100 bps	Yes	N/A			
114	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.
115	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.
116	NREP Nordic Strategies Fund II, SCSp	Real Estate - Value Add		\$21,992,123	\$35,000,000	\$23,088,426	\$1,876,343	NFI-ODCE + 100 bps	Yes	N/A			Fund is denominated in Euros, which will then be converted to US dollars based on the exchange rate at the time of the transaction.
117	NREP Nordic Strategies Fund III, SCSp	Real Estate - Value Add			\$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.
118	TOTAL NON-CORE REAL ESTATE			\$166,096,471	\$448,822,950	\$328,232,267	\$206,893,715				\$58,300	\$8,761,928	
119	TOTAL REAL ESTATE			\$804,438,216	\$448,822,950	\$328,232,267	\$206,893,715				\$13,603,188	\$10,822,910	

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REAL ASSETS													
120	ACM Fund II, LLC	Real Assets - Agriculture		\$12,264,806	\$25,000,000	\$17,076,419	\$4,277,491	Blended Index***	Yes	N/A			
121	Arclight Energy Partners VI, LP	Energy - Midstream		\$31,592,851	\$40,000,000	\$37,470,434	\$8,669,952	Blended Index***	Yes	N/A		\$1,791,312	
122	EnCap Flatrock Midstream III, LP	Energy - Midstream		\$7,567,826	\$20,000,000	\$12,724,320	\$8,825,342	Blended Index***	Yes	N/A			
123	EnCap Flatrock Midstream Fund IV, LP	Energy - Midstream		\$995,982	\$22,500,000	\$995,982		Blended Index***	Yes	N/A			
124	Quantum Energy Partners VI, LP	Energy - Midstream		\$24,636,318	\$35,000,000	\$23,630,387	\$11,881,269	Blended Index***	Yes	N/A			
125	Quantum Energy Partners VII, LP	Energy - Midstream		\$11,358,597	\$40,000,000	\$12,418,827	\$1,365,090	Blended Index***	Yes	N/A	\$2,671,288		
126	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	\$278,487	\$535,583	
127	EnCap Energy Capital Fund X, LP	Energy - Upstream		\$27,854,661	\$40,000,000	\$30,097,514	\$6,341,783	Blended Index***	Yes	N/A			
128	First Reserve Energy Infrastructure II, LP	Energy Infrastruc.		\$15,974,151	\$35,000,000	\$24,127,123	\$18,352,215	Blended Index***	Yes	N/A		\$118,736	
129	Carlyle Power Partners II, LP	Energy - Power		\$16,061,788	\$40,000,000	\$23,609,859	\$6,870,227	Blended Index***	Yes	N/A			
130	Brookfield Infrastructure Fund III, LP	Infrastruc. - Core		\$14,568,789	\$40,000,000	\$16,878,679	\$3,996,942	Blended Index***	Yes	N/A		\$1,132,135	
131	IFM Global Infrastructure Fund (US), LP	Infrastruc. - Core		\$101,221,365	\$125,000,000	\$100,000,000	\$13,314,822	Blended Index***	Yes	N/A			
132	Meridiam Infrastructure North America III, LP	Infrastruc. - Core		\$324,425	\$50,000,000	\$803,451		Blended Index***	Yes	N/A			
133	Wastewater Opportunity Fund, LP	Infrastruc. - Water/Wastewater		\$6,768,109	\$25,000,000	\$8,427,169	\$139,642	Blended Index***	Yes	N/A			
134	Pantheon SCERS Secondary Infrastructure, LLC	Infrastruc. - Secondary Separate Account		\$64,013,875	\$100,000,000	\$49,331,683	\$2,800,000	Blended Index***	Yes	N/A	\$4,831,683		

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

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REAL ASSETS													
135	Atalaya SCERS SMA, LLC	Asset Backed Lending Separate Account		\$25,437,262	\$100,000,000	\$36,109,320	\$13,105,982	Blended Index***	Yes	N/A		\$3,168,003	
136	SsgA Real Asset Strategy Proxy	Real Assets Overlay		\$298,961,284				Blend of weighted real return asset class benchmarks.	Yes	N/A	\$4,637,401	\$35,597,686	This is the overlay proxy for the Real Return asset category.
137	TOTAL PRIVATE REAL ASSETS			\$683,492,413	\$770,500,000	\$429,532,051	\$122,854,885				\$12,418,859	\$42,343,455	

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

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COMMODITIES													
138	Gresham Strategic Commodities Fund	Commodities		\$28,014,307				Bloomberg Commodity Index	Yes	N/A			
139	TOTAL COMMODITIES			\$30,047,639									
OPPORTUNITIES													
140	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			
141	TOTAL OPPORTUNITIES			\$9,386,111	\$25,000,000	\$24,875,000	\$20,747,397						
SHORT-TERM													
142	State Street Global Advisors - STIF (Cash Account)	Cash		\$119,034,124				91 Day T-Bill	Yes	N/A	\$46,579,980	\$92,760,322	Unallocated cash is swept into a short-term investment fund.
143	TOTAL SHORT-TERM			\$119,034,124							\$46,579,980	\$92,760,322	
FUTURES OVERLAY													
144	State Street Global Advisors (Futures Overlay)	Overlay		\$43,221,226				Target Asset Allocation	Yes	N/A	\$68,852,879	\$71,029,829	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
145	TOTAL FUTURES OVERLAY			\$43,221,226							\$68,852,879	\$71,029,829	
SCERS TOTAL PORTFOLIO				\$9,214,546,167	\$2,919,266,550	\$1,801,060,212	\$748,366,727				\$475,646,939	\$488,667,516	

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#	Investment Manager	Fund Type	Reason	Effective (month - year)	Commentary
1	Brown Advisory	Large Cap Growth	Performance	Feb-17	Returns have underperformed the benchmark over long-term periods: 3-Year (+12.4% vs. +12.9%); 5-Year (+13.5% vs. +15.5%); and since inception (+13.1% vs. +15.0%).
2	Huber Capital Management	Large Cap Value	Performance	Feb-15	Returns have underperformed the benchmark over long-term periods: 5-Year (+9.3% vs. +10.8%); and since inception (+11.1% vs. +12.4%).
3	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.