



ITEM 11

Executive Staff

Richard Stensrud
Chief Executive Officer

Vacant
Chief Investment Officer

Robert L. Gaumer
General Counsel

Kathryn T. Regalia
Chief Operations Officer

John W. Gobel, Sr.
Chief Benefits Officer

For Agenda of:
September 21, 2016

September 16, 2016

TO: President and Members
Board of Retirement

FROM: JR Pearce
Investment Officer

SUBJECT: August 2016 Monthly Investment Manager Activity, Compliance Report, and Watch List

Recommendation:

It is recommended that the attached August 2016 Monthly Investment Manager Compliance Report and Watch List be received and filed.

Background/Discussion:

In accordance with SCERS' Investment Policy Statement, the investment transactions for SCERS' investment managers and portfolio investments for the month have been reviewed for compliance with their respective investment guidelines and objectives. No compliance violations have been found. The asset values for the various private equity, real estate, and opportunities investments are lagged one quarter.

As of August 31, 2016, there were four investment managers on the Watch List including Hines (Value Add Real Estate), Brigade SC Credit (Strategic Credit), Huber Capital Management (Large Cap Value), and Weatherbie Capital Management (Small Cap Growth).

It is recommended that the investment managers remain on the Watch List until the investment consultants and Staff can advise your Board that the performance and/or organizational concerns have been satisfactorily resolved.

August 2016 Monthly Investment Manager
Compliance Report and Watch List
September 16, 2016
Page 2 of 2

We will be happy to answer any questions you might have.

Respectfully submitted,

Concur:

JR Pearce
Investment Officer

Richard Stensrud
Chief Executive Officer

Steve Davis
Deputy Chief Investment Officer

Attachment

SACRAMENTO COUNTY EMPLOYEES' RETIREMENT SYSTEM

Investment Manager Monthly Activity, Compliance, and Watch List Report

August 31, 2016

#	Investment Manager	Fund Type	Watch List	Net Asset Value (as of August 31, 2016)*	SCERS Investment / Commitment	Total Capital Called to Date	Total Capital Returned to Date**	Benchmark	Comply	Counter-Party Comply	Purchases / Capital Called (month)	Sales / Capital Returned (month)**	Top 10 Holdings / Notes
DOMESTIC EQUITY													
1	JP Morgan Asset Management	Equity 130/30		\$125,900,208				S&P 500 + 100 bps	Yes	N/A	\$16,994,745	\$18,827,939	Alphabet, Wells Fargo, Broadcom Ltd, Occidental Petroleum, Microsoft, Chubb Limited, UnitedHealth Group, Honeywell International, General Motors, Pfizer
2	Eagle Capital Management	Large Cap Core		\$259,234,761				Russell 1000 + 100 bps	Yes	N/A	\$237,585		Oracle Corp, Berkshire Hathaway Inc Cl B, Microsoft Corp, Aon Plc, Citigroup Inc, Amazon.Com Inc, Unitedhealth Group Inc, Alphabet Inc Cl C, Jpmorgan Chase + Co, Liberty Global Plc Series C
3	Brown Advisory	Large Cap Growth		\$118,334,728				Russell 1000 Growth + 100 bps	Yes	N/A	\$9,766,710	\$8,843,343	State Street Bank + Trust Co, Amazon.Com Inc, Visa Inc Class A Shares, Facebook Inc A, Starbucks Corp, Danaher Corp, Costco Wholesale Corp, Ecolab Inc, Intuitive Surgical Inc, Estee Lauder Companies Cl A
4	Alliance Bernstein	Large Cap Passive		\$1,127,801,918				Russell 1000	Yes	N/A	\$2,049,558	\$1,916,491	Apple Inc, Microsoft Corp, Exxon Mobil Corp, Johnson + Johnson, Amazon.Com Inc, General Electric Co, Berkshire Hathaway Inc Cl B, Facebook Inc A, At+T Inc, Jpmorgan Chase + Co
5	Huber Capital Management	Large Cap Value	YES	\$112,362,753				Russell 1000 Value + 100 bps	Yes	N/A	\$1,265,158	\$1,662,473	Kbr Inc, Ca Inc, Cno Financial Group Inc, Bank Of America Corp, Pfizer Inc, Philip Morris International, Eli Lilly + Co, Citigroup Inc, Herbalife Ltd, Jpmorgan Chase + Co
6	CenterSquare Investment Management (formerly Urdang)	REIT - US		\$122,411,673				NAREIT + 100 bps	Yes	N/A	\$7,900,296	\$7,575,882	Simon Property Group Inc, Welltower Inc, Public Storage, Equinix Inc, Avalonbay Communities Inc, Duke Realty Corp, Equity Residential, Hcp Inc, Host Hotels + Resorts Inc, Prologis Inc
7	Weatherbie Capital	Small Cap Growth	YES	\$76,470,786				Russell 2000 Growth + 150 bps	Yes	N/A	\$9,039,491	\$9,068,390	Firstservice Corp, State Street Bank + Trust Co, Cotiviti Holdings Inc, Middleby Corp, Gtt Communications Inc, Ultimate Software Group Inc, Fleetmatics Group Plc, Signature Bank, Macom Technology Solutions H, Paylocity Holding Corp
8	UBS Global Asset Management	Small Cap Growth		\$57,593,566				Russell 2000 Growth + 150 bps	Yes	N/A	\$3,683,640	\$3,411,665	State Street Bank + Trust Co, Wix.Com Ltd, 8X8 Inc, Proofpoint Inc, Gigamon Inc, Dexcom Inc, Abiomed Inc, Exact Sciences Corp, Burlington Stores Inc, Enersys
9	Dalton, Greiner, Hartman, Maher	Small Cap Value		\$70,400,736				Russell 2000 Value + 150 bps	Yes	N/A	\$3,870,149	\$3,453,488	Brandywine Realty Trust, Kennedy Wilson Holdings Inc, State Street Bank + Trust Co, Colony Capital Inc A, Kite Realty Group Trust, Hersh Hospitality Trust, Merit Medical Systems Inc, Provident Financial Services, Steelcase Inc Cl A, Servicemaster Global Holding
10	Wedge Capital Management	Small Cap Value		\$77,457,004				Russell 2000 Value + 150 bps	Yes	N/A	\$1,739,283	\$1,993,678	Treehouse Foods Inc, Stag Industrial Inc, Enersys, Aecom, Dupont Fabros Technology, State Street Bank + Trust Co, Prosperity Bancshares Inc, Cullen/Frost Bankers Inc, Dana Inc, Endurance Specialty Holdings
11	TOTAL DOMESTIC EQUITY			\$2,147,968,134							\$56,546,615	\$56,753,348	

SACRAMENTO COUNTY EMPLOYEES' RETIREMENT SYSTEM

Investment Manager Monthly Activity, Compliance, and Watch List Report

August 31, 2016

#	Investment Manager	Fund Type	Watch List	Net Asset Value (as of August 31, 2016)*	SCERS Investment / Commitment	Total Capital Called to Date	Total Capital Returned to Date**	Benchmark	Comply	Counter-Party Comply	Purchases / Capital Called (month)	Sales / Capital Returned (month)**	Top 10 Holdings / Notes
INTERNATIONAL EQUITY													
12	Lazard Asset Management	ACWI ex-US		\$400,021,365				MSCI ACWI Ex-US + 100 bps	Yes	N/A	\$14,230,074	\$14,735,956	Lazard Emerging Markets Equity, State Street Bank + Trust Co, Sampo Oyj A Shs, Daiwa House Industry Co Ltd, Aon Plc, British American Tobacco Plc, Shire Plc, Don Quijote Holdings Co Ltd, Prudential Plc, Carlsberg As B
13	LSV Asset Management	Developed Large Cap		\$419,792,765				MSCI World Ex-US + 100 bps	Yes	N/A	\$5,928,739	\$5,057,379	Nippon Telegraph + Telephone, Royal Dutch Shell Plc B Shs, Koninklijke Ahold Delhaize N, Sanofi, Swiss Re Ag, Bae Systems Plc, Swiss Life Holding Ag Reg, Total Sa, Bp Plc, Basf Se
14	William Blair International Small Cap	Developed Small Cap Growth		\$104,417,201				MSCI Small Cap World ex-US + 150 bps	Yes	N/A	\$8,593,002	\$8,293,534	Nissan Chemical Industries, Glp J-Reit, Star Entertainment Grp Ltd/T, Royal Unibrew, Yes Bank Ltd, Micro Focus International, Aurelius Equity Opportunitie, Icon Plc, Gentera Sab De Cv, Elbit Systems Ltd
15	Mondrian International Small Cap	Developed Small Cap Value		\$90,651,494				MSCI Small Cap World ex-US + 150 bps	Yes	N/A	\$1,402,217	\$2,278,947	CAE Inc, Auckland International Airport Ltd, Nifco Inc, Croda International PLC, Christian Hansen Holding A/S, Spirax-Sarco Engineering PLC, Nexteer Automotive Group Ltd, AF AB B Shares, MTU Aero Engines AG Registered, SATS Ltd
16	Ballie Gifford EM All Cap	Emerging Market - All Cap		\$135,497,834				MSCI Emerging Markets + 150 bps	Yes	N/A			
17	Mondrian EM All Cap	Emerging Market - All Cap		\$129,305,340				MSCI Emerging Markets + 150 bps	Yes	N/A	\$5,320,436	\$3,531,151	Samsung Electronics Co Ltd, Taiwan Semiconductor Manufacturing Ltd, China Mobile Ltd, SK Telecom Co Ltd, Bajaj Auto Ltd, Hyundai Mobis Co Ltd, Taiwan Mobile Co Ltd, Fibra Uno Administracion SA, WH Group Ltd, Credicorp Ltd
18	Mondrian EM Small Cap	Emerging Market - Small Cap		\$25,141,505				MSCI Emerging Markets Small Cap + 150 basis points	Yes	N/A	\$147,329	\$474,469	Nexteer Automotive Group Ltd, US Dollar, Berger Paints India Ltd, Nippon Indosari Corpindo Tbk PT, D&L Industries Inc, Torrent Pharmaceuticals Ltd, PI Industries Ltd, CT Environmental Group Ltd, Voltronic Power Technology Corp, Amara Raja Batteries Ltd
19	William Blair EM Small Cap	Emerging Market - Small Cap		\$26,217,579				MSCI Emerging Markets Small Cap + 150 basis points	Yes	N/A			Yes Bank Ltd, Yandex Nv-A, Bajaj Finance Ltd, Indusind Bank Ltd, Gt Capital Holdings Inc, Bharat Financial Inclusion L, Minth Group Ltd, Havells India Ltd, China Lodging Group-Spon Ads, Fuyao Glass Industry Group-H
20	CBRE Clarion Securities	REIT - Internat'l		\$81,729,574				NAREIT Global ex-US Real Estate + 100 bps	Yes	N/A	\$8,607,159	\$10,210,175	Sun Hung Kai Properties, Unibail Rodamco Se, Mirvac Group, Mitsui Fudosan Co Ltd, Japan Real Estate Investment, Scentre Group, Sumitomo Realty + Developmen, Vonovia Se, Ascendas Real Estate Inv Trt, Deutsche Wohnen Ag Br
21	TOTAL INTERNATIONAL EQUITY			\$1,412,774,657							\$44,228,956	\$44,581,611	

SACRAMENTO COUNTY EMPLOYEES' RETIREMENT SYSTEM

Investment Manager Monthly Activity, Compliance, and Watch List Report

August 31, 2016

#	Investment Manager	Fund Type	Watch List	Net Asset Value (as of August 31, 2016)*	SCERS Investment / Commitment	Total Capital Called to Date	Total Capital Returned to Date**	Benchmark	Comply	Counter-Party Comply	Purchases / Capital Called (month)	Sales / Capital Returned (month)**	Top 10 Holdings / Notes
FIXED INCOME													
22	Neuberger Investment Management	Enhanced Index		\$365,435,388				Barclays Aggregate Bond + 25 bps	Yes	N/A	\$47,891,619	\$41,920,321	State Street Bank + Trust Co, Us Treasury N/B, Us Treasury N/B
23	Metropolitan West Asset Management	Core Plus		\$382,564,766				Barclays Aggregate Bond + 70 bps	Yes	N/A	\$161,487,092	\$162,919,778	Us Treasury N/B, Us Treasury N/B, Us Treasury N/B, Us Treasury N/B, State Street Bank + Trust Co, Metropolitan West High Yield B, Gnma Ii Tba 30 Yr 3, Fnma Tba 30 Yr 3, Fnma Tba 15 Yr 2.5, Fannie Discount Note <i>Monthly Purchases and Sales excludes derivative transactions.</i>
24	Prudential Investment Management	Core Plus		\$420,419,951				Barclays Aggregate Bond + 70 bps	Yes	N/A	\$234,187,868	\$77,168,418	B91Qxs9P4 Cds Usd R V 00Mevent, B8A3Lw2X7 Irs Usd R V 12Mfedlo, B8A2Jfqg0 Irs Usd R V 03Mlibor, B8A2P3Hr6 Irs Usd R V 03Mlibor, B8A2Y2Cj1 Irs Usd R V 03Mlibor, S8A3L09N2 Irs Usd R V 03Mfedlo, B8A3Lz3V3 Irs Usd R V 12Mfedl, B8A3Medj5 Irs Usd R V 01Mlibor, B8A3Medr7 Irs Usd R F 1.30000, B8A2Wddf6 Irs Usd R V 03Mlibor <i>Monthly Purchases and Sales excludes derivative transactions.</i>
25	Brandywine Global Investment Management	Global		\$213,632,793				80% Citigroup WGBI / 20% JP Morgan GBI-EM Global Diversified	Yes	N/A	\$9,990,132	\$5,677,678	Ukt 1 1/4 07/22/18, Mbono 7 3/4 11/13/42, Mbono 8 1/2 11/18/38, Mbono 8 1/2 05/31/29, Gs 0 11/15/18, Hgb 6 11/24/23, Bntnf 10 01/01/25, Nswtc 5 08/20/24, Indogb 9 03/15/29, T 3 11/15/45
26	Brigade SC Credit Opportunities Mandate, LLC	Strategic Credit	YES	\$156,943,837				50% BofA Merrill Lynch High Yield Master II Constrained / 50% Credit Suisse Leveraged Loan	Yes	N/A			
27	TOTAL FIXED INCOME			\$1,538,996,735							\$453,556,711	\$287,686,195	

SACRAMENTO COUNTY EMPLOYEES' RETIREMENT SYSTEM

Investment Manager Monthly Activity, Compliance, and Watch List Report

August 31, 2016

#	Investment Manager	Fund Type	Watch List	Net Asset Value (as of August 31, 2016)*	SCERS Investment / Commitment	Total Capital Called to Date	Total Capital Returned to Date**	Benchmark	Comply	Counter-Party Comply	Purchases / Capital Called (month)	Sales / Capital Returned (month)**	Top 10 Holdings / Notes
ABSOLUTE RETURN													
28	Grosvenor SC Absolute Return Fund (SCARF)	Diversified Separate Account		\$238,832,771				90-Day U.S. T-Bill + 500 bps	Yes	Yes			
29	Grosvenor SC Absolute Return Fund, Series B (SCARF-B)	Diversified Separate Account		\$160,313,632				90-Day U.S. T-Bill + 500 bps	Yes	Yes			This diversified Absolute Return Separate Account is part of SCERS' interim Absolute Return allocation.
30	Lakewood Capital Partners, LP	Equity Long/Short		\$39,620,922	\$35,000,000	\$33,000,000		90-Day U.S. T-Bill + 500 bps	Yes	Yes			
31	Elliott Associates, LP	Event Driven		\$43,327,891	\$40,945,627	\$39,740,627		90-Day U.S. T-Bill + 500 bps	Yes	Yes			
32	Jana Partners Qualified, LP	Event Driven		\$36,351,595				90-Day U.S. T-Bill + 500 bps	Yes	Yes			
33	Third Point Partners Qualified, LP	Event Driven		\$40,247,011				90-Day U.S. T-Bill + 500 bps	Yes	Yes			
34	Grosvenor	Fund of Funds		\$258,020				90-Day U.S. T-Bill + 500 bps	Yes	N/A			Fund was terminated; redemptions from the fund continues to progress.
35	Claren Road Credit Partners, LP	Global Long-Short Credit		\$3,757,494				90-Day U.S. T-Bill + 500 bps	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. SCERS received \$4.3 million in July, which was half of the remaining capital to be distributed.
36	Brevan Howard Master Fund, LLC	Global Macro - Discretion		\$34,423,900				90-Day U.S. T-Bill + 500 bps	Yes	Yes			
37	Laurion Capital Management, LP	Market Neutral - Vol/Arb		\$40,538,933				90-Day U.S. T-Bill + 500 bps	Yes	Yes			
38	AQR DELTA Fund, LP	Multi-Strategy		\$47,704,920				90-Day U.S. T-Bill + 500 bps	Yes	Yes			
39	Och-Ziff Domestic Partners Fund II, LP	Multi-Strategy		\$39,514,860				90-Day U.S. T-Bill + 500 bps	Yes	Yes			
40	TOTAL ABSOLUTE RETURN FUNDS			\$724,891,948	\$75,945,627	\$72,740,627							

SACRAMENTO COUNTY EMPLOYEES' RETIREMENT SYSTEM

Investment Manager Monthly Activity, Compliance, and Watch List Report

August 31, 2016

#	Investment Manager	Fund Type	Watch List	Net Asset Value (as of August 31, 2016)*	SCERS Investment / Commitment	Total Capital Called to Date	Total Capital Returned to Date**	Benchmark	Comply	Counter-Party Comply	Purchases / Capital Called (month)	Sales / Capital Returned (month)**	Top 10 Holdings / Notes
PRIVATE EQUITY													
41	Abbott Capital Private Equity Fund VI, LP	aFund of Funds		\$58,997,199	\$75,000,000	\$66,375,000	\$24,750,000	Russell 1000 + 300 bps	Yes	N/A			
42	HarbourVest International PEP VI, LP	aFund of Funds		\$29,535,604	\$50,000,000	\$31,725,070	\$8,544,616	Russell 1000 + 300 bps	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.
43	HarbourVest VIII, LP	aFund of Funds		\$28,481,504	\$50,000,000	\$46,735,375	\$18,678,189	Russell 1000 + 300 bps	Yes	N/A			
44	Private Equity (Goldman Sachs) X, LP	aFund of Funds		\$54,076,670	\$75,000,000	\$74,342,136	\$23,440,705	Russell 1000 + 300 bps	Yes	N/A			
45	Accel-KKR Capital Partners IV, LP	Buyout		\$8,558,716	\$15,000,000	\$9,249,160	\$1,843,437	Russell 1000 + 300 bps	Yes	N/A			
46	Accel-KKR Capital Partners V, LP	Buyout			\$35,000,000			Russell 1000 + 300 bps	Yes	N/A			
47	H.I.G. Capital Partners V, LP	Buyout		\$2,645,819	\$14,000,000	\$2,968,402		Russell 1000 + 300 bps	Yes	N/A			
48	Marlin Equity IV, LP	Buyout		\$10,875,331	\$20,000,000	\$10,569,329		Russell 1000 + 300 bps	Yes	N/A	\$168,756		
49	Linden Capital Partners III, LP	Buyout - Middle Market Healthcare		\$3,570,140	\$35,000,000	\$4,331,783		Russell 1000 + 300 bps	Yes	N/A			
50	Thoma Bravo Fund XI, LP	Buyout - Middle Market Technology		\$32,767,950	\$30,000,000	\$29,600,786		Russell 1000 + 300 bps	Yes	N/A	\$3,073,825		
51	Thoma Bravo Fund XII, LP	Buyout - Middle Market Technology		\$1,462,602	\$30,000,000	\$1,659,450		Russell 1000 + 300 bps	Yes	N/A			
52	H.I.G. Europe Capital Partners II, LP	Buyout - Non-US		(\$255,916)	\$21,000,000	\$231,729		Russell 1000 + 300 bps	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.

SACRAMENTO COUNTY EMPLOYEES' RETIREMENT SYSTEM

Investment Manager Monthly Activity, Compliance, and Watch List Report

August 31, 2016

#	Investment Manager	Fund Type	Watch List	Net Asset Value (as of August 31, 2016)*	SCERS Investment / Commitment	Total Capital Called to Date	Total Capital Returned to Date**	Benchmark	Comply	Counter-Party Comply	Purchases / Capital Called (month)	Sales / Capital Returned (month)**	Top 10 Holdings / Notes
PRIVATE EQUITY													
53	Waterland Fund V, LP	Buyout - Non-US		\$8,661,555	\$23,193,600	\$13,690,515	\$15,524,350	Russell 1000 + 300 bps	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.
54	Waterland Fund VI, LP	Buyout - Non-US		\$2,201,364	\$30,000,000	\$2,554,023		Russell 1000 + 300 bps	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.
55	Marlin Heritage, LP	Buyout - Small / Middle Market		\$6,650,595	\$10,000,000	\$6,412,287	\$1,411,103	Russell 1000 + 300 bps	Yes	N/A			
56	Marlin Heritage Europe, LP	Buyout - Small / Middle Market			\$14,400,000			Russell 1000 + 300 bps	Yes	N/A			
57	RRJ Capital Master Fund II, LP	Buyout - Special Situations SE Asia		\$27,423,039	\$35,000,000	\$41,173,564	\$15,355,720	Russell 1000 + 300 bps	Yes	N/A		\$155,066	
58	RRJ Capital Master Fund III, LP	Buyout - Special Situations SE Asia		\$2,666,776	\$40,000,000	\$3,217,778	\$266,667	Russell 1000 + 300 bps	Yes	N/A			
59	Summit Partners Credit Fund I, LP	Corp. Credit Lending		\$10,918,112	\$20,000,000	\$24,939,499	\$18,858,734	Russell 1000 + 300 bps	Yes	N/A			
60	Summit Partners Credit Fund II, LP	Corp. Credit Lending		\$23,097,965	\$35,000,000	\$25,122,996	\$3,087,663	Russell 1000 + 300 bps	Yes	N/A			
61	Athyrium Opportunities Fund II, LP	Corp. Credit Lending - Healthcare		\$20,416,287	\$32,000,000	\$24,184,739	\$4,456,187	Russell 1000 + 300 bps	Yes	N/A	\$956,936	\$1,635,521	
62	Atalaya Special Opportunities Fund VI, LP	Distressed Debt		\$11,654,650	\$25,000,000	\$12,752,629		Russell 1000 + 300 bps	Yes	N/A			
63	Garrison Opportunity Fund III, LP	Distressed Debt		\$15,306,075	\$20,000,000	\$20,000,000	\$5,447,289	Russell 1000 + 300 bps	Yes	N/A			
64	H.I.G. Bayside Loan Opportunity III (Europe), LP	Distressed Debt		\$16,149,937	\$30,000,000	\$16,159,790	\$3,086,100	Russell 1000 + 300 bps	Yes	N/A			
65	TPG Opportunities Partners III, LP	Distressed Debt		\$16,744,739	\$40,000,000	\$18,301,337	\$2,316,986	Russell 1000 + 300 bps	Yes	N/A			

SACRAMENTO COUNTY EMPLOYEES' RETIREMENT SYSTEM

Investment Manager Monthly Activity, Compliance, and Watch List Report

August 31, 2016

#	Investment Manager	Fund Type	Watch List	Net Asset Value (as of August 31, 2016)*	SCERS Investment / Commitment	Total Capital Called to Date	Total Capital Returned to Date**	Benchmark	Comply	Counter-Party Comply	Purchases / Capital Called (month)	Sales / Capital Returned (month)**	Top 10 Holdings / Notes
PRIVATE EQUITY													
66	Wayzata Opportunities Fund III, LP	Distressed Debt		\$8,919,070	\$30,000,000	\$14,385,000	\$4,602,383	Russell 1000 + 300 bps	Yes	N/A		\$441,000	
67	Summit Partners Venture Capital Fund III, LP	Growth Equity		\$21,877,196	\$16,350,000	\$16,350,000		Russell 1000 + 300 bps	Yes	N/A			
68	Summit Partners Venture Capital Fund IV, LP	Growth Equity		\$4,012,041	\$35,000,000	\$3,756,826		Russell 1000 + 300 bps	Yes	N/A	\$2,471,715		
69	TSG 7A,LP and TSG 7B, LP	Buyout - Consumer Brands		\$343,227	\$20,000,000	\$485,932	\$7,227	Russell 1000 + 300 bps	Yes	N/A			
68	Accel-KKR Structured Credit Capital II, LP	Growth Equity - Software Technology		\$2,370,889	\$15,000,000	\$3,187,255	\$384,805	Russell 1000 + 300 bps	Yes	N/A	\$263,822		
69	Spectrum Equity Investors VII, LP	Growth Equity - Software Technology		\$11,510,747	\$25,000,000	\$11,875,000		Russell 1000 + 300 bps	Yes	N/A			
70	Dyal II US Investors, LP	Other		\$9,326,860	\$35,000,000	\$11,204,662	\$535,433	Russell 1000 + 300 bps	Yes	N/A			
71	Khosla Ventures Fund IV, LP	Venture Capital		\$13,453,046	\$10,000,000	\$9,400,000	\$955,913	Russell 1000 + 300 bps	Yes	N/A			
72	Khosla Ventures Fund V, LP	Venture Capital		\$8,136,400	\$20,000,000	\$7,820,000		Russell 1000 + 300 bps	Yes	N/A			
73	NEA 14, LP	Venture Capital		\$31,877,630	\$25,000,000	\$23,500,000	\$1,358,524	Russell 1000 + 300 bps	Yes	N/A			
74	NEA 15, LP	Venture Capital		\$14,365,274	\$35,000,000	\$14,179,431		Russell 1000 + 300 bps	Yes	N/A	\$525,000		
75	Trinity Ventures XI, LP	Venture Capital		\$18,087,004	\$25,000,000	\$14,562,500		Russell 1000 + 300 bps	Yes	N/A			
76	Trinity Ventures XII, LP	Venture Capital		\$2,199,818	\$30,000,000	\$2,400,000		Russell 1000 + 300 bps	Yes	N/A			
77	TOTAL PRIVATE EQUITY			\$557,302,383	\$1,127,943,600	\$641,188,721	\$159,368,219				\$8,416,990	\$3,867,109	

SACRAMENTO COUNTY EMPLOYEES' RETIREMENT SYSTEM

Investment Manager Monthly Activity, Compliance, and Watch List Report

August 31, 2016

#	Investment Manager	Fund Type	Watch List	Net Asset Value (as of August 31, 2016)*	SCERS Investment / Commitment	Total Capital Called to Date	Total Capital Returned to Date**	Benchmark	Comply	Counter-Party Comply	Purchases / Capital Called (month)	Sales / Capital Returned (month)**	Top 10 Holdings / Notes
REAL ASSETS													
78	SSgA Real Asset Strategy Proxy	Real Assets Overlay		\$309,549,330				Blended benchmarked to strategy fund weights	Yes	N/A	\$1,317,515	\$670,498	
79	BlackRock Realty	Real Estate Core Separate Account		\$219,894,365				NFI-ODCE Index	Yes	N/A			Assets Managed does not include \$55.35 million of debt.
80	Cornerstone	Real Estate Core Separate Account		\$61,076,276				NFI-ODCE Index	Yes	N/A			Assets Managed does not include \$39 million of debt.
81	Jamestown Premier Property Fund, LP	Real Estate Core and Core Plus		\$19,883,495				NFI-ODCE Index	Yes	N/A			
82	MetLife Core Property Fund	Real Estate Core		\$48,437,691				NFI-ODCE Index	Yes	N/A			
83	Prime Property Fund, LLC	Real Estate Core		\$49,019,764				NFI-ODCE Index	Yes	N/A			
84	Principal US Property Account	Real Estate Core		\$36,639,330				NFI-ODCE Index	Yes	N/A			
85	Prologis Targeted Europe Logistics Fund, LP	Real Estate Core		\$30,379,262	\$31,202,322	\$31,202,322	\$1,080,219	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.
86	Prologis Targeted US Logistics Fund, LP	Real Estate Core		\$31,429,200	\$35,000,000	\$29,800,000	\$741,181	NFI-ODCE Index	Yes	N/A			
87	Townsend Real Estate Fund, LP	Real Estate Core		\$45,563,085	\$70,000,000	\$44,891,179		NFI-ODCE Index	Yes	N/A			
88	Blackstone Resources Select Offshore Fund	Commodities		\$39,636,242				Blend of GSCI and Dow Jones AIG	Yes	N/A			
89	Gresham Strategic Commodities Fund	Commodities		\$24,268,589				Dow Jones AIG Index	Yes	N/A			

SACRAMENTO COUNTY EMPLOYEES' RETIREMENT SYSTEM

Investment Manager Monthly Activity, Compliance, and Watch List Report

August 31, 2016

#	Investment Manager	Fund Type	Watch List	Net Asset Value (as of August 31, 2016)*	SCERS Investment / Commitment	Total Capital Called to Date	Total Capital Returned to Date**	Benchmark	Comply	Counter-Party Comply	Purchases / Capital Called (month)	Sales / Capital Returned (month)**	Top 10 Holdings / Notes
REAL ASSETS													
90	Atalaya SCERS SMA, LLC	Asset Backed Lending Separate Account		\$11,923,362	\$100,000,000	\$13,700,253	\$2,713,687	CPI-U Headline + 500 bps	Yes	N/A			
91	ArcLight Energy Partners VI, LP	Energy - Midstream		\$16,558,261	\$40,000,000	\$17,333,454	\$573,221	CPI-U Headline + 500 bps	Yes	N/A	\$3,045,231		
92	ACM Fund II, LLC	Real Assets - Agriculture			\$25,000,000			CPI-U Headline + 500 bps	Yes	N/A			
93	EnCap Flatrock Midstream III, LP	Energy - Midstream		\$6,658,761	\$20,000,000	\$7,093,240	\$1,048,775	CPI-U Headline + 500 bps	Yes	N/A	\$3,548,253		
94	Quantum Energy Partners VI, LP	Energy - Midstream		\$7,834,270	\$35,000,000	\$8,792,994	\$1,770,702	CPI-U Headline + 500 bps	Yes	N/A			
95	EnCap Energy Capital Fund IX, LP	Energy - Upstream		\$26,129,346	\$33,000,000	\$28,243,164	\$7,198,376	CPI-U Headline + 500 bps	Yes	N/A	\$1,054,409	\$1,748,617	
96	EnCap Energy Capital Fund X, LP	Energy - Upstream		\$8,911,477	\$40,000,000	\$10,308,320	\$614,731	CPI-U Headline + 500 bps	Yes	N/A	\$956,271		
97	First Reserve Energy Infrastructure II, LP	Energy Infrastruc.		\$6,507,566	\$35,000,000	\$7,137,143	\$181,143	CPI-U Headline + 500 bps	Yes	N/A			
98	Carlyle Power Partners II, LP	Energy - Power		\$12,880,661	\$40,000,000	\$18,732,977	\$3,748,538	CPI-U Headline + 500 bps	Yes	N/A			
99	IFM Global Infrastructure Fund (US), LP	Infrastruc. - Core			\$75,000,000			CPI-U Headline + 500 bps	Yes	N/A			
100	Brookfield Infrastructure Fund III, LP	Infrastruc. - Core		\$5,378,073	\$40,000,000	\$5,651,731	\$725,099	CPI-U Headline + 500 bps	Yes	N/A	\$170,228	\$505,551	
101	Wastewater Opportunity Fund, LP	Infrastruc. - Water/Wastewater		\$1,184,143	\$25,000,000	\$2,043,024	\$139,642	CPI-U Headline + 500 bps	Yes	N/A			
102	Pantheon SCERS Secondary Infrastructure, LLC	Infrastruc. - Secondary Separate Account		\$35,639,976	\$100,000,000	\$24,700,000		CPI-U Headline + 500 bps	Yes	N/A			
103	TOTAL REAL ASSETS			\$1,055,382,524	\$744,202,322	\$249,629,801	\$20,535,316				\$10,091,908	\$2,924,666	

SACRAMENTO COUNTY EMPLOYEES' RETIREMENT SYSTEM

Investment Manager Monthly Activity, Compliance, and Watch List Report

August 31, 2016

#	Investment Manager	Fund Type	Watch List	Net Asset Value (as of August 31, 2016)*	SCERS Investment / Commitment	Total Capital Called to Date	Total Capital Returned to Date**	Benchmark	Comply	Counter-Party Comply	Purchases / Capital Called (month)	Sales / Capital Returned (month)**	Top 10 Holdings / Notes
OPPORTUNITIES													
104	DRC European Real Estate Debt Fund II, LP	Distressed Debt - Europe		\$24,643,452	\$50,000,000	\$68,876,226	\$45,488,747	NFI-ODCE Index	Yes	N/A		\$5,339,488	Fund is denominated in UK pound sterling and has been converted to US dollars based on the exchange rate at the time of the transaction.
105	Atalaya Special Opportunities Fund V, LP	Distressed Debt - US		\$18,126,724	\$25,000,000	\$24,875,000	\$10,646,202	Russell 1000 + 300 bps	Yes	N/A		\$421,941	
106	CIM Opportunity Fund VIII, LP	Real Estate Opport.		\$22,781,258	\$35,000,000	\$26,355,617	\$5,114,809	NFI-ODCE + 100 bps	Yes	N/A			
107	KKR Real Estate Partners Americas, LP	Real Estate Opport.		\$20,514,220	\$35,000,000	\$27,204,458	\$12,796,252	NFI-ODCE + 100 bps	Yes	N/A	\$826,400	\$1,863,350	
108	Och-Ziff Real Estate Fund III, LP	Real Estate Opport.		\$10,230,291	\$35,000,000	\$9,811,553	\$465,174	NFI-ODCE + 100 bps	Yes	N/A	\$1,797,250	\$93,333	
109	AEW Value Investors II, LP	Real Estate Value Add		\$2,092,018	\$25,000,000	\$21,812,596	\$26,113,671	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 April 2016.
110	Allegis Value Trust	Real Estate Value Add		\$21,538,910	\$25,000,000	\$25,000,000	\$7,309,000	NFI-ODCE + 100 bps	Yes	N/A			
111	ECE European Prime Shopping Centre Fund II, SCS SIF	Real Estate Value Add		\$7,317,684	\$35,000,000	\$7,926,148	\$420,106	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.
112	Hammes Partners II, LP	Real Estate Value Add		\$7,123,394	\$25,000,000	\$7,624,767	\$633,729	NFI-ODCE + 100 bps	Yes	N/A			
113	Hines US Office Value Fund II, LP	Real Estate Value Add	YES	\$4,118,572	\$22,572,950	\$21,726,796	\$10,297,232	NFI-ODCE + 100 bps	Yes	N/A			
114	NREP Nordic Strategies Fund, FCP-FIS	Real Estate Value Add		\$21,618,979	\$25,000,000	\$22,179,980	\$5,595,574	NFI-ODCE + 100 bps	Yes	N/A	\$3,348,650		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	NREP Nordic Strategies Fund II	Real Estate Value Add		\$4,454,178	\$35,000,000	\$4,707,229		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	TOTAL OPPORTUNITIES			\$160,105,501	\$337,572,950	\$263,393,142	\$124,880,496				\$5,972,300	\$7,718,112	

SACRAMENTO COUNTY EMPLOYEES' RETIREMENT SYSTEM

Investment Manager Monthly Activity, Compliance, and Watch List Report

August 31, 2016

#	Investment Manager	Fund Type	Watch List	Net Asset Value (as of August 31, 2016)*	SCERS Investment / Commitment	Total Capital Called to Date	Total Capital Returned to Date**	Benchmark	Comply	Counter-Party Comply	Purchases / Capital Called (month)	Sales / Capital Returned (month)**	Top 10 Holdings / Notes
SHORT-TERM													
117	State Street Global Advisors - STIF (Cash Account)	Cash		\$268,413,418				91 Day T-Bill	Yes	N/A	\$241,395,948	\$144,887,558	Unallocated cash is swept into a short-term investment fund.
118	TOTAL			\$268,413,418							\$241,395,948	\$144,887,558	
FUTURES OVERLAY													
119	States Street Global Advisors (Futures Overlay)	Overlay		\$160,677,028				Target Asset Allocation	Yes	N/A	\$72,768,343	\$57,473,942	State Street Bank + Trust Co, Otc290747 Trs Usd R E, Otc290738 Trs Usd R E, Otc290775 Trs Usd R E, Us Dollar, Gnma I Tba 30 Yr 3.5, Fnma Tba 30 Yr 4, Fnma Tba 15 Yr 2.5, Fhlmc Tba 30 Yr 3.5, Fnma Tba 30 Yr 3
120	TOTAL			\$160,677,028							\$72,768,343	\$57,473,942	
SCERS TOTAL PORTFOLIO				\$8,026,512,327	\$2,285,664,499	\$1,226,952,291	\$304,784,031				\$892,977,771	\$605,892,541	

*Net Asset Value for Private Equity, Real Assets, and Opportunistic are June 2016 values adjusted for cash flows, except where noted.

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

INVESTMENT MANAGER WATCH LIST 31-Aug-16

#	Investment Manager	Fund Type	Reason	Effective (month - year)	Commentary
1	Hines US Office Value Fund II	Real Estate - Value Add	Performance	Nov-10	Though the firm's shorter period returns have been favorable, the since inception return significantly underperformed against the benchmark: 2Q2016 (-1.5% vs. +2.7%); 1-Year (+12.2% vs. +13.6%); 3-Year (+29.4% vs. +13.9%); 5-Year (+18.7% vs. +13.9%); and since inception return (-16.0% vs. +8.8%).
2	Brigade SC Credit Opportunities Mandate, LLC	Strategic Credit	Organizational Change	Mar-14	Ben Renshaw, head of Brigade's Zurich office since 2011, announced his retirement. Mr. Renshaw is a senior manager and was considered the "right-hand-man" to Don Morgan, the co-founder. Returns have underperformed the benchmark: 2Q2016 (+8.5% vs. +4.4%); 1-Year (-1.1% vs. +1.4%); and since inception (+1.0% vs. +2.7%).
3	Huber Capital Management	Large Cap Value	Performance	Feb-15	Returns have underperformed the benchmark over all periods: 2Q2016 (+1.6% vs. +4.6%); 1-Year (-4.9% vs. +2.9%); 3-Year (+3.8% vs. +9.9%); and since inception (+8.3% vs. +12.6%).
4	Weatherbie Capital Management	Small Cap Growth	Performance	Sep-15	Returns have underperformed the benchmark over all periods: 2Q2016 (+3.0% vs. +3.2%); 1-Year (-7.5% vs. -10.6%); 3-Year (+4.8% vs. +7.7%); 5-Year (+7.8% vs. +8.5%); and since inception (+9.4% vs. +10.3%).