



ITEM 15

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:
August 17, 2016

August 12, 2016

TO: President and Members
Board of Retirement

FROM: JR Pearce
Investment Officer

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

Recommendation:

It is recommended that the attached July 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 July 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.

July 2016 Monthly Investment Manager Activity,
Compliance Report, and Watch List
August 12, 2016
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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

July 31, 2016

#	Investment Manager	Fund Type	Watch List	Net Asset Value (as of July 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		\$124,853,855				S&P 500 + 100 bps	Yes	N/A	\$16,746,399	\$16,428,524	Alphabet, Microsoft, Occidental Petroleum, Broadcom Ltd, Chubb Limited, Wells Fargo, UnitedHealth Group, General Motors, Honeywell International, Pfizer
2	Eagle Capital Management	Large Cap Core		\$256,426,046				Russell 1000 + 100 bps	Yes	N/A	\$157,583		Oracle Corp, Berkshire Hathaway Inc Cl B, Microsoft Corp, Aon Plc, Amazon.Com Inc, Unitedhealth Group Inc, Citigroup Inc, Alphabet Inc Cl C, Liberty Global Plc Series C, Jpmorgan Chase + Co
3	Brown Advisory	Large Cap Growth		\$119,333,447				Russell 1000 Growth + 100 bps	Yes	N/A	\$7,591,280	\$7,119,896	Amazon.Com Inc, Facebook Inc A, Visa Inc Class A Shares, State Street Bank + Trust Co, Starbucks Corp, Costco Wholesale Corp, Bristol Myers Squibb Co, Danaher Corp W/D, Estee Lauder Companies Cl A, Intuitive Surgical Inc
4	Alliance Bernstein	Large Cap Passive		\$1,127,921,719				Russell 1000	Yes	N/A	\$3,920,180	\$6,111,786	Apple Inc, Microsoft Corp, Exxon Mobil Corp, Johnson + Johnson, Amazon.Com Inc, General Electric Co W/D, Facebook Inc A, Berkshire Hathaway Inc Cl B, At+T Inc, Jpmorgan Chase + Co
5	Huber Capital Management	Large Cap Value	YES	\$111,801,286				Russell 1000 Value + 100 bps	Yes	N/A	\$2,958,718	\$2,570,648	Ca Inc, Kbr Inc, Pfizer Inc, Cno Financial Group Inc, Bank Of America Corp, Eli Lilly + Co, Philip Morris International, Herbalife Ltd, Citigroup Inc, Northrop Grumman Corp
6	CenterSquare Investment Management (formerly Urdang)	REIT - US		\$126,728,524				NAREIT + 100 bps	Yes	N/A	\$9,959,866	\$9,568,869	Simon Property Group Inc, Welltower Inc, Public Storage, Avalonbay Communities Inc, Equinix Inc, Duke Realty Corp, Prologis Inc, Hcp Inc, Vornado Realty Trust, Host Hotels + Resorts Inc
7	Weatherbie Capital	Small Cap Growth	YES	\$73,317,755				Russell 2000 Growth + 150 bps	Yes	N/A	\$7,546,177	\$7,465,726	Wayfair Inc Class A, Firstservice Corp, State Street Bank + Trust Co, Ultimate Software Group Inc, Middleby Corp, Macom Technology Solutions H, Signature Bank, Paylocity Holding Corp, Fleetmatics Group Plc, Epam Systems Inc
8	UBS Global Asset Management	Small Cap Growth		\$57,419,520				Russell 2000 Growth + 150 bps	Yes	N/A	\$920,746	\$1,144,830	State Street Bank + Trust Co, Gigamon Inc, Dexcom Inc, Proofpoint Inc, 8X8 Inc, Wix.Com Ltd, Abiomed Inc, Exact Sciences Corp, Ligand Pharmaceuticals, Integrated Device Tech Inc
9	Dalton, Greiner, Hartman, Maher	Small Cap Value		\$69,099,576				Russell 2000 Value + 150 bps	Yes	N/A	\$3,676,151	\$4,287,683	State Street Bank + Trust Co, Brandywine Realty Trust, Kennedy Wilson Holdings Inc, Kite Realty Group Trust, Colony Capital Inc A, Trueblue Inc, Hersh Hospitality Trust, Sandy Spring Bancorp Inc, Servicemaster Global Holding, Merit Medical Systems Inc
10	Wedge Capital Management	Small Cap Value		\$76,352,937				Russell 2000 Value + 150 bps	Yes	N/A	\$644,564	\$339,607	Treehouse Foods Inc, Aecom, Dupont Fabros Technology, Stag Industrial Inc, State Street Bank + Trust Co, Enersys, Amsurg Corp, Endurance Specialty Holdings, Standex International Corp, Dana Inc
11	TOTAL DOMESTIC EQUITY			\$2,143,254,664							\$54,121,664	\$55,037,570	

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INTERNATIONAL EQUITY													
12	Lazard Asset Management	ACWI ex-US		\$402,463,179				MSCI ACWI Ex-US + 100 bps	Yes	N/A	\$17,856,566	\$24,904,762	Lazard Emerging Markets Equity, State Street Bank + Trust Co, Daiwa House Industry Co Ltd, Don Quijote Holdings Co Ltd, Sampo Oyj A Shs, British American Tobacco Plc, Shire Plc, Aon Plc, Actelion Ltd Reg, Aeon Financial Service Co Lt
13	LSV Asset Management	Developed Large Cap		\$413,154,493				MSCI World Ex-US + 100 bps	Yes	N/A	\$13,902,763	\$12,098,378	Nippon Telegraph + Telephone, Royal Dutch Shell Plc B Shs, Sanofi, Koninklijke Ahold Delhaize N, Bae Systems Plc, Swiss Re Ag, Total Sa, Bp Plc, Astellas Pharma Inc, Swiss Life Holding Ag Reg
14	William Blair International Small Cap	Developed Small Cap Growth		\$105,680,784				MSCI Small Cap World ex-US + 150 bps	Yes	N/A	\$5,027,814	\$5,144,025	Glp J-Reit, Micro Focus International, Nissan Chemical Industries, Aurelius Se & Co Kгаа, Star Entertainment Grp Ltd/T, Orora Ltd, Royal Unibrew, Sats Ltd, Icon Plc, Yes Bank Ltd
15	Mondrian International Small Cap	Developed Small Cap Value		\$85,333,840				MSCI Small Cap World ex-US + 150 bps	Yes	N/A	\$1,582,932	\$1,621,905	CAE Inc, Nifco Inc, Auckland International Airport Ltd, Croda International PLC, Christian Hansen Holding A/S, Spirax-Sarco Engineering PLC, MTU Aero Engines AG Registered, AF AB B Shares, SATS Ltd, Ascendas REIT
16	Ballie Gifford EM All Cap	Emerging Market - All Cap		\$122,500,000				MSCI Emerging Markets + 150 bps	Yes	N/A			
17	Mondrian EM All Cap	Emerging Market - All Cap		\$122,500,000				MSCI Emerging Markets + 150 bps	Yes	N/A	\$2,035,566	\$678,150	Samsung Electronics Co Ltd, Taiwan Semiconductor Manufacturing Ltd, China Mobile Ltd, SK Telecom Co Ltd, Hyundai Mobis Co Ltd, Taiwan Mobile Co Ltd, Bajaj Auto Ltd, Fibra Uno Administracion SA, Abbott Laboratories, CCR SA
18	Mondrian EM Small Cap	Emerging Market - Small Cap		\$23,760,891				MSCI Emerging Markets Small Cap + 150 basis points	Yes	N/A	\$419,346	\$382,054	Nippon Indosari Corpindo Tbk PT, Berger Paints India Ltd, CT Environmental Group Ltd, QL Resources Bhd, AKR Corporindo Tbk PT, Hartalega Holdings Bhd, Nexteer Automotive Group Ltd, Amara Raja Batteries Ltd, Voltronic Power Technology Corp, Ginko International Co Ltd
19	William Blair EM Small Cap	Emerging Market - Small Cap		\$25,007,205				MSCI Emerging Markets Small Cap + 150 basis points	Yes	N/A			Raia Drogasil Sa, Yes Bank Ltd, Yandex Nv-A, Bajaj Finance Ltd, Bharat Financial Inclusion L, Grupo Aeroportuario Del Cent, Indusind Bank Ltd, Gt Capital Holdings Inc, Tofas Turk Otomobil Fabrika, Banregio Grupo Financiero Sa
20	CBRE Clarion Securities	REIT - Internat'l		\$83,165,280				NAREIT Global ex-US Real Estate + 100 bps	Yes	N/A	\$7,601,864	\$5,691,118	Sun Hung Kai Properties, Unibail Rodamco Se, Mitsubishi Estate Co Ltd, Scentre Group, Mirvac Group, Japan Real Estate Investment, Vonovia Se, Deutsche Wohnen Ag Br, Fukuoka Reit Corp, Sumitomo Realty + Developmen
21	TOTAL INTERNATIONAL EQUITY			\$1,383,565,671							\$48,426,851	\$50,520,392	

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FIXED INCOME													
22	Neuberger Investment Management	Enhanced Index		\$365,781,208				Barclays Aggregate Bond + 25 bps	Yes	N/A	\$31,907,219	\$31,600,493	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, Gnma Ii Tba 30 Yr 3.5, Us Treasury N/B, Us Treasury N/B, Us Treasury N/B
23	Metropolitan West Asset Management	Core Plus		\$382,519,449				Barclays Aggregate Bond + 70 bps	Yes	N/A	\$86,706,153	\$56,564,863	State Street Bank + Trust Co, Us Treasury N/B, Us Treasury N/B, Us Treasury N/B, Us Treasury N/B, Metropolitan West High Yield B, Fnma Tba 15 Yr 2.5, Fannie Discount Note, Us Treasury N/B, Gnma Ii Tba 30 Yr 3.5 <i>Monthly Purchases and Sales excludes derivative transactions.</i>
24	Prudential Investment Management	Core Plus		\$409,445,745				Barclays Aggregate Bond + 70 bps	Yes	N/A	\$148,346,862	\$150,802,046	B91Qxs9P4 Cds Usd R V 00Mevent, B8A2Jfqg0 Irs Usd R V 03Mlibor, B8A2P3Hr6 Irs Usd R V 03Mlibor, B8A2Y2Cj1 Irs Usd R V 03Mlibor, B8A2Wddf6 Irs Usd R V 03Mlibor, B8A2G7517 Irs Usd R V 03Mlibor, B8A3Auj23 Irs Usd R F 1.75500, Inhy, Ptbltr, Us Treasury N/B <i>Monthly Purchases and Sales excludes derivative transactions.</i>
25	Brandywine Global Investment Management	Global		\$214,777,630				80% Citigroup WGBI / 20% JP Morgan GBI-EM Global Diversified	Yes	N/A	\$9,313,360	\$14,757,237	Mbono 7 3/4 11/13/42, Ukt 1 1/4 07/22/18, 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	\$148,434,817				50% BofA Merrill Lynch High Yield Master II Constrained / 50% Credit Suisse Leveraged Loan	Yes	N/A			
27	TOTAL FIXED INCOME			\$1,520,958,849							\$276,273,594	\$253,724,640	

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ABSOLUTE RETURN													
28	Grosvenor SC Absolute Return Fund (SCARF)	Diversified Separate Account		\$238,994,058				90-Day U.S. T-Bill + 500 bps	Yes	Yes			
29	Grosvenor SC Absolute Return Fund, Series B (SCARF-B)	Diversified Separate Account		\$161,102,802				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		\$37,888,785	\$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		\$35,301,560				90-Day U.S. T-Bill + 500 bps	Yes	Yes			
33	Third Point Partners Qualified, LP	Event Driven		\$38,515,072				90-Day U.S. T-Bill + 500 bps	Yes	Yes			
34	Grosvenor	Fund of Funds		\$292,998				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		\$3,947,889				90-Day U.S. T-Bill + 500 bps	Yes	Yes		\$4,347,213	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		\$47,628,080				90-Day U.S. T-Bill + 500 bps	Yes	Yes			
39	Och-Ziff Domestic Partners Fund II, LP	Multi-Strategy		\$39,654,390				90-Day U.S. T-Bill + 500 bps	Yes	Yes			
40	TOTAL ABSOLUTE RETURN FUNDS			\$721,616,359	\$75,945,627	\$72,740,627						\$4,347,213	

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PRIVATE EQUITY													
41	Abbott Capital Private Equity Fund VI, LP	aFund of Funds		\$59,372,199	\$75,000,000	\$66,375,000	\$24,750,000	Russell 1000 + 300 bps	Yes	N/A		\$375,000	
42	HarbourVest International PEP VI, LP	aFund of Funds		\$29,729,214	\$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		\$29,098,156	\$50,000,000	\$46,735,375	\$18,678,189	Russell 1000 + 300 bps	Yes	N/A		\$39,144	
44	Private Equity (Goldman Sachs) X, LP	aFund of Funds		\$55,257,538	\$75,000,000	\$74,342,136	\$23,440,705	Russell 1000 + 300 bps	Yes	N/A		\$1,842,350	
45	Accel-KKR Capital Partners IV, LP	Buyout		\$8,469,259	\$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		\$10,438,430	\$20,000,000	\$10,400,573		Russell 1000 + 300 bps	Yes	N/A	\$1,988,543		
49	Linden Capital Partners III, LP	Buyout - Middle Market Healthcare		\$4,331,783	\$35,000,000	\$4,331,783		Russell 1000 + 300 bps	Yes	N/A			
50	Thoma Bravo Fund XI, LP	Buyout - Middle Market Technology		\$27,696,197	\$30,000,000	\$26,526,961		Russell 1000 + 300 bps	Yes	N/A			
51	Thoma Bravo Fund XII, LP	Buyout - Middle Market Technology		\$2,199,818	\$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		(\$227,301)	\$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.

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PRIVATE EQUITY													
53	Waterland Fund V, LP	Buyout - Non-US		\$8,736,475	\$23,193,600	\$13,690,515	\$15,524,350	Russell 1000 + 300 bps	Yes	N/A	\$267,587		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		\$1,972,073	\$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		\$5,361,307	\$10,000,000	\$6,412,287	\$1,411,103	Russell 1000 + 300 bps	Yes	N/A	\$523,998	\$1,099,228	
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		\$28,504,266	\$35,000,000	\$41,173,564	\$15,200,654	Russell 1000 + 300 bps	Yes	N/A	\$623,008	\$661,796	
58	RRJ Capital Master Fund III, LP	Buyout - Special Situations SE Asia		\$2,914,204	\$40,000,000	\$3,217,778	\$266,667	Russell 1000 + 300 bps	Yes	N/A	\$1,600,000	\$266,667	
59	Summit Partners Credit Fund I, LP	Corp. Credit Lending		\$10,544,170	\$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		\$22,334,622	\$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		\$20,275,863	\$32,000,000	\$23,227,803	\$2,820,666	Russell 1000 + 300 bps	Yes	N/A	\$148,445	\$633,798	
62	Atalaya Special Opportunities Fund VI, LP	Distressed Debt		\$12,752,629	\$25,000,000	\$12,752,629		Russell 1000 + 300 bps	Yes	N/A	\$1,875,000		
63	Garrison Opportunity Fund III, LP	Distressed Debt		\$16,067,860	\$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		\$15,972,275	\$30,000,000	\$16,159,790	\$3,086,100	Russell 1000 + 300 bps	Yes	N/A			
65	TPG Opportunities Partners III, LP	Distressed Debt		\$16,005,802	\$40,000,000	\$18,301,337	\$2,316,986	Russell 1000 + 300 bps	Yes	N/A			

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PRIVATE EQUITY													
66	Wayzata Opportunities Fund III, LP	Distressed Debt		\$10,477,384	\$30,000,000	\$14,385,000	\$2,742,383	Russell 1000 + 300 bps	Yes	N/A		\$579,000	
67	Summit Partners Venture Capital Fund III, LP	Growth Equity		\$19,935,179	\$16,350,000	\$16,350,000		Russell 1000 + 300 bps	Yes	N/A	\$654,000		
68	Summit Partners Venture Capital Fund IV, LP	Growth Equity		\$1,209,065	\$35,000,000	\$1,285,111		Russell 1000 + 300 bps	Yes	N/A			
69	TSG 7A,LP and TSG 7B, LP	Buyout - Consumer Brands		\$435,662	\$20,000,000	\$485,932	\$7,227	Russell 1000 + 300 bps	Yes	N/A	\$131,490		
68	Accel-KKR Structured Credit Capital II, LP	Growth Equity - Software Technology		\$2,142,432	\$15,000,000	\$2,923,433	\$384,805	Russell 1000 + 300 bps	Yes	N/A			
69	Spectrum Equity Investors VII, LP	Growth Equity - Software Technology		\$11,586,270	\$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		\$13,496,913	\$10,000,000	\$9,400,000	\$955,913	Russell 1000 + 300 bps	Yes	N/A	\$350,000		
72	Khosla Ventures Fund V, LP	Venture Capital		\$8,202,033	\$20,000,000	\$7,820,000		Russell 1000 + 300 bps	Yes	N/A	\$540,000		
73	NEA 14, LP	Venture Capital		\$31,040,037	\$25,000,000	\$23,500,000	\$1,358,524	Russell 1000 + 300 bps	Yes	N/A			
74	NEA 15, LP	Venture Capital		\$13,767,562	\$35,000,000	\$13,654,431		Russell 1000 + 300 bps	Yes	N/A	\$700,000		
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		\$2,400,000	\$30,000,000	\$2,400,000		Russell 1000 + 300 bps	Yes	N/A			
77	TOTAL PRIVATE EQUITY			\$550,434,919	\$1,127,943,600	\$632,771,731	\$154,082,110				\$9,550,517	\$6,130,782	

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REAL ASSETS													
78	SSgA Real Asset Strategy Proxy	Real Assets Overlay		\$265,334,848				Blended benchmarked to strategy fund weights	Yes	N/A	\$51,349,686	\$2,694,049	
79	BlackRock Realty	Real Estate - Core Separate Account		\$223,190,760				NFI-ODCE Index	Yes	N/A		\$759,600	Assets Managed does not include \$55.35 million of debt.
80	Cornerstone	Real Estate - Core Separate Account		\$57,947,875				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		\$48,321,050				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		\$30,834,788	\$31,202,322	\$31,202,322	\$1,080,219	NFI-ODCE Index	Yes	N/A		\$383,080	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		\$30,462,267	\$35,000,000	\$29,800,000	\$741,181	NFI-ODCE Index	Yes	N/A		\$299,530	
87	Townsend Real Estate Fund, LP	Real Estate - Core		\$44,891,079	\$70,000,000	\$44,891,179		NFI-ODCE Index	Yes	N/A			
88	Blackstone Resources Select Offshore Fund	Commodities		\$42,960,667				Blend of GSCI and Dow Jones AIG	Yes	N/A			
89	Gresham Strategic Commodities Fund	Commodities		\$24,561,192				Dow Jones AIG Index	Yes	N/A			

SACRAMENTO COUNTY EMPLOYEES' RETIREMENT SYSTEM

Investment Manager Monthly Activity, Compliance, and Watch List Report

July 31, 2016

#	Investment Manager	Fund Type	Watch List	Net Asset Value (as of July 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		\$11,471,406	\$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		\$12,693,684	\$40,000,000	\$14,288,223		CPI-U Headline + 500 bps	Yes	N/A			
92	EnCap Flatrock Midstream III, LP	Energy - Midstream		\$3,110,508	\$20,000,000	\$3,544,987	\$1,048,775	CPI-U Headline + 500 bps	Yes	N/A		\$100,239	
93	Quantum Energy Partners VI, LP	Energy - Midstream		\$7,954,906	\$35,000,000	\$8,792,994	\$1,770,702	CPI-U Headline + 500 bps	Yes	N/A			
94	EnCap Energy Capital Fund IX, LP	Energy - Upstream		\$25,945,839	\$33,000,000	\$26,594,650	\$5,449,760	CPI-U Headline + 500 bps	Yes	N/A	\$283,609	\$147,839	
95	EnCap Energy Capital Fund X, LP	Energy - Upstream		\$7,955,206	\$40,000,000	\$9,352,049	\$614,731	CPI-U Headline + 500 bps	Yes	N/A	\$214,892		
96	First Reserve Energy Infrastructure II, LP	Energy Infrastruc.		\$6,726,057	\$35,000,000	\$7,137,143	\$181,143	CPI-U Headline + 500 bps	Yes	N/A	\$700,125		
97	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	\$16,301	\$1,135,071	
98	IFM Global Infrastructure Fund (US), LP	Infrastruc. - Core			\$75,000,000			CPI-U Headline + 500 bps	Yes	N/A			
99	Brookfield Infrastructure Fund III, LP	Infrastruc. - Core		\$8,341,075	\$40,000,000	\$5,481,503	\$219,549	CPI-U Headline + 500 bps	Yes	N/A	\$1,381,076	\$219,549	
100	Wastewater Opportunity Fund, LP	Infrastruc. - Water/Wastewater		\$1,264,023	\$25,000,000	\$2,043,024	\$139,642	CPI-U Headline + 500 bps	Yes	N/A	\$878,286	\$139,642	
101	Pantheon SCERS Secondary Infrastructure, LLC	Infrastruc. - Secondary Separate Account		\$30,939,976	\$100,000,000	\$24,700,000		CPI-U Headline + 500 bps	Yes	N/A			
102	TOTAL REAL ASSETS			\$1,003,330,455	\$719,202,322	\$240,261,304	\$17,707,927				\$54,823,975	\$5,878,599	

SACRAMENTO COUNTY EMPLOYEES' RETIREMENT SYSTEM

Investment Manager Monthly Activity, Compliance, and Watch List Report

July 31, 2016

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OPPORTUNITIES													
103	DRC European Real Estate Debt Fund II, LP	Distressed Debt - Europe		\$28,061,951	\$50,000,000	\$68,876,226	\$40,103,154	NFI-ODCE Index	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	Atalaya Special Opportunities Fund V, LP	Distressed Debt - US		\$18,359,067	\$25,000,000	\$24,875,000	\$10,224,261	Russell 1000 + 300 bps	Yes	N/A		\$171,414	
105	CIM Opportunity Fund VIII, LP	Real Estate - Opport.		\$22,068,264	\$35,000,000	\$26,355,617	\$5,114,809	NFI-ODCE + 100 bps	Yes	N/A	\$4,678,819		
106	KKR Real Estate Partners Americas, LP	Real Estate - Opport.		\$21,551,170	\$35,000,000	\$26,304,466	\$10,859,310	NFI-ODCE + 100 bps	Yes	N/A			
107	Och-Ziff Real Estate Fund III, LP	Real Estate - Opport.		\$8,170,364	\$35,000,000	\$8,014,303	\$371,841	NFI-ODCE + 100 bps	Yes	N/A			
108	AEW Value Investors II, LP	Real Estate - Value Add		\$2,086,981	\$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.
109	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			
110	ECE European Prime Shopping Centre Fund II, SCS SIF	Real Estate - Value Add		\$7,689,075	\$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.
111	Hammes Partners II, LP	Real Estate - Value Add		\$6,994,164	\$25,000,000	\$7,624,767	\$633,729	NFI-ODCE + 100 bps	Yes	N/A			
112	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		\$2,808,328	
113	NREP Nordic Strategies Fund, FCP-FIS	Real Estate - Value Add		\$17,416,997	\$25,000,000	\$18,831,330	\$5,522,576	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.
114	NREP Nordic Strategies Fund II	Real Estate - Value Add		\$4,532,219	\$35,000,000	\$4,569,384		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	TOTAL OPPORTUNITIES			\$158,055,514	\$337,572,950	\$257,347,250	\$116,969,688				\$4,678,819	\$2,979,742	

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Investment Manager Monthly Activity, Compliance, and Watch List Report

July 31, 2016

#	Investment Manager	Fund Type	Watch List	Net Asset Value (as of July 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													
116	State Street Global Advisors - STIF (Cash Account)	Cash		\$351,039,455				91 Day T-Bill	Yes	N/A	\$123,337,551	\$86,828,835	Unallocated cash is swept into a short-term investment fund.
117	TOTAL			\$351,039,455							\$123,337,551	\$86,828,835	
FUTURES OVERLAY													
118	States Street Global Advisors (Futures Overlay)	Overlay		\$156,700,582				Target Asset Allocation	Yes	N/A	\$418,727,062	\$391,851,290	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
119	TOTAL			\$156,700,582							\$418,727,062	\$391,851,290	
SCERS TOTAL PORTFOLIO				\$7,988,956,468	\$2,260,664,499	\$1,203,120,912	\$288,759,726				\$989,940,033	\$857,299,062	

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

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

INVESTMENT MANAGER WATCH LIST 31-Jul-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%).