



Retirement Connection

Special Newsletter for DCREA Members | February 2015

"It is our mission to provide retirement benefits and superior service to advance the financial security of our members."

Dallas ERF Earned A Positive Return Of 6.5 % In 2014

FROM THE DESK OF ERF'S EXECUTIVE DIRECTOR - CHERYL D. ALSTON

Happy New Year!

2014 was a positive year for the Employees' Retirement Fund. Our investment portfolio generated a return of 6.3% (net of fees) for calendar year 2014, ending the year with \$3.4 billion in assets. The Fund has performed well over longer time periods. The Fund's 3 year return is 12.4% and the 5 year return is 10.7%.

The best performing asset class in 2014 was the Fund's Real Estate investments, generating 18.5% for the year. The Real Estate investments consist of publicly traded real estate called Real Estate Investment Trusts ("REITs") and national private real estate funds. Public Real Assets, made up of energy Master Limited Partnerships (MLPs), had the next best performance. The Fund's MLP managers earned 18.3%, which outpaced the Alerian MLP benchmark of 4.8%. The domestic markets also had solid gains in 2014. Our investments in Domestic Equity returned 11.2% for the year.

The International markets struggled due to economic factors, with the benchmarks of MSCI EAFE (developed markets) returning -4.90% and MSCI ACWI ex US (includes emerging markets) at -3.9% for the year. Our investment in International Equity was the only negative asset class with a return of -4.3% for 2014. Our allocation to Global Equity stocks returned 3.5%. Private Equity lags a quarter so the last reported quarter is September 30, 2014. As of 9/30/14, the investments in Private Equity returned 14.2%.

Fixed Income is 30% of the ERF investment portfolio. Our high yield investments posted a positive return of 1.7%. Our investment in Global Fixed Income returned 6.5% and outperformed the Barclays Aggregate benchmark of 5.97% in 2014.

2014 was a volatile year for the stock market and I want to thank the Board members for their discipline, patience, and investment expertise as the markets continue to evolve. As pension fund investors, we have to remember to focus on the long term investment horizon. I would also like to take this opportunity to commend the ERF staff for their diligence and commitment to excellent service to employees and pensioners.



In summary, active members, terminated employees with a vested pension and retirees should feel confident that ERF remains sound and your retirement benefits are safe and secure. We welcome your questions, comments, or suggestions.



Free and Fun Activities for You and Your Family

If you're a person who would like to put more fun into your life. It could be time to reach out and find interesting free entertainment. You could ask a friend to join you or just go solo and meet new people.

Open Mic Nights

Check out coffee houses and pubs that provide an open microphone and performance venue to amateur musicians and poets also known as spoken word artists. It's a great way to support local artists and to hear some of the latest sounds around or even to sing a song yourself, just for fun.

Free Admission to Museums

Many offer free admission at least one night each week. Check out the Dallas Museum of Art for free admission on the first Tuesday of each month. In the Dallas Fair Park you can visit the African American Museum Tuesday to Saturday for free. The Latino Cultural Center located in downtown Dallas offers free admission every day. You can enjoy a free tour of the Morton H. Meyerson, Symphony Center any day of the week, call ahead of your visit for more information on the Meyerson's free tours at 214-670-3600. The Klyde Warren Park in downtown Dallas offers a variety of free activities throughout the year. Go to the parks web site to check the schedule of activities at www.klydewarrenpark.org.

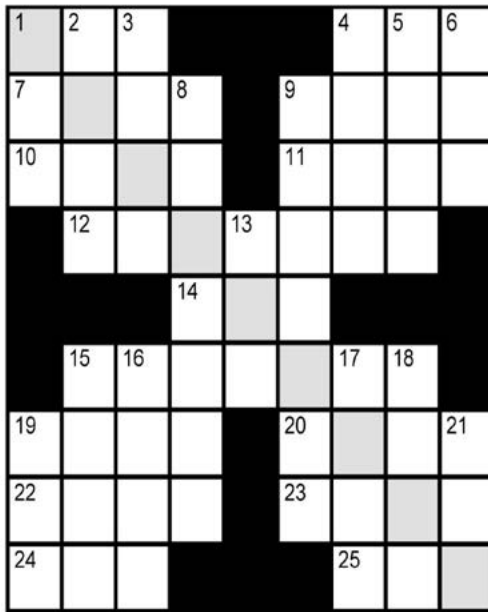
Free Lunchtime Concerts

During nice weather, many communities offer free lunchtime concerts in pleasant locations. "Shakespeare in the Park," offers performances from mid-June to late July every summer and late September to mid-October. Performances are in the amphitheater at the Samuell Grand Park in Dallas. Pack a picnic or a brown bag lunch, grab a friend, and enjoy the sunshine and the energy of the city. It may take a little research, but you can get out and enjoy yourself for little or no money at all.

Most important meal?

Across

1. Get in a pool
4. Farm female
7. Flower with a bulb
9. Black cat, maybe
10. Cut the fat
11. Warm-hearted
12. Back-to-school purchases
14. Island strings
15. Fir or pine
19. Ancient ornamental collar
20. Debussy subject
22. Sound of relief
23. Gaelic language
24. Thickness
25. Allow



Down

1. "One no", in bridge
2. Iroquoian Indian
3. Wedding cake feature
4. Arabic for "commander"
5. Cysts
6. Conclude
8. Firm
9. Painter Georgia
13. Schuss, e.g.
15. Helix
16. Spree
17. ___ of Sandwich
18. Trick
19. Cooking meas.
21. After expenses

The title is a clue to the word in the shaded diagonal.



Spring **forward**

MARCH 8



Set your clocks forward one hour at midnight



"How much older is the guy I'm dating? Well, he can play solitaire without a computer..."