



First Responder

Volume 2008.08 -- August 2008

Board Looks at Alternative Energy Investments -- Trustees Meet with President of Iceland

By Rector C. McCollum,
Police Trustee

A couple of issues ago I wrote an article comparing our investment strategy to a Viking Strandhogg. It may all be tongue-in-cheek, but we're getting closer and closer.

I explained that we are eliminating most of our domestic equity and taken on a more global and opportunistic approach to investing in equities. When we do that, we need to learn to compare our investments and returns against global and European equity markets.

Steve Shaw, George Tomasovic, and I recently attended an asset allocation conference in Reykjavik, Iceland for exposure to how the Europeans set their investment strategies. Deciding to kill two birds with one stone, we looked up a contact we made back in February while attending the Alternative World Energy Conference in Abu Dhabi, U.A.E.

In Abu Dhabi, we listened as

See "Alternative Energy..."
on page 2



While attending a conference in Iceland, Trustees met with the country's President. Left to Right: George Tomasovic, Fire Trustee; Rector McCollum, Police Trustee; President Olafur Ragnar Grimsson, President of Iceland; Steven Shaw, Deputy Chairman and Police Trustee



Geo-thermal Power Plant at Hellisheidi, Iceland

Alternative Energy Investments (continued from page 1)

Iceland's Minister of Energy, Ossur Skarphedinsson, gave an extraordinary speech on how Iceland produces inexpensive electrical and heating energy for its residents using geo-thermal technology. According to the minister, Iceland went from the economic bottom of the Nordic countries to the top, mostly due to their switch to that form of energy. After the speech I introduced myself to him and told him if I ever got to his country I'd like to tour one of his facilities.

On arriving in Iceland, the President, Olafur Ragnar Grimsson, invited us to the Presidential Residence. We spoke with President Grimsson for nearly an hour and a half. He is very committed to sustainable alternative energy, and is very respected worldwide. He seemed delighted that the Pension System was so interested in learn-

ing the wherewithal of investing in sustainable energy.

Later, we were given a very comprehensive tour of the Hellisheidi Power Plant about half an hour outside Reykjavik. Iceland's goal is to produce all of the nation's energy from geo-thermal sources.

The plant has two high pressure turbines producing 45 megawatts each and one low pressure turbine producing 32 megawatts. The goal is to have six high pressure turbine/generators at that facility. There are currently four other production facilities in Iceland similar to the one in Hellisheidi.

The bottom line is that their citizens pay 9 krona per kilowatt hour. That equates to between 6 and 7 U.S. cents—vastly less expensive than what we pay.

All in all, it was a very productive "strandhogg". We got expo-

sure to how Europeans strategize their investing and learned a lot more than I expected about how geo-thermal energy is produced. Iceland does geo-thermal better than anyone in the world. Before we invest in it, we know what to compare it to and where the "bar has been set".

Alternative sustainable energy is coming on strong and is here to stay. There will be investment opportunities that we'll need to take advantage of, but we need to know it well before we put money in it.

We intend to go wherever we have to go, and do whatever we have to do, to maximize our returns.

And so it goes,

Rector C. McCollum

Police Trustee

Assistant Chief Hampton Retires



Photo by Sr. Cpl. Janice Crowther

Dallas Chief of Police David Kunkle (left) presents a plaque to Assistant Chief Randy Hampton, in honor of 33 years of faithful service.

Assistant Chief Randy Hampton retired on July 8 after 33 years of service with the Dallas Police Department.

At a retirement reception on June 26, Chief Hampton said: "It has been a great honor to be a member of the Dallas Police Department and to serve the citizens of Dallas."

After joining the DPD in 1975, Hampton became a Deputy Chief in 1988, and Assistant Chief in 1999. Hampton served as interim Chief from August 2003 until June 2004.

We congratulate Chief Hampton, and thank him for his service to the community.

PENSION SYSTEM CALENDAR

- August 7, 2008
PREP Seminar
- August 12, 2008
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- August 14, 2008
Monthly Board Meeting
- September 11, 2008
Monthly Board Meeting
- September 25, 2008
PREP Seminar

Update on Relocation – Mid September Target Date for Move of Pension System Office

As we announced in last month's newsletter, we will be moving our offices in the near future to 4100 Harry Hines Boulevard. As this newsletter is going to press, our last day at our Akard Street address is planned for September 15, and the first day of business at our new location is scheduled for September 18.

We are excited about the move, because the new building will enable us to serve you better. We will have more space for our educational seminars, more counseling rooms, and plenty of parking.

As with any construction project, dates are tentative and are subject

to change. If you are planning to come by the office in mid-September, please call first to confirm our location and availability. Our phone numbers will remain the same. Also, you may check our Website for the most up to date schedule for the move (www.dpfp.org).

There is a map provided below so that you can easily find our new facility.

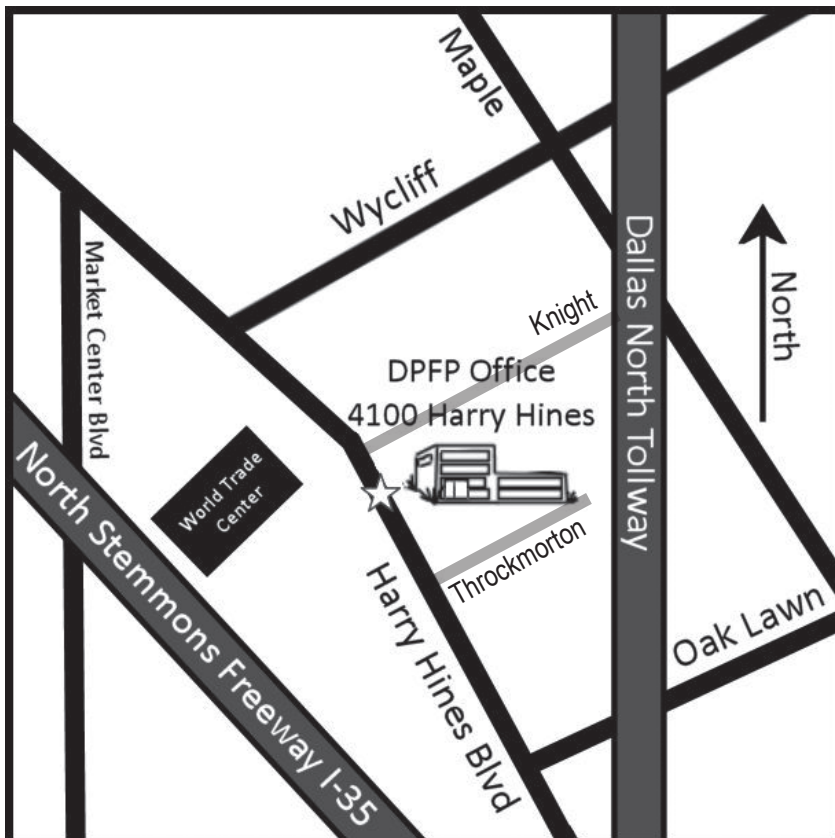
CONGRATULATIONS TO OUR NEW RETIREES!

POLICE

Michael A. Grosso
Roy S. Kendall
Marion E. Phagan
William E. Price
Jeffrey L. Scott
Victor W. Woodberry

FIRE

Michael G. Chambers
Charles E. Gibbs
Jerry D. Martin
Ronald B. Parrish
Larry E. Spikes



The location of our new facility will be 4100 Harry Hines Boulevard, between Throckmorton and Knight Streets.



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First Responder
August 2008

From the Administrator

By Richard L. Tettamant, Pension System Administrator



This month there are a couple of items that I would like to update you on. One is the legislative fix for DROP Plan, and the other is our upcoming move.

The bill with our legislative fix for the market rate of return issue passed the U.S. House of Representatives Wednesday, July 9 on a voice vote. All members speaking were favorable. The bill now goes on to the U.S. Senate.

The market rate of return issue was passed with the Pension Protection Act of 2006 and is being interpreted by the IRS in a way that could restrict interest rate accrual to DROP plans. We reported on this issue in the July newsletter and on the website. Again, we assure you the Board is not making any changes to how the DROP interest rate is determined. The legislative fix is intended to make sure the issue goes away.

For information on our upcoming move, see page 3 of this newsletter and our Website, www.dpfp.org.

Richard L. Tettamant
Pension System Administrator

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