



LOS ANGELES FIRE AND POLICE PENSIONS

2019-21 THREE-YEAR STRATEGIC PLAN

TO SERVE THOSE WHO PROTECT



www.lafpp.com

Vision

To be a leader and innovator in the public pension industry through an uncompromising dedication to excellence, customer service, transparency and education

Mission

To advance the health and retirement security of those who dedicate their careers and risk their lives to protect the people of Los Angeles

Board of Fire and Police Pension Commissioners

FISCAL YEAR 2018 - 2019

Corinne T. Babcock PRESIDENT

Appointed by the Mayor

Adam Nathanson VICE PRESIDENT

Appointed by the Mayor

George V. Aliano

Elected by Retired Police Members

Kenneth E. Buzzell

Elected by Retired Fire Members

Ruben Navarro

Elected by Active Fire Members

Brian Pendleton

Appointed by the Mayor

Pedram Salimpour, MD

Appointed by the Mayor

Belinda M. Vega

Appointed by the Mayor

Robert von Voigt

Elected by Active Police Members



VALUES

I

COLLABORATION

We value teamwork to achieve success and encourage staff at all levels to share ideas and offer suggestions for improving operations. We are enriched by our engagement with the Board, our members and our stakeholders.

II

RESPECT

We treat each other and our members with kindness and dignity. We promote a fair environment and support each other by sharing information and knowledge to ensure we deliver quality services.

III

EFFICIENCY

We continually search for ways to deliver quality services and reduce administrative expenses. We promote innovation throughout the organization and use performance measurement to drive decisions.



IV

ACCOUNTABILITY

We recognize our responsibility to our members to deliver promised pension benefits. We ensure appropriate oversight to achieve excellence in service, operational and investment decision making.

V

TRANSPARENCY

We strive to always provide clear, accurate and complete information and transact business decisions in an open manner so that our members, the City, and the public can trust that our decisions are fair, honest and ethical.

VI

ETHICS

We preserve the public trust by adhering to the ethical standards established by the State, the City, and our Board.

GOALS, OBJECTIVES AND STRATEGIC INITIATIVES

GOAL 1

Ensure a Financially Sound Retirement System

OBJECTIVE

Achieve our long-term investment performance targets.



STRATEGIC INITIATIVES

- Employ prudent risk-adjusted asset allocation strategies that will withstand both up and down market conditions; and
- Measure portfolio performance against the appropriate benchmark(s) and take appropriate action when investment objectives are not met.

OBJECTIVE

Pursue funding policies and strategies that sustain member benefits.

STRATEGIC INITIATIVES

- Adopt sound actuarial policies and assumptions that balance the goals of:
 - 1) keeping contributions relatively stable;
 - 2) equitably allocating the cost of benefits over the member's period of actual service; and
 - 3) achieving long-term full funding of the cost of benefits over time;
- Pursue strategies to better manage retiree health care costs; and
- Explore local and sustainable investment opportunities that complement our portfolio objectives and comply with our investment goals concerning risk, return and diversification.

OBJECTIVE

Promote diversity and advocate for new and emerging managers to help build tomorrow's portfolio managers for the Plan.

STRATEGIC INITIATIVE

- Continue building LAFPP's Emerging Manager Program.



GOALS, OBJECTIVES AND STRATEGIC INITIATIVES

GOAL 2

Manage Risk Throughout the Organization



OBJECTIVE

Maintain and promote a culture of risk awareness with an enterprise-wide view.

STRATEGIC INITIATIVE

- Develop a top-down risk-intelligent culture that proactively identifies and acts to manage risk exposure, through enhanced governance, Board and staff training, and collaboration with stakeholders.

OBJECTIVE

Actively monitor systems and processes to reduce or minimize risk.

STRATEGIC INITIATIVE

- Assess and test our systems and processes through periodic audits, risk assessments and technology to help mitigate and minimize risk in our organization.

GOALS, OBJECTIVES AND STRATEGIC INITIATIVES

GOAL 3

Enhance Customer Care and Stakeholder Relations



OBJECTIVE

Deliver superior customer service that is adaptive to our member needs.

STRATEGIC INITIATIVES

- Research and implement technology solutions to upgrade our business processes to better serve our members; and
- Maximize educational opportunities to our members regarding their benefits, access to healthcare options and costs, and our services so that they can make informed decisions about retirement security.

OBJECTIVE

Enhance our communication to members, the City, and the public regarding our Plan.

STRATEGIC INITIATIVES

- Provide stakeholders with thorough and timely information utilizing a range of communication methods to help promote our system; and
- Continue to build and strengthen stakeholder relations with the Fire, Police, Airport and Harbor Departments, along with other City agencies, employee unions and retiree associations.

GOALS, OBJECTIVES AND STRATEGIC INITIATIVES

GOAL 4

Pursue Operational Efficiencies

OBJECTIVE

Implement industry best practices for continuous improvement.

STRATEGIC INITIATIVES

- Identify and pursue best practice opportunities throughout the organization; and
- Benchmark operations against similar systems.

OBJECTIVE

Foster a “team approach” or culture of collaboration within and outside the Department to facilitate innovation.

STRATEGIC INITIATIVE

- Increase team engagement and encourage ideas and suggestions from the Board, employees and stakeholders to improve knowledge and communications.



GOAL 5

Build and Support a Talented Workforce

OBJECTIVE

Implement best practices for succession planning.

STRATEGIC INITIATIVES

- Identify LAFPP’s long-term staffing needs, the aspirations of individuals and the workforce’s developmental needs, to prepare and grow future leadership pool;
- Define targeted leadership development programs for continued professional growth of future key leaders; and
- Develop a clearly defined and communicated career ladder program to attract and retain talent at all levels.



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