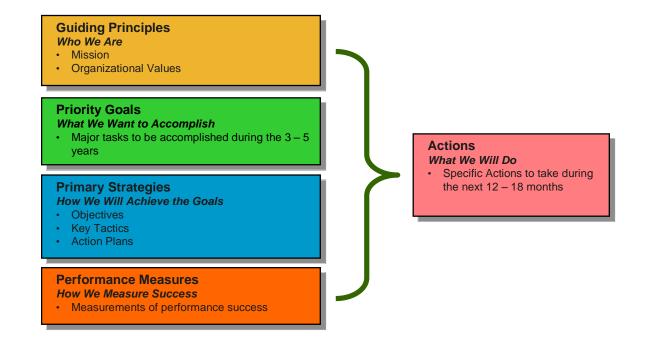
#### 2006 - 2010 STRATEGIC PLAN

Revised: August 4, 2008



# **Guiding Principles**Who We Are

#### **Mission**

The mission of the Law Enforcement Officers' and Fire Fighters' Plan 2
Retirement Board is to responsibly govern the pension plan for the benefit of the members.

### **Organizational Values**

- We will treat those we serve and each other with respect, fairness, and honesty.
- We will communicate openly and professionally.
- We will foster a climate of innovation, integrity, accountability, and excellence.
- We will work with those we serve to meet their needs.

### **Priority Goals 2006 - 2010**

### What We Want to Accomplish

- 1. Enhance the benefits for the members.
- 2. Provide the stakeholders with a voice in plan governance.
- 3. Maintain the financial integrity of the plan.
- 4. Inform the stakeholders.

### **Primary Strategies**

#### What We Will Do To Achieve Our Goals

#### Goal One: Enhance the benefits for the members.

#### **Objectives**

- Add benefits that are affordable for stakeholders
- Identify viable alternative revenue sources for benefit enhancements

#### **Key Tactics**

- Propose legislation that improves the plan for the stakeholders
- Compare plans from other states and relevant organizations
- Obtain stakeholder input for needed changes in the plan
- Research and monitor Federal pension and tax laws
- Monitor benefits for workers injured in the line of duty
- Assess, evaluate, modify or revise existing benefits

# Goal Two: Provide the stakeholders with a voice in plan governance.

#### **Objectives**

- Enhance communication media for the stakeholders
- Maintain stakeholder confidence in the integrity of the plan

#### **Key Tactics**

- Provide opportunities for member communication/feedback
- Take a leadership role in making presentations to stakeholder groups
- Solicit information about stakeholder priorities and issues
- Make presentations at public hearings
- Maintain a wide range of communication media such as Web site, newsletter and e-mail
- Inform stakeholders about opportunities for communication/feedback

# Goal Three: Maintain the financial integrity of the plan.

#### **Objectives**

- Maintain prudent financial policies
- Identify additional funding mechanisms
- Maintain the stability of contribution rates

#### **Key Tactics**

- Adopt adequate contribution rates
- Adopt financially sustainable budget for board operations
- Adopt economic assumptions, actuarial tables and cost methodologies
- Commission independent audits
- Research other options for revenue
- Identify best practices from other states and organizations
- Consult with strategic partners regarding rate stability
- Ensure the reliability of rate projections
- Provide information on the fiscal reality of the plan

#### Goal Four: Inform the stakeholders.

#### **Objectives**

- Manage expectations
- Increase member understanding of the balance between desired enhancements and fiscal realities
- Increase member understanding of the benefits provided in LEOFF 2 Plan

#### **Tactics**

- Provide stakeholder access to understandable fiscal and policy analysis
- Provide additional DRS LEOFF 2 seminars and workshops throughout the state
- Develop simple and direct forms of communication to the members
- Provide comparison information to best practices in other states

### **Performance Measures**

#### How We Will Measure Our Success

Goal	Method of Measurement	Target
4	Seminars and workshops devoted to the priorities of the Board	Make a minimum of five presentations before stakeholders each year  Develop plan with DRS to increase the number of seminars – plan developed by December 31, 2008
1	Board proposals that are approved by the Legislature	100% approval rate
1 & 2	Research supporting proposals	Every proposal includes a research component
2 & 4	Comprehensive communication program with targets and schedule	Web site Redesign by December 31, 2009
2 & 4	Feedback from the membership	Perform a survey of employers by December 31, 2008
2 & 3	<ul><li>Independent audits:</li><li>Board expenses</li><li>Actuary's assumptions</li></ul>	<ul> <li>Audit Targets</li> <li>Board expenses—no findings</li> <li>Actuary's assumptions— performed on timely basis</li> </ul>
3	Deviation from the expected long-term cost of the plan	Maintain deviation within 10% of long- term cost
3	Current and appropriate funding policies	Review, revise and adopt funding policies for LEOFF Plan 2 by December 31, 2008
3	Funded ratio under actuarial standards	At least 100%
3	Actual performance vs. projections in key planning areas	Actual expenditures will not exceed projected expenditures
2 & 4	Newsletter	Minimum of two per year
2 & 4	Web site	Provide a report on Web site activity quarterly

### 2008 - 2009 Actions

#### What We Will Do

Action	Goal	
Study Health Care proposals		
Adopt Contribution Rates		
<ol> <li>Legislative Agenda</li> <li>Maintain Board adoptions of contribution rates and assumptions</li> <li>Fish and Wildlife Officers into LEOFF</li> <li>Military Death Benefit</li> <li>150K Inflation Adjustment</li> </ol>	3 1 1 1	
Alternate Revenue Source	1 & 3	
Deferred Compensation Employer Survey		
Web site Redesign		