

# Draft Strategic Plan

*Law Enforcement Officers' and Firefighters' Plan 2  
Retirement Board*

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# Mission Statement

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- The mission of the LEOFF 2 Board is to responsibly govern the pension plan for the benefit of the members.



# Goals

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- Enhance the benefits for the members.
- Provide the stakeholders with a voice in plan governance.
- Maintain the financial integrity of the plan.
- Stabilize contribution rates.



# Goal One

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- Enhance the benefits for the members.
  - Performance Objectives
    - Add benefits that are affordable for stakeholders
    - Increase benefits for workers injured in the line of duty
  - Key Strategies
    - Propose legislation that improves the plan for the stakeholders
    - Compare plans from other states and relevant organizations
    - Identify potential revenue sources for benefit enhancements
    - Get stakeholder input for needed changes in the plan
    - Explore and monitor federal pension and tax laws



# Goal Two

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- Provide the stakeholders with a voice in plan governance.
  - Performance Objectives
    - Develop communication media for the stakeholders
    - Maintain stakeholder confidence in the integrity of the plan
  - Key Strategies
    - Provide opportunities for member communication/feedback
      - Make presentations to stakeholder groups
      - Solicit information about stakeholder priorities and issues
      - Make presentations at public hearings
      - Develop a wide range of communication media such as website, newsletter and e-mail
    - Inform stakeholders about opportunities for communication/feedback



# Goal Three

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- Maintain the financial integrity of the plan.
  - Performance Objectives
    - Establish prudent financial policies.
    - Identify additional funding mechanisms
  - Key Strategies
    - 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



# Goal Four

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- Stabilize contribution rates.
  - Performance Objectives
    - Reduce rate volatility
    - Increase the reliability and duration of rate projections
  - Key Strategies
    - Consult with strategic partners to develop tools to increase rate stability
    - Look for best practices from other states and/or agencies
    - Examine opportunities to re-structure the plan to reduce volatility



# Performance Measures

Method of Measurement	Target	Actual
Comprehensive communication program with targets and schedule	Plan presented by December 31, 2004	
Deviation from the expected long term cost of the plan	Short term— moving in right direction  Long term--actual cost is very close to expected cost	
Actual performance vs. projections in key planning areas	Actual and projected are very close	





# Performance Measures

Method of Measurement	Target	Actual
Increased benefits for employees disabled in the line of duty	____% of salary prior to disability	
Board proposals that are approved by the legislature	100% approval rate	
Quality research supporting proposals	Research component accompanies each proposal	



# Performance Measures

<b>Method of Measurement</b>	<b>Target</b>	<b>Actual</b>
Feedback from the membership	Establish process for gathering input by December 31, 2004  Perform baseline surveying by March 31, 2005	
Current and appropriate funding policies	Review, revise and adopt funding policies for LEOFF Plan 2 by December 31, 2005	



# Performance Measures

<b>Method of Measurement</b>	<b>Target</b>	<b>Actual</b>
Funded ratio under actuarial standards	At least 100%	
Results of audits	Board expenses— no findings Independent audit of actuary's assumptions— performed on timely basis	