

2022-2024

Los Angeles Fire and Police Pensions

STRATEGIC PLAN





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



GOALS

1. Ensure a financially sound retirement system
2. Manage risk throughout the organization
3. Enhance customer care and stakeholder relations
4. Pursue operational efficiencies
5. Build and support a talented workforce
6. Promote Diversity, Equity and Inclusion (DEI) throughout the organization including our investment portfolio and business partners

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.

VII

DIVERSITY

We embrace diversity, equity and inclusion (DEI) and we believe in the power of DEI to enrich our organization.

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 achieve our goals in both up and down market conditions; and
- Measure portfolio performance against the relevant 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

Identify needed capabilities to provide the best possible investment opportunities for the Plan's assets.

Strategic Initiative

- Maintain the appropriate balance between internal investment staff and external consultants in the analysis of our portfolio, the identification of opportunities for increased returns and the costs in accomplishing our mission.



GOAL 2

Manage Risk Throughout the Organization

OBJECTIVE

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

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 education and collaboration with stakeholders.



OBJECTIVE

Actively monitor systems and processes to identify risks and take appropriate action to mitigate those risks.

Strategic Initiative

- Regularly assess and test our systems and processes through periodic audits, risk assessments and the application of tools and technology to help mitigate and minimize risk in our organization.

OBJECTIVE

Protect and preserve the confidentiality, integrity and availability of LAFPP's critical data and associated computing systems.

Strategic Initiative

- Continually enhance a comprehensive security assurance program which proactively protects against threats, prepares our organization to respond to an incident and enables our organization to gracefully recover from a cyber security incident.



GOAL
3

Enhance Customer Care and Stakeholder Relations

OBJECTIVE

Deliver superior customer service that is adaptive to our members' needs.

Strategic Initiatives

- Refine and enhance the integration of our various technology solutions to promote efficient business processes, thus better serving our members; and
- Maximize educational opportunities for our members regarding their benefits, access to healthcare options and costs, financial principles and our services so that they can make informed decisions about their retirement.

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;
- 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; and
- Remove participation hurdles and increase interaction with newer Plan stakeholders.

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 organizations.

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

- Strengthen and sustain our organizational culture and foster a greater sense of community among our employees as we transition to a hybrid workforce;
- Identify LAFPP’s long-term staffing needs, the aspirations of individuals and the workforce’s developmental needs;
- 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.



GOAL
6

Promote Diversity, Equity and Inclusion (DEI) throughout the Organization including our Investment Portfolio and Business Partners

OBJECTIVE

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

Strategic Initiative

- Develop a strategic approach to supporting LAFPP’s specialty and emerging manager programs.

OBJECTIVE

Promote hiring and retention of a diverse workforce.

Strategic Initiative

- Identify training to help recognize and address hidden biases that can influence workplace decisions.



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