

The Guardian

Los Angeles Police Relief Association, Inc.



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LAPRA 2013 Fitness Challenge Coming Soon

Hold on to your handlebars. July 1, 2013 kicks off the sixth annual Los Angeles Police Relief Association (LAPRA) Fitness Challenge and now is your opportunity to power up to better health. Sign up and start making small lifestyle changes that can boost your energy and add years to your life. Today's average lifespan in the United States is 78, and experts predict that within 50 years the age will rise to 100. Are you prepared? A smart way to help ensure good health in your golden years is to establish a regular fitness routine now. Not only can fitness help manage your weight and strengthen your heart and lungs, but research shows it can even make you mentally sharper, happier, and more productive. When you participate in the LAPRA Fitness Challenge, you can receive all of these benefits, plus the support and encouragement of enthusiastic teammates, and maybe even cash prizes.

Find your groove. The Fitness Challenge is a rally call to connect LAPD sworn officers and civilian employees with the goal of improved health and wellness. Now in its sixth year, the challenge aims to promote teamwork, camaraderie, and healthy habits that can transform your life. There is no cost to participate. The challenge begins July 1 and ends September 30, 2013. Last year, 59

teams participated in this worthwhile event and collectively shed more than 13,000 pounds.

Reach for rewards. Regardless of your age, weight or athletic ability, the LAPRA Fitness Challenge provides special incentives to help you achieve your health and wellness goals. Cash prizes are awarded to the top teams (for your Division Station Fund) and top individuals that lose the greatest percentage of weight. Each division can have up to three teams, with up to 25 people per team. The final weigh-in will be from the top 20 people with the highest weight loss from each team.

Big losers win big. Team prizes are awarded to the top six teams that lose the greatest percentage of total team weight with prizes range from \$1,500 to \$10,000 that go toward your Division Station Fund. Teams that don't take one of the top six prizes can still earn a \$500 prize toward their Division Station Fund if they lose five

percent or more of total team weight. You can also win individual prizes that range from \$1,000 to \$5,000.

Don't sweat it. Exercising and losing weight can be an isolating experience, but don't sweat it—you don't have to go it alone. The support of teammates will keep you focused and help you make small, daily changes that can pay off today and years from now.

Get a move on! The sign-up deadline is Friday, June 28, 2013 at 5:00 p.m. To get you started, participants receive a free LAPRA 2013 Fitness Challenge t-shirt, gym bag, pedometer, water bottle and other special incentives. If you are on medication or have a chronic health condition, be sure to get your doctor's approval before you sign up.

A LAPRA scale will be provided for each department facility. For more information on rules and key dates, log on to the Department or LAPRA web sites. ■



LAPRA
LOS ANGELES POLICE RELIEF ASSOCIATION, INC.

Annual Treasurer's Report

By *Tim McBride*

Each year the Los Angeles Police Relief Association (LAPRA) provides a summary of the Association's financial operations and a review of the actuarial report to inform you of our financial status.

Financial recovery from the 2008 recession resumed after a flat year in 2011. To some extent, bond and equity markets were influenced by the Federal Reserve keeping interest rates artificially low. This has distorted the country's actual financial situation to some degree considering the increasing debt,

increasing taxes and uncertainty about the financial affect health care reform (Obamacare) will have on the country. The positive side of this is an apparent improvement in the housing market. Current interest rates allow individuals and corporations to borrow money at historically low rates.

Low interest rates may have a negative effect on the way the world views the U.S. dollar. However, that hasn't yet happened primarily because Europe has its own financial issues with a number of European countries in recession.

The Annual Audit was completed by the CPA firm of Romberger, Wilson and Beeson, Inc. Once again, LAPRA received the highest standard of audit results, that of "unqualified."

The Association's bond and equity investments for 2012 were outstanding with an 8.7% average return. Here's a breakdown of the returns by fund:

Vanguard Health Care	+18.16%
Vanguard Wellesley Income	+6.04%
Vanguard Wellington	+9.48%
Franklin Mutual Global Discovery Z	+10.20%
Vanguard GNMA	+0.72%
Pimco Total Return	+1.79%

During 2012, the Association embarked on a partnership with UNUM Life Insurance Co. offering members an array of long-term care insurance options to assist members and eligible family members as they age. Our annual Actuarial Report and longevity tables show that we all are living longer but some will need care as the aging process takes its toll. This is a major financial commitment for the Association as a portion of the premium is paid from the investment returns from your monthly dues.

Looking forward, we see a continuation of solid equity returns with the possibility of rising interest rates in the future negatively impacting bond returns. ■



Actuarial Summary

Mercer Company completed our annual actuarial report. Their annual review analyzes the Association's ability to fund the programs which we have committed to our members.

The 2012 report supported our ability to fund the programs offered, and noted we again have a surplus. The actuarial assumption for the estimated average return expected from the Association's investment portfolio remains at 7.5%. Additional information included in the actual report notes the average age of active members is 41.3 years, average length of service is 14.5 years, and the average entry age of members joining the LAPD is 26.8 years.

Los Angeles Police Relief Association, Inc.

Summary of Financial Statement Statement of Net Assets Available for Benefits and Benefit Obligations December 31, 2012

	Self-Insured Insured Plans	Emergency Relief Fund	Total
NET ASSETS AVAILABLE FOR BENEFITS			
ASSETS			
Investments, at Fair Value			
• Bankers Acceptances	\$ 2,229,972	–	\$ 2,229,972
• Mutual Funds	49,230,326	–	49,230,326
• Cash in Interest Bearing Accounts	<u>8,230,639</u>	–	<u>8,230,639</u>
TOTAL INVESTMENTS	<u>59,690,937</u>	–	<u>59,690,937</u>
Receivables	<u>410,856</u>	<u>\$ 88,834</u>	<u>499,690</u>
Prepaid Expenses and Deposits	62,777	–	62,777
Obligation Reserves	85,320,891	–	85,320,891
Cash	210,151	–	210,151
Net Property and Equipment	<u>5,065,370</u>	–	<u>5,065,370</u>
TOTAL ASSETS	<u>150,760,982</u>	<u>88,834</u>	<u>150,849,816</u>
LIABILITIES			
Accounts Payable and Accrued Expenses	602,185	–	602,185
Advanced Member Contributions and City Subsidy	6,707,502	–	6,707,502
Police Charity Plan	<u>102,356</u>	–	<u>102,356</u>
TOTAL LIABILITIES	<u>7,412,043</u>	–	<u>7,412,043</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>143,348,939</u>	<u>88,834</u>	<u>143,437,773</u>
BENEFIT OBLIGATIONS			
Amounts Currently Payable for Participants	550,054	–	550,054
Amounts Due to Insurance Companies	12,957,130	–	12,957,130
Dental Claims Liability	810,493	–	810,493
Paid-Up Life Insurance for Participants	1,306,709	–	1,306,709
Estimated Future Death, Policy Surrender and Sick Benefits	<u>21,495,291</u>	–	<u>21,495,291</u>
TOTAL BENEFIT OBLIGATIONS	<u>37,119,677</u>	–	<u>37,119,677</u>
EXCESS OF NET ASSETS AVAILABLE FOR BENEFITS OVER BENEFIT OBLIGATIONS	<u>\$ 106,229,262</u>	<u>\$ 88,834</u>	<u>\$ 106,318,096</u>



Los Angeles Police Relief Association, Inc.
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**Join the LAPRA 2013
 Fitness Challenge
 starting July 1st.
 Look inside for details.**

The GUARDIAN is a quarterly publication for members of the Los Angeles Police Relief Association. All rights reserved. If you have an idea for a future newsletter article, send an email to guardianeditor@lapra.org. Members with specific concerns are urged to contact the appropriate Board member at the number listed below.

**Los Angeles Police Relief Association
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**LAPRA 2013 Fitness
 Challenge Starts July 1st**
 Join the LAPRA 2013 Fitness Challenge!
 Cash prizes are awarded to the top teams
 (for their Division Station Fund) and top
 individuals that lose the greatest percentage
 of weight. See page 1 for details.

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