

# The Guardian

Los Angeles Police Relief Association, Inc.



Volume 33, Number 2

Second Quarter 2014

## LAPRA 2014 Fitness Challenge Starts July 1

A shout out to Los Angeles Police Department (LAPD) sworn officers and civilian employees! It's time to set aside your Cheetos and lace up your favorite walking shoes. The seventh annual Los Angeles Police Relief Association (LAPRA) Fitness Challenge begins July 1, 2014 and your cheering squad encourages you to participate.

Do your bit to be fit by making gradual changes in your diet and exercise routine that can boost your energy and add years to your life. Look better, feel stronger, live longer and maybe even earn cash prizes for yourself and your Division Station Fund. Everyone knows that fitness can help manage your weight and strengthen your heart and lungs, but did you know it can also make you mentally sharper, happier and more productive? Think about that next time you're at the gym.

**Need a nudge to sign up?** Be inspired by the Hollenbeck team. These spirited, high achieving teammates have grown tighter and mightier through three years of Fitness Challenge participation. Last year they earned \$7,500 for their Division Station Fund, with a cumulative loss of 15.56%. As co-captain Rafael Acosta explained at last year's awards ceremony, "We worked as a family and were always there to support each other."

**Just do it.** Now in its seventh year, the Fitness Challenge promotes 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, 2014. Last year, 1,375 enthusiastic individuals participated and collectively shed more than 13,262 pounds.

**Aim for healthy rewards.** Regardless of your age, weight or athletic ability, the LAPRA Fitness Challenge provides special incentives and a supportive team environment 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.

**Win and grin.** 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.

**Team up.** 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.

The sign-up deadline is Monday, June 30, 2014 at 5:00 p.m. To get you started, participants receive a free LAPRA 2014 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 LAPRA website at [www.lapra.org](http://www.lapra.org). ■

**LAPRA**  
LOS ANGELES POLICE RELIEF ASSOCIATION, INC.



LAPRA 2014 FITNESS CHALLENGE

# Annual Treasurer's Report

By Tim McBride

As I pen this report on Memorial Day weekend, we honor those military heroes who have given their lives in service to our country. Their sacrifices enable all of us to enjoy the freedoms which we hold so dear. The month of May is also Police Memorial Month, so as we make time for those backyard barbecues with family and friends, maybe take in a ballgame or watch the Indy 500 on TV, we also need to remember those that have given their lives in service to this city. We are all alarmed by the quick succession of our fellow comrades who have fallen recently: Roberto Sanchez, Nicholas Lee, Chris Cortijo, George Nagata and Detective Ernest Allen. Our prayers, our tears, and our heartfelt appreciation go out to the parents, spouses, children, relatives and friends who bear the burden of these tragedies.

In this profession we deal with death daily, and we understand its periodic inevitability. But when it hits us personally, it's difficult to imagine so many families, friends and communities learning to cope without the support, the warmth, and the leadership of those who are no longer with us. I know many of us have had to learn to cope with the loss of someone close, and there is no solace for those moments of pain that no one can shoulder for us. The spirit of those lost will undoubtedly be with us always.

As difficult as it is to segue to an annual report, it is my duty on this day to describe the financial business of your association. This year I do so mindful of the officers noted above and those who have gone before them.

Calendar year 2013 was a good year for the association financially. Overall investments returned 10.2%. A few standout investment examples along with the corresponding benchmark indexes are shown in the chart at the bottom of this page.

In anticipation of what we expected to be an increasing interest rate environment, the board moved into some alternative investments. We purchased real estate acquiring the property adjacent to the LAPRA office. This property is currently being leased back to the prior owners. We also purchased a global real estate fund which returned +32% last year and an international commodity fund which returned +5.2%. These funds represent a relatively small portion of the association's investment portfolio, 2.3% and 1.76% respectively.

As expected, 2014 is lean in investment returns with the S&P 500 Index at +1.3% and the Barclays Bond Index at +1.8% at the end of the first quarter. Our returns are somewhat better with several funds outpacing these indexes.

## 2013 Actuarial Report

The 2013 actuarial report is not yet complete. However, a preliminary actuarial summary indicates the association is financially sound and well over 100% funded. ■



### Los Angeles Police Relief and Assistance Foundation (LAPRAF)

The foundation's investments returned over 12% in 2013. We continue to benefit from an inflow of money from our members which exceeds the outflow for our activities. Many officers and/or their dependents have designated a portion of their estates to the foundation. Consequently, a number of active and retired officers and their families have been assisted in some way by the foundation. Also we had more than 50 scholarship applications in 2013, and we were able to award 4 scholarships.

We encourage all active and retired members to consider making a donation to the foundation to help us continue to take care of our own. For more information on how you can make a donation, please call (213) 674-3724. ■

2013 LAPRA Investment		2013 Benchmark Index	
Vanguard Windsor II	+16.7%	S&P 500 Index	+13.4%
T Rowe Price Small Cap Value	+17.8%	Russell 2000 Index	+16.4%
Loomis Sayles Bond Fund I	+15.1%	Barclays Capital Aggregate Bond Index	+4.2%
Metro West Total Return Bond Fund	+11.5%	Barclays Capital Aggregate Bond Index	+4.2%

# Los Angeles Police Relief Association, Inc.

## Summary Financial Statement Statement of Net Assets Available for Benefits and Benefit Obligations December 31, 2013

	<b>Self-Insured and Insured Plans</b>	<b>Emergency Relief Fund</b>	<b>Total</b>
<b>NET ASSETS AVAILABLE FOR BENEFITS</b>			
<b>ASSETS</b>			
Investments, at Fair Value			
• Bankers Acceptances	\$ 1,992,338	-	\$ 1,992,338
• Mutual Funds	50,744,523	-	50,744,523
• Cash in Interest Bearing Accounts	<u>6,531,571</u>	-	<u>6,531,571</u>
<b>TOTAL INVESTMENTS</b>	<u>59,268,432</u>	-	<u>59,268,432</u>
Receivables	<u>211,279</u>	<u>\$ 75,142</u>	<u>286,421</u>
Prepaid Expenses and Deposits	96,319	-	96,319
Obligation Reserves	104,385,326	-	104,385,326
Cash	88,161	-	88,161
Net Property and Equipment	<u>7,367,217</u>	-	<u>7,367,217</u>
<b>TOTAL ASSETS</b>	<u>171,416,734</u>	<u>75,142</u>	<u>171,491,876</u>
<b>LIABILITIES</b>			
Accounts Payable and Accrued Expenses	673,060	-	673,060
Advanced Member Contributions and City Subsidy	6,762,654	-	6,762,654
Police Charity Plan	<u>97,818</u>	-	<u>97,818</u>
<b>TOTAL LIABILITIES</b>	<u>7,533,532</u>	-	<u>7,533,532</u>
<b>NET ASSETS AVAILABLE FOR BENEFITS</b>	<u>163,883,202</u>	<u>75,142</u>	<u>163,958,344</u>
<b>BENEFIT OBLIGATIONS</b>			
Amounts Currently Payable for Participants	562,149	-	562,149
Amounts Due to Insurance Companies	12,771,548	-	12,771,548
Dental Claims Liability	825,211	-	825,211
Paid-Up Life Insurance for Participants	1,220,075	-	1,220,075
Estimated Future Death, Policy Surrender and Sick Benefits	<u>21,902,291</u>	-	<u>21,902,191</u>
<b>TOTAL BENEFIT OBLIGATIONS</b>	<u>37,281,174</u>	-	<u>37,281,174</u>
<b>EXCESS OF NET ASSETS AVAILABLE FOR BENEFITS OVER BENEFIT OBLIGATIONS</b>	<u>\$ 126,602,028</u>	<u>\$ 75,142</u>	<u>\$ 126,677,170</u>



Los Angeles Police Relief Association, Inc.  
 600 North Grand Avenue  
 Los Angeles, California 90012

PRESORTED STD  
 US POSTAGE  
 PAID  
 PERMIT # 475  
 ESCONDIDO, CA

**Join the LAPRA 2014  
 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](mailto: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  
 Board of Directors — 2014**

**President** Kevin McCarthy 213-972-2460  
**Vice President** Ivan Minsal 818-374-1970  
**Secretary** Connie Dial, Insurance, Benefits & Membership 213-674-3701  
**Treasurer** Tim McBride, Finance/Audit 213-674-3701

**Directors/Committee Chairs**

Ruby Malachi 213-216-3973  
 Dana Berns, Emergency Relief 213-485-6588  
 John Shah 213-486-6043  
 Sandy Jo MacArthur 213-486-8410  
 Gerald Woodyard 213-486-6000  
 Paul Enox, Retired Liaison 310-265-4512  
 Jorge Villegas, Administration 213-486-0110

**LAPRA 2014 Fitness  
 Challenge Starts July 1st**

Join the LAPRA 2014 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.

LAPRA 2014 Fitness Challenge..... 1  
 Annual Treasurer's Report ..... 2  
 Actuarial Summary ..... 2  
 Summary of Financial Statement ..... 3

**Inside This Issue**