

The Guardian

Los Angeles Police Relief Association, Inc.



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Second Quarter 2015

LAPRA 2015 Fitness Challenge Starts July 1

Get fired up and break out of your comfort zone! Do something totally good for your health—and it may even transform your life! The eighth annual Los Angeles Police Relief Association Fitness Challenge begins July 1, 2015, and we don't want to start without you. Whether you want to lose weight, build muscle, motivate yourself or your co-workers to exercise, or just mix up your daily routine, the Fitness Challenge will keep you engaged and help you reach your wellness goals.

Are You In?

Now in its eighth year, the challenge begins July 1 and ends September 30, 2015. There is no cost to participate. Last year, 1,569 individuals participated and achieved a record-breaking weight loss of 16,172 pounds.

Make History

Be inspired by the 48 stars of the Special Operations Division (SOD) team that made history by winning Grand Prize and First Prize in last year's Fitness Challenge. The SOD Teams 1 and 2 earned \$17,500 in prize winnings for their Station Fund and for the purchase of new exercise equipment.

LAPRA
LOS ANGELES POLICE RELIEF ASSOCIATION, INC.

You Can Do It

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.

Be Rewarded

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 Strong

We all need a little support to stay on track when it comes to health and wellness. 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 Tuesday, June 30, 2015 at 5:00 p.m. For an application and more information on rules and key dates, log on to the LAPRA website at www.lapra.org. ■



Annual Treasurer's Report

By Tim McBride

The LAPRA Annual Report is intended to provide financial information to members, documenting the previous year's activities. The overall investment return was 7.6% for 2014 marginally exceeding our actuarial assumption of 7.5%.



U.S. equity markets were strong with the S&P 500 recording a 13.6% return - near its record high. Utilities and health care were the strongest sectors with energy the weakest as global oil prices declined approximately 50%. The U.S. dollar strengthened against most major currencies, including the Euro. LAPRA currently has investments in all areas of the market including health care, utilities and energy. Our highest returning equity fund was the Jensen Quality Growth Fund which returned 13.4%.

Fixed income returns remained fairly robust against the backdrop of the Federal Reserve raising interest rates, now expected late this year. Barclay's Capital Aggregate Bond Index returned 6.0%. LAPRA maintained bond investment in extremely short-term, short-term and intermediate term investment attempting to moderate risk which reduced performance. Our highest returning bond fund was Double Line Total Return Fund at 5.9%.

International investments make up 13% of the LAPRA's investment portfolio with the MSCI EAFE Index

returning a negative -0.9%. The highest performance in this category of a LAPRA held investment was India Fund returning 28%.

LAPRA's asset allocation model, which has been in place for many years, is

60% fixed income, 40% equities. This allocation moderates performance in positive equity return years (2010-2014), but is protective of assets in greater equity risk years (2000-2002 and 2008).

A Summary Financial Statement for 2014 is shown on page 3. There was little change in 2014 vs. 2013. LAPRA contracts with an accounting firm to review all phases of our financial operation both during the year and at year-end performing an annual audit. As in prior years, the calendar year 2014 audit was deemed an "unqualified audit" which is the highest statement an auditor will make following their review.

LAPRA also contracts with an actuarial firm, currently Mercer, to complete an annual review of benefits offered by the Association such as pre- and post-retirement death benefits, emergency relief benefits, sick benefits, cash surrender of membership, administration expenses and membership dues. Mercer's 2014 review revealed the Association is sufficiently funded to provide the benefits offered based on actuarial assumptions. ■



Los Angeles Police Relief and Assistance Foundation (LAPRAF)

The Foundation has been in existence since 2007 funded by donations over the years from officers and family members along with private individuals wanting to support the Department and organizations wishing to support the foundation. The Foundation continues to grow thanks to our members. We continue to encourage donations which allows us to help members and their families in financial need and continue the annual LAPRAF scholarship program.

Foundation investments continue to prosper with an allocation model of 50% fixed income and 50% equities. The overall investment return for 2014 was 6.7%.

There are a number of ways you can donate to the Foundation including regular donations through your paycheck or pension check, a tax-deductible direct donation and through estate planning by adding the Foundation as a beneficiary to your trust or will. For more information on how you can make a donation, please call (213) 674-3724. ■

Los Angeles Police Relief Association, Inc.

Summary Financial Statement Statement of Net Assets Available for Benefits and Benefit Obligations December 31, 2014

	Self-Insured and Insured Plans	Emergency Relief Fund	Total
NET ASSETS AVAILABLE FOR BENEFITS			
ASSETS			
Investments, at Fair Value			
• Certificates of Deposit	\$ 1,001,598	-	\$ 1,001,598
• Mutual Funds	51,490,969	-	51,490,969
• Cash in Interest Bearing Accounts	<u>7,163,117</u>	-	<u>7,163,117</u>
TOTAL INVESTMENTS	<u>59,655,684</u>	-	<u>59,655,684</u>
Receivables	<u>199,469</u>	<u>\$ 78,075</u>	<u>277,544</u>
Prepaid Expenses and Deposits	72,118	-	72,118
Obligation Reserves	101,801,873	-	101,801,873
Cash	176,425	-	176,425
Net Property and Equipment	<u>7,473,697</u>	-	<u>7,473,697</u>
TOTAL ASSETS	<u>169,379,266</u>	<u>78,075</u>	<u>169,457,341</u>
LIABILITIES			
Accounts Payable and Accrued Expenses	780,956	-	780,956
Advanced Contributions and Deferred Income	6,986,3345	-	6,986,3345
Police Charity Plan	<u>93,684</u>	-	<u>93,684</u>
TOTAL LIABILITIES	<u>7,860,985</u>	-	<u>7,860,985</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>161,518,281</u>	<u>78,075</u>	<u>161,596,356</u>
BENEFIT OBLIGATIONS			
Amounts Currently Payable for Participants	576,435	-	576,435
Amounts Due to Insurance Companies	12,621,012	-	12,621,012
Dental Claims Liability	981,358	-	981,358
Paid-Up Life Insurance for Participants	1,232,759	-	1,232,759
Estimated Future Death, Policy Surrender and Sick Benefits	<u>21,364,462</u>	-	<u>21,364,462</u>
TOTAL BENEFIT OBLIGATIONS	<u>36,776,026</u>	-	<u>36,776,026</u>
EXCESS OF NET ASSETS AVAILABLE FOR BENEFITS OVER BENEFIT OBLIGATIONS	<u>\$ 124,742,255</u>	<u>\$ 78,075</u>	<u>\$ 124,820,330</u>



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

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 US POSTAGE
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**Join the LAPRA 2015
 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
 Board of Directors – 2015**

President	Kevin McCarthy	213-972-2460
Vice President	Ruby Malachi	213-216-3973
Secretary	Connie Dial, Insurance, Benefits & Membership	213-674-3701
Treasurer	Tim McBride, Finance/Audit	213-674-3701
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	John Shah	213-486-6043
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	Gerald Woodyard	213-486-6000
	Paul Enox, Retired Liaison	310-989-2456
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Inside This Issue

- 1 LAPRA 2015 Fitness Challenge.....
- 2 Annual Treasurer's Report.....
- 2 Los Angeles Police Relief and Assistance Foundation.....
- 3 Summary of Financial Statement.....