



NPFBA™



NATIONAL PEACE OFFICERS AND FIRE FIGHTERS BENEFIT ASSOCIATION™



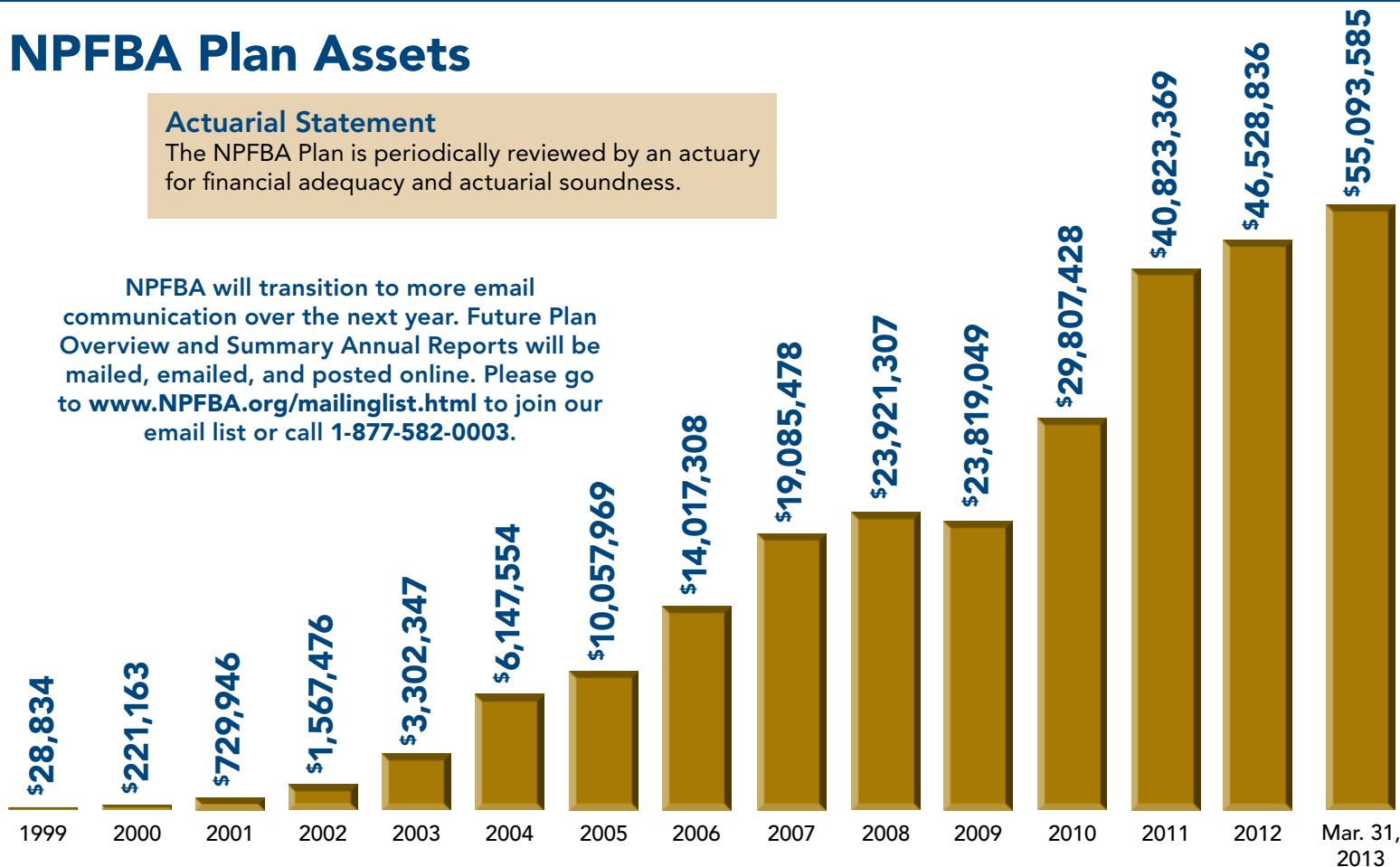
2013 Plan Overview and Summary Annual Report

NPFBA Plan Assets

Actuarial Statement

The NPFBA Plan is periodically reviewed by an actuary for financial adequacy and actuarial soundness.

NPFBA will transition to more email communication over the next year. Future Plan Overview and Summary Annual Reports will be mailed, emailed, and posted online. Please go to www.NPFBA.org/maillinglist.html to join our email list or call 1-877-582-0003.



The National Peace Officers and Fire Fighters Benefit Association (NPFBA) Board of Trustees are pleased to report to you on the continued success of our Long Term Care (LTC) Plan after thirteen years of operation.

Since inception our total claims liability has only been \$1,236,786, which is considerably less than actuarial projections. Even in the midst of the worst economic times in recent history, the NPFBA Trust reserves exceed \$55,093,585. The Trustees retain only the top professional and financial consultants to assure that the fund continues to grow so that the NPFBA will be able to honor the promise we have made to you and your family should the need arise.

The NPFBA Plan is regularly reviewed by an actuary to ensure the continued health of the Plan. As noted in previous letters, the Plan actuary has recommended modest rate adjustments for 2008, 2010, 2012 and 2014 along with other Plan changes effective May 17, 2012.

Gene Dangel *Ken Blanton*

NPFBA Board of Trustees

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Plan Participation

Total Plan Participants: **10,909**

Claims Overview

- Total Number of LTC Deaths Since Inception – **116**
- Total Death Benefits Paid Since Inception – **\$567,500**
- Open LTC Claims – **8**
- Total Number of LTC Claims Since Inception – **15**
- Total Dollars Paid Out on LTC Claims Since Inception – **\$669,286**

Remember to update your contact information and beneficiary regularly. Please call us if you would like to check your beneficiary. 1-877-582-0003

Real Life Experiences

A year after retiring, I was diagnosed with Amyotrophic Lateral Sclerosis (ALS), more commonly referred to as Lou Gehrig's disease. After three years, in-home caregivers were needed to assist with my daily living needs and NPFBA was contacted. NPFBA's staff members were extremely helpful and compassionate. My LTC benefit requests have always been processed promptly and accurately. Being protected with NPFBA-LTC gives me peace of mind knowing I'm well covered along my journey.

Keith Kumada, City of Sunnyvale Department of Public Safety

We are so grateful to the Trustees of NPFBA. During our darkest days, our long term care policy has been a beacon of light in providing the care for my wife. We can now focus on her physical rehabilitation without the financial burden of her long term care weighing on us. We are thankful to be a part of the NPFBA family.

Don & Lynn Kusar, Los Angeles City Fire Department

I want to thank NPFBA for their help and guidance in getting in-home care for my wife. Their warm professional demeanor and empathy for our difficult situation went beyond my expectations. The staff is always available to answer questions and their suggestions made the process go smoothly. We are extremely grateful for everything NPFBA has done.

Doug Schulte on behalf of Dorlue Schulte, San Diego City Fire Department

My sister is a medically retired Law Enforcement officer with NPFBA coverage. Ever since my first contact with NPFBA, they have always been professional and courteous. Whenever I needed something or a question answered, NPFBA responded in a expeditious manner. I never had to wait days or weeks for a response. They have always responded, usually within hours or by the end of the day with either a call back or email. NPFBA was very helpful in assisting me with the paperwork and qualifications when it was necessary for me to place my sister, who has Alzheimer's, in a 24 hour, residential care facility.

David Nunn on behalf of Dian Groff, San Diego County Deputy Sheriff

Summary Annual Report for NPFBA Long Term Care Plan

This is a summary of the annual report of the NPFBA, EIN 92-6035811, Long Term Care Plan for July 1, 2011 to June 30, 2012. The annual report has been filed with the Employee Benefits Security Administration, as required under the Employee Retirement Income Security Act of 1974 (ERISA). NPFBA has committed itself to pay all long term care claims incurred under the terms of the Plan.

Basic Financial Statement

The gross value of Plan assets, before liabilities, was \$46,528,836. The value of Plan assets, after subtracting liabilities of the Plan, was \$28,576,812 as of the end of Plan year, compared to \$21,361,302 as of the beginning of the Plan year. During the Plan year the Plan experienced an increase in its net assets of \$7,215,511. This increase includes unrealized appreciation and depreciation in the value of Plan assets; that is, the difference between the value of the Plan's assets at the end of the year and the value of the assets at the beginning of the year, or the cost of assets acquired during the year. During the Plan year, the Plan had total income of \$12,331,685, including Participant contributions of \$8,031,952, realized gains of \$318,548 from the sale of assets, change in estimated liability of \$2,580,933, and earnings from investments of \$1,400,252. Plan expenses were \$5,116,175. These expenses included \$1,135,281 in administrative expenses, \$1,283,866 in Benefits paid to Participants and beneficiaries, unrealized loss in the value of Plan assets of \$1,958,462, and \$738,566 in other expenses.

Your Rights to Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on

request. The items listed below are included in that report: 1. an accountant's report; 2. financial information and information on payments to service providers; and 3. assets held for investment. To obtain a copy of the full annual report, or any part thereof, write or call the office of California Administration Insurance Services, Inc. ("CASI"), who is the Plan Administrator. The mailing address for CASI is P.O. Box 31, Martell, CA 95654, and the phone number for CASI is 1-800-832-7333. The charge to cover copying costs will be \$5 for the full annual report, or \$0.15 per page for any part thereof.

You also have the right to receive from the Plan Administrator, on request and at no charge, a statement of the assets and liabilities of the Plan and accompanying notes, or a statement of income and expenses of the Plan and accompanying notes, or both. If you request a copy of the full annual report from the Plan Administrator, these two statements and accompanying notes will be included as part of that report. The charge to cover copying costs given above does not include a charge for the copying of these portions of the report because these portions are furnished without charge.

You also have the legally protected right to examine the annual report at the office of the Plan Counsel, 400 Capitol Mall, Eleventh Floor, Sacramento, CA 95814, and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, Room N-1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.