

# NEW ORLEANS FIRE FIGHTER'S PENSION AND RELIEF FUND Investment Board Meeting

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Martin Gaal  
Board President

Thomas F. Meagher, III  
Secretary-Treasurer

SUBJECT:

Board of Trustees Investment Board Meeting  
Fire Fighter's Pension & Relief Fund

TIME, DATE AND PLACE:

10:00 am July 11, 2018  
3520 DeGaulle Drive  
Suite 3001  
New Orleans, Louisiana 70114

Board President Martin Gaal called the meeting to order. The following members of the Board of Trustees were present: Gaal, Meagher, White, Lavene, McConnell and Marchese. Derrick Muse was absent.

Five members present. With a quorum being present, the Board President declared the meeting duly convened to conduct business at 10:15 a.m. The Secretary Treasurer opened the meeting with the Pledge of Allegiance and a moment of silence for fallen firefighters.

Also present,  
Jon Breth, & Co. Consulting  
Paul Mitchell  
Kenny Prevost, retired firefighter  
Louis Robein, Board attorney  
Robert Tarcza, Board attorney

## COMMUNICATIONS:

None

## **REVIEW AND ACCEPT MINUTES**

Board members were requested to approve the minutes of the April 2018 Investment Board meeting. There was no May 2018 or June 2018 Investment Board meeting.

**MOTION:** Moved by Meagher and seconded by White to approve the minutes of the April 2018 investment Board meeting.

Motion passed.

**NO OBJECTIONS**

## **REGULAR BUSINESS:**

### **Fund performance**

Jon Breth gave the Board an overview of the market environment, equity and fixed income markets. He noted that the trade issues have made the stock market a little uncertain. The small cap market has continued to perform well as they are somewhat insulated from the tariff issue at this time. The strong US economic numbers give the administration the ability to push the tariff issue, hoping not to hurt the US economy as much. The price of oil has crept higher. Emerging markets may see a pull back because of the tariffs. The large tech stocks have performed well in 2018 dominated by Amazon, Google and Net Flix.

Fixed income is impacted by the rate hikes. More hikes are pending this year, based on info from the Fed Reserve. They believe inflation will rise as well as GDP. YTD the bond market is down 1.6%.

High yield bonds are doing better as they are less sensitive to interest rate changes. Our vanguard index fund is an all cap type fund, while the S&P is a large cap fund. That index should outperform the S&P in this environment. Emerging markets have struggled. Our manager is beating the index return.

## **OLD BUSINESS:**

**Whalehaven** is still in liquidation. The push is on since 2011 to liquidate this fund. This is a hedge fund/private equity investment. There have been no positive results.

**Fire Flix update:** Jon noted that Culling and Tell Tale Heart still in bankruptcy by the distributor. Tufaro has not been able to claim the revenues or movies from bankruptcy. National Lampoon movie, Dirty Movie II, is not in bankruptcy no update on this movie that has not been released to date.

## **Endgame**

Breth noted that management has indicated that they intend to liquidate the entity. He will provide

updates as they become available. No further clarity is available. The portfolio of movies is being liquidated.

**Louisiana Fund I:** We are still trying to liquidate or sell this Fund. New offers will be sought after financials are released.

**Austin Falconhead**

The sale of the golf course is expected to close on July 20, 2018. The matter was discussed in executive session.

**Sail Venture Partners:** The investment is written down to \$1 as the collectability of any amounts. Sail was a “concentrated” venture capital fund in clean energy which is more risky than the diversified venture funds that Greensprings manages. The Sail investment is embroiled in litigation with management.

**Lakewood**

Mr. Meagher noted that Summit, a Colorado based investment firm has acquired the FNBC note and is suing the fund for collection of the outstanding balance. Legal counsel has been contacted and the litigation is being addressed. The matter was discussed further in executive session.

**MOTION:** Moved by Meagher and seconded by White to go into executive session to discuss Lakewood, Falconhead and other legal matters.

**MOTION:** Moved by Meagher and seconded by Gaal to come out of executive session.  
Motion passed.

**NEW BUSINESS**

**ADJURNMENT:**

**MOTION:** Moved by Meagher and seconded by Gaal to adjourn the meeting.  
Motion passed.

**NO OBJECTIONS**

**APPROVED BY:**

*Ronnie F. Meagher* Date; 9/12/18