

# 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 Feb 9, 2021  
2401 Westbend Parkway  
Suite 3001  
New Orleans, Louisiana 70114

This meeting was held via zoom.

Board President Martin Gaal called the meeting to order. The following members of the Board of Trustees were present: Gaal, Meagher, Krsak, Roy, Nelson, and Norm White. Mr. Tervalon was absent.

With a quorum being present, the Board President declared the meeting duly convened to conduct business at 10:05 a.m. The Secretary Treasurer opened the meeting.

Also present,  
Jon Breth, & Co. Consulting  
Paul Mitchell  
Louis Robein, Board Attorney

## **COMMUNICATIONS:**

None noted

## **REVIEW AND ACCEPT MINUTES**

Aug 2020 Investment Board Minutes require approval.  
There was no September, October, November and December 2020 or January 2021 Investment Board meeting.

**MOTION: Moved by Meagher and seconded by Gaal to approve the August Investment Board minutes.  
Motion passed.**

**NO OBJECTIONS**

## **REGULAR BUSINESS:**

### **Fund performance**

Jon noted that his presentation will review the 2020 performance.

The fund's domestic equity portfolio enjoyed YTD returns of 22.05% and its international portfolio was up 25.27%. Vanguard, our domestic manager, is an index fund while the Europacific Growth Fund outperformed its index of 10.65 YTD. He noted that the equity markets continued to do well in the financial, small cap, emerging markets and technology sectors. The markets also had a growth bias.

On the fixed income side, the Fed's reduction in rates hurt our investments in cash. Our bond portfolio managed by Baird, outperformed the benchmark YTD 8.63% vs 7.51. due to its overweighting in corporate bonds.

The Fund's alternatives portfolio, of which \$8,189,000 represents holding in real estate, had very little change in performance over the year. Black Rock, a multi asset investment fund, provides the fund with exposure to high yield bonds, global stocks and global bonds.

**Greensprings** will make a final distribution of this venture capital fund later this year.

**Greensprings Crossover** will follow with a final distribution sometime in 2022.

**Murphree Venture Partners** has a final distribution scheduled this year.

**La Fund 1** has extended the partnership agreement for two years with no management fee. The Fund maintains about 8 investments, two of which, a cocaine treatment drug and cancer treatment drug are in clinical trials and need additional funding, which management indicates is forthcoming.

**Whalehaven** is still in liquidation. The push is on since 2011 to liquidate this fund. This is a hedge fund/private equity investment started in 2007. There have been no positive results in liquidating the Fund. Jon has proposed to write down this asset as recovery is deemed unlikely as well as consider getting Board legal counsel to prepare a letter demanding recovery.

**Endgame:** The Fund is being liquidated. Proceeds are forthcoming.

**Fire Flix update:** Jon noted that Vertical entertainment has acquired the Culling and Tell Tale Heart out of bankruptcy. The National Lampoon movie, Dirty Movie II, is not in bankruptcy. There is no update on this movie other than that Amazon Prime video in the UK is showing the movie during 2019. No new action.

**Fire Lake Development**

Tommy noted that the buyers want to close the sale of the bank building and neighboring lot in two separate transactions later this month. An owner financed sale of the Bank building and cash sale of the vacant lot will be discussed in the Regular board meeting.

**Fire Water**

The Fund received a dividend payment during 2019, the first of its kind. Meagher and Mitchell will meet with management before the summer session begins. This Biloxi Water Park has refinanced its debt. Profitability should be improved in the next few years.

**Fire Game**

This investment consists of a piece of property in Biloxi, Ms. on Caillavet Street, appraised at \$300,000. The initial investment involved the acquisition of a gaming license and construction of a new casino. The casino project failed.

**Wilton Private Equity**

This fund is nearing completion and should be liquidated by year end.

Discussion continued on putting some of the Fund's cash into active management. Jon noted that the small cap and domestic equity markets could make hiring a small cap manager advantageous at this time following a long market run. He suggested going with a growth tilt. Meagher inquired about a venture capital investment like Dupont. Jon noted that Dupont was not on the firm's approved list, but he could have suggestions for Venture Capital mandates if the board wanted to consider that asset class.

**ADJURNMENT:**

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

Motion passed.

**NO OBJECTIONS**

APPROVED By:  Date: 3/14/2021