

# 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 April 14, 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 Tervalon. Norm White 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**

Feb 2021 Investment Board Minutes require approval.

There was no March, 2021 Investment Board meeting.

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

**Motion passed.**

**NO OBJECTIONS**

## **REGULAR BUSINESS:**

### **Fund performance**

Jon noted that his presentation will review the first quarter 2021 performance.

John noted that the total fund return was 1.8% year to date. The YTD equity performance was up 6.43% which matched the index, while our international equity performance was down .43% versus the benchmark of 3.49% year to date.

On the fixed income side, the Fund's bond portfolio managed by Baird, matched the benchmark YTD of -3.38%, while our total fixed income performance was only down -1.87 because of our cash holdings.

### **Legacy Holdings:**

The Fund's legacy holdings, which is essentially all of the alternative portfolio, is, in the case of the private equity investments, mostly written off on the system's financials (Fire Flix, Whalehaven, Endgame,) or are closing out (Greensprings, Murphree, Louisiana Fund 1 and Wilton). The Fund recognizes this portfolio has limited performance ability and is being phased out.

The Fund's remaining alternatives portfolio \$5,000,000, of which represents holdings in real estate, had very little change in performance during the quarter. The Fund continues to seek opportunities to liquidate these legacy assets, so that the portfolio can be positioned in a more traditional fashion.

Black Rock, a multi asset liquid alternative investment fund, provides the fund with exposure to high yield bonds, global stocks and global bonds. Their quarter to date performance of 2.13% beat the index return of .73%.

**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**

A sale on a portion of the development property was discussed.

**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.

**Small Cap Search**

Jon provided the Fund with a small cap manager search booklet which highlighted the current and historical portfolio composition, portfolio style analysis, etc., of 7 different managers. Two of the managers were proposed by Fund staff. We discussed manager holdings by number, turnover, and cash %, style (small, mid, value, growth and manager performance. The lengthy discussion resulted in a commitment of \$5 million to the actively managed small cap space.

**MOTION: Moved by Gaal and seconded by Meagher to invest \$5 million from Vanguard split between Jackson Square Partners and Clarkson Partners.**  
**Motion passed. NO OBJECTIONS**

**ADJURNMENT:**

**MOTION: Moved by Meagher and seconded by Gaal to adjourn the meeting.**  
**Motion passed. NO OBJECTIONS**

**APPROVED BY:** Thomas J. Meagher **Date** 11/10/2021