

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

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 10, 2024
5710 General Haig Street
New Orleans, Louisiana 70124

This meeting was available via Webex.

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 and Samuel (via remote).

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:

Louis Robein, Board Attorney
Jon Breth, And Co. Consulting
Mark Porche, remotely
Teresa Kehoe, remotely

COMMUNICATIONS:

Mr. Meagher noted that NCPERS is hosting its annual Public Safety pension conference in Palm Springs later this year (October 25- 30). Their National Accredited Fiduciary (NAF) program is also planned during this conference. Interested Board members should notify Mitchell of their intent to attend the conference so that the proper conference registration can be made.

MOTION: Moved by Gaal and seconded by Roy to approve the attendance to the NCPERS Public Safety conference for interested Board members and staff.

Motion passed.

NO OBJECTIONS

REVIEW AND ACCEPT MINUTES

There was no April, May, or June investment Board meeting.

MOTION: Moved by Meagher and seconded by Roy to approve the March Investment board minutes.

Motion passed.

NO OBJECTIONS

REGULAR BUSINESS:

Jon Breth provided the Board with a performance update for the period ended June 30, 2024. He noted, among other things, the equity markets have performed well. Inflation is not where the Feds want it, but inflation is falling. Feds are expected to begin reducing rates later this year and next year.

A summary of other comments follows: Total Fund (ex-legacy assets) was up 5.40% YTD, with the equity composite up 10.48% and the fixed income composite up 1.43% YTD.

The Fidelity Total Market Fund is matching its index, while Fisher has underperformed vs its index. Fisher was hired in February when small caps began to give back some return. Jon expects that small caps will begin to perform better as interest rates begin to fall. The Europacific Growth Fund is outperforming its bench mark YTD as some growth is coming into favor. The one-year performance on the fixed income funds have outperformed their indexes, Hartford 9.40% vs 6.66%; PIMCO 7.24% vs 6.66% and Blackrock 9.73% vs 5.99.

Jon discussed each of the Funds individually, noting their holdings, expectations in the current market and compliance with the investment policy, among other attributes.

NEW BUSINESS

Jon noted that the asset allocation requires rebalancing to align with the investment policy. He provided members with a proposed allocation of a \$8,800,000 reduction in cash, increasing Fidelity TSM, Euro Pacific Growth, Hartford Strategic Income and PIMCO Income Fund. Discussion followed.

MOTION: Moved by Meagher and seconded by Nelson to approve a rebalancing of the portfolio as follows:

Transfer \$8,800,000 from the New Fund R&D account and allocate as follows:

- **Purchase \$3,400,000 Europacific Growth (RERGX)**
- **Purchase \$3,400,000 Fidelity TSM Index Fund (FSKAX)**
- **Purchase \$1,000,000 Hartford Strategic Income (HSNVK)**
- **Purchase \$1,000,000 PIMCO Income Fund (PIMIX)**

Motion passed.

NO OBJECTIONS

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

Motion passed.

NO OBJECTIONS

New Orleans Firefighters Pension Fund

Values as of 2.29.2024

		Allocation	IPS Target Allocation	Planned Re-Allocation	Adjusted Market Value	Adjusted Allocation
Fidelity TSM Index Fund	\$17,790,807	23.5%	30.0%	\$3,000,000	\$20,790,807	27.4%
Fisher Small Cap	\$5,141,392	6.8%	5.0%		\$5,141,392	6.8%
Legacy Liquidating Stocks	\$320	0.0%			\$320	0.0%
Domestic Equity	\$22,932,519	30.3%	35.0%	\$3,000,000	\$25,932,519	34.2%
EuroPacific Growth (RERGX)	\$7,521,176	9.9%	15.0%	\$2,000,000	\$9,521,176	12.6%
International Equity	\$7,521,176	9.9%	15.0%	\$2,000,000	\$9,521,176	12.6%
Baird Aggregate Bond (BAGIX)	\$11,223,231	14.8%	20.0%	\$3,500,000	\$14,723,231	19.4%
Hartford Strategic Income (HSNVX)	\$1,211,810		2.5%	\$750,000	\$1,961,810	2.6%
PIMCO Income Fund (PIMIX)	\$1,195,277		2.5%	\$750,000	\$1,945,277	2.6%
Legacy Liquidating Bonds	\$88,986	0.1%		\$0	\$88,986	0.1%
Fixed Income	\$13,719,304	14.9%	25.0%	\$5,000,000	\$18,719,304	24.7%
Blackrock Multi Asset Income (BKMIX)	\$4,813,360	6.4%	10.0%		\$4,813,360	6.4%
Liquid Alternatives	\$4,813,360	6.4%	10.0%	\$0	\$4,813,360	6.4%
Taurus Private Markets II	\$81,917	0.1%			\$81,917	0.1%
LA Fund I	\$520,865	0.7%			\$520,865	0.7%
Greenspring CV I	\$394,699	0.5%			\$394,699	0.5%
Murphree	\$66,874	0.1%			\$66,874	0.1%
Endgame	\$137,296	0.2%			\$137,296	0.2%
Wilton	\$88,043	0.1%			\$88,043	0.1%
Private Equity	\$1,289,694	1.7%	5.0%	\$0	\$1,289,694	1.7%
Fire Game - Biloxi	\$301,000	0.4%		\$0	\$301,000	0.4%
Lakewood Development	\$2,095,081	2.8%		\$0	\$2,095,081	2.8%
Lakewood Entertainment	\$2,022,144	2.7%		\$0	\$2,022,144	2.7%
Real Estate	\$4,418,225	5.8%	10.0%	\$0	\$4,418,225	5.8%
New System DROP	\$344,132	0.5%	0.0%		\$344,132	0.5%
New Fund R&D	\$20,740,150	27.4%	0.0%	-\$10,000,000	\$10,740,150	14.2%
Total Fund	\$75,778,560	97%	100%	\$0	\$75,778,560	100%

APPROVED BY: Thomas F. Murphy Date: 4/13/2024