

HOFFMAN ESTATE FIREFIGHTERS PENSION BOARD

Station 24
5775 Beacon Point
Hoffman Estates, Illinois 60192
847-695-8502

**SPECIAL MEETING MINUTES
MAY 21, 2019 at 9:30 AM**

- I. **Call To Order:** 0930hrs.
- II. **Roll Call:** Robert Orr, Matthew Fijalkowski, Rachel Musiala, Matthew Collins, (*One Position Vacant*) Also present: Stan Helgerson, Village Treasurer
- III. **Purpose of the Special Meeting:** This meeting is being held by the Board for the purpose of finding a new Financial Advisor to service our the fund. The following vendors were invited:
 - Marquette Associates**
 - Shields Capital**
 - Graystone Consulting**
- IV. **Marquette Associates**, 180 N. LaSalle Street, Suite 3500, Chicago, IL. 60601
Mike Piotrowski, CAIA, Managing Partner & Mike Spsychalski, CAIA, Asst. Vice-President
Presenters handed out documents that would be referenced throughout their presentation.
Presentation, discussion, and Q&A.
Marquette Associates is a private equity corporation, employee owned.
Analysis was done on our current investments and presenters discussed what they would like to do to save the fund money and what investments they feel could be made to yield a higher return.
First was changing some of our investments to those with similar returns, but with lower fees. Marquette negotiates with funds to lower their fee schedules based on the total amount of money that Marquette brings to the market, not just the fund making their investments.
Secondly would be changing our investments in REITS to a private real estate fund that has more stability with a solid return.
Fees to “Consult” or “Advise” our fund would be \$75,000/year guaranteed for three years. After 3 years a rate increase may be due to cover the rise of cost of living expenses. Fee is all inclusive to everything that Marquette provides with no additional charges.
- V. **Shields Capital Advisors, Inc.**, 22 Ashcroft Ct., Fox River Grove, IL. 60021
Bill Yocius, President & Bob Yocius, Vice President
Presenters handed out documents that would be referenced throughout their presentation.
Presentation, discussion, and Q&A.
Bill Yocius begun by reviewing his history with the fund while working with MV&T and the success that he brought to the fund.
Presenters then proceeded to explain who they are and their association with Integrated Advisors Network.
Presenters questioned about their size (2 employees) and their ability to serve us if an emergency would arise with one of them? They answered that the other would be available.
Shields Capital will only be a consultant, not investing.
Fee would be a flat fee of \$49,500 with no additional charges.

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Continued

VI. **Graystone Consulting, 227 W. Monroe, Suite 3400, Chicago, IL. 60606**

Thomas McShane, Institutional Consulting Director

Mary Tomanek, Institutional Consulting Director

Patrick Donnelly, Institutional Consulting Director

Presenters handed out documents that would be referenced throughout their presentation.

Presentation, discussion, and Q&A.

Presenters started by discussing who Graystone Consulting is and their being a business of Morgan Stanley. 10 employees would be working locally for our fund, along with a National Support Group with Morgan Stanley.

Graystone Consulting does not invest in any Morgan Stanley products or funds, thus eliminating any question pertaining to a possible conflict of interest.

If taken on as a client, the turnaround time to convert all of our investing business to Graystone Consulting would take no longer than 90 days. The first 15 days would be dedicated to attorney reviews of contracts. 30 days for an educational meeting and setting goals & objectives. Afterwards, recommendations would be made based on recommendations from the Global Investment Committee.

Fees were discussed with a reduction of the total fee highlighted. Originally the total fee was presented to be .15%, but at time of presentation it was reduced to .12%.

VII. **Board Member Discussion**

Each of the presentations was reviewed. Pros and cons outlined. Members polled as to who they feel would provide the best service and financial returns to the fund.

VIII. **Closed Session- None**

IX. **Final Decision**

Motion to terminate Mitchell, Vaught, & Taylor, Inc. as the Investment Consultant for the Hoffman Estates Firefighters' Pension Fund made by Rachel Musiala, Second by Robert Orr.

Roll Call Vote- Robert Orr, Aye, Matthew Fijalkowski, Aye, Rachel Musiala, Aye, and Matthew Collins, Aye. **Opposed, none. Motion Passed**

Motion to retain Graystone Consulting as the Hoffman Estates Firefighters' Pension Fund Investment Consultants made by Robert Orr, Second by Matthew Fijalkowski.

Roll Call Vote- Robert Orr, Aye, Matthew Fijalkowski, Aye, Rachel Musiala, Aye, and Matthew Collins, Aye. **Opposed, none. Motion Passed**

X. **Adjournment.** Meeting adjourned at 2:35pm by Bob Orr, Second by Matthew Fijalkowski. All in favor, aye.