

Elburn & Countryside Fire Protection District

PO Box 8053

200 E. Rt. 38

Elburn, IL 60119

Office: 630-365-6855

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SPECIAL PENSION BOARD MEETING 09-12-2016

DATE: September 12, 2016 8:00 am
TO: Pension Fund Board, Chief Officers, Pension Attorney & General Public
FROM: Ryan King, Trustee
LOCATION: Station One- 200 E Rt. 38 Elburn, IL

I. Call to Order

a. Meeting called to order by President Huneke at 0830.

II. Roll Call

a. All board members present

III. Public Comment

a. none

IV. Treasurer/Investment Committee Report

a. Half hour presentations with new investment clients

i. 0830 Wall & Associates

1. One partner showed up President David Wall had to cancel due to family emergency. Bill Galgan spoke on behalf of Wall & Associates. The Firm was founded in 1990 and has been dealing with pension funds for 26 years. Firm uses Charles Schwab for trade transactions. They would hire a fixed manager to manage bonds and they would oversee the rest of the portfolio. Fees will be charged as % of assets. Plans are charged 0.0025% annually on the first 25 million of plan assets. Fees are billed quarterly in arrears, and are based upon the market value of all assets in the plan on the last trading day of each prior calendar quarter. There is no start-up or other fees charged by their firm. The only source of income/fee is the hard dollar fee paid directly to us by the client. There are no soft dollar commission/fee arrangements with any broker dealer; the firm does not receive any 12(b)(1) fees or referral fees. Firm handles 33 pension portfolios varying from 728k to 108.2 million; were the firm manages as a discretionary or as a consultant. Firm presented 3 portfolio options for Elburn's Pension fund: Option 1 was non-discretionary consulting Relationship with an annual cost of \$29,600. Option 2 was common discretionary advisory relationship with an annual cost of \$30,880. Option 3 proposal allows for both at a cost effective with an annual cost of \$16,243.

ii. 0900 Premier Asset Management LLC

1. President Joseph Seminetta and CFA Thomas Grooms presented on behalf of Premier Assets Management. Firm was founded in 2001 and has been dealing with pension funds since 2010. They currently manage

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5 pension portfolios ranging from 3 million to 16.5 million. Premier will manage the Plan's assets themselves and do not use external managers. Premier's all in management fee of 0.67% is charged as a % of assets under management. Premier works with custodians and broker dealers that can execute institutional quality trades as inexpensively as \$8.95 per trade. They purpose lower overall management fees and significantly lower large cap management fees. Reduce 6 managers + 1 consultant into 1 local manager and a single, cohesive investment portfolio. Enhance transparency with full fee transparency, evaluate investment policy statement for potential improvements, and see the actual companies and positions your plan invests.

iii. 0930 Lowery Asset Consulting

1. Lowery is our current Firm dealing with Elburn's Pension. Jeff Kowalczyk and Courtney Cervantes both have been handling our fund.

Unfortunately Courtney is no longer with Lowry and Jeff represented the firm. Lowry has been handling the fund since 2011 when the portfolio was 3 million and currently the fund is at 6.5 million. Lowery has been dealing with pension funds since 2008 with 4 portfolios ranging from 6.5 million to 33 million. Lowery's consulting annual consulting fees are \$7,500. The fund currently has First Midwest Bank at an annual cost of 0.05% on all assets (unlimited trading) for any fix income and TD Ameritrade with no custodial fee and \$8.99 per transaction buy/sell of any mutual funds.

V. Communications or Reports

- a. none

VI. Old Business

- a. none

VII. New Business

- a. Nick Oates request for refund of contributions

- i. Motion by Trustee Schopp and second Trustee Siwy to refund Nick Oates based on the calculation provided by Sikich.

VIII. Attorneys Comments

- a. none

IX. Adjournment

- a. Motion adjourned at 1015 by Huneke second by King

RESPECTFULLY SUBMITTED:



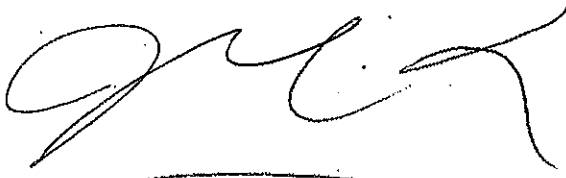
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SECRETARY R. King

X 

PRESIDENT