

THE 50 TOP FINANCIAL ADVISERS

AS SEEN IN
APRIL 2008

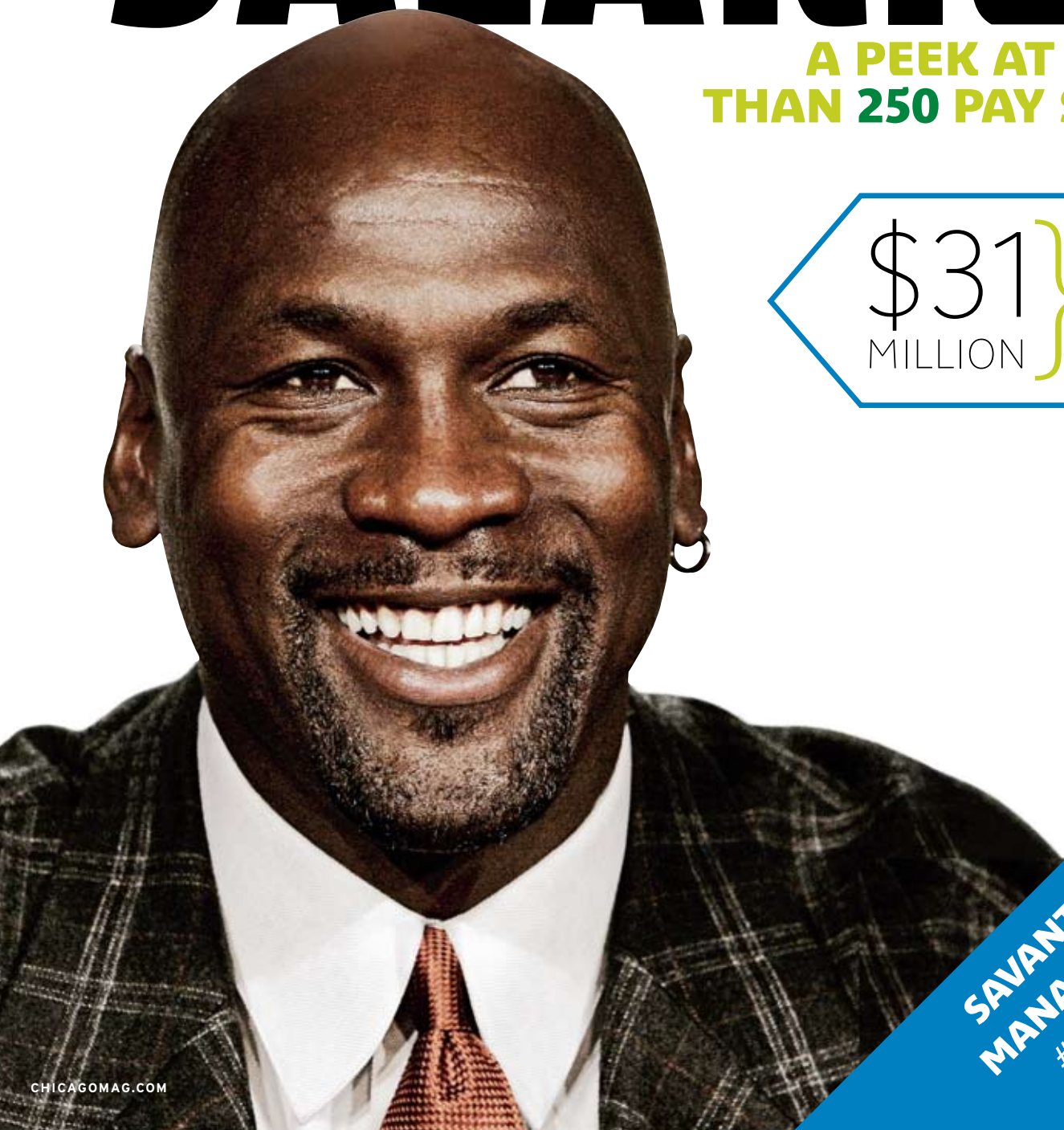
Chicago

SALARIES

A PEEK AT MORE
THAN 250 PAY STUBS

\$31
MILLION

ONE YEAR'S
EARNINGS
FOR MICHAEL
JORDAN



SAVANT CAPITAL
MANAGEMENT, INC.
#1 Independent
Financial Adviser

Chicago

Many Happy Returns

Whether helping a wage earner plot a savvy investment strategy or a wealthy entrepreneur preserve his riches, these local financial pros earn high marks by giving smart advice and putting their clients first **by SHANE TRITSCH**

Early in 2008, investors had to cope with a windfall of bad news—credit markets melting down, inflation heating up, talk of recession, plunging stock prices. But even when fear seemed contagious, a funny thing was happening at the offices of Chicago's top financial advisers. Their phones were largely . . . quiet. Most clients weren't calling, needing to be coaxed back in from the ledge. Often that was because the advisers had already taken the initiative and picked up the phone, reminding clients that their portfolios were diversified to weather the storm and that the road map to their financial goals remained intact. In short: They could sleep easy. "On days when your client is losing money, those are tough calls to make," says R. J. Shook, a researcher and an author in Boca Raton, Florida, whose organization, The Winner's Circle, studies the financial advice business. Good advisers do it, he says, "because it's the right thing to do."

Financial pros who can deliver peace of mind when the going gets tough don't merely earn the loyalty of clients. They attract new ones and sport growing books of business. They also draw the attention of Shook's Winner's Circle, which identifies top advisers, most notably in national rankings published by *Barron's*. (Shook says his organization receives no compensation from financial advisers or their firms for the rankings; it earns money from book sales, conferences, and research sponsorships.)

To single out Chicago's top advisers, Shook and his team assembled a mountain of quantitative and qualitative evidence. They solicited nominations from securities firms, banks, and other financial companies; reviewed internal compliance records, customer satisfaction data, and client retention rates ("If they're losing clients or assets, it's a sign," Shook says); grilled members of management and industry peers ("often where we get our best information"); and conducted in-depth interviews with the advisers themselves, by phone and in person.

Because most advisers don't have audited track records, portfolio performance did not enter into the ranking formula. Instead, the evaluators assigned weight to each adviser's size of assets managed, revenues produced, and years of experience. Many top local advisers have surrounded themselves with outstanding talent, so Shook and company factored in the strength of their teams as well. Consideration was also given to racial and ethnic diversi-

ty and to smaller account sizes to allow for greater variety.

After The Winner's Circle arrived at its verdict, *Chicago* interviewed the finalists for the profiles that follow. Our 50 winners are models of what a financial adviser should be, adhering to high ethical standards and employing the industry's "best practices," says Shook. They offer objective advice and "open architecture" platforms, with access to a wide range of financial products and services, not just those of their own firms or a few outside companies.

The advisers on our list excel at bringing order to their clients' financial affairs, managing the risk in their portfolios, and mapping strategies to meet their long-term financial goals. A few specialize in recommending specific investments for clients; most, though, act more as consultants, devising asset allocation strategies but hiring outside money managers to do the actual investing. For clients with large portfolios and complicated financial lives, these advisers can tap a full range of wealth management services, including trust and estate planning, philanthropic advice, credit services, and help with tax strategies.

Our rankings are divided into two lists: one with 40 advisers employed by or affiliated with brokerage houses or banks; the other containing ten registered investment advisers (RIAs), who tout their independent status. The separation is necessary, Shook says, because the two types use different business models and abide by different regulations and standards. There are also differences in their fee structures—something a prospective client should understand before opening an account. (To learn more about financial advisers, including how they are paid, credentials they carry, and questions to ask when hiring one, visit www.cfp.net/learn/ or www.fool.com/fa/finadvice.htm.)

Ultimately, says Shook, the differences between brokers and RIAs aren't nearly as important as the traits that the best ones share. They "aren't concerned about making a trade because it benefits them," he says. "On both lists, they're looking after their clients' best interests at all times."



Independent Advisers

1

BRENT BRODESKI **Savant Capital** **Management, Geneva**

info@savantcapital.com
815-227-0300
Minimum account: \$1 million
Typical account: \$1–\$10 million-plus

Doctors, lawyers, and other affluent people typically go to Brodeski—who tops our list of registered investment advisers—in financial disarray, with little coordination between their tax, insurance, estate planning, and investing strategies. “There’s a gap between where they’re heading and where they want to be,” says Brodeski, 40, whose 21-adviser firm is headquartered in Rockford (with offices in Geneva, Hoffman Estates, Freeport, and Madison, Wisconsin). “We help identify those gaps, then build strategies and processes to realign their path with their plan.”

Once an integrated financial plan is in place, the firm’s investment team can tailor a diversified global portfolio. Brodeski thinks it’s nearly impossible for mutual fund managers to beat the stock market

consistently over time. That’s why he believes in passive investments such as index funds (which mimic the performance of stock market indexes such as the S&P 500 and the Russell 2000) and exchange traded funds (baskets of investments organized around specific themes, such as domestic small-cap stocks, real-estate investment trusts, or municipal bonds). It’s also why he doesn’t believe in “tactical” investing—making short-term bets in the hope of rapid appreciation. Such “market timing,” he says, is “a watered-down way of saying, ‘I can be smarter than everyone else.’ It sounds sexy. The problem is, it doesn’t work. And that shifting [money] around creates taxes and transaction costs” that hurt returns and add risk.

A better approach, he says, is to systematically rebalance portfolios,

shifting some money out of outperforming investments and plowing it into underperforming categories, thus keeping the portfolio balanced. Recently, for example, he shifted client money out of Treasury bonds, which investors have flocked to during the credit market meltdown, and into small-cap value stocks, which have taken a beating. Such moves are “emotionally hard” for most investors, he says, but they improve long-term performance while keeping risk in check. The best part: “I don’t have to spend a lot of energy stock-picking, market-timing, and manager-picking,” says Brodeski. “Now I can spend that time on the client, helping him understand his long-range vision, sorting out complex multigenerational issues, coaching his children on financial matters—things that add value.”

Posted with permission from the April 2008 issue of *Chicago* © www.chicagomag.com, Copyright 2008. The Chicago Tribune Company. All rights reserved.
For more information about reprints from *Chicago*, contact Wright's Reprints at 877-652-5295

What Makes Us Different?

- **Independent:** Unlike many advisors, brokers, or banks, Savant has no conflicts of interest. We are independent, objective, and do not earn commissions.
- **Fee-only:** As a fee-only wealth management firm, we are compensated based on how well we handle your assets, not how often.
- **Fiduciary:** Savant is a Registered Investment Advisor, which means we are required by law to act in our clients’ best interests.
- **Evidence-based:** Too often, fear and greed—rather than evidence—drive investor decisions. Our investment philosophy is grounded in academic knowledge and common sense.
- **Low Costs:** Our low-cost institutional approach, using index and structured vehicles, has outperformed the vast majority of active managers over long-term periods with less risk.
- **Tax Efficient:** Our investment and planning approaches focus on maximum tax efficiency and wealth preservation.
- **Teamwork:** We use a team approach to deliver top advice, service, results, and a world-class experience.

Savant Capital Management – Wisdom On Watch

All of our clients face issues that are important and relevant to their individual financial and life situations. To that end, we remain avidly alert for events, issues, or opportunities that affect our clients’ lives. It’s what we call “Wisdom on Watch.” In short, as a Savant client, you don’t have to worry about your financial future, because we are. When you’re not thinking of us, we’re thinking of you.

We invite you to contact us. We will help you define specific goals and a plan to achieve them. Call today to begin putting the Savant advantage to work for you and your family.

Savant Capital Management, Inc.

Helping clients maximize their assets, enhance the quality of their lives, and realize personal and financial goals.

Savant Capital Management, Inc is an independent, fee-only wealth management firm headquartered in Rockford, IL. Since 1986, Savant has provided integrated investment management, financial planning, and family office services to financially established individuals, trust funds, retirement plans, and non-profit organizations.

Savant provides insight, wisdom, and perspective to clients. We provide direction and confidence regarding your financial decisions. Savant serves you in a manner that is fully transparent. This leads to greater peace of mind, simplicity, and clarity.

As a fee-only advisor, Savant does *not* receive benefits from brokerage services, commissions, or finder's fees. This independence allows Savant to remain impartial. Additionally, Savant does not sell products and thus delivers objective fiduciary advice and services that do not create conflicts of interest. We serve *only* you, our client. To assure that Savant adheres to industry best practices, we became one of the nation's first investment advisors to attain CEFEX Fiduciary Certifications from the Center for Fiduciary Excellence.

Savant provides much-needed wisdom and focus in an era of information overload. We offer a personalized, comprehensive, and integrated approach to clients' financial needs and help align your assets and decisions to achieve your ideal future.

Team Savant is comprised of highly educated, experienced, understanding, and responsible individuals who remain avidly alert for events, issues, or opportunities that may affect our clients' lives. The team understands the intricacies of how financial markets work and is proactive in conveying information to assist you in making decisions to meet your goals.

Savant is regularly recognized among the top wealth managers in the United States. In April of 2008, Savant was named the top independent advisor in Chicagoland by *Chicago* magazine. Recently, Savant was named by *Barron's* magazine as one of the 100 best independent financial advisors in the United States. *Inc.* magazine named Savant as the fastest growing Registered Investment Advisor in Illinois. Savant has also been recognized as one of the nation's top 100 financial advisors by *Worth* magazine each year since 1997.

Since 2004, Savant has been selected by *Medical Economics* magazine as one of the 150 best financial advisors for doctors in the nation. In addition, Savant has regularly been included in other prestigious top advisor lists published by *Wealth Manager*, *Financial Advisor*, *Registered Representative*, *CPA Wealth Provider*, *J.K.Lassers*, and *Family Wealth Alliance*. Finally, in 2006, Savant was included in *The Wealth Factor—A Team Approach*, a book profiling ten of the most innovative and respected wealth management firms in the nation.

Rockford, IL
815 227 0300

Chicago, IL
312 225 0300

Freeport, IL
815 297 0400

Geneva, IL
630 208 0010

Hoffman Estates, IL
847 969 0600

Madison, WI
608 831 1300

www.savantcapital.com

 **SAVANT**[®]
Your Wise Wealth Advisor