

SUMMARY OF AWARD NOTICE

BOROUGH OF ARCHBALD, PA

Proposal For: Pension Plan Services Provider

RFP NOTICE NUMBER: 2013-1

Services Provided For (2 Pension Plans):

Police Pension Plan – *Defined Benefit* & Non-Uniformed Pension Plan – *Defined Contribution*

The purpose of this correspondence is to formally notify all finalists that participated in the Interview Process (the final step) under this Request for Proposal of a determination by the *Selection Process Body*.

After careful consideration of all information presented, a detailed review and analysis process, and the narrowing of a very competitive field of highly qualified applicants, the **Borough Council of Archbald, PA** wishes to announce the selection as the *most qualified applicant* and designation as the tentative selectee for Award of the Professional Services Contract to:

Municipal Retirement Trust (Tentative Selectee)

SUMMARY OF EVENTS: Provide a brief description of the overall RFP Proceedings and subsequent designation of a tentative selectee and the *Most Qualified Applicant*:

Archbald Borough received five responses to its Request For Proposals for a Pension Plan Services Provider. Three were disqualified because the firms did not meet the minimum requirements of the RFP. Per its adopted review procedure the remaining two proposals were evaluated by each member of the selection committee and then invited to an interview with the selection committee. The Municipal Retirement Trust received a higher score in all five ranking categories: Experience and Expertise; Quality of Services Proposed / Customer Service; Reporting and Accountability; Investment Performance Management and Service; and Cost of Services. The selection committee also gave the Municipal Retirement Trust a higher ranking as a result of the interview.

Joseph Simon
Senior Member of the Selection Process Body

Joseph Simon 3/6/13
Signature and Date

ANTHONY J. GIORDANO
Chief Administrative Officer

Anthony J. Giordano 3/6/13
Signature and Date

PART C: REQUEST FOR PROPOSAL – APPLICATION

ARCHBALD BOROUGH, PENNSYLVANIA

Proposal For: Pension Plan Services Provider

RFP NOTICE NUMBER: 2013-1

Services Provided For (2 Pension Plans):

Police Pension Plan – *Defined Benefit* & Non-Uniformed Pension Plan – *Defined Contribution*

RFP NOTICE DATE: January 21, 2013

RFP CLOSING DATE: February 1, 2013

APPLICANT INFORMATION:

| | |
|---|---|
| Company Name and Address: The Municipal Retirement Trust Pennsylvania State Assoc. of Boroughs 2941 North Front Street Harrisburg, PA 17110 | Company's Principal Point of Contact: Mr. Christopher Cap MRT – Treasurer The Municipal Retirement Trust |
| Point of Contact's Phone Number: | 800-232-7722 (or) 717-236-9526 Ext. 43 |
| Point of Contact's FAX Number: | 717-236-8289 |
| Point of Contact's E-Mail Address: | ccap@boroughs.org |

STATEMENT OF CONFIDENTIALITY ON INFORMATION PROVIDED:

All Applicants to this RFP – be advised that; this application and its contents shall be held in a confidential status until the conclusion of the Request for Proposal process, after which, all information provided on this application will become public accessible and may be disseminated in accordance with the other previously established policies of this municipal entity and the specific disclosure requirements of Act 44 of 2009, Chapter 7-A, except, information that is considered proprietary in nature and / or otherwise protected by law.

APPLICATION INSTRUCTIONS & QUESTIONS:

GENERAL INSTRUCTIONS:

This Application is presented in **WORD format** to allow you to insert your responses without transposing the questions to a separate document. **Applicants must** submit their response to each question below that question and preface each one with the word ***Response:*** in bold Italic. All responses are to be in Times New Roman font – 12 point. Please do not reformat the Application. The margins have been offset to allow for binding. **ALSO SEE “SPECIAL INSTRUCTIONS”**, next page.

No other form of written response is acceptable.

APPLICATION QUESTIONS:

NOTE: All of the original application Questions are in Blue font for easier recognition. All responses are preceded by “*response...*” in bolded red.

1. Please provide the names and titles of all individuals who will be providing professional services to the Archbald Borough’s pension plans identified in the RFP.

Response – “applies to both plans”:

The *Municipal Retirement Trust (MRT)* is wholly owned and operated by the PSAB and is the **primary contractor**. The MRT employs several sub-contracted firms to provide specific and unique services to the Trust. The principal PSAB-MRT team members are listed first, followed by those of each sub-contractor.

Principal Contractor Team Listing (PSAB-MRT)

PSAB Municipal Retirement Trust (MRT)

The PA State Association of Boroughs and Principal Pension Operations Contractor

Chris Cap, PSAB Executive Vice President – Serves as MRT Treasurer

Jeffrey Heishman, Deputy Exec. Vice President – Serves as MRT Secretary

Linda Costa, Director of MRT Trust Accounts / CAO – Inside/Outside pension services and CAO

Joseph Scott, Chief Field Operations Officer – Inside/Outside pension Customer Services Liaison

Sub-contractor and Advising Team Listing

Administrative, Actuarial, Accounting, Banking and Custodial services Companies

Thomas J. Anderson & Associates – Trust Administrator

Thomas Anderson, President – Manages Act 205 & Act 600 administrative compliance efforts

Beyer-Barber Company – Actuarial Services

Randee Sekol, EA, MAAA, MSPA, FCA, Owner, Beyer Barber Company 1996-present, Approved actuary under Pennsylvania Act 205.

Brown, Schultz, Sheridan & Fritz – Trust Auditor

John W. Bonawitz, Jr., Principal – Supervises annual audit functions for the Trust.

Hamilton & Musser – Accounting Sub-contractor

Robert Mast, Shareholder – Manages account reporting, tax filings and fund disbursements

Fulton Bank – Fund Depository

Tammy Snyder, VP of Corporate Development – Manages checking and disbursement accounts

Merrill Lynch – Investment Market Monitor

Peter Butera, CIMA, First Vice President of Investments – Serves as investment monitor of MRT

William Bender, CFP, CIMA, ARPC – Serves as investment monitor of MRT

Mette Evans & Woodside – Law firm providing legal counsel
James Ulsh, Shareholder – Serves as the MRT Solicitor

Investment Management – Style-Specific Companies

Updated as of October 1st, 2012

Wedge Capital Management L.L.P – Mid-Cap and Bond Manager

Martin L. Robinson, CFA, General Partner – Conducts outreach and financial reporting functions.
John G. Norman, Executive Vice President – Manages stock selection and operations platform.

Shaffer /Cullen Capital Management, Inc. - Large Cap Value (Since Oct 2012)

Edmund J. Lomasney, Vice President - Conducts outreach including marketing and outside sales.

Herndon Capital Management - Large Cap Value (Since Oct 2012)

Marc O. Sydor, Snr. Vice President Marketing & Client Services - Conducts outreach including marketing and outside sales.

Luther King Capital Management – Small/Mid Cap Core Manager (Since Sept 2012)

Mark L. Johnson, CFA, Portfolio Manager – Manages stock selection and operations platform.

The London Company – Small Cap Core Manager (Since Sept 2012)

Wade Stinnette, CFA, Portfolio Manager – Manages stock selection and operations platform.

Winslow Capital / Nuveen – Large Cap Growth Manager

Clark J. Winslow, Chief Executive Officer, Chief Investment Officer – Manages all operations and investments at Winslow Capital.

Justin H. Kelly, CFA Senior Managing Director, Portfolio Manager, Analyst - Conducts outreach and financial reporting functions.

ING Clarion Real Estate Securities – Real Estate Investment Trust Manager

Steven D. Burton, CFA, Managing Director - Global Strategy Portfolio Manager.

Atalanta Sosnoff – Large Cap Growth Manager

Richard Maresca, Managing Director - Manages stock selection and operations process.
Anthony Salvatore – Vice President – Conducts outreach and investment performance functions.

Neuberger Berman – Large Cap Core Manager

Andrew Provencher, CFA, Managing Director – Oversight of stock selection and operations process.

CS McKee – Large Cap Core Manager

Jeffrey Davideck, Marketing Manager – Manages outreach and financial reporting functions.
Gregory Melvin, CFA, Executive VP & Chief Investment Officer- Oversight of stock selection & research .

The Endowment Fund – Alternative Investments Fund of Funds Manager

John E. Price, Chief Financial Officer – Oversight of financial operations and alternative investments.

Wentworth, Hauser and Violich – International Fund Manager

Richard K. Hirayama, Senior Vice President – Oversight of stock selection and operations process.
Miriam E. Ballert, VP of Business Development - Conducts outreach and reporting functions.

NFJ Investment Group, Allianz Global Investors - International Fund Manager (Since Oct 2012)
Todd C. Monastero, Vice President, External Investment Consultant - Conducts outreach including marketing and outside sales.

2. Describe how long your firm has been providing the types of pension services sought under this RFP – **specifically**, to municipal government entities in Pennsylvania. If your firm will employ any subcontractor or company that will be a party to providing the proposed services relative to this RFP, or in an advisory capacity, please indicate their experience relative to servicing pensions of municipal government entities in Pennsylvania.

Response – “applies to both plans”:

The Municipal Retirement Trust has been providing municipal pension services *since 1972* and is a highly specialized, multi-employer Trust that **exclusively** serves local PA governments. Therefore, the MRT has been providing these same types of services to our municipal clients **for the past 40 years**.

The MRT Principal Team Administration & Customer Service (at the PA Boroughs Assoc. office):

Chris Cap, PSAB Exec. VP (MRT Treasurer): 11+ years experience

Jeffrey Heishman, PSAB Deputy Executive V.P. (MRT Secretary): 20 + years experience

Linda Costa, Director of MRT Trust Accounts & Chief Operations Officer: 10 years experience

Joseph Scott, Chief Field Operations Officer: 6 + years experience

SUBCONTRACTORS AND ADVISORS:

Investment Advisors and Portfolio Management

Merrill Lynch – Investment Market Monitor / Advisors Sub-Contractor: 20 + municipal experience

Peter Butera, CIMA, First Vice President of Investments and **William Bender**, CFP, CIMA, ARPC

Investment Management Style-Specific Companies:

All have at least 15 + years in investment management. Their PA municipal experience is not relevant to the service they provide to the **MRT** – their expertise in style-specific investment management is.

- **Wedge Capital Management L.L.P – Mid-Cap and Bond Manager**
- **Shaffer /Cullen Capital Management, Inc. - Large Cap Value (Since Oct 2012)**
- **Herndon Capital Management - Large Cap Value (Since Oct 2012)**
- **Luther King Capital Management – Small/Mid Cap Core Manager (Since Sept 2012)**
- **The London Company – Small Cap Core Manager (Since Sept 2012)**
- **Winslow Capital / Nuveen – Large Cap Growth Manager**
- **ING Clarion Real Estate Securities – Real Estate Investment Trust Manager**
- **Atalanta Sosnoff – Large Cap Growth Manager**
- **Neuberger Berman – Large Cap Core Manager**
- **CS McKee – Large Cap Core Manager**
- **The Endowment Fund – Alternative Investments Fund of Funds Manager**
- **Wentworth, Hauser and Violich – International Fund Manager**
- **NFJ Investment Group, Allianz Global Investors - International Fund Manager (Since Oct 2012)**

Administration, Compliance, and Actuarial Services Companies:

Thomas J. Anderson & Associates, Inc. (Administrative Services Subcontractor) has been providing municipal pension administration and compliance services for more than 20 years. Thomas J. Anderson & Assoc. are respected and recognized as one of the most experienced firms in Pennsylvania Pension regulations and compliance policy – especially, **ACT 600 and ACT 205**. Thomas Anderson (principal) has spent most of his professional life involved in this area. Tom is a former Audit Supervisor with PA Auditor General’s Department and now (for the past 20+ years) serves PA municipal governments as a private contractor for municipal pension services.

Actuarial Services Sub-Contractor – Beyer Barber Company: NA – Not required under this RFP

Other Subcontractors / Advisors:

All have 15 + or more years experience in providing similar services to PA municipal governments or to / through the **Municipal Retirement Trust:**

- **Brown, Schultz, Sheridan & Fritz – Trust Auditor**
- **Hamilton & Musser – Accounting Sub-contractor**
- **Fulton Bank – Fund Depository**
- **Mette Evans & Woodside – Law firm providing legal counsel / MRT Solicitor**

3. In general terms, describe the make-up of your current municipal client base:

- a. How many of your current public pension clients are **Pennsylvania municipal pension clients** at the township, borough, or municipal authority level (commonly referred to as *local government entities*)?

Response – “applies to both plans”:

The ***Municipal Retirement Trust*** was instituted for the expressed purpose of providing pension services exclusively to municipal government entities of, and only within, the Commonwealth of PA. The Municipal Retirement Trust does not have, nor does it allow pension plans of any individuals, private companies, or publicly traded companies, within its ranks of investors. The Trust is comprised of only PA Municipal Government-sponsored pensions as plan participants.

Total PA Municipal Clients: The MRT has **168 municipal clients with 214 pension plans** – about 29% of our clients have more than one of their pension plans in the MRT.

Our clients are comprised of boroughs, townships, municipal authorities, and councils of government. The MRT does not have any clients outside of the scope of PA local government entities – ***this is our specialty*** and the purpose of our ***Trust***.

b. What are the percentages of those that are defined benefit vs. those that are defined contribution plans?

Response – “applies to both plans”:

Defined Benefit Plans: 61% (131 plans) Defined Contribution Plans: 39% (83 Plans)

c. What are the total pension assets of those Pennsylvania municipalities that your firm has under direct financial management?

Response – “applies to both plans”:

The MRT currently manages **\$161,201,144 in total trust assets**, as of June 2012.

4. Provide some brief specifics relative to the qualifications and experience of the principal individuals primarily responsible for providing **investment management and/ or advisory services**. Also provide the same information for those primarily responsible for providing **administrative services** – specifically address their experience with Act 205 and Act 600 compliance and reporting. All responses to the preceding must reflect their qualifications and experience, specific **only** to the provision of pension services to Pennsylvania municipal clients.

Response – “applies to both plans”:

The Investment Management, Advisory & Monitoring Team from Merrill-Lynch:

Peter Butera, CIMA, First Vice President of Investments and **William Bender**, CFP, CIMA, ARPC are among the very best in the Commonwealth at providing PA municipal pension investment advice and monitoring. Mr. Bender is one of only 65 certified institutional investment managers for Merrill-Lynch in the entire US. His expertise in this very specific area is critical to the success of the MRT. Both Mr. Butera and **Mr. Bender** have **more than 20 years experience each** in institutional investment and wealth management. Both have been the investment advisors to the Trust since 1997. Since that time, the Trust *assets have increased 122%* under their management.

Style-Specific managers for the Municipal Retirement Trust:

All of these companies have been thoroughly screened for their performance and suitability as style-specific managers for the Trust. They are governed under the strict investment policy guidelines of the MRT and they are monitored by our investment advisors and Merrill-Lynch. All of the primary investment professionals at these companies have **more than 15 years experience** in their specific styles of investment. The current companies managing Trust assets are listed above in **response to Question # 1**.

PSAB – The MRT Principal Team (at the PA Boroughs Assoc. office):

Christopher Cap, PSAB Executive V.P. & MRT Treasurer

Chris assumes the position of PSAB Executive VP and MRT Treasurer as of 1 January 2012. Mr. Cap previously served as Chief Operating Officer of the Municipal Retirement Trust for the past 11 years. He also managed the operations of a statewide unemployment compensation fund (comprised of 651 cities, boroughs and townships), oversees the PSAB communications department, and works with the US Congress, PA State Assembly, and Governor's Office on pertinent financial issues impacting municipalities. Mr. Cap has served PSAB for over ten years and previously served as a commercial/residential mortgage banker and underwriter for 8 years. He earned his B.A. from the University of Maryland and his M.A. from East Stroudsburg University.

Jeffrey Heishman, PSAB Deputy Executive V.P. & MRT Secretary

Jeff has worked in the association management field for over 30 years and has served as Executive Director of the Lower Dauphin Council of Governments and Assistant Director/Community Development Director of the Steel Valley Council of Governments. Jeff has been involved with the Municipal Retirement Trust and its Board of Trustees since 1984 and has worked with municipal governing bodies and appointed officials across the Commonwealth. He earned his B.A. in Governmental Administration and his M.S. in Public Administration from Shippensburg University.

Linda Costa, Director of Municipal Retirement Accounts & Chief Operations Officer - MRT

Linda Costa has an extensive business background in program management, marketing and finance. She worked for 15 years in the manufacturing arena in program management doing manpower planning, financial forecasting and budgeting, program statistical collection, internal financial audits, ethics investigations, and coordinating cost reductions. Since moving to Pennsylvania in 1997, she has been employed by PSAB where she established and ran the Police & Fire Testing Service for 5 years, is Executive Director of the PA Association of Councils of Governments and currently is the Director of Municipal Retirement Trust Accounts and newly appointed Chief Administrative Officer of the MRT. She has a BA in Psychology and an MBA in Marketing from C.W. Post Center in New York.

Joe Scott, MRT Chief Field Operations Officer

Joe Scott has an extensive business background in management, marketing and sales. He spent 20 years with the US Army, 16 of which he served in a leadership / management capacity. After retirement in 1998 from the military, he worked in 2 sales and marketing positions before joining the MRT team in 2010. Joe worked

for the MRT in his current position from 2001 – 2005. He has a BS Degree in Business Administration from Central Pennsylvania College. Joe’s current duties are focused on new and current MRT client services. Joe serves as the Primary Compliance Officer regarding Act 44 requirements for the MRT and the PSAB membership at large – he has authored the only fully-functional Act 44 compliance handbook to-date, and has lectured extensively throughout the Commonwealth.

Administration and Actuary Services Providers (sub-contractors):

Administration: **Thomas J. Anderson & Associates, Inc.** has been providing municipal pension services for more than 20 years. The company specializes in PA Municipal Pension Administration and Compliance. As former Auditors for the PA Dept. of the Auditor General, the principal members this firm possess a keen understanding of the complexities of PA Municipal Pension Administration. They are highly specialized in providing timely and effective guidance on all pension administrative requirements, based on their **vast knowledge and experience regarding Act 205, Act 600, and Act 44 compliance and reporting.**

Thomas J. Anderson, President, Thomas J. Anderson & Associates, Inc. Audit Supervisor, Department of the Auditor General, 1980-1989, President, Thomas J. Anderson & Associates, Inc. 1989-present.

Actuary: **Beyer Barber Company – Optional Actuarial Services: NA – Not required under this RFP**

5. Briefly describe the overall structure of the services platform your firm will employ to provide the desired services described under this RFP in **PART A: RFP Requirements and Specifications**. Please indicate if your firm will employ any subcontractor(s) and / or advisor(s) to assist in providing these services and their respective capacity.

Response – “applies to both plans”:

The ***Municipal Retirement Trust*** is governed by a ***Board of Trustees*** whose primary responsibility is to periodically review the investment posture, performance, and the efficiency of all service providers to the MRT. As changes become inevitable, the ***MRT Board of Trustees*** is charged with the responsibility of selecting courses of action or suitable replacements for underperforming service providers or investment managers. Their findings and recommendations are then brought before the members of the PSAB Board for final decision and approval. **Christopher Cap** serves as the MRT’s Senior Officer - Treasurer and supervises the overall operations of the Trust. **Joe Scott and Linda Costa** provide new client and current client customer services respectively. All subcontractors and advisors are under the direct supervision of the PSAB Board, the MRT Trustees, and the MRT Officers.

Sub-contractors and advisors: The Trust has assembled a team of highly experienced and dedicated professionals in each of the areas they represent.

Thomas J. Anderson and Associates is responsible for providing all of the administrative services and support not within the scope of PSAB personnel. When requested or needed, they are responsible for *providing guidance and advice, based on their vast expertise, on all current pension laws and statutes* and assisting MRT members in complying with them, *primarily act 205 and Act 600*.

The Investment Advisory & Monitoring Team from Merrill-Lynch; Peter Butera, CIMA, First Vice President of Investments and **William Bender**, CFP, CIMA, ARPC are among the very best in the Commonwealth at providing PA municipal pension investment advice and monitoring. Mr. Bender is one of only 65 certified institutional investment managers for Merrill-Lynch in the entire US. His expertise in this very specific area is critical to the success of the MRT.

The Investment Managers: These companies are style-specific and represent some of the most knowledgeable, effective and respected financial management firms in the nation. The current list of *Investment Managers* is in the response section of **Question #1**.

Other sub-contractors provide periodic and very specific services as needed, such as legal advice, accounting and auditing, and banking and custodial services. Their roles and who they are have been previously identified – see response to **Question #1**.

6. How many PA municipal pension clients do you currently provide a platform of product(s) and service(s) similar to the one you are proposing in your response to question #5?

Response – “applies to both plans”:

The ***Municipal Retirement Trust*** provides this same platform of products and services to all of our members. The MRT currently services 214 municipal pensions throughout the Commonwealth of PA. We do allow MRT members to utilize our actuarial services* **or, at their discretion**, they may choose their own actuarial firm. Currently about 65% of MRT plans utilize the optional actuarial services* offered by the Trust. For those that choose a different actuary we strive to work closely with that firm, providing timely and efficient reports and information to facilitate their responsibilities for reporting to the municipality. The ***MRT’s total package of municipal pension services*** include: (1) Investment, (2) Banking & Custodial, (3) Administrative Services, and our optional (4) Actuarial services*. (* *only when requested by the municipality – not part of this RFP*)

7. Please indicate if there are any aspects of the desired services described under this RFP in **PART A: Detailed RFP Requirements** that your firm is unable to perform or provide. Please be specific as to which one(s) apply.

Response – “applies to both plans”:

There are no services required under this RFP that the *Municipal Retirement Trust* cannot effectively and efficiently offer or provide. Actually, our “*total package*” of services provides much more than requested.

8. Briefly describe a situation when your firm provided a timely and effective solution to a new client’s crisis or circumstance that resulted in a positive resolution or elimination of the issue.

Response – “applies to both plans”:

The *Municipal Retirement Trust* has been hired by numerous PA municipal government entities in recent years to more effectively manage the investment risk for their pension plans. In many cases, new plans enter the **MRT** because the previous investment manager severely underperformed performance benchmarks and therefore adversely impacted the actuarial positioning of that plan. In other cases, many municipalities have taken an exorbitant amount of risk and were confronted with deep negative returns that are difficult to overcome in subsequent positive performing years. Yet in other cases, there were those municipalities whose administrative service providers failed to keep them informed of changes in laws that govern PA Municipal Pensions and this resulted in numerous findings by the PA Auditor General’s Office. **The solution: Effective & Sound Investments:** The Municipal Retirement Trust has effectively mitigated such cases involving poor investment performance through a responsible investment platform that promotes growth and seeks to manage downside risks during investment cycles involving extreme economic or geopolitical market events. **Effective & Sound Administrative Management:** Thomas J. Anderson & Associates, Inc. routinely correct existing audit issues as well as correcting any new issues as they arise. For example, many defined contribution plans due to the state aid time lag receive excess state aid. This excess state aid needs to be returned to the Commonwealth of Pennsylvania to avoid a future audit finding. Their firm with the authorization of the municipality always ensures that this is closely monitored and never results in a finding or problem. The MRT takes a proactive rather than reactive approach to pension administration that starts when a new client joins the **Municipal Retirement Trust**. We believe that proper administration begins when the new client joins the MRT – thereby eliminating many future and potential issues. We help the new MRT member begin with a “*clean slate*”. The answer to the next question illustrates this perfectly.

9. Describe your firm's approach to client support and if selected to provide services to this municipality, how this municipality will be integrated into your client support network.

Response – “applies to both plans”:

Initially...Client support begins as soon as Municipal Pension Plan joins the **Municipal Retirement Trust**. All customer support and other contact information and a welcome packet, along with critical documents that must be incorporated into the municipality's pension plan are sent. **Shortly afterward, Thomas J. Anderson & Associates** will schedule a visit to the municipality to review all pension documents, with special emphasis on three critical areas: Overall employee benefit structure, past 3 audit reports, and previous Act 205 reports. They will also focus on any recent changes in PA Pension Law that may need to be addressed as well. The focus here is to insure legal compliance, effective and compliant administration of the plan, and to provide the municipality with advise and / written instructions for corrective action to mitigate any deficiencies they find. Thereafter...the plan is routinely monitored and corrections are made as circumstances present themselves. Prior to audits by the PA AG's office, our administrative team will insure that all the documents you need are in place and properly prepared. They will also field any questions during or after the audit from either the municipal leadership or the auditor. Support by the PSAB staff is always available, as with Thomas J. Anderson & Assoc. – we are only a phone call away.

10. Briefly describe any unique characteristics of the overall services platform your firm proposes and why (in your opinion) you feel it is best suited to meet the needs of this municipality's pension(s).

Response – “applies to both plans”:

The **MRT** provides a complete platform of services that are **not otherwise available** to most municipal pension plans in PA. These services may be replicated by other businesses in one form or another, but not duplicated – primarily because to do so would be cost-prohibitive. The **MRT** is operated by a **non-profit organization – the PA State Association of Boroughs** – which exists solely for purpose of supporting its members with programs and services that are usually unavailable or too costly elsewhere. **The MRT is the only pension Trust of its kind offered in Pennsylvania.** There are **three unique (exclusive) characteristics** of the overall services platform offered by the Municipal Retirement Trust (MRT):

(1) Exclusive Participation – The MRT is only available to PA Municipal Government entities that operate a qualified pension plan and are subject to the requirements of ACT 205 of 1984 and all subsequent or related PA Pension Laws. **We do not manage or invest private or corporate monies**, nor do we allow their participation in the Trust. We are solely focused on PA Municipal Government pensions – **this is our specialty.**

(2) Unique Governance & Shared Fiduciary Responsibility – The MRT is a trust. Its Trustees, the MRT Officers, and the PSAB Board, collectively manage the trust and directly supervise all of the subcontractors and advisors to the Trust, on behalf of the 200+ member plans. Therefore, the MRT shares in the fiduciary responsibility that your municipal leadership has regarding the plan. This offers a unique and added layer of security and scrutiny to the overall operation of the pension plan that is otherwise *not offered by other service providers*. In addition, the MRT is a program operated by a non-profit entity (the PSAB) and for the expressed purpose of providing an unparalleled pension service to its municipal membership. This makes the **MRT one-of-a-kind** among pension service options.

(3) Unparalleled Investment Services & Cost Saving – When municipalities join the MRT they are joining a collection of other Municipal Trust participants to form a large investment coalition. This means the MRT and its participants can gain access to some of the best investment advisory and management services money can buy (at a level unavailable anywhere else) – at a cost that is below the capabilities of most PA municipalities individually. The PSAB-MRT approach to asset management is rather conservative; that is, *we manage assets to protect against the “downside” of market trends*. Over the past 30+ years, the MRT has weathered several negative market return years – the latest was 2008. Our investment position saved our MRT clients nearly \$14 million or 10% in assets due to market losses. This proactive, yet conservative approach to asset management has netted an *average yearly rate of return* in excess of *+7% per year over the past 16 years*. This places the MRT as one of the top PA municipal pension investment performers over the same period of time. It’s hard to argue with that level of success.

Considering all of the aforementioned *“unique characteristics”* of the *Municipal Retirement Trust*, the investment performance, the quality of services provided, and the fact that we have been providing these same highly desirable services to our clients *since 1972*, we believe *the MRT is the preferred choice for local government pensions* – we hope you agree.

- 11.** Has your firm (the Contractor) or any subcontractor or company in an advisory capacity that will be a party to the proposed services relative to this RFP, been involved in:
- a) Any adverse criminal, civil, regulatory, or government actions against any director or principal officer in the past 5 years; or
 - b) Any investigation of the same nature that has occurred within the past 36 months?

If so, please indicate the outcome of said action or investigation. **Furthermore**, please indicate whether you have received notice or have any reasonable basis to believe that any criminal regulatory or similar investigation is likely to commence within the next 12 months.

Response – “applies to both plans”:

No – None of the aforementioned circumstances (**part a and b above**) presented in this question apply. We do not anticipate nor have we received notice of any pending criminal, regulatory, or similar investigation. We have no reason to believe one is likely to commence within the next 12 months.

12. Describe your firm’s errors and omissions insurance and commercial general liability insurance and specific coverage.

Response – “applies to both plans”:

The MRT has an error and omissions insurance policy and general liability plan that together help to address our liability exposure; they are commensurate with needs of the Trust, as prescribed by applicable laws and in accordance with the advice of our legal counsel. Currently the insured amount is \$6,000,000.

13. Provide a brief overview of your firm’s internal auditing and review procedures. Are there any reports generated from these procedures that are forwarded to clients?

Response – “applies to both plans”:

Annually - The Municipal Retirement Trust is independently audited by the Camp Hill, PA – based Firm of Brown, Schultz, Sheridan, and Fritz, while it is also subject to standard compliance requests from the PA State Auditor General’s Office and the Bureau of Municipal Pensions. The results of our audits and earnings are quite transparent and contained in the annual report to all municipal clients of the Trust. ***This is another unique characteristic of the Trust. Most other pension service providers do NOT provide you (the client) with their audit results.***

14. Describe your firm’s approach to monitoring and managing regulatory changes imposed by state and federal government entities and how you assist municipal clients in maintaining compliance. Additionally, describe your firm’s approach to handling adverse audit findings by PA Auditor General’s Office - should they occur.

Response – “applies to both plans”:

During the recent and unprecedented changes imposed by Act 44, 2009, **Joe Scott, of the MRT staff**, took a proactive approach and began an aggressive campaign to not only inform MRT members of these new compliance requirements but also developed self-help tools and provided on-site assistance anyone requesting it in order to ensure compliance. All then-210 pension plans within the MRT met the required deadlines. To our knowledge, we are the only pension service provider that accomplished this daunting task

to this level of proficiency. Additionally, **Thomas J. Anderson & Associates, Inc.** routinely monitors for any regulatory changes and propose whatever corrective action that needs to be taken. For example, with the passage of Act 51, they have been updating plan documents to comply with the requirements of this legislation. This type of monitoring and administrative management is of the **highest priority for the MRT.**

Adverse Audit Findings? Although rare, here is how we respond:

Further, the MRT's Administrative Services Provider, **Thomas J. Anderson & Assoc.** offer this response:

“As former Department of the Auditor General Auditors who work closely with the Department, we provide timely and relevant guidance to avoid audit findings as much as possible. If and when a finding does occur, we extensively work with municipal officials to comply with the audit recommendation and also when it appears that the Department of the Auditor General is in error, we work with municipal officials to have an incorrect audit finding rescinded.”

T.J. Anderson - 2011

- 15.** What types of reviews or audits does your firm routinely conduct when assuming a new client? Are there additional fees incurred for these reviews or audits and if so, what do they typically cost?

Response – “applies to both plans”:

When the **MRT** welcomes a new client to our pension Trust, we approach the client as if we were going to perform an audit. We communicate with the client and obtain all necessary information to completely administer the pension plan(s). We review the most recent Department of the Auditor General's audit report to ensure any outstanding audit issues are addressed. We advise the municipal client on any issues that we believe may cause a potential audit problem. Investment policies are also reviewed to insure they are in sync with contemporary policy provisions. We accomplish this task with the combined efforts of Thomas J. Anderson & Associates, Inc and our investment advisors, Mr. Bender and Mr. Butera. Normally there is **no additional expense** for this service **unless** the deficiencies are discovered that require extensive studies, audits by outside entities, or administrative work to correct the deficiencies. **This is rare** but should it occur an estimate will be provided along with a detailed explanation for recommended work and expense.

- 16.** Provide a sample of an *Annual Summary Statement* or *Annual Plan Statement* that indicates transactions within the plan. **This must be** of the same design as the one your firm will routinely provide this municipality, if you are selected.

Response – “applies to both plans”:

The **Municipal Retirement Trust** Staff prides itself in its timely, efficient, and concise plan statements and reporting. Please see attached sample **Monthly / Annual Plan Summary Statement** – for the period ended, December 31st, 20XX, from one of our municipal clients. It is labeled **ENCLOSURE #1**.

17. Describe in detail the **asset classes and allocation mix** your firm proposes to employ if selected to provide investment services. Describe why you feel your firm’s overall approach to asset management is best suited to meet the needs of this municipality? How often is the portfolio reviewed? Insure your response to this question is in sync with your response to Question #19.

Response – “applies to both plans”:

As described below, and as exhibited in ENCLOSURE #2, the MRT offers two distinct investment options for municipalities to choose from – the **Balanced Account** and the **Fixed Account**. The MRT does not direct a Municipal Pension Plan as to which account they should invest in or advise them of such – this is a pension plan’s leadership fiduciary decision. *The Investment Advisors to the MRT from Merrill-Lynch will*, upon request, assist the leadership with this selection. These two options provide an opportunity for each municipality to determine its own level of risk-tolerance and then choose the account they feel best suits their needs. SEE ENCLOSURE #2 for a full breakdown of the current portfolio investment mix and the rebalancing allowances governed by the **MRT Master Trust Investment Policy**.

Municipal Retirement Trust Overview: The MRT provides a very modern, comprehensive investment approach to its investment services. The Trust operates two distinct investment Options; both are actively managed by seasoned investment professionals. The MRT does not direct a municipality as to which account they should invest in. *While this is a decision municipal leadership must make, the MRT Investment Managers / Advisers from Merrill-Lynch* can assist you in making this decision.

THE INVESTMENT ACCOUNT CHOICES ARE:

The Balanced Account is essentially a high quality, blended account consisting of an investment mix of 60% Stocks / 40% Bonds

In the Table that follows, the Current Investment Mix along with the maximum and minimum allowable ranges for this blended investment account.

“See Chart on next page for asset mix – Balanced Account”

Balanced Account Asset Mix:

| Type | Current Mix (as of July 2012) | Minimum and Maximum Range |
|-------------------------|-----------------------------------|------------------------------|
| Total Equities | 60% | 40% to 70% |
| Fixed Income | 35% | 30% to 60% |
| Alternative Investments | 5% | 0% to 10% |
| Cash and Equivalents | Less than .01% | Less than 1% |

The Fixed Account is essentially an investment grade, **high quality bond investment portfolio**, specifically chosen to meet the needs of clients that want an alternative to the traditional blended investment strategy and do not want exposure to the equities market.

We believe that both plans reflect adequate and contemporary investment strategies, based on certain risk-tolerance criteria. The PSAB-MRT approach to asset management is rather conservative; that is, we manage assets to protect against the “downside” of market trends. Both accounts are actively managed and monitored by the professionals previously described and are refined / rebalanced according to prevailing circumstances and MRT rules within our *Master Trust Investment Policy* that govern such actions. As previously stated, our proactive, yet conservative approach to asset management has netted an *average yearly rate of return* in excess of **+6% per year over the past 15 years (Balanced Account)**, and above **+5% (Fixed Account)**. This places the MRT as one of the top PA municipal pension investment performers over the same period of time. It’s hard to argue with that level of success.

Monitoring and Review of the Portfolio: The Portfolios for both **the Fixed Account and the Balanced Account** are monitored continually by the investment advisors at Merrill–Lynch. They are monitored and reviewed monthly by the Trustees and three times a year by the entire board. The Board may convene a special meeting to address such issues, should immediate changes become necessary.

18. If your firm plans to provide the investment services portion via a structured or multi-employer trust, please provide an overview of the trust’s structure, how investment managers are chosen, and who is responsible for investment advising and allocation selection.

IF NOT, then discuss who is responsible for investment manager selection (or mutual fund selection), asset allocation, monitoring and advising. Also indicate how often the account is reviewed and reallocated or rebalanced.

Response – “applies to both plans”:

The investment services portion offered by the MRT is via a structured or multi-employer trust – this is one of the *advantages of participating in the MRT* – shared fiduciary responsibility. Additionally, individual

governing bodies of municipal pension plans are relieved of the burden of having to constantly monitor interment manager performance, seek new candidates, replace underperforming managers, and address portfolio rebalancing or re-allocations of funds and earnings.

In simple terms, Merrill Lynch (Mr. Bender and Mr. Butera) are responsible for monitoring investment performance, conducting quarterly (monthly when necessary) meetings with the MRT Trustees, and making recommendations to the MRT Trustees when investment allocation changes are prudent or advantageous to the investment posture of the Trust. In addition, their duties include recommendations for hiring or firing (adding or deleting) of individual investment managers. They are also responsible for researching new potential managers, conducting pre-screening interviews – then presenting their top choices to the MRT Trustees for final interviews and selection. This is a **very rigorous process** and applicants are selected from among the top investment firms across the United States.

19. Based on your response to Question # 17, Provide the NET rate of return for a client your firm manages and with the same asset allocation mix as you have proposed in response to Question # 17. Respond for each of the timeframes indicated below and the index (or indexes) your firm uses as a benchmark to measure performance.

Response – “applies to both plans”:

See chart entries below – returns are net of Investment Management Fees*

(*see also response to question # 22 “Indirect Inv. Mgmt. Fees”)

| Timeframe | Net Rate of Return % Fixed Account | Net Rate of Return % Balanced Account |
|--|---|--|
| Year ended – 2012 | + 3.95% | 8.91% |
| 3 years (thru 2012) | + 5.11% | + 5.54% |
| 5 years (thru 2012) | + 5.69% | + 4.23% |
| 10 years (thru 2012) or since inception* | + 4.73% | + 6.81% |
| Index (or Indexes) used as a Performance Benchmark: The MRT Uses a composite of benchmarks to rate its performance due to the diversity of its portfolio. Currently that composite is as follows: 33% S&P 500, 8% Russell 2500, 5% S&P Global REIT, 9% MSCI EAFE, 40% ML Domestic Bond, 5% CSFB HFI Core | | |

*** If date of inception is used, please indicate so and the specific date of inception.**

20. It is important that the *Rates of Return* provided in your response to **question # 19** reflect accounts that are (essentially) of the same make-up and design as you proposed in your response to **question # 17**, for comparative reasons.

a) **If this is the case**, please state this in response to this question – no further explanation is necessary.

Response – “applies to both plans”: YES, the portfolio make-up and design is exclusive to the Trust and thus, the same for all plan participants that were active during the periods indicated. Therefore the *Rates of Return* are the same as well – depending on which Account the Township chooses to select – *Balanced or Fixed Account*. The historical rates of return statistics for both accounts are shown in *Question #19*.

b) **If not, please explain** the reason why and provide some additional information that will assist those reviewing your proposal in making an informed comparison.

Response – “applies to both plans”: Not applicable

21. Provide information on the timing and distribution of investment performance reports following the end of a reporting period. **Specifically** describe what types of exhibits (reports) would be presented in a summary report, those provided in a detailed report, and the frequency of each. **Please provide one example of a recent Summary Report.** Are costs for these reports included as part of the general services provided or are they billed separately? If billed separately, please indicate the fees associated with each.

Response – “applies to both plans”:

An example of the simplified summary report that is produced monthly is provided in the enclosure labeled: **ENCLOSURE # 2**. In short, **Summary Reports (like the example)** are produced monthly and are available within 10 days of the closing period. **Detailed Quarterly Reports** are available within 30 - 40 days following a quarter closing. As a rule, The MRT does not send these reports out without a specific request and frequency. In other words, the municipality must request which reports and what frequency they would like to have them. For example: only the Detailed Quarterly reports. This selection is made when a new municipality joins the MRT. However, any report can be requested at any time by any MRT participating municipality. There are no additional fees or charges associated with providing any of the monthly, quarterly, or annual reports produced by the MRT.

22. Provide a list of the services your firm (and /or in cooperation with your subcontractors & advisors) will provide – ***Investment, Administrative, and Actuarial***. After each section or group of services, list the fees associated with each and describe how these fees are calculated. Also, explain how the fees are billed or paid by the plan. Are all fees that are charged to the pension plan shown on the ***Annual Summary Statement*** or ***Annual Plan Statement***? If not, indicate why not and how and when these fees are disclosed.

WARNING: Your firm **MUST disclose all fees** associated with any portion of investment, administration, actuarial or advisory services provided to this municipality. These will include but are not limited to: **fees directly deducted** from plan assets or billed separately to the municipality; **and, any indirect fees** of any form to include fees associated with mutual funds such as expense ratios and other administrative fees or loads – front or back-end. This will also include any fees paid directly or indirectly to any subcontractor or advisor your firm will employ in meeting the requirements of this RFP. **Failure to do so will result in immediate disqualification.**

Response – “applies to both plans”:

Although the question asks for “Actuarial Fees”, they are not quoted in this section because those services were not required / requested as per the RFP. Only Investment, Administrative and Banking and Custodial Services are reflected in this quote.

These responses apply to both plans. The Responses are divided into three sections:

“Fee Schedule”(each plan separately), “General Menu of Services”(both plans), and “Fee Accountability”(both plans).

- ◆ **The “Fee Schedule”** details all Fees associated with services through the ***Municipal Retirement Trust***. Since these fees are asset-based and the demographics and assets for the plan were specified in the RFP, all asset-based fees were calculated based on the amount stated. All fees – **DIRECT** and **INDIRECT** are detailed herein. **All fees stated are those effective January 1st, 2013.**
- ◆ After the section that details the fees for the Archbald Borough’s Pension Plans, there is an **explanation of services provided** in the section titled **“General Menu of Services”**. In this menu, the Services provided are listed by it’s by **corresponding Fee** as an explanation of what each fee pays for.
- ◆ **Finally**, there is a section titled, **“Fee Accountability”**, that explains how these fees are accounted for on typical plan reports.

➤ **“FEE SCHEDULE” – ARCHBALD BOROUGH POLICE PENSION PLAN**

(Based on plan assets of \$1,386,415 as of November 2012)

| DIRECT FEES*: POLICE PENSION PLAN | | INDIRECT FEES**: POLICE PENSION PLAN | |
|--|----------|---|--|
| Trust Management Fee (1): | \$5,407 | Investment Management Fees: | (dependant on choice of investment option) |
| Trust Administrative Fee (2): | \$5,473 | – Either the – | |
| ----- | | FIXED ACCOUNT at .41%(41bps): | \$5,684 |
| | | – Or – | |
| Total Direct Fees (3): | \$10,880 | BALANCED ACCOUNT at .58% (58bps): | \$8,041 |

NOTES:

- (1) **Trust Management Fee** is a Flat Rate fee of .39% or 39 basis points (bps)
- (2) **Trust Administration Fee** are based on the following scale: **1st \$50,000 @ 1% // next \$200,000 @ .6% // next \$750,000 @ .4% // remainder over \$1M @ .2%**
- ***The averaged **Trust Administrative Fee** expressed as a percentage and basis points is: **.39% or 39 bps**
- (3) The **Total Direct Fees** for the PD Plan are: **\$10,880** – the sum of the both fees (1) and (2) above.
Expressed as a percentage and as basis points: .78% or 78 basis points (bps)

* **DIRECT FEES** are those that billed directly to the plan and paid from plan assets.

** **INDIRECT FEES** are those that are deducted directly from the investment returns prior to the returns being posted to the account. The Plan **NEVER** pays these fees directly. This is why the **Rates of Return** in *Question # 19* are stated as *“net of fees”*.

SUM OF ALL FEES – TOTAL ANNUAL COSTS:

Adding the two sections (direct and indirect fees) above together accordingly

If PD Plan is invested in the **FIXED ACCOUNT:** \$16,564 (aprox. 1.19% or 119 bps)
– Or –
If PD Plan is invested in the **BALANCED ACCOUNT:** \$18,921 (aprox. 1.36% or 136 bps)

➤ **“FEE SCHEDULE” – ARCHBALD BOROUGH NON-UNIFORM PENSION PLAN**

(Based on plan assets of \$491,288 as of November 2012)

| DIRECT FEES*: | | INDIRECT FEES**: | |
|--------------------------------------|---------|--|---------|
| NON-UNIFORM PENSION PLAN (1) | | NON-UNIFORM PENSION PLAN (1) | |
| Trust Management Fee (1): | \$1,916 | Investment Management Fees: | |
| | | (dependant on choice of investment option) | |
| Trust Administrative Fee (2): | \$2,665 | – Either the – | |
| ----- | | FIXED ACCOUNT at .41%(41bps): | \$2,014 |
| | | – Or – | |
| Total Direct Fees (3): | \$4,581 | BALANCED ACCOUNT at .58% (58bps): | \$2,849 |

NOTES:

- (1) **Trust Management Fee** is a Flat Rate fee of .39% or 39 basis points (bps)
- (2) **Trust Administration Fee** are based on the following scale: 1st \$50,000 @ 1% // next \$200,000 @ .6% // next \$750,000 @ .4% // remainder over \$1M @ .2%

***The averaged **Trust Administrative Fee** expressed as a percentage and basis points is: **.54% or 54 bps**

- (3) The **Total Direct Fees** for the NU Plan are: **\$4,581** – the sum of the both fees (1) and (2) above.
Expressed as a percentage and as basis points: **.93% or 93 basis points (bps)**

* **DIRECT FEES** are those that billed directly to the plan and paid from plan assets.

** **INDIRECT FEES** are those that are deducted directly from the investment returns prior to the returns being posted to the account. The Plan **NEVER** pays these fees directly. This is why the **Rates of Return** in *Question # 19* are stated as *“net of fees”*.

SUM OF ALL FEES – TOTAL ANNUAL COSTS:

(Add the two sections above together accordingly)

If NU Plan is invested in the **FIXED ACCOUNT:** \$6,595 (aprox. 1.34% or 134 bps)

– Or –

If NU Plan is invested in the **BALANCED ACCOUNT:** \$7,431 (aprox. 1.51% or 151 bps)

➤ **“GENERAL MENU OF SERVICES” – BY ASSOCIATED FEE:**

MRT – TRUST MANAGEMENT FEES: These fees cover PSAB’s costs associated with managing the trust and providing: MRT Staff Customer Service & Support, Legal Services, Accounting and Trust Auditing Services, and a portion of the Bank & Custodial Services

MRT – TRUST ADMINISTRATIVE FEES: These fees pay for the following services and they are provided as a “BUNDLED SERVICE PACKAGE”. **These services are:**

- (1) Preparation of annual financial statements in accordance with GASB 25, 27 & 40
- (2) Preparation of all related pension forms required by PA such as AG-385, AG-147 & AG-64
- (3) Preparation of the annual Minimum Municipal Obligation (MMO) as required by ACT 205
- (4) Maintaining accurate records of all active, vested, and retired members of the plan and other related data
- (5) Assistance and notification to the municipality regarding its obligations in complying with ACT 205’s annual calendar of events such as depositing of state aid and the MMO within the 30 day deadline and annual deadline per Act 205
- (6) Provide information and assistance through the audit process conducted by the Auditor General (AG)
- (7) Monitor and provide notification to the municipality regarding changing legislation and regulations relevant to pension plan administration
- (8) Prepared Retiree Benefit Calculations and refund of employee contribution calculations
- (9) Additional Administrative Services that include: accounting and asset allocations, retiree payments and tax related accounting functions, and monthly transactions, and annual account statements
- (10) Prepare cola increase calculations for pension plans that provide for annual cost of living increases for retirees.
- (11) Preparation of Retiree 1099-R and monthly retiree payments

MRT – INVESTMENT MANAGEMENT SERVICES FEES: These fees cover:

- (1) Investment Manager Fees
- (2) Preparation and dissemination of all periodic Financial Reports;
- (3) Investment Advisory and Manager Research
- (4) Investment Customer Service, Support, & Advisory Duties
- (5) Preparation and Attendance by Financial Advisors at periodic Trust and Municipal Client meetings

➤ **“FEE ACCOUNTABILITY” TABLE:**

Trust Management Fee Accountability: This Fee is asset-based and is an annualized .39% of annual Plan net assets. It is calculated pro-rata monthly and assessed each month. The fee appears on the Monthly Account Statement under “*Admin Fees Allocated*”

Trust Administrative Fee Accountability: This Fee is asset-based, has a tiered structure (see ** explanation below each quote) and is calculated based on the Plan’s net assets. This Annual-rate fee is calculated and prorated on monthly bases. It is paid monthly and extracted directly from the plan assets. This fee appears on the Monthly Account Statement under “*Admin Fees*”.

Investment Management Services Fee Accountability: These Asset-based fees are assessed at the rates indicated. They are based on the Plan’s total account balance and which account the Borough decides to invest in – either the **FIXED ACCOUNT (.41%)** or the **BALANCED ACCOUNT (.58%)**. Unlike all other **MRT** fees, these fees are INDIRECT FEES. They are not billed or assessed “directly” from the plan. These fees are calculated and prorated on monthly bases. They are paid monthly and extracted directly from the **Gross of Investment Returns** before they are posted – therefore the **Rate of Return is always “Net of fees”** and so stated on the Investment Rate of Return Report. These fees Are accounted for on the **MRT Annual Financial Report Summary**. They do not appear on the plan’s Monthly Account Statement since they are not charged directly to the plan assets.

23. Specify any services that are offered but not included in the general services menu and the fees associated with each. Your answers should reference other questions previously answered where fees were indicated.

Response – “applies to both plans”:

The MRT Trust Administrator (Thomas J. Anderson & Assoc.) may provide ad/hoc benefit studies or other ancillary services per the client’s request that may be outside the scope of our comprehensive services menu. Fees may vary depending upon the issue and other variables. Therefore, written estimates are provided prior to the provision of any services that include a description of the work / service to be performed and the associated costs. All other services have been specified and are covered under the costs and services menu in response to **Question #22**. **In addition – Applies to Defined Benefit Plans only:** The MRT does not

include or routinely produce Annual *Individual Plan Participant Statements* as part of the general services menu. However, *Individual Plan Participant Statements* are available on a **bi-annual basis**, in connection with the bi-annual actuarial report – they are not available annually. There is a **one-time setup fee** for this service which is **\$400**. Thereafter, the reports are produced free of charge.

24. Specify any fees associated with **initial set-up or asset-transfer**. Specify any fees that would be levied **should the municipality withdraw or terminate** the professional services contract with your firm. If early termination fees are applicable, what time or types of restrictions apply to these fees?

Response – “applies to both plans”:

There are no initial set-up or assumption fees associated with joining the MRT. There are no fees or penalties levied for withdraw or termination of services with the MRT. We only require a 60-day notice to process a request for termination and provide for movement or transfer of services and or funds to the new service provider.

25. Does your firm require a specific term or length of contract? If so, indicate the minimum period of time your firm typically contracts for. Also specify what, if any, penalties are contractually imposed for early termination of the contract by the municipality.

Response – “applies to both plans”:

We do not require any defined contract periods [mandated or suggested] nor do we have any recapture clauses or impose monetary penalties for withdraw from the MRT for any new or existing municipal clients. This is in the best interest of the client and we are one of the few municipal pension servicers that do not place these constraints or restrictions on the local governments we serve.

26. Does your firm offer periodic meetings with municipal leadership to discuss investment performance or administrative matters? Are there additional costs incurred for these meetings? If yes, please specify the fees and how they are calculated, including travel expenses if applicable.

Response – “applies to both plans”:

The *Municipal Retirement Trust* encourages regular meetings with the leadership of every municipal pension plan within the Trust and **does not charge additional fees** for these meetings – up to 4 times per year. We generally suggest at least one meeting annually to review your plan and its overall administration – optimally we find that 2 meetings per year are sufficient but we leave that decision up to the client. At these meetings we review our reports, the Trust’s investment performance, any new changes or mandates from the state or federal government that will impact our clients, and answer any questions concerning their plan.

While this is our suggested approach, we will tailor our approach to these meetings to fit the desires of each governing body. The overall goal is to be informative and promote constructive dialogue with each client.

27. GENERAL QUALIFICATIONS AND SERVICES VERIFICATION STATEMENTS:

A. *“Our firm (NOT including clients of any Subcontractors, affiliates, or Advisors) meets all of the criteria stated in the *REQUEST FOR PROPOSAL*, under the section: **MINIMUM REQUIREMENTS TO RESPOND.**”*

IF YES, so state hereafter and initial:

Response– “applies to both plans”:

Yes, we meet all of the stated criteria. **Initials:** CC

B. *“Our firm and our disclosed subcontractors, affiliates, and Advisors are fully capable of providing the services specified in the *REQUEST FOR PROPOSAL*, under the section: **DESCRIPTION OF SERVICES DESIRED** and additionally, those outlined in the *REQUEST FOR PROPOSAL*, under the section: **“ DETAILED RFP REQUIREMENTS.”**”*

IF YES, so state hereafter and initial:

Response– “applies to both plans”:

Yes, we are fully capable of providing all of the services specified. **Initials:** CC

Enclosure #1 and Enclosure #2 follow – next 5 pages

SAMPLE: Monthly / Annual Account Statement**ENCLOSURE #1**

ANYTOWN BOROUGH
SCHEDULE OF CHANGES IN NET ASSETS
PSAB MUNICIPAL RETIREMENT TRUST
Balanced Fund

MRT: xxxx09124

For the Twelve Months Ending: December 31, 20XX

| | <u>Month to Date</u> | <u>Year to Date</u> |
|-----------------------------------|-----------------------|-----------------------|
| Receipts: | | |
| State Aid | \$0.00 | \$65,090.68 |
| Employer Contributions | 0.00 | 7,759.32 |
| Employee Contributions Required | 0.00 | 17,253.98 |
| Employee Contributions Voluntary | 0.00 | 0.00 |
| Interest, Net of Investment Fees | 1,509.01 | 12,814.14 |
| Dividend Income | 2,199.79 | 12,874.41 |
| Realized Gains (Loss) | 3,367.34 | 31,472.39 |
| Unrealized Gains (Loss) | 50,916.11 | 109,319.44 |
| Misc. Income | 0.00 | 0.00 |
| Transfer in – Other Funds | 0.00 | 0.00 |
| Transfer in – Previous Trust | 0.00 | 0.00 |
| | ----- | ----- |
| Total Receipts | 57,992.25 | 256,584.36 |
| | ----- | ----- |
| Disbursements: | | |
| Pension Payments | 6,789.53 | 80,293.56 |
| Lump Sum Payments | 23,330.77 | 23,330.77 |
| Annuity Purchase | 0.00 | 0.00 |
| Return Excess State Aid | 0.00 | 0.00 |
| Return Employee Contributions | 0.00 | 0.00 |
| Return of Excess Employer Cont | 0.00 | 0.00 |
| Actuarial / Consulting Fees | 0.00 | 1,900.00 |
| Administration Fees | 250.00 | 3,000.00 |
| Admin. Fees Allocated | 1,061.79 | 8,271.92 |
| Auditing Fees | 0.00 | 0.00 |
| Insurance Premiums | 0.00 | 0.00 |
| Legal Fees | 0.00 | 0.00 |
| Misc. Expenses | 0.00 | 0.00 |
| Transfer out – Other Funds | 0.00 | 0.00 |
| Transfer out – Withdraw | 0.00 | 0.00 |
| | ----- | ----- |
| Total Disbursements | 31,432.09 | 116,796.25 |
| | ----- | ----- |
| Net Change In Assets | 26,560.16 | 139,788.11 |
| | | |
| Assets Beginning of Period | 1,595,227.49 | 1,481,999.54 |
| Assets End of Period | \$1,621,787.65 | \$1,621,787.65 |

PSAB Municipal Retirement Trust Monthly Summary Report

(BALANCED ACCOUNT)

Year To Date through March 30, 2012

| Investment Manager | Investment Style | Value as of March 30, 2012 | YTD % | YTD Index |
|------------------------------------|---|-------------------------------|--------------|--------------|
| NWQ 06X84 | Large Cap Value Russell 1000 Value | 18,416,081 | 11.01% | 11.12% |
| Neuberger Select 05143 | Large Cap Core S&P 500 | 8,748,203 | 9.64% | 12.59% |
| CS McKee 06X01 | Large Cap Core S&P 500 | 9,325,096 | 13.62% | 12.59% |
| Atalanta 05020 | Large Cap Growth Russell 1000 Growth | 10,050,255 | 13.76% | 14.69% |
| Winslow 05050 | Large Cap Growth Russell 1000 Growth | 10,496,106 | 17.64% | 14.69% |
| Wedge Capital 06X08 | Mid Cap Value Russell Mid Cap Val | 9,422,299 | 13.66% | 11.41% |
| NWQ 06X85 | Mid/Small Cap Value Russell Mid Cap Val | 6,859,490 | 4.75% | 11.41% |
| NWQ 06X94 | International MSCI EAFE | 7,297,685 | 6.55% | 10.86% |
| Wentworth 05034 | International MSCI EAFE | 6,286,203 | 10.22% | 10.86% |
| ING Clarion REIT 05803 | Global REIT S&P Global REIT | 8,519,181 | 11.73% | 12.90% |
| Wedge Short Term 05019 | Short Term Fixed Income US Treasury 1-3 year | 40,786,027 | 0.91% | -0.08% |
| Wedge Balance 06X02 | Core Bond US Dom Master Bond | 10,789,044 | 0.59% | 0.29% |
| Total Balanced Managed | 33% S&P 500, 8% Russell 2500, 5% S&P Global REIT 9% MSCI EAFE, 40% ML Domestic Bond, 5% CSFB HFI Core | 146,995,670 | 7.52% | 6.97% |
| Endowment Fund* 06X04 | Alternative Investments CSFB HFI Core | 7,037,363 | 1.83% | 2.75% |
| Money Market Distribution 96130 | Cash US T-Bills | 903,442 | 0.07% | 0.01% |
| Total Balanced Accounts | | 154,936,475 | 7.10% | |

PSAB Municipal Retirement Trust Monthly Summary Report (FIXED ACCOUNT)

Year To Date through March 30, 2012

| Investment Manager | Investment Style | Value as of March 30, 2012 | YTD % | YTD Index |
|---|---|----------------------------|--------|-----------|
| Money Market Distribution 96131 | Cash US T-Bills | 1,185,515 | 0.05% | 0.01% |
| Wedge Short Term 05054 Opened 2 2012 | Short Term US Treasury 1-3 year | 994,173 | -0.59% | -0.20% |
| Wedge Core 06X03 | Interm Term Bond US Domestic Master 1-10 yr | 10,054,299 | 0.94% | 0.68% |
| Total Fixed Accounts | | 12,233,987 | 0.79% | |

The information set forth herein was obtained from sources which we believe reliable, but we do not guarantee its accuracy. No purchase or sale of any securities or commodities.

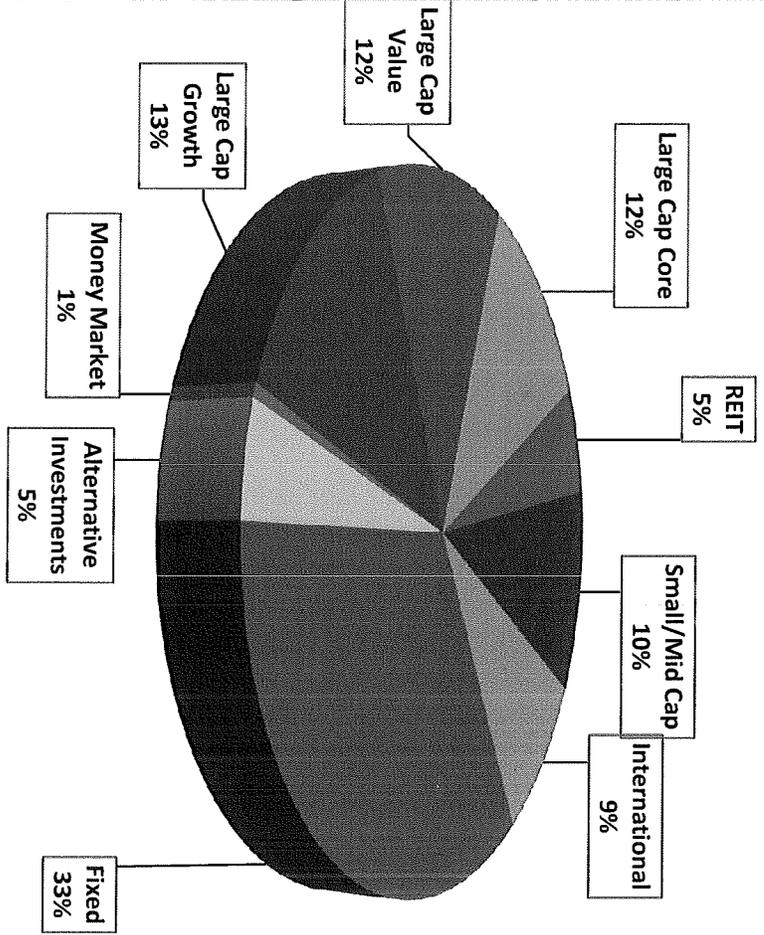
* Performance is as of the previous month

PSAB Balanced Retirement Fund

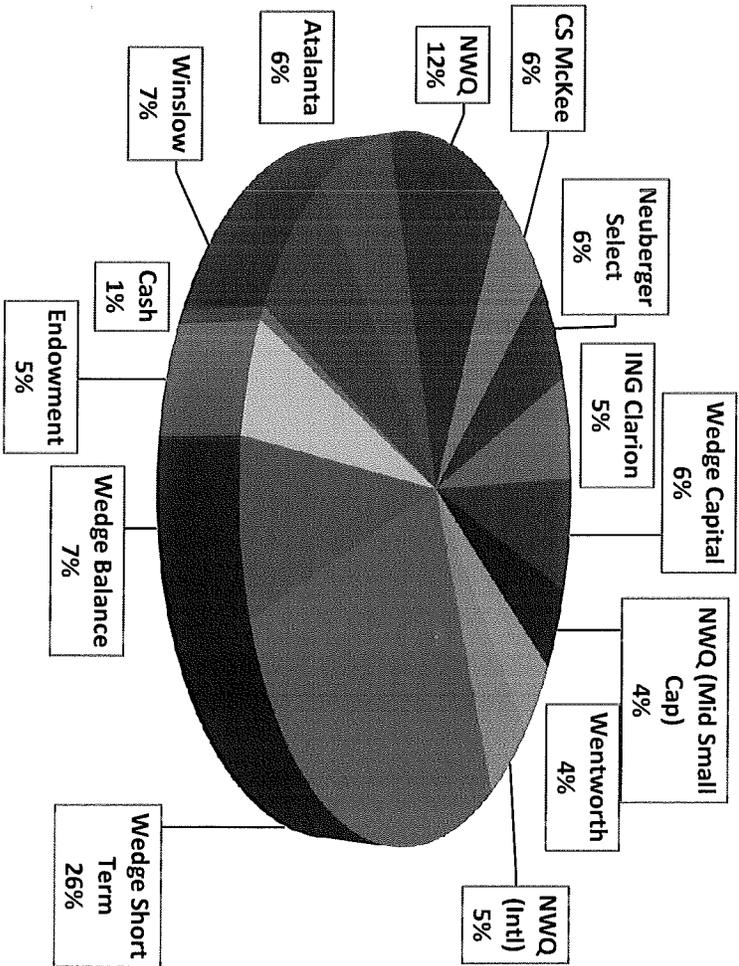
Asset & Manager Allocation as of March 30, 2012

(page 3 of 4 pages) ENCLOSURE #2

Asset Allocation



Manager Allocation



The information set forth herein was obtained from sources which we believe reliable, but we do not guarantee its accuracy. Neither the information, nor any opinion expressed, constitutes a solicitation by us of the purchase or sale of any securities or commodities.



PASB MUNICIPAL RETIREMENT TRUST – ASSET ALLOCATION REBALANCE CHART AS OF MARCH 30, 2012

| ASSET CLASS | AS OF 03/30/2012 CURRENT ASSETS | CURRENT WEIGHT | RECOMMENDED WEIGHT | INVESTMENT POLICY RANGE | | |
|--------------------------------|------------------------------------|-------------------|-----------------------|----------------------------|------------|------------|
| | | | | MIN | TARGET | MAX |
| LARGE VALUE | \$18,416,081 | 11.9% | 12% | 7.5% | 13% | 25% |
| LARGE CORE | \$18,073,299 | 11.7% | 10% | 5% | 7% | 25% |
| LARGE GROWTH | \$20,546,361 | 13.3% | 13% | 7.5% | 13% | 25% |
| SMALL / MID | \$16,281,789 | 10.5% | 10% | 5% | 8% | 25% |
| INTL | \$13,583,888 | 8.8% | 10% | 5% | 9% | 20% |
| REIT | \$8,519,181 | 5.5% | 5% | 0% | 5% | 10% |
| TOTAL EQUITY | \$95,420,599 | 62% | 60% | 40% | 55% | 70% |
| FIXED INCOME | \$51,575,071 | 33% | 35% | 30% | 40% | 60% |
| ALTERNATIVE INVESTMENTS | \$7,037,363 | 5% | 5% | 0% | 5% | 10% |
| CASH | \$903,442 | 1% | 0% | 0% | 0% | 10% |
| TOTAL | \$154,936,475 | 100% | 100% | | | |

Fixed Income Account

| Asset Class | Minimum | Maximum |
|--|---------|---------|
| Domestic Investment Grade Fixed Income (Maturities < 1 year) | 70% | 100% |
| Cash and Cash Equivalents (Maturities < 1 year) | 0% | 30% |

PART D: ACT 44 STANDARD DISCLOSURE FORM

ARCHBALD BOROUGH, PENNSYLVANIA

LIST OF MUNICIPAL OFFICIALS & EMPLOYEES OF THE REQUESTING MUNICIPAL ENTITY

APPLICANTS: Certain questions on this Disclosure Form will refer to a “*List of Municipal Officials.*” To assist you in preparing your answers, you should consider the following names to be a complete list of pension system and municipal officials and relevant employees.

MUNICIPALITY: Enter below, a list of municipal officials that have any involvement in the administration or management of the pension system – Elected Officials, Appointed Officials and Employees, Board Members, or other Pension Committee Members (if applicable). Do not include employees that are not in a management position or serve on a pension committee or in a decision-making position relative to this pension system. If a category listed below is not applicable, so state.

| Elected Officials: | | | |
|--|---|-------------------------------|----------------------|
| Name: | Title: | Name: | Title: |
| Joseph Simon | President of Council | Randy Grandenetti | Council member |
| Kenneth Probst | V. President of Council | William Durkin | Council member |
| Shirley Barrett | Council member | Jeff Munley | Council member |
| Bill Williams | Council member | Edward Fairbrother | Mayor |
| | | | |
| Employees or Appointed Officials: | | | |
| Name: | Title: | Name: | Title: |
| Anthony Giordano | Manager, CAO for Police, and Non-Uniform Pensions | Leonard E. Hosie | Secretary |
| Colleen Smith | Administrative Secretary | James J. O’Conner, Esq. | Solicitor |
| Dawn Rudalavage | Treasurer | | |
| Others: Pension Committee Members (if applicable) (not listed above): | | | |
| Name: | Title: | Name: | Title: |
| Michael Zielinski | NU Pension Committee | Chief Tim Trently | PD Pension Committee |
| Patrick Dennis | NU Pension Committee | Capt. Michael Petronchak, Jr. | PD Pension Committee |
| | | | |

APPLICANT STANDARD DISCLOSURE QUESTIONS

APPLICANT INSTRUCTIONS: In accordance with Chapter 7-A of Act 44, 2009, ALL applicants responding to this RFP must complete the following Standard Disclosure Form Questions.

1. Initial each question (except **Q1:**) to provide your response in the space provided to the right of each question.
2. **THEN:** provide explanations for all “*Yes*” or “*Applies*” responses **AND**, the information requested in **Q1:** (mandatory), on a separate sheet(s) of paper with the question you are responding to clearly noted. Attach your response sheet to this Disclosure Form.

DISCLOSURE QUESTIONS

| Questions | If your answer is "Yes" or "Applies" -- Please provide this information as instructed above | RESPONSES | |
|---|--|--------------------------------------|---|
| | | Initial Here for: "Yes" or "Applies" | Initial Here: for: "No" or "Does not Apply" |
| <p>Q1. Please provide the names and titles of <u>all individuals</u> who will be providing professional services to the Requesting Municipal entity's pension plan(s) identified. Also include the names and titles of <u>any advisors and subcontractors</u> of the Contractor, identifying them as such. After each name provide a brief description of the responsibilities of that person with regard to the professional services being provided.</p> | <p>**ALL Applicants: Provide all information as stated in the question on a separate page and attach it to this disclosure.</p> <p>**See MRT's attached Addendum</p> | NA | NA |
| <p>Q2. Please list the name and title of any <i>Affiliated Entity</i> and their <i>Executive-level Employee(s)</i> that require disclosure; after each name, include a brief description of their duties. (See: Definitions)</p> | <p>Provide all information as stated in the question.</p> | | cl |
| <p>Q3. Are any of the individuals named in Question #1 or #2 above, a current or former official or employee of the Requesting Municipal entity?</p> | <p>IF "YES", provide the name and of the person employed, their position with the municipality, and dates of employment.</p> | | cc |
| <p>Q4. Are any of the individuals named in Question #1 or #2 above, a current or former registered Federal or State lobbyist?</p> | <p>IF "YES", provide the name of the individual, specify whether they are a state or federal lobbyist, and the date of their most recent registration /renewal.</p> | cc **see MRT's attached Addendum | |
| <p>Q5. Disclose the terms of employment / compensation of any third party intermediary, agent, or lobbyist that is to directly or indirectly communicate with an official or employee of the Municipal Pension System of the Requesting Municipal entity (OR), any municipal official or employee of the Requesting Municipal entity in connection with any transaction or investment involving the <i>Applicant (or an Affiliated Entity)</i> and the Municipal Pension System of the Requesting Municipality?</p> <p>This question does not apply to an officer or employee of the <i>Applicant</i> who is acting within the scope of the firm's standard professional duties on behalf of the firm, pursuant to the professional services contract with municipality's pension system.</p> | <p>IF "YES", identify:</p> <ol style="list-style-type: none"> (1) (the third party intermediary, agent, or lobbyist) whom will be paid the compensation or employed by the <i>Applicant</i> or <i>Affiliated Entity</i>, (2) their specific duties to directly or indirectly communicate with an official or employee of the Municipal Pension System of the Requesting Municipality (OR), any municipal official or employee of the Requesting Municipality, and (3) The official they will communicate with. | | cc |
| <p>Q6. Since December 17th 2009, has the Applicant, or any agent, officer, director or employee of the Applicant solicited a contribution to any municipal officer or candidate for municipal office in the Requesting Municipal entity, or to the political party or political action committee of that official or candidate?</p> | <p>IF "YES", identify the agent, officer, director or employee who made the solicitation and the municipal officials, candidates, political party or political committee who were solicited (to whom the solicitation was made).</p> | | cc |

DISCLOSURE QUESTIONS (CONTINUED)

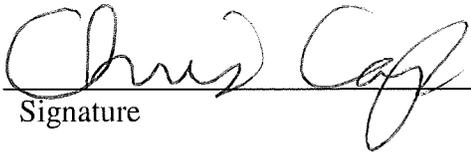
| Questions | If your answer is “Yes” or “Applies” — — Please provide this information as instructed above | RESPONSES | |
|---|--|--|---|
| | | Initial Here for: “Yes” or “Applies” | Initial Here: for: “No” or “Does not Apply” |
| Q7. In the past 2 years: Has the <i>Applicant</i> or an <i>Affiliated Entity</i> made any contributions to a municipal official or any candidate for municipal office in the Requesting Municipal entity? | IF “YES” , provide the name and address of the person(s) making the contribution, the contributor’s relationship to the Applicant, the name and office or position of the person receiving the contribution, the date of the contribution, and the amount of the contribution. | |  |
| Q8. Does the <i>Applicant</i> or an <i>Affiliated Entity</i> have any direct financial, commercial or business relationship with any official identified on the <i>List of Municipal Officials</i> , of the Requesting Municipal entity? | IF “YES” , identify the individual with whom the relationship exists and give a detailed description of that relationship. | |  |
| Q9. Since December 17th 2009: Has the <i>Applicant</i> or an <i>Affiliated Entity</i> given any gifts having more than a nominal value to any official, employee or fiduciary – specifically, those on the <i>List of Municipal Officials</i> of the Requesting Municipal entity? | IF “YES” , Provide the name of the person conferring the gift, the person receiving the gift, the office or position of the person receiving the gift, specify what the gift was, and the date conferred. | |  |
| Q10. Disclosure of contributions to any political entity in the Commonwealth of Pennsylvania. Applicability: A “yes” response is <u>required</u> and full disclosure is required <u>ONLY WHEN ALL</u> of the following applies: (1) The contribution was made within the last 5 years (2) The contribution was made by an officer, director, executive-level employee or owner of at least 5% of the <i>Applicant</i> or <i>Affiliated Entity</i> (3) The amount of the contribution was at least \$500 and in the form of: A single contribution by a person in (2) above <u>OR</u> , the aggregate of all contributions by all persons in (2) above; (4) The contribution was made to: A candidate for any public office in the Commonwealth or any person who holds that office <u>OR</u> ; A political committee of a candidate for public office in the Commonwealth or of an individual that holds that office. | IF “YES” , provide the name and address of the person(s) making the contribution, the contributor’s relationship to the <i>Applicant</i> , The name and office or position of the person receiving the contribution (or the political entity / party receiving the contribution), the date of the contribution, and the amount of the contribution. |  **see MRT’s attached Addendum | |
| Q11. With respect to your provision of professional services to the Municipal Pension System of the Requesting Municipal entity: Are you aware of any apparent, potential or actual conflicts of interest with respect to any officer, director or employee of the <i>Applicant</i> (includes: subcontractors, advisors, or any <i>Affiliated Entity</i> of or for the Applicant), and any of the officials or employees of the Requesting Municipality? | IF “YES” , Provide a detailed explanation of the circumstances which provide you with a basis to conclude that an apparent, potential, or actual conflict of interest may exist. | |  |
| Q12. Former Employment – to your knowledge, is anyone now employed by <u>your firm</u> that was employed by the Requesting Municipal entity within the past one year – OR – is there anyone listed in the <i>List of Municipal Officials</i> above that was a formerly employed by <u>your firm</u> within the past one year? | IF “YES” , provide the name and of the person employed, their position with the municipality, and dates of employment. Note: Pursuant to Act 44, 2009, Section 702-A Subparagraph (e) “Conflict of Interest”: A <u>one year restriction</u> is imposed, without exception, on either circumstance of this question. | |  |

APPLICANT VERIFICATION

I, Christopher Cap, hereby state that I am the PSAB-MRT Treasurer for
(Name) (Position)
the PSAB – Municipal Retirement Trust and I am authorized to make this verification.
(Contractor / Company Name)

I hereby verify that the facts set forth in the foregoing Act 44 Disclosure Form for RFP Applicants seeking to provide Professional Services to the **Borough of Archbald's Pension Systems** are true and correct to the best of my knowledge, information and belief. I also understand that knowingly making material misstatements or omissions in this form could subject the responding *Applicant* to the penalties in Section 705-A (e) of Act 44.

I understand that false statements herein are made subject to the penalties of 18 P.A.C.S. § 4904 relating to unsworn falsification to authorities.


Signature

1/24/2013
Date

2012 Addendum - Required Disclosure Form Statements

(Reference Question #1) List of MRT Personnel

PSAB Municipal Retirement Trust (MRT) – State Association and Pension Operations Contractor

The Municipal Retirement Trust is wholly owned and operated by the PSAB and is the primary contractor. The MRT employs several sub-contracted firms to provide specific and unique services to the Trust. The principal PSAB-MRT team members are listed first, followed by those of each sub-contractor.

Contractor Team Listing

PSAB Municipal Retirement Trust (MRT)

The PA State Association of Boroughs and Principal Pension Operations Contractor

Chris Cap, PSAB Executive Vice President – Serves as MRT Treasurer

Jeffrey Heishman, Deputy Exec. Vice President – Serves as MRT Secretary

Linda Costa, Chief Operations Officer – Inside/Outside pension services and CAO

Joseph Scott, Chief Field Operations Officer – Inside/Outside pension service liaison

Sub-contractor and Advising Team Listing

Administrative, Accounting, Custodial, and Actuarial Companies

Thomas J. Anderson & Associates – Trust Administrator

Thomas Anderson, President – Manages Act 205 administrative compliance efforts

Brown, Schultz, Sheridan & Fritz – Trust Auditor

John W. Bonawitz, Jr., Principal – Supervises annual audit functions for the Trust.

Hamilton & Musser – Accounting Sub-contractor

Robert Mast, Shareholder – Manages account reporting, tax filings and fund disbursements

Fulton Bank – Fund Depository

Tammy Snyder, VP of Corporate Development – Manages checking and disbursement accounts

Merrill Lynch – Investment Market Monitor

Peter Butera, CIMA, First Vice President of Investments – Serves as investment monitor of MRT

William Bender, CFP, CIMA, ARPC – Serves as investment monitor of MRT

Mette Evans & Woodside – Law firm providing legal counsel

James Ulsh, Shareholder – Serves as the MRT Solicitor

Investment Management – Style-Specific Companies

Wedge Capital Management L.L.P – Mid-Cap and Bond Manager

Martin L. Robinson, CFA, General Partner – Conducts outreach and financial reporting functions.
John G. Norman, Executive Vice President – Manages stock selection and operations platform.

Shaffer /Cullen Capital Management, Inc. - Large Cap Value (Since Oct 2012)

Edmund J. Lomasney, Vice President - Conducts outreach including marketing and outside sales.

Herndon Capital Management - Large Cap Value (Since Oct 2012)

Marc O. Sydor, Snr. Vice President Marketing & Client Services - Conducts outreach including marketing and outside sales.

Luther King Capital Management – Small/Mid Cap Core Manager (Since Sept 2012)

Mark L. Johnson, CFA, Portfolio Manager – Manages stock selection and operations platform.

The London Company – Small Cap Core Manager (Since Sept 2012)

Wade Stinnette, CFA, Portfolio Manager – Manages stock selection and operations platform.

Winslow Capital / Nuveen – Large Cap Growth Manager

Clark J. Winslow, Chief Executive Officer, Chief Investment Officer – Manages all operations and investments at Winslow Capital.

Justin H. Kelly, CFA Senior Managing Director, Portfolio Manager, Analyst - Conducts outreach and financial reporting functions.

ING Clarion Real Estate Securities – Real Estate Investment Trust Manager

Steven D. Burton, CFA, Managing Director - Global Strategy Portfolio Manager.

Atalanta Sosnoff – Large Cap Growth Manager

Richard Maresca, Managing Director - Manages stock selection and operations process.

Anthony Salvatore – Vice President – Conducts outreach and investment performance functions.

Neuberger Berman – Large Cap Core Manager

Andrew Provencher, CFA, Managing Director – Oversight of stock selection and operations process.

CS McKee – Large Cap Core Manager

Jeffrey Davideck, Marketing Manager – Manages outreach and financial reporting functions.

Gregory Melvin, CFA, Executive VP & Chief Investment Officer- Oversight of stock selection & research .

The Endowment Fund – Alternative Investments Fund of Funds Manager

John E. Price, Chief Financial Officer – Oversight of financial operations and alternative investments.

Wentworth, Hauser and Violich – International Fund Manager

Richard K. Hirayama, Senior Vice President – Oversight of stock selection and operations process.

Miriam E. Ballert, VP of Business Development - Conducts outreach and reporting functions.

NFJ Investment Group, Allianz Global Investors - International Fund Manager (Since Oct 2012)

Todd C. Monastero, Vice President, External Investment Consultant - Conducts outreach including marketing and outside sales.

(Reference Question # 4) List current or former registered Federal or State lobbyists

Chris Cap, State Registered Lobbyist (last renewed 1/1/2010) Position: PA State Association of Boroughs – PSAB Executive Vice President

(Reference Question # 10) Disclosure of contributions to any political entity

Includes Contractor’s principal officers, administration staff, the MRT Trustees, and the PSAB Board of Directors – only those members who made qualifying contributions are listed below.

Edward Arnold - PSAB Board of Directors

565 Hiview Drive
Lititz, PA 17543

Contributions:

(2012) PA State Senator Lloyd Smucker - \$50

Edward Child – PSAB Board of Directors

116 Woodview Drive
Quakertown, PA 18951

Contributions:

(2/21/2008) Pennridge Republican Club - \$50
(2/23/2008) Bucks County Republican Committee - \$100
(9/18/2008) State Representative Paul Clymer - \$125
(2/10/2009) Bucks County Republican Committee - \$100
(2/10/2009) State Representative Paul Clymer - \$32
(4/30/2009) Bucks County Republican Committee - \$100
(6/25/2009) David Heckler, Bucks County District Attorney - \$40
(9/18/2009) State Senator Bob Mensch - \$250
(9/14/2009) Quakertown Republican Council - \$25
(5/12/2010) Jim Cawley for Lieutenant Governor - \$100
(6/29/2010) Bucks County Republican Committee - \$100
(9/29/2010) State Senator Bob Mensch - \$50
(1/26/2011) Bucks County Republican Committee - \$150
(8/21/2011) PA State Representative Paul Clymer - \$10
(9/07/2011) Quakertown Committee to Elect a Republican Council - \$25
(9/18/2011) Bucks County Republican Committee - \$50
(10/01/2011) Quakertown School Board Gary Landes - \$50
(5/15/2012) PA State Representative Paul Clymer - \$25

Kathleen DePuy – PSAB Board of Directors

4928 Parkvue Drive
Pittsburgh, PA 15236

Contributions:

(2008) Whitehall Democratic Committee - \$300

John Dorin – PSAB Board of Directors

617 North Loyalsock Avenue

Montoursville, PA 17754

Contributions:

(1/16/2008) People for Cappelli – State Senate - \$100

Jennifer Jaworski – PSAB Board of Directors

38 Oakland Avenue

Homer City, PA 15748

Contributions:

(10/2010) JoEllen Bowman for State House of Representatives - \$20

Mary LaBert - PSAB Board of Directors

One North Butler Street

McAdoo, PA 18237

Contributions:

(2011) Representative Knowles - less than \$50

(2011) Senator Dave Argall - less than \$50

(2012) Representative Knowles - \$50

David Perruso – PSAB Board of Directors

2487 Lincoln Avenue

Easton, PA 18042

Contributions:

(2010) Robert Freeman – State Representative - \$25

(2011) Robert Freeman – State Representative - \$25

Edward Porada – PSAB Board of Directors

409 Sunbury Street

Johnstown, PA 15904

Contributions:

(2008) Bryan Barbin for House of Representatives - \$100

(2009) Patrick Kiniry for Judge - \$100

Carol Sambol – PSAB Board of Directors

19 Anthony Wayne Terrace

Baden, PA 15005

Contributions:

(2008) Robert Matzie for State House of Representatives - \$25

(2008) Dave Rossie, Beaver County Prothonatory - \$25

(2008) Andrew Hladio for Ambridge District Magistrate - \$50

Debbie Shearer – Board of Directors

183 East King Street
Abbottstown, PA 17301

Contributions:

- (1/11/2008) Adams County Council of Republican Women - \$20
- (2/3/2008) State Representative Dan Moul - \$10
- (7/5/2008) Adams County Republican Committee - \$14
- (2/4/2009) Adams County Council of Republican Women - \$20
- (3/28/2009) State Representative Dan Moul - \$10
- (5/2009) Adams County Republican Club - \$10
- (8/2009) Adams County Republican Committee - \$10
- (12/5/2009) Adams County Council of Republican Women - \$16
- (2009) Adams County Committee Republican Picnic - \$12.50
- (2010) Adams County Committee Republican Picnic - \$12.50
- (2011) Adams County Committee Republican Picnic - \$12.50

Nancy Sherlock – PSAB Board of Trustees

424 West Bridge Street
Morrisville, PA 19067

Contributions:

- (2008) Diane Marsiglia for County Commissioner - \$25
- (2010) State Representative John Galloway - \$25

Ann Simonetti – PSAB Board of Directors

413 Linden Avenue
Marysville, PA 17053

Contributions:

- (2008) Mark Keller for State House of Representatives - \$50
- (2009) Mark Keller for State House of Representatives - \$50
- (2010) Mark Keller for State House of Representatives - \$50
- (2008) Jake Corman for State Senate - \$50
- (2009) Jake Corman for State Senate - \$50
- (2010) Jake Corman for State Senate - \$50