



Municipal Retirement TRUST

The commitment you expect,
the security you deserve.

Request For Proposal Response Document

Respondent: Joseph A Scott Jr.

**Prepared for: Indiana Co. Municipal Svcs. Authority
Indiana, Pennsylvania**

PROFESSIONAL SERVICES – MUNICIPAL PENSION PLANS

NON-UNIFORMED PLAN – DEFINED CONTRIBUTION

RFP Due Date: 05 / 16 / 2024

PART C – RFP STANDARD APPLICATION

ICMSA, Indiana, Pennsylvania

Applicant Information:

Company Name and Address: The Municipal Retirement Trust
Pennsylvania State Assoc. of Boroughs
2941 North Front Street
Harrisburg, PA 17110

Company's Primary Point of Contact (*the applicant*): **Joseph A. Scott**

POC's Phone Number: (cell) **717-798-0540** (office) **717-236-9526 Ext. 1046**

POC's FAX Number: **223-322-7470**

POC's E-mail Address: **jscott@boroughs.org**

{List Additional companies and contact information – if required, in the same format}

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. **NOTE: NO OTHER FORM OF WRITTEN RESPONSE IS ACCEPTABLE.**

Failure to respond to all questions completely shall cause that applicant (or team) to be disqualified, regardless of their qualifications.

Special Instructions:

This RFP requires applicants to provide detailed information regarding costs and fees structure. Therefore, the following information is provided to assist applicants in calculating these costs and fees. If you require additional information that is not provided in order to properly respond to this RFP, please request this information by immediately **e-mailing** the designated **RFP Point of Contact**. Please explain – briefly – why the requested information is necessary. Further, the **ICMSA Board** realizes that if the assets are more or less than those stated at the time the applicant assumes the assets, that the quoted fees may also change, commensurate with the change (+ or -) in assets. The fee quotes are therefore considered a “good faith” estimate by the applicant based on the information provided at the time of application.

The following demographic information is provided for the reasons stated above.

Plan Demographics:

All demographics are as of: 29 February, 2024

Official Plan Title (name)	Plan Assets & “as of” date	# of Active Members	# of Inactive /vested members	# of Retirees
Indiana County Municipal Svcs Auth Pension Fund Defined Contribution	\$ 1,208,100	23	0	N/A

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Application Questions:

Exhibit 1 – Qualifications & Experience

1. Please provide the names and titles of all individuals who will be providing professional services to the **ICMSA Pension Plans** identified in the RFP. Further, if your firm will employ any subcontractor, co-applicant, or company that will be a party to providing any of the proposed services relative to this RFP, or in an advisory capacity, please indicate all respective parties and their capacity, relative to servicing these pension plans.

MRT Response:

Principal Contractors & PSAB Team Listing (PSAB-MRT)

Major Components of the Trust

The PSAB-MRT is managed by a board of trustees that supervises all the companies that support the Trust. The Trustees are comprised of elected and appointed borough officials from across the state – all of whom serve on a voluntary basis as trustees. Several of the Trustees have served for more than 10 years.

The Municipal Retirement Trust Team

- ***The PSAB Board of Directors and the Board of Trustees***
- ***PSAB Municipal Retirement Trust (PSAB-MRT) – Principal Pension Operations***

Chris Cap, PSAB Executive Director – Serves as PSAB-MRT Treasurer/Secretary

Joseph Scott, PSAB-MRT Client Services Director – Inside/Outside pension service liaison and administrative services

Amanda Potts, Director of MRT Operations – Director of client pension and administrative services

Sub-Contractors and Advisory / Consulting Team Services

- ***Administrative, Accounting, Custodial, and Actuarial Companies***

Thomas J. Anderson & Associates – Trust Administrator (optional actuarial services)
West Chester, PA

James Kennedy, President – Manages Act 205 administrative compliance efforts.

(TJA offers actuarial services through an agreement with CBIZ Benefits & Insurance Svcs., Philadelphia, PA)

Hamilton & Musser – Accounting Services

Mechanicsburg, PA

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

Fulton Bank – Banking, Checking, Disbursements Services

Harrisburg, PA

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

Mette Evans & Woodside – Law firm providing legal counsel.

Harrisburg, PA

Mary Alice Busby, Shareholder – Serves as the PSAB-MRT Solicitor.

Brown, Schultz, Sheridan & Fritz – Independent Trust Auditor

Camp Hill, PA

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

- ***Investment Management Advisory & Consulting***

Graystone Consulting / Morgan Stanley – Institutional Investment Advisors and Consultants

Wyomissing, PA

(With Morgan Stanley – limited custodial services)

H. Jeffrey Herb, Senior Vice President, Investments – Serves as Senior investment Advisor / Consultant to the PSAB-MRT.

- ***Style-Specific Investment Managers and ETF Companies***

Robeco/Boston Partners - Large Cap Value Manager

Joseph F. Feeney, CFA, CEO

Mark Donovan, CFA, – Portfolio Manager

SPDR S&P 500 - Large Cap Core Manager

Michael Feehily - Senior Managing Director

Wedge Capital Management – Mid-Cap, Core Bond Manager and Short Term Fixed

Bradley W. Horstmann, CFA, General Partner- Chief Compliance Officer

John G. Norman, Executive Vice President – Portfolio Manager - Equity

Vanguard Extended Market ETF-Mid Cap Manager

Donald M. Butler, CFA - Portfolio Manager

William Coleman, CFA - Portfolio Manager

ISHARES RUSSELL Mid-Cap Growth – Small Mid Cap Manager

Greg Savage - Portfolio Manager

Causeway Capital Management - International Fund Manager

Sarah Ketterer - CEO/Portfolio Manager

Eric Crabtree - Chief Client Service Officer

Bentall Kennedy – Real Estate Manager

Michael Keating, Senior Vice President – Portfolio Manager

Josh Samilow, Vice President - Business Development and Client Relations

C.S. McKee L.P. – Fixed Income Manager

Brian S. Allen, CFA – Senior Vice President and Chief Investment Officer – Portfolio Manager

Mark. R. Gensheimer – President

ISHARES RUSSELL 1000 VALUE ETF - Large Cap Value Manager

Greg Savage - Portfolio Manager

ISHARES RUSSELL 1000 GRW ETF – Large Cap Growth Manager

Greg Savage - Portfolio Manager

Ancora/Thelen Advisors - Small Mid Cap Manager

Dan Theleni, CFA – Portfolio Manager

Frederick DiSanto – Chairman & Chief Executive Officer

Great Lakes Advisors - Small Mid Cap Manager

Jon Quigley, CIO - Portfolio Manager

Laurie Watson - Relationship Management

Harding Loevner - International Fund Manager

Ferrill Roll, CFA –Portfolio Manager

Lindsey Andresen - Manager, Client Management

ISHARES MSCI EAFE ETF - International Fund Manager

Greg Savage - Portfolio Manager

Intercontinental – Real Estate Manager

Peter Palandjian – Chairman and CEO

James Beloff - Senior Managing Director

2. Experience and Expertise of your firm and select individuals:

- a) Describe how long your firm has been providing the types of pension services sought under this RFP – **specifically**, to municipal government entities in Pennsylvania.

MRT's Response: The *Municipal Retirement Trust (MRT)* has been providing municipal pension services *since 1972* and is a highly specialized, multi-employer Trust that **exclusively** serves local PA governments. The *MRT* has never allowed investments from private companies, individuals, or municipal investments other than PA Municipal Pension Funds. This is one of the characteristics of the Trust that make it unique. It was founded for the express purpose of providing high-quality, pension investments and other pension services to PA local government entities on a level unlike any other. **The MRT is proud to be entering its 53rd year in providing these services** to PA municipal governments.

- b) Provide some **brief specifics** relative to the qualifications, experience and expertise of the principal individuals responsible for providing **Investment Management and Advisory Services, Administrative, and Actuarial Services**. Specifically address their experience with respect to **PA municipal pensions**.

MRT's Response: The *Municipal Retirement Trust (MRT)* has been subject to the provisions of Act 205 (1984) and Act 600 (1956) since their adoption. Since PA municipal pensions are all we deal with, our knowledge of these acts and related laws is significant and our experience in providing high-quality and timely advice and guidance is extensive. We are highly organized and committed to providing the level of quality service the ICMSA deserves. The MRT has assembled a group of highly qualified professionals, each of them are specialists in their respective fields and all with **more than 20 years' experience, respectively**. We believe **there is no substitute** for professional, quality pension investment, administration, and customer services. To that extent, our team of professionals (and subcontractors) serving the *Municipal Retirement Trust* are among the very best.

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INVESTMENT ADVISORY, MONITORING, AND MANAGEMENT AND COMPANIES

Graystone Consulting / Morgan Stanley

The Investment consultant for the PSAB MRT is the **Graystone Consulting group based in Wyomissing PA.**

This team is ranked as one of the top **Institutional Consulting Team in the US, ranked #41 in the US by Barron's Magazine, April 2023.** The Graystone Team at Wyomissing has more than \$19B in assets under management. Graystone Consulting is a separate business unit of Morgan Stanley and is a leading national investment consulting business, serving institutional investors since 1973.

H. Jeffrey Herb

Senior Vice President

Institutional Consulting Director

Mr. H. Jeffrey Herb is based out of Graystone Consulting, Wyomissing, PA office and has over 24 years of investment experience, 22 of which have been with Graystone Consulting or its predecessor firms.

He is the co-director of the Wyomissing team. Mr. Herb specializes in Taft-Hartley plans, public funds, corporate pension profit sharing/401(k) plans, endowments, foundations, healthcare organizations and insurance companies.

Prior to joining Graystone, Jeffery was employed by Vanguard Group as a 401(k) plan Administrator. Education: Bachelor of Science Degree in Accounting - Pennsylvania State University. Professional Certification and Memberships: CFP – certified financial planner and a member of the Investment Management Consultants Association (IMCA), the Association of Professional Investment Consultants (APIC) and the International Foundation of Employee Benefit Plans (IFEBP).

John R. Jolls, CFA®

Vice President

Consulting Group Analyst

Mr. John R. Jolls is based out of Graystone Consulting's Wyomissing, PA office and has over 20 years of industry experience, 16 of which have been with Graystone Consulting or its predecessor firm. He is the lead analyst of the Wyomissing team and is responsible for the delivery of customized performance measurement and reporting services, performance attribution analysis and manager searches. Prior to joining Graystone Consulting John worked for a number of years as a 401(k) Plan Administrator.

Mr. Jolls received his bachelor's degree in economics from the University of Massachusetts. He is a holder of the Chartered Financial Analyst® (CFA®) designation and is a member of the CFA® Institute.

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Investment Management Style-Specific Companies:

All of these firms have at least 15 + years in investment management. Their PA municipal experience is not relevant to the service they provide to the *MRT* – they were hired by the MRT for their expertise and accomplishments in their style-specific investment management areas. To that extent, they are among the best investment firms in the country.

Robeco/Boston Partners - Large Cap Value Manager

Joseph F. Feeney, CFA, CEO
Mark Donovan, CFA, – Portfolio Manager

SPDR S&P 500 - Large Cap Core Manager

Michael Feehily - Senior Managing Director

Wedge Capital Management – Mid-Cap, Core Bond Manager and Short Term Fixed

Bradley W. Horstmann, CFA, General Partner- Chief Compliance Officer
John G. Norman, Executive Vice President – Portfolio Manager - Equity

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Sarah Ketterer - CEO/Portfolio Manager
Eric Crabtree - Chief Client Service Officer

Bentall Kennedy – Real Estate Manager

Michael Keating, Senior Vice President – Portfolio Manager
Josh Samilow, Vice President - Business Development and Client Relations

C.S. McKee L.P. – Fixed Income Manager

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Lindsey Andresen - Manager, Client Management

ISHARES MSCI EAFE ETF - International Fund Manager

Greg Savage - Portfolio Manager

Intercontinental – Real Estate Manager

Peter Palandjian – Chairman and CEO
James Beloff - Senior Managing Director

ADMINISTRATION & ACTUARY SERVICES PROVIDERS:

ADMINISTRATION: Thomas J. Anderson & Associates, Inc.

TJ Anderson & Assoc. has been providing municipal pension services for more than 20 years. The company specializes in PA Municipal Pension Administration and Accounting. They are respected and recognized as one of the most experienced firms in PA Pension regulatory compliance and policy. Mr. Worley is a former supervisor

for the PA Department of the Auditor General and 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 of PA Pension laws – especially Act 205, Act 600, and Act 44**. They also highly knowledgeable in, and constantly monitor for, changes in **Federal tax and accounting regulations** that may impact the **MRT** and our member municipalities.

James P. Kennedy – President

Mr. Kennedy is the owner and oversees the daily operations of the firm. He has over 25 years of consulting and financial services experience. Mr. Kennedy has an MBA from Harvard University and graduated Magna Cum Laude, Phi Beta Kappa with High Honors from Bowdoin College. He has worked for leading firms including Morgan Guaranty Trust & JP Morgan Securities, Bain & Company, Cap Gemini Sogeti, and Udata Capital & Venture Partners. Mr. Kennedy is a frequent presenter/speaker at municipal pension events and testifies regularly at hearings.

Douglas Werley – Senior Consultant

Mr. Werley is a former auditor and supervisor with twelve years of experience with the Department of the Auditor General in the Bureau of Municipal Pension Audits. Mr. Werley has more than twenty years of experience in pension auditing and administration. Mr. Werley received his B.S. degree in Business Administration from Kutztown University in 1992.

ACTUARY: CBIZ, Inc. via Thomas J. Anderson & Assoc. the PASB-MRT’s Admin. Consulting Group.

CBIZ Inc. – Actuary, David Reid, EA, FCA MAAA, MSPA, is an Executive VP with CBIZ, Philadelphia, PA. David has over 20 years’ experience in the accounting and pension field. David holds a BS in Business Administration from Rowan University. CBIZ, over its 26-year history has grown to become one of the nation’s leading and most trusted providers of a variety of professional advisory services, including Accounting and Actuarial services and consulting.

PSAB – THE MRT PRINCIPAL EXECUTIVES & ADMINISTRATIVE SUPPORT STAFF (PA BOROUGH ASSOC. OFFICE):

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

Chris assumed 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.

Joe Scott, MRT Chief Field Operations Officer

Joe Scott has an extensive business background in client support services, 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. **Joe has worked for the MRT in his current position since November of 2001.** 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 POC 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.

Amanda Potts, Director of Municipal Retirement Trust Operations

Amanda Potts has an extensive administrative and personnel background. She is a veteran of the US Air Force. After retirement from the military, she worked in the medical field as an administrative assistant and office manager. **Amanda has worked for PSAB for 2 years. She has been in her current position since March of 2024.** Amanda's primary focus is on new and current MRT client administrative duties.

3. Client Demographics: In general terms, describe the make-up of your current municipal client base by answering the following questions:

- 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*)?

MRT's Response: The *Municipal Retirement Trust (MRT)* is **exclusive** to PA local government. 100% of the clients enrolled are **PA Municipal Clients**. As of December 2023, the **MRT has 171 municipal clients with 255 individual pension plans (Non-uniform, Police, Fire, etc.). Several Clients have multiple plans with the MRT**, in fact, about 28% of our clients have more than one of their pension plans in the Trust. **Approximately 77% of our clients are PA Boroughs**, 16% are PA Townships, and the remaining 7% are other PA municipal entities (COGs, Regional PDs, Cities, Authorities, etc.). The MRT does not have any municipal clients at the county, or state level and we do not have any private plan clients within the trust.

(Response Continued – next page)

As of January 1, 2024, the MRT provides services for 255 total plans. About 178 plans are Municipal Defined Benefit pension plans, of *which 85 are Non-Uniform (DB) Pension Plans and 93 are Police (DB) Pension Plans*. We currently service about *77 PA Municipal Government Defined Contribution Pension Plans*.

- b) What are the total pension assets of those Pennsylvania municipalities that your firm has under direct financial management?

MRT's Response: The MRT Total Asset Base as of February 1st, 2024, is \$362,992,319.

- c) How many of your PA municipal clients are Non-Uniform [Defined Contribution] Pension Plans?

MRT's Response: The MRT currently manages 67 Non-Uniform Pension Plans that are Defined Contribution Plans.

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Exhibit 2 – Services Proposed & Fees

WARNING: Your firm **MUST disclose all fees** associated with any portion of investment, administration, or advisory services. These will include but are not limited to: **fees directly deducted** from plan assets or billed separately to the Pension Plan; and/ or **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 must also include any fees paid directly or indirectly to any subcontractor or advisor your firm will employ in meeting the requirements of this RFP. Further, **all quoted fees for services must** provide for or cover all services stated in the RFP as “*Requirements and Specifications*”, at a minimum. **Failure to sufficiently provide** such details, clearly linked to all the desired services requested in this RFP will not be acceptable and result in immediate disqualification.

4. Provide Services and Fees Information: Provide a list of services your firm (and / or any subcontractors) will provide our pension plans, separating them by category – investment, advisory, administrative, and actuarial, as may be applicable.

MRT’s Response: The following services overview provides a detailed list of all services covered by the MRT fees and our platform of standard services. The few exceptions to services not covered are listed in the response to question # 6.

PSAB-MRT Services Overview

➤ ***Investment Management & Advisory Services***

Investment Advisory Fees provide all the following by Morgan Stanley Graystone:

- Oversight of all managers of separately managed accounts and ETFs
- Preparation and dissemination of all periodic Financial Reports
- Investment advisory and new manager research
- Investment customer service, support, & advisory duties
- Portfolio performance analysis and rebalancing
- Portfolio revision advice & Updating changes to Investment Policy Statement
- Manager oversight & due diligence activities
- Assisting with trustee fiduciary training oversight

➤ ***PSAB-MRT Administrative & Actuarial Services***

The Administration & Actuarial Fees associated with this section **pay for all MRT services** related to all administrative & actuarial services, except for non-routine services such as preparation of cost studies. These are quoted on an as-needed basis and before work is initiated. These two fees are accounted for on the Monthly Account Statements under “Admin Fees” and “Admin Fees Allocated”.

MRT - MANAGEMENT SERVICES: These fees cover costs associated with managing the trust and providing:

- MRT Staff Customer Service & Support,
- Accounting and Trust Auditing Services,
- All Bank & Custodial Services

- Accounting Services including Preparation and dissemination of all periodic Financial Reports
- Investment Advisory and Manager Research with Trustees
- All routine accounting and payment functions including preparation and dissemination of retiree payments and 1099-R forms
- Tracking and accounting for DROP accounts – if applicable

NO CHARGE – consultative visits, preliminary analysis, or administrative phone calls – ***we are there when you need us!***

MRT – ADMINISTRATION SERVICES: These fees cover costs associated with providing the following list of administrative services:

- Preparation of annual financial statements in accordance with GASB 67 & 68
 - Preparation of all related pension forms required by PA such as AG-385
 - Preparation of the annual Minimum Municipal Obligation (MMO) as required by ACT 205
 - Maintaining accurate records of all active, vested, and retired members of the plan and other related data
 - 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
 - DROP Account oversight and management (if applicable)
 - Provide information and assistance through the audit process conducted by the Auditor General (AG)
 - Monitor and provide notification to the municipality regarding changing legislation and regulations relevant to pension plan administration.
 - Prepared Retiree Benefit Calculations and refund of employee contribution calculations
 - Preparation of Retiree 1099-R and monthly retiree payments
 - Additional Administrative Services that include: Prepare cola increase calculations for pension plans that provide for annual cost of living increases for retirees.
 - Additional Accounting functions, monthly transactions, and review of annual account statements
- **Actuarial Service fees** pay for: Act 205 reporting and the (AVR) Actuarial Valuation Report, due every other year (the reporting year). The reports prepared are for a Defined Contribution Plan, per state statute. The charge is only assessed on a biennial basis. *For illustrative purposes*, the fee shown in the table in Question # 5 is provided for the plans as ½ the biennial fee charged, to illustrate it as an annual cost for comparative reasons.

5. Based on your response to Question #4, complete the following Fee Summary Table:

MRT’s Response: The table that follows lists all of the routine fees charged by the PSAB-MRT. There are **no additional fees charged, except as noted in the response to Question #6** regarding “non-routine” or “non-recurrent” services and their related fees.

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Fee Summary Table – The ICMSA Pension Plan.

All figures (fees) below are based on Plan Assets of \$1,208,100 (as of 29 February 2024).

Fee Types (Annual Amount)	NUPP – ICMSA Pension Plan (DC)	
	Dollar Amount	As % of Assets
Total Expected Investment Manager or Mutual Fund Fees (Expense Ratios, 12b-1 fees, etc.)	\$3,383	0.28%
Total Expected Investment Advisor /Management Fee (or RIA Fees)	\$2,416	0.20%
Total Expected Actuarial Fees (enter annual or ½ biennial fees, as applicable)	\$800	0.07%
Total Expected Administrative Fees	\$10,069	0.83%
Other Fees not included above	\$0	0.0%
TOTAL OF ALL FEES:	\$16,668	1.38%
<p>Do these fees cover all the services stated in Question # 4 – YES or NO? If not, please explain and then detail those additional fees in response to Question #6. <u>MRT's Response:</u> The answer is YES. The only additional fees are for non-routine or non-recurring services as outlined in Question #6 which are only charged when they are applicable and previously agreed to or requested by ICMSA.</p>		

6. Specify any additional or ancillary services:

- a) Does your firm offer any other services that **are or are not included** in **Question # 4?** If so, what are these services and what are the fees associated with these services? Please add these additional service costs to your response to **Question # 5 in the “Other Fees” section, unless they are non-routine.**

MRT's Response: The MRT Trust Administrator (Thomas J. Anderson & Assoc.) or our Actuary 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 always provided** prior to the provision of any services that include a description of the work / service to be performed and the associated costs.

We never charge for consultative phone calls or administrative visits; when you need us, we are there!

- b) Will there be any fees associated with **initial set-up or asset-transfer?**

MRT's Response: There are no fees associated with initial setup or transfer when joining the MRT.

- c) Are there any fees that would be levied **should ICMSA withdraw or terminate** the professional services contract with your firm before the end of the contract? If early termination fees are applicable, what time or types of restrictions apply to these fees? Does your firm require a specific term or length of contract? If so, indicate the minimum period for your firm's contracts.

MRT's Response: The MRT does not charge a fee for withdrawal or termination from the plan, as participation is voluntary. We simply require 45 days' notice and a brief explanation as to why you are terminating your participation in the MRT.

7. Briefly describe your firm's approach to client support and how the plans will be integrated into your client support network, if selected to provide services to the **ICMSA Pension Plans**.

MRT's Response: **Initially...**Client support begins as soon as ICMSA officially notifies our staff that they intend to select the **Municipal Retirement Trust, Amanda Potts**, Director of Municipal Retirement Trust Operations, will orchestrate the entire transfer process – she is very knowledgeable and helpful. Once the transfer process begins, all customer support is handled by Amanda Potts and Doug Worley (TJ Anderson & Assoc.). As soon as appropriate, current plan documents and other contact information as well as a list of other critical documents that must be incorporated into the municipality's pension plan are requested.

Shortly afterward, Thomas J. Anderson & Associates will schedule a visit (or telephonic conference) with 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 as correcting any previous audit findings from the AG's auditors. The focus here is to ensure legal compliance, effective and compliant administration of the plan, and to provide the municipality with advice 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. The MRT's Client Svcs. Director, Joe Scott also makes periodic service visits with the municipality to answer questions or provide guidance. Joe also attends any scheduled meetings that the municipal client requests. Prior to audits by the State AG's office, our administrative team will ensure 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 is Thomas J. Anderson & Assoc. – **we are only a phone call away.**

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Exhibit 3 – Reporting and Accountability

8. In accordance with the requirements of this RFP, your firm must agree to offer periodic meetings with municipal leadership to discuss investment performance or administrative matters. How often do you suggest these meetings should be held? Are there additional costs incurred for these meetings? If yes, please specify the fees and how they are calculated, including travel expenses if applicable.

MRT's Response: 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 based on the size of your plan, 1 meeting per year is sufficient, but we leave that decision up to the client**. At these meetings we review your 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 the ICMSA and its leadership. The overall goal is to be informative and promote constructive dialogue and a high degree of understanding with each client.

9. Briefly 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.

MRT's Response: *The primary company responsible for monitoring pension-related regulatory changes is Thomas J. Anderson and Associates (the administrative services company for the MRT)* The Municipal Retirement Trust also engages several other professional entities who monitor and advise the trust on changes that occur regarding State and Federal regulations. At the Trust level, we are advised by all our supporting companies and their experts in each area. In addition, we receive regular updates from the MRT's solicitor firm, **Mette Evans & Woodside, Attorneys at Law**. For trust-related changes, they are handled at the trust level. For changes that must be handled at the plan level, each municipal pension plan's sponsoring entity is contacted and advised of those changes that directly affect them.

A major part of the PSAB's efforts are monitoring all regulatory changes imposed by the State or Federal government on municipal governments of all levels. As these new statutes are enacted or current ones changed, **we formulate guidance and quickly distribute that guidance** to all our MRT clients. With the experienced assistance and advice of **TJ Anderson and Assoc.**, we work diligently to move all MRT clients to 100% compliant. This type of monitoring and administrative management is of the **highest priority for the MRT**. That is why the MRT has a track record of being proactive and on schedule with meeting compliance changes. *We do it right the first time – usually way ahead of our contemporaries.*

Regarding adverse audit findings from the AG's office:

Although rare, when audit findings occur, we respond promptly and accurately. This is always a high priority for our member municipalities. Finding effective and timely solutions and responding promptly is an absolute standard for our administrative services provider, **Thomas J. Anderson & Assoc.** **They 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. 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.”

10. Provide one example of an *Investment Summary Report*. This should be labeled **Appendix A in your response.**

Also, provide a sample *Annual Summary of Assets Statement* or *Annual Plan Summary Statement* and should be labeled **Appendix B** in your response. These reports should be ones that your firm will routinely provide to the ICMSA Board.

THEN:

- a) Provide information on the timing and distribution of investment performance reports following the end of a reporting period.

MRT's Response: The MRT provides the *Investment Summary Report* via our pension website on a quarterly basis. The *Summary of Assets Statement* is provided monthly, and it is sent via regular US Mail to the municipality. **See Report Examples** for both reports in **Appendix A** and **Appendix B**, respectively.

- b) What are the costs for providing this report?

MRT's Response: The MRT does not charge for these routine reports. They are provided as part of the Trust's general administrative services.

- c) How many business days after the end of a reporting period are these reports available?

MRT's Response: The *Investment Summary Report* is posted (usually) within 15 days of the Quarter closing. The *Summary of Assets Statements* are usually mailed within 10 days of the monthly closing (last business day of the month).

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Exhibit 4 – Investment Management and Performance

11. Will your firm act as a fiduciary to the pension plan and if so, specify the extent of your fiduciary role?

MRT's Response: This question applies only to Morgan Stanley Greystone, the investment advisors to the MRT and the response was expressly provided by them:

“Yes, Graystone Consulting, a business unit of Morgan Stanley, acknowledges that we provide investment advisory and consulting services under our Institutional Services Agreement as a fiduciary under the Investment Advisers Act of 1940.” - H. Jeffery Herb, Graystone Consulting -

12. Is your firm, its parent or affiliate a registered investment advisor with the SEC under the Investment advisors Act of 1940?

MRT's Response: This question applies only to Morgan Stanley Greystone, the investment advisors to the MRT and the response was expressly provided by them:

“Graystone Consulting is a business of Morgan Stanley Smith Barney (MSSB), which is a registered investment advisor with the Securities and Exchange Commission (SEC) per the Investment Advisers Act of 1940 (SEC file number: 801-70103).” - H. Jeffery Herb, Graystone Consulting -

13. Does your firm utilize any proprietary funds or investment instruments that are owned, operated, or contractually affiliated with your firm or its parent company? If so, please describe those relationships.

MRT's Response: The MRT is a multiemployer trust and as such, has no such holdings or affiliations. This question more directly applies to Morgan Stanley / Greystone Consulting, the investment advisors to the MRT and their response was expressly provided by them:

“Graystone Consulting as a matter of policy, exclusively recommends outside investment managers unless a client requests information about affiliated investments. We do not manage any of these assets directly; stressing that our clients’ interests always come first.” - H. Jeffery Herb, Graystone Consulting -

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14. Briefly discuss who is responsible for investment manager selection (or mutual fund selection), asset allocation, monitoring and advising. Also, indicate (normally) how often the account (or the overall portfolio) is reviewed, reallocated, or rebalanced.

MRT's Response: The investment services portion offered by the MRT are via a structured, multi-employer trust – this is one of the greatest *advantages of participating in the MRT!* This arrangement means our municipal clients gain a higher level of fiduciary & management responsibility, better investment research resources, and cost savings. The **PA State Association of Boroughs** is responsible for the overall governance of the **Municipal Retirement 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 240+ 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**. All subcontractors to the MRT are subject to the rules of the Trust – the very extensive Trust Master Document. Each subcontractor is hired to provide a specific set of services to the Trust and its participants and is therefore subordinate to the MRT and its governing body, the PSAB.

Part of the Trust's services includes an extensive ***Investment Advisory, Management and Reporting System***. We place these daunting responsibilities and daily activities in the capable, highly professional and experienced hands of **Mr. John R. Jolls, CFA®** and **Mr. H. Jeffery Herb of Graystone / Morgan Stanley**.

Asset Allocation / investment policy changes:

The investment manager structure is based on the MRT Investment Policy, which dictates how the Trust assets are to be allocated and an acceptable deviation in each type. Changes to the MRT Investment Policy do not occur except as necessary or required by law. When a change is needed, **Graystone /Morgan-Stanley** reviews the change and recommends to the Trustees what policy changes are required.

This document is reviewed annually. The MRT Trustees then vote to accept these changes and present them to the PSAB board for final approval.

Seeking new candidates and / or replacing underperforming managers:

When a manager must be added to replace a deficient one or to expand the portfolio's investments, **Graystone /Morgan-Stanley** will leverage all of their resources to search for the top 4 or 5 style-specific investment managers (*i.e. Large Cap Value*) nationally. This is a **very rigorous process** and applicants are selected from among the top investment firms across the United States. Once the initial screening has been done, all finalists appear before the MRT Trustees for interview and final selection (under the guidance of our investment experts from Graystone). A

finalist is selected and voted on by the entire PSAB Board. The approved candidate is then added to the MRT and allotted a predetermined portion of trust assets.

Addressing portfolio rebalancing or re-allocations of funds and earnings:

This task requires timing, resources, and complex expertise. **Mr. John R. Jolls, CFA®** and **Mr. H. Jeffery Herb** are also charged with this responsibility, executing changes as necessary and in accordance with the **Master Trust & Investment Policy** and when these changes are clearly prudent or advantageous to the investment posture of the Trust. They are also responsible for monitoring investment performance, conducting quarterly (monthly) meetings & training sessions with the MRT Trustees, and making recommendations to the MRT Trustees. Account review happens weekly, rebalancing or reallocation happens when and as necessary under the direction and oversight of Mr. Herb and Mr. Jolls.

- 15.** Briefly describe the **asset classes and allocation mix** your firm proposes to employ if selected to provide investment services. Further, if you will be utilizing mutual funds, provide a sample mutual fund selection for each of the asset classes you would invest in and the corresponding allocation by % to each fund. If using ETFs or Separately Managed Accounts, provide the same information. THEN...describe why you feel your firm's overall approach to asset management is best suited to meet the needs of the **ICMSA Pension Plans**.

MRT's Response: **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. As described later, the MRT offers two distinct investment options for municipalities to choose from – **the Balanced Account** and the **Fixed Account**. The MRT staff does not direct a municipality as to which account they should invest in. While this is the ICMSA Board's fiduciary decision, *the Investment Advisors to the MRT from Graystone/ Morgan-Stanley will* assist the ICMSA 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. Although, it should be noted that the **Balanced Account** most closely meets the criteria of this RFP.

THE INVESTMENT ACCOUNT CHOICES:

The Balanced Account is essentially a high quality, blended account consisting of an investment mix of about 60% Stocks / 40% Bonds. The quality of the investment managers, and the rigid investment guidelines placed on them by the investment policy help to ensure that the balance between investment returns and the limitation of undue risk is achieved. The quality of expertise and the vast resources available to the MRT through our affiliation with *Graystone/ Morgan-Stanley* cannot be overstated. The level of investment service afforded all MRT plan participants is virtually impossible to replicate as a stand-alone pension plan. The current investment allocation for the **Balanced Account:** **SEE "MRT Asset Allocation" section that follows.**

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 18 years (Balanced Account)**, a about 4.5% (**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. 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 at any time to address issues, should immediate changes be necessary.

MRT Asset Allocation – General Asset Style-specific model. Balanced Account
As of December 2023

Large Cap Core – 13.01%	Large Cap Value – 13.10%	Large Cap Growth – 11.77%
Mid-Small Value – 3.05%	Mid-Small Core – 3.46%	Mid-Small Growth – 0.66%
Total Int’l Equity – 16.41%	Total Fixed Income – 29.49%	Real Estate – 8.25%
Cash or equivalents – 0.82%		

NOTE: a more detailed (and most current) breakout of the MRT’s Asset allocation can be found in the tables provided in the **Sample Investment Report Appendix A.**

The Municipal Retirement Trust’s approach to “Prudent Stewardship” of ICMSA’s Pension Plans.

In our opinion, this is one of most important responses in this RFP Application.

Here’s why.... For more than 50 years, prudent, responsible stewardship of *all MRT client assets* has been a **hallmark of the Municipal Retirement Trust program.** We are not only focused on *gaining investment returns* but *retaining / protecting investment capital [your pension’s assets]*. This is extremely important with municipal pensions – many times representing the only other retirement income for employees, apart from social

security. So, risk monitoring and the overall investment management approach for the trust is very important. Producing positive returns are certainly the goal but so is protecting assets against downturns in the investment market. A reasonable balance between income growth and risk management is *paramount to your pension plans' survival*. The MRT understands this and is committed to the concept of “*prudent, responsible stewardship*” for the benefit of all the 255 plans in the Municipal Retirement Trust. Given the size of the Trust and the number of plan participants’ we support across the commonwealth, we are driven by necessity for an even greater degree of conservancy in both the investment plan design and plan policy for the MRT – more so than many of our competitors.

What follows are some of the highlights of the *MRT’s safeguard approach to monitoring and mitigating risk* within the investment portfolio and *then there are the results*. The results of our conservative approach and quality investment standards are our report card. In our estimation, we have met the standards with measurable success.

Risk Management – Our Approach

MRT Investment Policy – The “*foundation*” of any solid pension plan:

1. Emphasizes quality investments with respectable earnings; not just chasing the highest returns.
2. Strict control of the investment managers via Investment Policy with details for each manager – specific instructions and limitations, not just an “overview”.
3. Use of *Separately Managed Accounts* instead of mutual funds – promotes stricter guidance and policy adherence as well as better overall control.
4. Restrictions on illiquid or leveraged stocks and other high-risk investment instruments such as low quality or junk bonds.
5. Limitations on investing in ETF’s and Index funds – mixing these with actively managed accounts as complementary and as a means of enhancing earnings – not mainly to reduce cost.
6. Policy that places a high emphasis on manager selection [of *separately managed accounts*], and continual oversight by investment professionals
7. No investments with managers / Index funds or ETF’s that are owned or operated by Morgan Stanley nor ones that have financial arrangements with Morgan Stanley – precluding any favoritism or possible conflicts of interest or appearance of the same
8. Funds (except ETFs) are not comingled – all separately managed accounts consist of only MRT funds.

Employing the Best Advisors and Account Managers

Our Advisors at Graystone /Morgan Stanley are Institutional level managers and as so have much at their disposal in terms of data, research, and analysis that is unavailable to most investment consultants in PA. Morgan Stanley

/Graystone employs: the latest reporting and analytical technology; the most extensive team of experienced analysts; and the most sophisticated support network of economists and investment professionals available. In short, as institutional investment managers for Morgan Stanley, they have all the resources of one of the largest and most respected investment companies at their disposal.

Risk Reward Tracking and Reporting

- 1.** Monthly, several different risk-management and tracking software are employed to produce reports that are compared to each other along with other statistical information to ensure our investments are tracking within desirable limits.
- 2.** This data is compared to a custom (or blended) index for further comparison. The goal is not to constantly exceed the index, during a positive earnings environment – this would possibly indicate we are taking as much or more risk as the index. The idea is to achieve as much return as possible while tracking within tolerable risk limits of the index. Conversely, in a down market, we want to be doing better than the index – that is, not losing as much during the downside.
- 3.** Morgan Stanley routinely tracks about 14 different risk measurements; the ones we most commonly review, relative to our benchmark are:
 - a)** Treynor Ratio
 - b)** Standard Deviation
 - c)** Sharpe Ratio
 - d)** Beta
 - e)** Upside Market Capture
 - f)** Alpha
 - g)** Downside Market Capture
 - h)** Net Annualized Return vs. Index
 - i)** Maximum Downside
- 4.** Morgan Stanley also tracks deviations or changes in trends in the investment world that may indicate that changes in portfolio allocations or changes in a specific manager are necessary to protect assets or enhance returns. Those changes are implemented expeditiously but only after prudent review and scrutiny.
- 5.** Continual oversight by Morgan Stanley (our MRT advisors) as well as the MRT’s board of Trustees – meetings, reports, teleconferencing on a monthly and quarterly basis.
- 6.** Investments and investment managers are tracked closely and Mr. Jolls and Mr. Herb visit managers routinely as part of their due diligence process, on behalf of the PSAB-MRT.
- 7.** If and when the Trustees of the Municipal Retirement Trust [in conjunction with advice and analysis from Morgan Stanley] feel that a manager or group of managers or a specific investment trend requires attention or alterations to the investment portfolio, they have the authority to make the necessary changes to correct deficiencies or react to changes in market conditions in a timely manner. This level of oversight and management is second to none.

Measuring our Success – the Long-term Results

During low or marginal market returns, the PSAB-MRT has consistently performed better than our peers.

- Example, in 2001 and 2002, most plans lost about -2% in 2001 and about -7.5% in 2002. The PSAB-MRT lost just -0.40% and -5.2% respectively. Again in 2015, most pension plans in PA that were similarly invested lost between -1.1% and -2.0% while the PSAB-MRT managed a modest + 0.13%. As recently as 2022, the MRT again outperformed its contemporaries by mitigating losses to a – 13% while most other PA municipal pension plans lost between -15% and -22%. Again, saving our MRT plans millions in lost assets.
- **During the historic market losses in 2008...**Most pension plans lost on average -25% while PSAB-MRT plans lost about -16.8%. *On a \$1,000,000 pension plan that 8.2% difference would equate to about \$82,000 in investment savings! It's hard to argue with that kind success.*
- **Upside / downside market capture.** The PSAB-MRT historically (2000 to 2023) has an **Upside Market Capture average of 89%** (the market is producing positive returns) while our **Downside Market Capture averaged just 78%** (the market is losing money or has negative returns).
- **A Sharpe ratio for the same 20-year period (2000 – 2023) of 0.59 vs. PSAB Policy Index of 0.52. Our Standard Deviation of 8.71 and a Beta of 0.86 were also strong indications of our success.**
- *As for long-term performance: Since the Inception of the current investment strategy dated 1/1/2000, the PSAB-MRT (Balanced Acct.) has returned an average annual net return **6.64% (time-weighted) vs. its total benchmark of 5.36% (2000 – 2023).** Our risk-managed approach to investment strategies since 2000 are a major reason we have realized this level of performance success. During this period, we have realized more net investment gain and taken less risk than our policy's benchmark (index). We have also outperformed a large number of our peer group.*

➤ Why is the MRT a “Best Choice” for ICMSA’s pension plans?

1. Resources vs. Cost – The MRT provides municipalities with investment services that are far above what the average municipality can garner on their own and we do it for a fraction of the cost. To replicate the same level of investment advisory and management service that MRT members receive, would cost a municipality more than double the fees we charge. Most of the Investment Managers we use are not available to clients with assets under \$20 million. By joining the MRT, municipalities gain access to that level of expertise and do not have to pay the exorbitant fees of mutual funds (your only alternative).

2. High Quality Investments with *strictly enforced investment policies* for **managed market risk**. In short, we manage to the “downside of the market”. That means our investment professionals work hard to gain all they can for us without taking undue risk – *we don't take chances with your money*. We do not invest in leveraged, illiquid,

low quality-high risk investments, nor do we allow our managers to do the same. We control the investments of our managers, and we hold them to very high standards. This is possible because most of our investments are made *via Separately managed accounts, not mutual funds*. This type of management is not available through mutual funds – investors do not tell them what they may or may not invest in and therefore do not control the quality of those investments.

3. Time-tested, long-term results and service: For more than 40 years, the MRT has provided high quality investments that have stood up to the ups and downs of the market. Though our investment strategy has changed with the times, our goals have not – neither have our superior results.

16. Past Investment Performance History:

Based on your response to Question # 15, Provide the Annualized NET rate of return for a client your firm manages and with the same (or essentially the same) asset allocation mix as you have proposed in response to Question # 15. Respond for each of the timeframes indicated below and the index (or indexes) your firm uses as a benchmark to measure performance.

Be sure the sample client you select has at least 10 years under your management. If not, you may use a composite of your clients, so long as they meet the criteria of the RFP and the allocation closely resembles the one you used to respond to **Question # 15**. **You must clearly indicate that, in responding to all Questions that follow, you are using composite data.**

Response to question #16 is on the next page.

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MRT's Response: *The Investment returns shown below, and all other related data provided in response to Questions # 16 are composite results from the Trust.* Since all of the clients in the MRT are invested collectively it is reasonable to assume that the rates of return for individual clients were similar, depending on timing of deposits, withdrawals and other unforeseen expenses notwithstanding

Investment Returns Chart

Timeframe	Net Rate of Return %
YTD 2024 end of 1 st Qtr. (if available – If not, enter “Not Avail”)	5.20%
Year ended 2023 (time-weighted)	14.68%
3-year Average (time-weighted)	4.48%
5-year Average (time-weighted)	8.32%
7-year Average (time-weighted)	8.01%
10-year Average (time-weighted) or since inception* <i>* If date of inception is used, please indicate the specific date of inception.</i>	6.26%
Index (or Indexes) used as a Performance Benchmark: Composite of benchmarks to rate its performance due to the diversity of its portfolio. Currently that composite is as follows: 39% S&P 500, 5% NAREIT, 12% MSCI ACWI ex US (net), 13% Barclay’s US Aggregate, 22% ML 1-3yr Treasury, 4% Russell 2000 Growth, 5% Russell Mid Cap Value (As of June 2014) prior to this date a different composite was used.	

17. If accurate data for Question 16 is not available for time periods requested in the tables, indicate and provide a detailed explanation. If not applicable, so state in response to this question.

MRT's Response: The data provided is accurate for the time period indicated, therefore the question is “*Not Applicable*”

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PART D: ACT 44 STANDARD DISCLOSURE FORM

INDIANA COUNTY MUNICIPAL SERVICES AUTHORITY, INDIANA, PA

LIST OF AUTHORITY OFFICIALS & EMPLOYEES

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.

Appointed Members of the Board & Solicitor			
Name:	Title:	Name:	Title:
Scott Elgin	Board Member	Patricia Evanko	Treasurer
Frank Holuta	Vice-Chairman	Anthony Mano	Board Member
M. Susan McLoughlin	Asst. Secretary/Treasurer	Carol Paynter	Secretary
Marcia Rowe	Board Member	Maher Shower	Chairman
Employees / Management			
Name:	Title:	Name:	Title:
Martin Maschak	Executive Director	LuAnn Dalessio	Office Manager

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”
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 regarding the professional services being provided.	**ALL Applicants: Provide all information as stated in the question on a separate page and attach it to this disclosure. Initials in the boxes to the right are not necessary.	NA	NA
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)	Provide all information as stated in the question.		J.A.S.
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?	IF “YES”, provide the name and of the person employed, their position with the municipality, and dates of employment.		J.A.S.
Q4. Are any of the individuals named in Question #1 or #2 above, a current or former registered Federal or State lobbyist?	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.	J.A.S.	
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 <i>Municipal Pension System</i> 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 <i>Municipal Pension System</i> of the Requesting Municipality? <u>This question does not apply</u> 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.	IF “YES”, identify: (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 <i>Municipal Pension System</i> of the Requesting Municipality (OR), any municipal official or employee of the Requesting Municipality, and (3) The official they will communicate with.		J.A.S.
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?	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).		J.A.S.

DISCLOSURE QUESTIONS (CONTINUED)

<p>Questions</p>		<p>RESPONSES</p>	
		<p>If your answer is “Yes” or “Applies” – – Please provide this information as instructed above</p>	<p>Initial Here for: “Yes” or “Applies”</p>
<p>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?</p>	<p>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.</p>		<p>J.A.S.</p>
<p>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?</p>	<p>IF “YES”, identify the individual with whom the relationship exists and give a detailed description of that relationship.</p>		<p>J.A.S.</p>
<p>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?</p>	<p>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.</p>		<p>J.A.S.</p>
<p>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 ONLY WHEN ALL 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 OR, 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 OR; A political committee of a candidate for public office in the Commonwealth or of an individual that holds that office.</p>	<p>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.</p>	<p>J.A.S.</p>	
<p>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?</p>	<p>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.</p>		<p>J.A.S.</p>
<p>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 <u>by your firm</u> within the past one year?</p>	<p>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 one year restriction is imposed, without exception, on either circumstance of this question.</p>		<p>J.A.S.</p>

APPLICANT VERIFICATION

I, Joseph A. Scott Jr., hereby state that I am the MRT Client Services Director for
(Name) (Position)
PA State Assoc. of Boroughs Municipal Retirement Trust and I am authorized to make this verification.
(Contractor)

I hereby verify that the facts set forth in the foregoing Act 44 Disclosure Form for Entities Providing Professional Services to **Indiana Co. Municipal Svcs. Authority's Pension System(s)** 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 Contractor 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

05/16/2024

Date

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PSAB Municipal Retirement Trust 2024 Addendum Required Disclosure Form Statements (updated as of 1 January 2024)

(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 subcontracted firms to provide specific and unique services to the Trust. The principal PSAB-MRT team members are listed first, followed by those of each subcontractor.

Contractor Team Listing

PSAB Municipal Retirement Trust (MRT)

The PA State Association of Boroughs and Principal Pension Operations Contractor

Chris Cap, PSAB Executive Director – Serves as MRT Treasurer/Secretary

Joseph Scott, MRT Client Services Director – Inside/Outside pension service liaison and administrative services

Sub-Contractor and Advising Team Listing

- *Administrative, Accounting, Custodial, and Actuarial Companies*

Thomas J. Anderson & Associates – Trust Administrator (optional actuarial services)

James Kennedy, President – Manages Act 205 administrative compliance efforts. TPA Administrative Services. (TJA offers optional actuarial services through an agreement with CBiz Actuary Svcs.)

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.

Morgan Stanley – Investment Market Monitor

H. Jeffrey Herb, Senior Vice President, Investments – Serves as investment monitor of MRT.

Mette Evans & Woodside – Law firm providing legal counsel

Mary Alice Busby, Shareholder – Serves as the MRT Solicitor.

- *Investment Management – Style-Specific Companies*

Robeco/Boston Partners - Large Cap Value Manager

Joseph F. Feeney, CFA, CEO

Mark Donovan, CFA, – Portfolio Manager

ISHARES RUSSELL 1000 VALUE ETF - Large Cap Value Manager

Greg Savage - Portfolio Manager

SPDR S&P 500 - Large Cap Core Manager

Michael Feehily - Senior Managing Director

ISHARES RUSSELL 1000 GRW ETF – Large Cap Growth Manager

Greg Savage - Portfolio Manager

Wedge Capital Management – Mid-Cap, Core Bond Manager and Short Term Fixed

Bradley W. Horstmann, CFA, General Partner- Chief Compliance Officer

John G. Norman, Executive Vice President – Portfolio Manager - Equity

Ancora/Thelen Advisors - Small Mid Cap Manager

Dan Theleni, CFA – Portfolio Manager

Frederick DiSanto – Chairman & Chief Executive Officer

Great Lakes Advisors - Small Mid Cap Manager

Jon Quigley, CIO - Portfolio Manager

Laurie Watson - Relationship Management

Vanguard Extended Market ETF-Mid Cap Manager

Donald M. Butler, CFA - Portfolio Manager

William Coleman, CFA - Portfolio Manager

ISHARES RUSSELL Mid-Cap Growth – Small Mid Cap Manager

Greg Savage - Portfolio Manager

Harding Loevner - International Fund Manager

Ferrill Roll, CFA –Portfolio Manager

Lindsey Andresen - Manager, Client Management

Causeway Capital Management - International Fund Manager

Sarah Ketterer - CEO/Portfolio Manager

Eric Crabtree - Chief Client Service Officer

ISHARES MSCI EAFE ETF - International Fund Manager

Greg Savage - Portfolio Manager

Bentall Kennedy – Real Estate Manager

Michael Keating, Senior Vice President – Portfolio Manager

Josh Samilow, Vice President - Business Development and Client Relations

Intercontinental – Real Estate Manager

Peter Palandjian – Chairman and CEO

James Beloff - Senior Managing Director

C.S. McKee L.P. – Fixed Income Manager

Brian S. Allen, CFA – Senior Vice President and Chief Investment Officer – Portfolio Manager

Mark. R. Gensheimer - President

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

Chris Cap, State Registered Lobbyist (last renewed 1/1/2021). Position: PA State Association of Boroughs – PSAB Executive Director

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

Randy Riddle - PSAB Board of Directors

\$300 (2020)– Friends of Timothy Bonner PA State Representative

\$250 (2023) – Mercer Co. Commissioner Campaign Ann Colman

Chuck Mummert – Trustee

\$50 (2018 and 2020) – David Hickernel PA State Representative

Chris D Yanoff – Board of Directors

\$ 100 (2019) – Campaign contribution for John Fetterman – PA Lt. Governor Campaign 2019

Appendix A
Sample
Investment Summary
Report

“SEE Additional Stand-alone PDF, titled PSAB MRT Balanced & Fixed
Quarterly Client Report Q3”
Provided Separately.

Appendix B
Sample
Annual Summary of
Assets Statement

SAMPLE: Monthly / Annual Account Statement

**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
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Total Receipts	57,992.25	256,584.36
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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
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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