



OAKMONT CAPITAL
Management, LLC

March 8, 2019

Mr. Charles Kulbacki
Borough Manager
Borough of Bell Acres
1153 Camp Meeting Road
Sewickley, PA 15143

Dear Mr. Kulbacki,

Enclosed, please find a completed response by Oakmont Capital Management, LLC for the RFP regarding Trust and Investment Services for the Borough of Bell Acres Police and Non-Uniform Pension Plans.

Oakmont Capital distinguishes itself from other firms because it has the ability to act as an Investment Advisor, Fiduciary, and Plan Design Consultant. Many clients view us as an extension of their staff and interact with us as colleague, not as a vendor.

For providing such services, Oakmont Capital is proposing an annual fee of 0.35% of total plan assets. Assuming \$1.2 million, this equates to an annual fee of approximately \$4,200. There are no additional "out of pocket" expenses or one-time fees associated with the proposal. All travel costs, postage, and materials are included.

I thank you for the opportunity, and if you need any clarification regarding the information presented, feel free to contact me directly at (412) 828-5550.

Sincerely,

Jon K.

Jon Koteski, CFA, CAIA, AIF
Managing Partner



EXHIBIT I

Completed RFP Response

CONTACT INFORMATION

Oakmont Capital Management, LLC
Mr. Jon Koteski, CFA, CAIA, AIF®
Managing Partner
koteski@oakmontcap.com

655 Allegheny Avenue
Oakmont, PA 15139
Ph: (412) 828-5550
Fax: (866) 645-8396

FINRA Central Registration Depository # 128939
Federal Employer Identification # 48-1263655

A. APPLICANT'S HISTORY, OWNERSHIP, AND ORGANIZATION.

1. BRIEFLY DESCRIBE THE ORGANIZATION, THE YEAR IT WAS FOUNDED, LOCATION OF ITS HEADQUARTERS AND OTHER OFFICES, ITS OWNERSHIP STRUCTURE AND BUSINESS FOCUS.

Founded in June 2002, Oakmont Capital is a fee-only, federally registered investment advisor located in Oakmont, Pennsylvania with secondary offices in Naples, FL and Greensburg, PA. The firm is owned outright by its individual members and is not a subsidiary or business unit of another company. Oakmont Capital is committed to providing risk oriented, customized investment advisory services.

Client retention, relationship transparency, and constant professionalism are core competencies. Unlike a broker-dealer, Oakmont Capital does not sell any products for a commission or sales charge. This self-imposed restriction permits the Oakmont Capital Team to provide what is believed to be unbiased and balanced investment advice. The firm derives 100% of its revenue from providing investment advisory and consulting services.

With over 100 years of combined industry experience, the Oakmont Capital Team seeks to establish relationships with institutions that have investable assets in the range of \$2 million to \$500 million including, but not limited to, defined benefit plans, corporate assets, endowments, foundations, high net-worth individuals, and defined contribution plans.

Oakmont Capital believes that a successful investment strategy shall not only create wealth but prevent the loss of it. Each investment strategy is customized in an attempt to meet the specific risk and return objectives as identified in the Investment Policy Statement of the client.

The firm strives to develop open and trusting relationships. Transparency and active

communication are professional standards. Clients are kept abreast through timely performance reports, online account access, and face-to-face meetings.

As it pertains to this proposal, Oakmont Capital Management, LLC is submitting itself as an Investment Advisor, Plan Design Consultant, and Fiduciary. In this capacity, the following services are being offered but are not limited to:

- Working with the Trustees to ensure best practices, standards, and procedures for a successful investment program.
- Discretionarily manage the Plan assets.
- Advise on fiduciary policies, procedures, and objectives.
- Perform asset/liability modeling to determine an optimal asset allocation strategy relative to Plan liabilities.
- Review and/or update the current Investment Policy Statement.
- Identify optimal and cost efficient invest vehicles (individual securities, exchange traded funds, no load mutual funds, separately managed accounts, etc.)
- Monitor compliance of the Investment Policy Statement and report on non-compliance issues.
- Discretionarily re-balance the portfolio to the approved asset allocation strategy.
- Attend regularly scheduled Trustee meetings.
- Provide quarterly and other adhoc performance reporting.
- Negotiate fees with service providers, as requested and authorized.
- Provide topic specific research and education, as desired.

The ADV disclosure document for Oakmont Capital is attached as *Exhibit II*.

2. WHAT IS THE TOTAL ASSET BASE AND NUMBER OF MUNICIPAL PENSION FUNDS ON WHICH YOU CONSULT?

As of December 31, 2018, Oakmont Capital provided investment management and/or consulting services to approximately \$350 million in assets.

As of the date of this RFP, Oakmont Capital provided consulting and investment advisory services to over 10 individual municipal plans and civic portfolios.

3. BRIEFLY DESCRIBE ANY PRIOR EXPERIENCE WITH THE BOROUGH.

Prior to the submission on this RFP, Oakmont Capital has had no professional relationship with the Borough of Bell Acres.

However, Oakmont Capital does have a working relationship Dunbar, Bender, & Zapf, Inc.

They are the Borough’s current actuary for both the Police and Non-Uniform pension plans.

4. IDENTIFY THE CONSULTANTS AND OTHER KEY STAFF WHO WOULD BE INVOLVED IN SERVING OUR ACCOUNT. PROVIDE BRIEF RESUMES OF THESE INDIVIDUALS.

For services rendered to pursuant to this RFP, Oakmont Capital is proposing the following team:

Oakmont Team Members		Years of Industry Experience
<i>Managing Partner:</i>	Mr. Jon Koteski, CFA, CAIA, AIF [®]	19
<i>Sr. Advisor:</i>	Ms. Gina Kovatch, CRPS [®]	18
<i>Sr. Advisor:</i>	Mr. Gerard Longo, AIF [®]	22
<i>Sr. Portfolio Manager:</i>	Mr. James Harris, CFP [®]	42
<i>Director of Research:</i>	Mr. Mike Ladakos, AIF [®]	31

- AIF[®] = Accredited Investment Fiduciary
- AIFA[®] = Accredited Investment Fiduciary Analyst
- CAIA[®] = Chartered Alternative Investment Analyst
- CFA[®] = Chartered Financial Analyst
- CFP[®] = Certified Financial Planner
- CRPS[®] = Certified Retirement Plan Specialist

Biographies of the Oakmont Capital Team Members

Cumulatively, the Oakmont Team has over 100 years of industry experience, including municipal pension plans. Their biographies are as follows:

Mr. Jon Koteski, CFA, CAIA, AIF[®]
Managing Partner

Being a Managing Partner and co-founder of Oakmont Capital Management, LLC, Mr. Koteski oversees the firm’s risk-controlled investment process, market research, and firm operations. Before founding Oakmont Capital Management, LLC, Mr. Koteski worked for Yanni Partners, an institutional consulting firm, where he designed and constructed portfolios for pension plans, foundations, and endowments. Prior to this, Mr. Koteski worked as a Cash Manager within Mellon Bank’s Global Securities division coordinating trades and cash flows for self-directed retirement accounts.

Mr. Koteski is a member of both the CFA Institute and the Pittsburgh Society of Financial Analysts. He has earned the designation of Chartered Financial Analyst (CFA[®]) and Chartered Alternative Investment Analyst (CAIA[®]). He is also an Accredited

Investment Fiduciary (AIF[®]) as maintained by the Center for Fiduciary Studies.

Mr. Koteski graduated from the University of Pittsburgh with a Master of Business Administration and a Bachelor of Arts in economics from Franklin & Marshall College.

Ms. Gina Kovatch, CRPS[®]

Sr. Advisor

As a Sr. Advisor and a member of the Investment Committee, Mrs. Kovatch guides clients in the portfolio construction process in an attempt to meet their stated investment objectives. She also assists in product due diligence and fixed income trading solutions. Prior to joining Oakmont Capital, she was a Principal with J.E. Harris & Associates, an Investment Advisory Firm, where she oversaw the investment management process and the development of retirement plan strategies.

Mrs. Kovatch is a Chartered Retirement Plans Specialist (CRPS[®]), and she graduated with a Bachelor of Science in Communication and Information Arts from Saint Vincent University.

Mr. Gerard J. Longo, AIFA[®]

Sr. Advisor

Mr. Longo is a Senior Advisor with Oakmont Capital Management, LLC. He plays an active role in developing client relationships, investment strategies, and vendor solutions. He began his career in 1995 at a major brokerage firm where he built portfolios for retirement plans and high net worth individuals. Afterwards, he served as Divisional Marketing Director and Regional Vice President with two global financial services companies.

Mr. Longo is an Accredited Investment Fiduciary Analyst (AIFA[®]) as maintained by the Center for Fiduciary Studies and has served as a non-commissioned officer in the Army National Guard. He graduated with a Bachelor of Science degree from Slippery Rock University with a minor in Business Administration.

Mr. James Harris, CFP[®]

Sr. Portfolio Manager

Mr. Harris has over 40 years of experience in portfolio management and trust design. He is a member of the Oakmont Capital Investment Committee and plays an integral part in identifying acceptable investment products. He is a senior relationship lead for multiple clients and prior to joining Oakmont Capital, he was President of J.E. Harris & Associates, an Investment Advisory Firm.

Mr. Harris is a Certified Financial Planner (CFP[®]) and graduated from the University of Pittsburgh with a Bachelor of Arts in Political Science and an MBA from the Katz

School of Business.

Mr. Mike Ladakos, AIF®

Sr. Advisor & Director of Research

With over 31 years of investment experience, Mr. Ladakos has advised a broad range of clients including defined benefit plans, defined contribution plans, and health & welfare plans up to \$500 million in assets.

His professional expertise is focused on plan construction, asset-liability modeling, and strategic & tactical asset allocation strategies. His past experience includes positions as an Institutional Investment Consultant with Yanni Partners and Raulin Inc., as well as, trading positions at several brokerage firms including Fidelity Investments and Integra Brokerage Services Company.

Mr. Ladakos has a Bachelor of Science Degree in Finance from Indiana University of Pennsylvania and served in the United States Army Reserve as Executive Officer of a Psychological Operations Company.

5. DESCRIBE THE TURNOVER THAT YOUR ORGANIZATION HAS HAD OVER THE LAST FIVE YEARS WITH THE CONSULTANTS THE PROVIDE THE REQUESTED INVESTMENT ADVISORY SERVICES.

Oakmont Capital has had limited turnover of its senior staff in the past five years. However, new staff members have been added to assist with the growth of the firm.

6. WITHIN THE LAST FIVE YEARS HAS YOUR ORGANIZATION OR AN OFFICER OR PRINCIPAL BEEN INVOLVED IN ANY BUSINESS LITIGATION OR OTHER LEGAL PROCEEDINGS RELATING TO YOUR PROFESSIONAL ACTIVITIES? IF SO, PROVIDED AN EXPLANATION AND INDICATE THE CURRENT STATUS

No officer or principal of Oakmont Capital has been involved in any business litigation or other legal proceeding relating to professional activities within the last five years.

B. INVESTMENT POLICY AND PHILOSOPHY

1. DESCRIBE THE INVESTMENT PHILOSOPHY YOU WOULD EMPLOY FOR THIS PORTFOLIO.

Investment Philosophy

The Oakmont Capital Advisor Team believes that a successful investment strategy shall not only create wealth but prevent the loss of it. Each client portfolio is constructed in attempt

to meet the specific risk and return objectives as defined in the client's Investment Policy Statement.

Within the portfolio construction process, the Oakmont Team typically uses a combination of active and passive investment management strategies. Research and experience have shown active management is usually more beneficial with small cap and international equity exposure, while passive management is more beneficial with large cap equity exposure.

By using both active and passive strategies in a portfolio, the Oakmont Team has the ability to re-balance away from the strategy that is in favor to the one that is out of favor while maintaining the appropriate exposure to an asset class. This can be a source of positive risk adjusted returns.

Unless restricted by the client and/or the size of the portfolio, Oakmont Capital will use a variety of investment vehicles when constructing a portfolio including, but not limited to, individual securities, institutional mutual funds, exchange traded funds (etf's), and separate accounts.

Oakmont Capital believes that changing market conditions create investment opportunities. The Team may attempt to take advantage of these dynamics by under-weighting asset classes that are over-valued relative to long-term averages while over-weighting under-valued ones.

When appropriate, the Team may also tilt portfolios towards "value" metrics over "growth." This is because historical data has shown that in the long-run "value" usually out-performs "growth," even though there are extend periods of time in which this is not the case.

Oakmont Capital has been strategically designed to offer fee-only investment advisory services. The firm receives no compensation from investment managers and/or other product providers. This self-imposed restriction permits the Oakmont Capital Team to provide what is believed to be unbiased and balanced investment advice.

Oakmont Capital also considers itself to be a fiduciary in its role as an investment advisor and is willing to serve its clients with co-fiduciary status. This means the Oakmont Team is willing to absorb some of the fiduciary responsibility assumed by the Plan Trustees. This will allow the Trustees to interact with Oakmont Capital, not as a vendor, but as a colleague and partner. The Oakmont Team can be viewed as an out-sourced Chief Investment Officer for the Borough.

Lastly, with over 100 years of combined industry experience, the Oakmont Team has a unique perspective when reviewing investment processes, performing due diligence, and providing advisory services.

With respect to the Borough of Bell Acres Retirement Plans, Oakmont Capital is willing to serve as an Investment Advisor, Plan Design Consultant, and Fiduciary. In this capacity, the following services are being offered but are not limited to:

- Working with the Trustees to ensure best practices, standards, and procedures for a successful investment program.
- Discretionarily manage the Plan assets.
- Advise on fiduciary policies, procedures, and objectives.
- Perform asset/liability modeling to determine an optimal asset allocation strategy relative to Plan liabilities.
- Review and/or update the current Investment Policy Statement.
- Identify optimal and cost efficient invest vehicles (individual securities, exchange traded funds, no load mutual funds, separately managed accounts, etc.)
- Monitor compliance of the Investment Policy Statement and report on non-compliance issues.
- Discretionarily re-balance the portfolio to the approved asset allocation strategy.
- Attend regularly scheduled Trustee meetings.
- Provide quarterly and other adhoc performance reporting.
- Negotiate fees with service providers, as requested and authorized.
- Provide topic specific research and education, as desired.

2. DESCRIBE YOUR ASSET ALLOCATION PROCESS FOR PENSION INVESTMENTS.

The Oakmont Capital Team develops asset allocation strategies in relation to the plan liabilities, capital market assumptions, and the actuarial assumed rate of return. If needed, the Team can perform an asset-liability study.

Typically, the higher the assumed rate of return, the more equity exposure the asset allocation strategy will contain. This is because, as history has shown, equities typically earn a higher rate of return over the long-run relative to fixed income (although this cannot be guaranteed.)

Once the amount of equities relative to fixed income is determined, diversification is then used in an attempt to minimize the unsystematic risk associated with an asset class. The asset classes traditionally used in the Oakmont Capital modeling include large cap equity, small cap equity, international equity, fixed income, alternatives, and cash.

Once implemented, the asset allocation strategy is reviewed as needed for relevance and potential success. The funding status of the plan, the risk tolerance of the committee, and liquidity needs are continually being considered.

3. HOW MANY INVESTMENTS ARE ON YOUR APPROVED LIST AND WHAT ARE THE GUIDELINES YOU IMPOSE ON THE INVESTMENT MANAGERS? PROVIDE A ONE, THREE, FIVE AND TEN YEAR PERFORMANCE ANALYSIS OF THOSE INVESTMENTS.

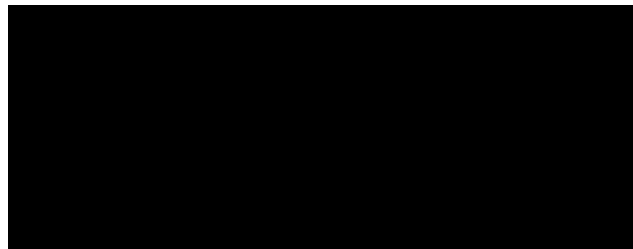
Oakmont Capital does not maintain an “approved” list. Portfolios are built using multiple combinations of different types of securities and investments.

Furthermore, Oakmont Capital firmly believes it is difficult to determine the success of an investment program by simply reviewing the performance figures of a portfolio or investment product. This is because:

- Oakmont Capital may not have sole investment discretion over the portfolio. Typically, the Trustees of the plan will have the most influence, if not, the final approval of the types of investments within the portfolio. A prohibited investment for one client may be an acceptable investment for another.
- Not all client portfolios are constructed with the same asset class exposure. Some clients may have exposure to real estate, convertible bonds, and commodities, while others do not. Furthermore, due to funding levels, some portfolios may have equity exposure of 25% while others may have equity exposure of 60%. This will dramatically affect overall performance results and make it difficult to compare the performance of one plan to another.
- The different fee structures of various plans will also cause performance dispersion. Due to economies of scale, larger plans can negotiate lower fee structures than smaller ones. This influences the net of fee performance calculations of each plan. Thus, this makes the performance comparison of large and small plans and the investment products contained within them challenging.

4. PROVIDE THREE REFERENCES THAT WE MAY CONTACT WHERE YOU PROVIDE INVESTMENT MANAGEMENT SERVICES AND EMPLOY A PHILOSOPHY WHICH YOU HAVE DESCRIBED ABOVE.

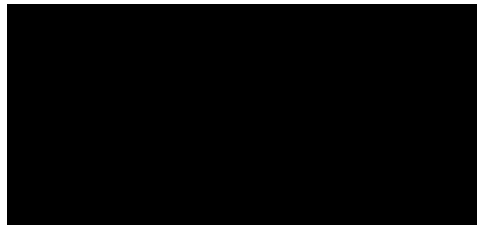
- 1)  *Borough Pension Plans (Police and Non-Uniform)*



2) [REDACTED] *Towhnsip Pension Plans (Police and Non-Uniform)*



3) [REDACTED] *Authority Pension Plans*



5. CONFIRM THAT YOUR BASE SERVICES INCLUDE THE PREPARATION OF AN INVESTMENT POLICY, AND THE LIST KEY COMPONENTS OF THE POLICY.

Yes, the preparation and monitoring of an Investment Policy statement is part of the proposed services of Oakmont Capital.

The Investment Policy Statement is the governing document of the portfolio and investment process. It must be designed and written properly to encompass the return objectives of the plan while taking into consideration liabilities, actuarial return assumptions, and acceptable levels of risk.

Oakmont Capital develops the Investment Policy Statement in conjunction with input and oversight of the plan Trustees and their other advisors (i.e. legal counsel, actuary, and custodian). This process includes, but is not limited to, identifying the proper asset allocation strategy, performance expectations, position limits, fixed income credit quality, prohibited securities, rebalancing guidelines, manager termination process, total portfolio performance expectations, and peer group rankings. The current Investment Policy Statement is used as a starting point and is only updated at the conclusion and ratification of the newly formed asset allocation strategy by the Trustees.

Even though each Investment Policy Statement is customized, an outline of a typical Investment Policy Statement developed by Oakmont Capital is as follows:

Overview

- Purpose/Background of the organization/Fund(s)
- Performance expectation and risk objectives
- Investment discretion given to Oakmont Capital.

- Actuarial return assumption.
- Roles/responsibilities (Trustees, Consultants, etc.)

Strategic Asset Allocation

- Strategic asset allocation strategy.
 - Equity, fixed income, alternatives, cash.
- Diversification.
 - Large cap equity exposure (value and growth).
 - Small cap equity exposure (value and growth).
 - Intermediate versus short-term fixed income exposure.
 - International equity versus emerging market equity exposure.
 - Alternative
 - s.
- Time Horizon.
- Rebalancing ranges associated with each asset class.
- Passive and active exposure.

Investment Guidelines

- Securities description.
- Quality limits.
- Duration limits or ranges.
- Permitted investments.
- Prohibited securities/covenants.

Performance Standards

- Investment performance expectations vs. identified benchmarks.
- Investment performance expectations vs. peer group rankings.
- Manager and/or product termination process.

Signatures and Acknowledgements

- Trustees.
- Investment Consultant.

A properly written Investment Policy Statement is only useful if enforced and adhered to by the Trustees and the Oakmont Capital Team. It helps alleviate some of the emotion of managing the plan and provides a disciplined approach to handling the known and unknown market scenarios.

(Please continue to the next page.)

C. SERVICES

1. DESCRIBE YOUR PROPOSAL REGARDING INVESTMENT SERVICES.

With respect to the Borough of Bell Acres Retirement Plans, Oakmont Capital is willing to serve as an Investment Advisor, Plan Design Consultant, and Fiduciary. In this capacity, the following services are being offered but are not limited to:

- Working with the Trustees to ensure best practices, standards, and procedures for a successful investment program.
- Discretionarily manage the Plan assets.
- Advise on fiduciary policies, procedures, and objectives.
- Perform asset/liability modeling to determine an optimal asset allocation strategy relative to Plan liabilities.
- Review and/or update the current Investment Policy Statement.
- Identify optimal and cost efficient invest vehicles (individual securities, exchange traded funds, no load mutual funds, separately managed accounts, etc.)
- Monitor compliance of the Investment Policy Statement and report on non-compliance issues.
- Discretionarily re-balance the portfolio to the approved asset allocation strategy.
- Attend regularly scheduled Trustee meetings.
- Provide quarterly and other adhoc performance reporting.
- Negotiate fees with service providers, as requested and authorized.
- Provide topic specific research and education, as desired.

2. DESCRIBE YOUR PROPOSAL REGARDING CUSTODIAL SERVICES. INCLUDE A DESCRIPTION OF HOW MONTHLY PAYMENTS AND LUMP SUMS ARE ISSUED, INCLUDING TAX WITHHOLDING AND SUBMISSION AS WELL AS TAX REPORT TO IRS AND TO RETIREES.

Upon being engaged, Oakmont Capital can perform a review of the current custodian. If the custodian meets industry standards and cost levels, Oakmont Capital may recommend keeping the custodian in place.

If it is determined that the custodian needs to be replaced, Oakmont Capital will consider other custodians. Examples of custodians used by Oakmont Capital include TD Ameritrade and Charles Schwab, and both are considerations for this proposal. Typically, these custodians do not charge a fee for custodizing assets, but this cannot be assured without knowing the specific needs of the Plan (i.e corporate trustee services, benefit payments, etc.).

However, if the only services needed by the Borough, are monthly retiree payments, lump sum distributions, and tax reporting, both TD Ameritrade and Charles Schwab can provide these services. In some situations, these services can be provided at no additional costs.

3. DESCRIBE THE POLICIES AND PROCEDURES YOU HAVE IN PLACE TO GUARD AGAINST ANY FORM OF SECURITY BREACH, ELECTRONIC, VERBAL REQUESTS.

Oakmont Capital has operating and cyber security policies in place in an attempt to guard against fraudulent activities - electronic as well as verbal ones. This includes using e-mail encryption, verbal client confirmations, and security monitoring by an external information technology firm. The Written Information Security Policy (WISP) of Oakmont Capital can be provided upon request.

Furthermore, Oakmont Capital has a Cyber Security insurance policy underwritten through the Certain Underwriters Lloyds of London. The coverage constitutes \$1 million in, but not limited to, information security, privacy liability, and website media content liability.

Oakmont Capital also has professional liability insurance in the form of errors and omission (E&O) through the Chubb Insurance Incorporation. The coverage is \$1 million per wrongful act with an annual aggregate amount of \$1 million.

Lastly, the firm also carries a Fidelity Bond from the Hanover Insurance Group. This policy constitutes \$3 million in Employee Theft and/or ERISA Fidelity coverage.

Additional coverage may be purchased if required by the plan trustees.

4. WILL YOU STATE IN WRITING THAT YOU WILL ACT AS A FIDUCIARY OF OUR INVESTMENT PROGRAM?

Multiple members of the Oakmont Capital Team have earned the Accredited Investment Fiduciary® (AIF®) certification as maintained through the Center for Fiduciary Studies. If engaged, the Team is willing to accept and absorb a portion of the fiduciary responsibility assumed by the plan Trustees.

To understand the fiduciary responsibility associated with the plan, Oakmont Capital is suggesting a Fiduciary Review. During the review, various aspects of the plan are analyzed for non-compliance by service providers, investment selections, and trustees. Industry best practices, peer groups, and current regulation are used as benchmarks. A partial list of the items analyzed is as follows:

- The roles of interested fiduciaries.
- Verification that interested parties are not involved in self-dealing.
- Determination if the investment strategy being implemented meets prudent care standards.
- Assurance that a due diligence process is followed for selecting plan service

providers.

- Plan fees are consistent with industry averages and agreements.
- Risk levels, investments, and time horizon have been properly identified.
- Best execution and soft dollar review practices are being followed.

The Fiduciary Review attempts to identify and recommend a solution to any shortfalls within the management, compliance, or structure of the plan. Even though this review may be comprehensive, it may not identify all operating shortfalls.

5. DESCRIBE YOUR KNOWLEDGE AND EXPERIENCE WITH ACT 44 OF 2009.

The Oakmont Capital Team is operationally familiar with the Act 44 of 2009 and have been completing the disclosures associated with it for multiple years. If a professional interpretation is needed for a specific portion of the regulation, the Oakmont Capital Team may rely upon external counsel.

6. WHAT METHODS DO YOU USE IN CALCULATING INVESTMENT PERFORMANCE AND BENCHMARKING OF A PENSION PORTFOLIO? HOW OFTEN ARE PERFORMANCE REPORTS PRODUCED AND DELIVERED? WILL EE RECEIVE MONTHLY STATEMENTS? INCLUDE A SAMPLE PERFORMANCE EVALUATION REPORT

The modified Dietz method is used for performance calculations. This methodology is acknowledged as an industry standard and takes into account any cashflows associated with the portfolio (contributions, withdrawals, dividends, etc.)

The Oakmont Capital performance reports are available quarterly and can be customized to meet the reporting needs of the Trustees. Straight and blended benchmarks are typically used in the reporting process. Oakmont Capital will use the Investment Policy Statement to determine which benchmarks are applicable. Please refer to *Exhibit III* for a sample report. "Flash" or simple snapshot reports can also be provided on an intra-quarter basis.

The reporting by Oakmont Capital is in addition to the monthly reporting provided by the custodian (TD Ameritrade or Charles Schwab). Both the Oakmont Capital and custodian reports are available online.

Lastly, Oakmont Capital has also invested in technology that permits the Trustees to view the portfolios on their smart phone and/or I-pad. Oakmont Capital believes this level of connection and communication leads to client satisfaction not commonly found with other firms.

It is noted that Oakmont Capital reserves the right to switch reporting and/or database providers at its discretion. The Oakmont Advisor Team continually monitors industry trends to identify database providers that are the most robust and applicable to firm's business model. Ease of use, customer support, price, and content are considered in this decision.

D. FEES

1. PLEASE IDENTIFY ALL FEES IF YOU WERE MANAGING THE TWO PORTFOLIOS. THESE FEES SHOULD INCLUDE BOTH DIRECT AND INDIRECT FEES, WHETHER PAID TO YOU OR TO ANOTHER ENTITY. PLEASE SPECIFY THE TERMS OF BOTH DOLLAR AMOUNTS AND PERCENT OF ASSET FEES. COMPLETE THE FOLLOWING CHART, WHICH INCLUDES THE FEE COLUMN (EXPRESS AS BOTH DOLLAR AND % OF ASSETS) AND THE EXPLANATION COLUMN, WHERE WE ARE LOOKING FOR A COMPLETE EXPLANATION AS TO HOW THE FEE IN THAT CATEGORY IS BEING CALCULATED.

ALSO, STATE WHETHER THE FEES BELOW ARE BASED ON THE COMBINED ASSETS OF THE TWO PLANS, OR WHETHER EACH PLAN IS SEPARATE WITH RESPECT TO FEES CHARGED

With respect to the Borough of Bell Acres Retirement Plans, Oakmont Capital is willing to serve as an Investment Advisor, Plan Design Consultant, and Fiduciary. In this capacity, the following services are being offered but are not limited to:

- Working with the Trustees to ensure best practices, standards, and procedures for a successful investment program.
- Discretionarily manage the Plan assets.
- Advise on fiduciary policies, procedures, and objectives.
- Perform asset/liability modeling to determine an optimal asset allocation strategy relative to Plan liabilities.
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The fee table below summarizes the fees for these services and is based upon the combined plan assets of \$1.2mm.

Annual / Ongoing Fee Schedule based upon \$1.2mm of investable assets (both plans).

Description	Annual Fee	Explanation
Custodian Direct cost for custodial services	0.02% or \$275	No custodial fee. However, there are transaction fees for performing trades at the custodian.*
Investment Advisory Direct cost for investment advisory services.	0.35% or \$4,200	This is fee charged by Oakmont Capital for acting as an Investment Advisor, Plan Consultant, and Fiduciary.
Mutual Fund Expenses Individual mutual fund fees.	0.25% or \$3,000	Oakmont Capital typically uses a lot of passive or index exposure in the portfolio construction process.**
Investment Expenses Fees for underlying investments outside of mutual funds (separate account manager fees, etc.)	No fee.	Separate account managers are not being proposed in this RFP.
TOTAL ANNUAL FEES	0.62% or \$7,475	The annual fee will fluctuate with the portfolio market value.
Other Potential Fees***	None at this time.	

* Typically, the proposed custodians of TD Ameritrade or Charles Schwab do not charge a fee for custodizing assets, but this cannot be assured without knowing the specific needs of the Plans (i.e corporate trustee services, benefit payments, etc.). However, the custodians do charge transaction and/or trade fees. These range between \$8 and \$25 per transaction. In total, Oakmont Capital does not expect these fees to exceed \$275 per year.

** Mutual fund expenses are highly influenced by the permissible investments used within the portfolio construction process. The Borough of Bell Acres Trustees will define the permissible investments (active and/or passive).

*** There may be additional fees associated with managing and providing custody for the Borough of Bell Acres Pension Plans, however, without knowing the exact needs of the Plans, these fees cannot be identified in their entirety. However, if Oakmont Capital is engaged, fees not highlighted in this proposal will be made transparent. Furthermore, accounting, legal, and/or actuary fees are not included in this proposal.

2. DO YOU RECEIVE ANY DIRECT OR INDIRECT COMPENSATION FROM INVESTMENT PRODUCT PROVIDERS?

Oakmont Capital Management, LLC is a fee-only investment advisor. It does not sell any products for a commission or sales charges. It also does not receive any direct or indirect compensation from an investment product provider.

ACT 44 OF 2009 DISCLOSURES, AS AMENDED

CONFIRMING WITH THE DISCLOSURE PROVISIONS OF ACT 44 OF 2009, AS AMENDED, PLEASE COMPLETE THE ACT 44 DISCLOSURE, AS AMENDED, SEE BELOW. CONSIDER THE FOLLOWING AND IDENTIFY ANY INDIVIDUALS EMPLOYED OR CONTRACTED BY YOU FIRM WHO:

A. ARE CURRENT OR FORMER EMPLOYEES OF THE BOROUGH.

No employee of Oakmont Capital Management, LLC is a current or former employee of the Borough of Bell Acres.

B. ARE REGISTERED STATE OR FEDERAL LOBBYISTS.

No employee of Oakmont Capital Management, LLC is a state or federally registered lobbyist.

C. HAVE BEEN HIRED AS A THIRD PARTY TO COMMUNICATE WITH THE BOROUGH.

Oakmont Capital Management, LLC has not hired a third party to communicate with the Borough.

D. HAVE MADE POLITICAL CONTRIBUTIONS TO ANY BOROUGH OFFICIALS OR CANDIDATES FOR BOROUGH OFFICES AFTER FEBRUARY 1, 2019.

No employee of Oakmont Capital Management, LLC has made any type of political contribution to a Borough official or candidate.

E. HAVE SOLICITED CONTRIBUTIONS FOR ANY BOROUGH OFFICIAL OR ANY BOROUGH OFFICIAL'S POLITICAL PARTY OR POLITICAL ACTION COMMITTEE.

No employee of Oakmont Capital Management, LLC has made any type of solicitation for a

political contribution to any Borough official, political party, or action committee.

F. HAVE A DIRECT BUSINESS, COMMERCIAL OR FINANCIAL RELATIONSHIP WITH ANY BOROUGH OFFICIALS.

No employee of Oakmont Capital Management, LLC has a direct business, commercial, or financial relationship with any Borough official.

G. HAVE BESTOWED ANY GIFTS BEYOND A NOMINAL VALUE TO ANY BOROUGH OFFICIALS.

No employee of Oakmont Capital Management, LLC has bestowed any gifts beyond a nominal value to any Borough official.

Thank You for the Consideration!

The Employees of Oakmont Capital Management, LLC

(412) 828-5550