



CITY COUNCIL WORK SESSION AGENDA
Work Session - City Employees Retirement Plan

This meeting will be held in-person and virtual.
25 Crescent Road
Greenbelt, MD 20770

OR

Virtual Participation
Zoom Webinar Attendees:

Please submit your request in writing via email to questions@greenbeltmd.gov
<https://us02web.zoom.us/j/86724754939?pwd=gWZIDbXxSbLaSkMucega1ilMoip1Hs.1>
Dial-in: 301 715 8592
Webinar ID: 867 2475 4939
Passcode:393123

Wednesday, March 19, 2025
7:30 PM

Work Session Packet - City Employees Retirement Plan

Work Session -- City Employees Retirement Plan

Suggested Action:

Agenda

- Introductions
- Council Discussion
- Questions and Answers
- Other Items

[NFP Retirement Overview of Services and Fees - City of Greenbelt \(02.26.2025\).pdf](#)

City Council Work Session Agenda Item Report

Meeting Date: March 19, 2025

Submitted by: Shaniya Lashley-Mullen

Submitting Department: Administration

Item Type: Work Session Item

Agenda Section: Work Session Packet - City Employees Retirement Plan

Subject:

Work Session -- City Employees Retirement Plan

Suggested Action:

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Attachments:

[NFP Retirement Overview of Services and Fees - City of Greenbelt \(02.26.2025\).pdf](#)

Retirement Plan Overview - Migration to Nationwide

PREPARED FOR:



6500 Rock Spring Drive, Suite #500
Bethesda, MD 20817
(301) 581-7300
www.nfp.com/retirement

Exciting News for City of Greenbelt Retirement Plan Participants

- Making a change from MissionSquare to Nationwide Retirement Plan Services
 - Projected mid-2025

Why The Change ?

- Enhancing Participant Services and Outcomes
 - Retirement educational services
 - Better Investment Solutions
 - Lower Cost Investment Solutions
 - Better Technology Platform
 - MobileApp
 - Website
 - Improvements to Customer Service

Observations MissionSquare

ISSUES FACING MISSIONSQUARE

- Moved their operations / recordkeeping system to a 3rd Party, SS&C
- Major shake ups in MissionSquare senior leadership
- Recent large losses are hurting MissionSquares market share, MissionSquare has lost large clients like Virginia Retirement System (\$6B), Missouri Retirement System (\$3B), Santa Clara County, CA (\$2B), Washington State (\$6B) and closer to home, Prince George's County.
- The current recordkeeping platform with MissionSquare is expensive
- The current investment platform with MissionSquare is underperforming and expensive

Observations: Nationwide

Why Nationwide ?

- **Structured as a private, Mutual company...that means they take a long-term view and not managing towards Quarterly Earnings or a Stock Price**
- Listed as #75 on the Fortune 100 List: larger than companies like Nike, Starbucks, McDonalds
- Recognized by Fortune as a 100 Best Places to work for the 8th year in a row
- 100 years, 50+ Public Sector Defined contribution plans
- Over \$200B+ in AUM and 3M participants
- Largest Provider of Governmental Plans based on the number of plans
- Ranked #2 in the 2024 J.D. Power U.S. Retirement Plan Digital Experience Study -- measures customer satisfaction across four factors: information/content; navigation; speed; and visual appeal. MissionSquare didn't make the list
- **Nationwide in the last 2 years has moved 27 plans for \$1B and 20,000 accounts from MissionSquare**

Executive Summary - Observations

NFP provided a RFP Recordkeeping analysis of City of Greenbelt retirement plan, including the plan's investment fees and recordkeeper fees.

Key Findings:

- Mission Square's fees for recordkeeping are in the highest average peer group – over \$201,600 vs. average of \$64,800
- Proprietary investment / other investment managers total costs are in the highest average peer group
 - Current investment fees - \$348,763
 - Peer Group - \$140,277
- Mission Square services have been below standard
- Lack of investment due diligence
 - Underperformance of investment managers
 - Cash Account Yield is below benchmark average

Style Box - Current US Equity Funds - Stock Funds

	Value	Blend	Growth	
Large	MissionSquare Equity Income Fund Class R9 (10) MSQ BlackRock Equity Dividend R5 (8) MSQ MFS® Value R5 (6)	MSQ Parnassus Core Equity R5 (8) MissionSquare Growth & Income Fund Class R9 (8) MSQ Invesco Main Street R5 (6) MissionSquare 500 Stock Index Fund Class R5 (10) MissionSquare Broad Market Index Fund Class R5 (10)	MSQ Contrafund R5 (8) MissionSquare Growth Fund Class R9 (7) MSQ T. Rowe Price Growth Stock R5 (5)	Large
Mid	MissionSquare Select Value Fund Class R9 (10) MSQ Victory Sycamore Established Value R5 (HIS)	MissionSquare Mid/Small Co Index Fund Class R5 (8)	MissionSquare Aggressive Opportun Fund Class R9 (8) MSQ AMG TimesSquare Mid Cap Growth R5 (8) MSQ Carillon Eagle Mid Cap Growth R5 (8)	Mid
Small	MSQ JPMorgan Small Cap Value Fund R5 (9)	MissionSquare Small Cap Discovery Fund Class R9 (5)	MSQ Invesco Discovery R5 (10)	Small

Style Box - Proposed Investment Menu for City of Greenbelt

Asset Allocation - Conservative	Asset Allocation - Moderate	Asset Allocation - Aggressive
flexPATH Index Conservative Target Date Series Class R1 (7)	flexPATH Index Moderate Target Date Series Class R1 (7)	flexPATH Index Aggressive Target Date Series Class R1 (8)
Large Cap Value	Large Cap Blend	Large Cap Growth
Large Cap Value I1 (Putnam LCV) (10*)	Calvert US Large Cap Core Rspnb Idx R6 (8) Fidelity 500 Index (10)	Fidelity Contrafund K (8) Large Cap Growth III I1 (AB Large Cap Growth) (8*)
Mid/Smid Cap Value	Mid/Smid Cap Blend	Mid/Smid Cap Growth
Victory Sycamore Established Value R6 (10)	Fidelity Mid Cap Index (9)	TimesSquare Mid Cap Quality Growth CI N (PROXY) ()
Small Cap Value	Small Cap Blend	Small Cap Growth
Small Cap Value III I1 (PIMCO RAE SCV) (9*)	Fidelity Small Cap Index (10)	Invesco Discovery R6 (10)
International Equity	Global Equity	Cash Alternatives
MFS Intl Diversification R6 (7) Fidelity Emerging Markets K (10) Fidelity International Index (10)		Nationwide Fixed Select () Vanguard Treasury Money Market Investor (SPC)
Fixed Income	Specialty/Alternatives	Notes
Fidelity U.S. Bond Index (10) PIMCO Income Instl (10) Great Gray Trust Fidelity Institutional AM Core Plus Fixed Income N (PROXY) ()	Cohen & Steers U.S. Realty Fund Class RS (10)	1. Target Date Fund series show the series name, glidepath risk posture and the average score. 2. Risk based funds are grouped into either conservative, moderate or aggressive style boxes. 3. Only the top 5 scoring funds in each asset class are shown due to spacing concerns.

Disclosure

*Strategy Equivalent Score. Non-scoring funds will be assigned a letter.; The letter definitions are HIS= fund does not have enough performance history to Score; SPC= fund is in a specialty category that does not Score; OTH= fund may no longer be active, not in database or available to Score.

City of Greenbelt

Sample Performance Comparison Performance as of 12/31/2024

Proposed Investment Option	Ticker / CUSIP	QTR	1 Yr		3 Yr		5 Yr		10 Yr		Net Expense	Score as of 12/31/2024
		% Return	% Return	% Rank	% Return	% Rank	% Return	% Rank	% Return	% Rank		
Large Cap Value												
Large Cap Value I1 (Putnam Large Cap Value)	WLCVFX/97183K381	(2.16)	19.66	9	10.48	2	12.79	7	-	-	0.29	10
MissionSquare Equity Income Fund Class R9	N/A	(2.51)	11.90	75	5.44	66	8.85	59	7.82	79	0.52	10
MSQ BlackRock Equity Dividend R5	N/A	(3.58)	9.79	-	5.89	-	8.24	-	-	-	0.72	8
MSQ MFS Value R5	N/A	(3.10)	11.91	-	4.44	-	8.22	-	-	-	0.54	6
Russell 1000 Value		(1.98)	14.37		5.63		8.68		8.49			
Morningstar Large Cap Value Category		(1.54)	14.28		6.10		9.31		8.72			
Large Cap Blend- Index												
Fidelity 500 Index	FXAIX	2.41	25.00	-	8.93	-	14.51	-	13.09	-	0.015	10
MissionSquare Broad Market Index Fund Class R5	N/A	2.58	23.61	-	7.85	-	13.68	-	12.39	-	0.20	10
MissionSquare 500 Stock Index Fund Class R5	N/A	2.38	24.83	-	8.74	-	14.32	-	12.90	-	0.20	10
S&P 500 Index		2.41	25.02		8.94		14.53		13.10			

Funds in Green- New additions or replacements
 Funds in Gray- Current options
 Funds in White- Current options at the lowest cost
 Blue Italics- Long term performance

NFP Retirement Plan Consulting Footprint

- **5,042** clients representing **\$191 billion** of assets
- **1827** clients with more than **\$25 million** of plan assets
- **868** clients with more than **\$50 million** of plan assets

NFP Retirement Plan Service Team



Next Steps

- NFP will work with City of Greenbelt and Nationwide to lay out a communication plan for transition and implementation.
 - Targeting Mid-2025
- Participants will have the opportunity to attend educational workshops from Nationwide to include
 - Group in person meetings
 - Web-based group meetings
 - Focus on transition
 - Investment mapping
 - Asset allocation
 - How to use the Nationwide tools