Benefits of Engaging The Baldwin Group as Fiduciary Consultant for the City's 457 Deferred Compensation Plans

Engaging **The Baldwin Group** as an independent fiduciary consultant is expected to enhance oversight, improve plan governance, and strengthen participant outcomes across the City's 457 deferred compensation plans. As a fiduciary acting solely in the interest of plan participants, The Baldwin Group would provide objective analysis, industry benchmarking, and best-practice recommendations without conflicts tied to product sales or proprietary platforms.

Fee Oversight and Suppression

A primary benefit of fiduciary engagement is enhanced fee transparency and cost discipline. Currently, Nationwide's recordkeeping expenses range between approximately **0.95% and 0.70%**, depending on the investment option, while Mission Square's recordkeeping expense is approximately **0.80%**. The Baldwin Group's fiduciary review will include a comprehensive benchmarking of recordkeeping and investment-related fees relative to comparable public-sector plans. This independent analysis is expected to help identify opportunities to suppress overall plan expenses, promote fee reasonableness, and ensure participants are not paying more than necessary for administrative and investment services.

Improvement of Investment Selection and Oversight

The Baldwin Group will bring a third-party fiduciary perspective to the investment selection and monitoring process, which is intended to mitigate potential conflicts of interest that can arise when plans rely exclusively on provider-affiliated recommendations. At present, both plans utilize investment lineups comprised solely of proprietary funds, and there is no formalized, documented due diligence process governing fund selection or removal. A fiduciary review by The Baldwin Group is expected to introduce a structured evaluation framework, independent performance analysis, and documented decision-making practices designed to strengthen investment oversight and align the plans more closely with fiduciary best practices.

Enhanced and Coordinated Financial Education

Participant education is a critical component of plan success and long-term retirement readiness. Currently, financial education is delivered on an ad hoc, "at-will" basis rather than through a coordinated strategy aligned with participant needs and plan objectives. As fiduciary advisor, The Baldwin Group is expected to help evaluate current education efforts and recommend a more consistent, structured, and outcomes-focused approach. This may include aligning education with plan design, participation trends, and common participant challenges, with the goal of improving engagement and decision-making without promoting specific investment products.

Conclusion

While no specific outcomes can be guaranteed, adding The Baldwin Group as a fiduciary consultant is reasonably expected to improve fee oversight, investment governance, and participant education through independent analysis and best-practice guidance. Collectively, these enhancements support the City’s commitment to prudent plan management and to acting in the best interests of its employees participating in the 457 deferred compensation plans.