



City of Newton Retirement Plan

Transition to Nationwide – Comprehensive FAQ

1. Overview of the Transition

1.1 What is happening?

The City of Newton is transitioning its 457(b) Deferred Compensation Plan and OBRA (FICA Replacement) Plan recordkeeping services to Nationwide.

1.2 Why Nationwide?

Selected for strong public sector experience, digital tools, and lower cost investment options, with local support from Eli Gonzalez, Senior Retirement Specialist.

1.3 Key transition dates

- Final dates to make requests at prior providers:
 - Voya: Jan 23, 2026
 - Empower: Jan 23, 2026
 - MissionSquare: Jan 22, 2026
- Blackout: Jan 26 – Feb 6, 2026
- Nationwide accounts live: On or around Feb 6, 2026

2. Eligibility & Participation

2.1 457(b) Plan eligibility

Excluded groups per the Adoption Agreement include:

- Hourly, part-time, seasonal, and temporary employees.
- No minimum age or service requirement applies.

Entry dates are monthly or coinciding with/next following satisfaction of eligibility requirements.

2.2 OBRA eligibility

OBRA is a mandatory FICA-replacement plan for part-time, seasonal, or temporary employees meeting IRS definitions.

3. Contributions

3.1 Allowed contribution types

457(b) Plan

- Salary deferrals (pre-tax): allowed
- Roth deferrals: allowed
- Rollovers: allowed
- Employer or matching contributions: Newton does not offer a match
- Contribution amount can be dollar amount or percentage of salary.

OBRA Plan

- Mandatory 7.5% employee contribution
- No employer contributions
- No Roth

3.2 Catchup contributions

- Age 50 Catch-Up: Allowed
- Special 457 Catch-Up: Allowed

3.3 Can I contribute to both pre-tax and Roth 457(b)?

Yes. Both can be used simultaneously within annual IRS limits.

3.4 Can I contribute to both a Roth IRA and a Roth 457(b)?

Yes. These are separate plans with separate IRS limits. If you want to continue to contribute to your Roth IRA, you'll need to contact MissionSquare.

4. Investments & Fund Mapping

4.1 Nationwide investment lineup

Includes the Nationwide Fixed Account plus Vanguard, Fidelity, DFA, Putnam, and target-date funds.

4.2 Fund mapping

Mapping will follow the official plan mapping documents available at:
newtonma.gov/government/human-resources/457-retirement-plans

5. Transfers & Special Asset Handling

5.1 Automatic transfers

Almost all assets transfer automatically. There are some investments "constrained," and will transfer at a later date. The exception being the MissionSquare Roth IRA which will not transfer.

Voya

- Fixed Plus Fund: Paid to Nationwide over 5 annual installments each Feb 3. You will continue to receive statements and assets remain benefit responsive*. For service or information on these assets, you'll need to contact Voya.

*Benefit responsive means the vendor continues to allow withdrawals according to plan rules.

MissionSquare

- PLUS Fund: Remains until Sept 2026, then transfers around 9/22/2026. You will continue to receive statements and assets remain benefit responsive. For service or information on these assets, you'll need to contact MissionSquare.

- Roth IRA: Stays at MissionSquare. Roth IRA assets are not eligible to rollover into the 457(b). You will continue to receive statements and assets remain benefit responsive. For service or information on these assets, you'll need to contact MissionSquare.

Empower

- General Account: Paid over 5 annual installments each Feb 3. You will continue to receive statements and assets are **not** benefit responsive. For service or information on these assets, you'll need to contact Empower.

OBRA

- OBRA always invests exclusively in the Nationwide Fixed Account.
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6. Roth Features & In-Plan Roth Conversions

6.1 Roth deferrals

Allowed under the 457(b) Plan.

6.2 In Plan Roth Conversions

Allowed effective Feb 1, 2026. Specific IRS eligibility rules apply.

6.3 What should I know about Roth Conversion?

Consult with a tax advisor to determine if a Roth conversion is right for you. Nationwide cannot estimate taxes associated with a Roth Conversion.

7. Distributions, Loans & RMDs

7.1 When can I take distributions from the 457(b)?

Allowed upon:

- Severance from employment
- Age 59½ (inservice)
- Unforeseeable Emergency

- Qualified Birth/Adoption
- Emergency Personal Expense
- Domestic Abuse
- Qualified Disaster Recovery
- Qualified Long-Term Care (after 12/29/2025)

* Some distributions may require supporting documentation subject to review and verification prior to approval.

7.2 Loans

- 457(b): No loans permitted
- OBRA: No loans permitted

7.3 Required Minimum Distributions (RMDs)

- Nationwide calculates your RMD only for assets that are held at Nationwide.
- Nationwide does not calculate RMDs for assets held at prior providers.
- If you still hold assets with Voya, Empower, or MissionSquare (e.g., fixed/general accounts or fixed period payout products), you must contact those providers to receive RMDs from those accounts.

7.4 RMDs during blackout

Any scheduled payments occurring during blackout will be processed after assets transfer.

8. Beneficiaries

8.1 Will my beneficiary designations transfer?

Yes, but participants should verify their information once their Nationwide account is active.

9. Fees

9.1 Annual fees

- 0.0525% annually assessed monthly or \$5.25 per \$10,000 (max \$200/year)
- OBRA: \$10/year

9.2 What assets are included?

Nationwide fees are taken on all investment per rata, including the Nationwide Fixed Account.

9.3 Optional services for an additional fee

Schwab Personal Choice Retirement Account – provide access to thousands of mutual funds outside your core investment lineup.

- \$50 per year

Nationwide ProAccount – professionally managed account service.

- Tiered pricing starting at 55 bps (0.55%)
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10. Transition Logistics

10.1 Accessing your account

Before or around Feb 6, 2026:

1. You will receive a letter with your Nationwide account number.
2. Use your account number to establish an account at newtonma457.com.
3. Review beneficiaries and investment elections.

If you did not receive your account number, please contact our Solutions Center to establish your online account. (877-677-3678)

10.2 Statement delivery

Paper and electronic statements for the first two quarters; then electronic unless you opt out edelivery..

10.3 Meeting with your Retirement Specialist

Local Senior Retirement Specialist, Eli Gonzalez, CRES

Cell: 508-250-9796 (Text messaging not allowed)

Email: GonzE21@Nationwide.com

Scheduling link: [Schedule Appointment with Eli Gonzalez](#)

10.4 Need help or have questions?

Nationwide Solutions Center
877-677-3678
8 am - 11 pm ET weekdays
9 am - 6 pm ET Saturday

11. Special Provider Accounts

11.1 Voya OBRA Fixed Plus

- 5 year annual payout schedule.

11.2 Empower General Account

- 5 year annual payout schedule.

11.3 MissionSquare PLUS Fund

- Transfers in Sept 2026.

11.4 MissionSquare Roth IRA

- Does not transfer; payroll deductions end; participant may continue direct contributions.
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12. OBRA Specific Information

12.1 OBRA overview

Mandatory 7.5% FICA replacement contribution invested in the Nationwide Fixed Account.

12.2 Can OBRA funds access the 457(b) investment menu?

No — OBRA remains a single option fixed account.

13. Additional Questions

13.1 Can I roll over my Roth IRA into the 457(b)?

No — the IRS does not allow Roth IRAs to be rolled into 457(b) plans.

13.2 Can I keep my current funds?

Your current investments will map into Nationwide based on the official fund mapping structure provided by the City. View the official plan mapping documents available at:

newtonma.gov/government/human-resources/457-retirement-plans

If you prefer investments outside the standard Newton plan lineup, you may be able to use the Schwab Personal Choice Retirement Account (PCRA) to access a broader mutual fund universe.

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