



STEVE LEVY
SUFFOLK COUNTY EXECUTIVE

SUFFOLK COUNTY

PUBLIC EMPLOYEES DEFERRED COMPENSATION PLAN

Quarterly Newsletter

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Updates and Enhancements

The Board has been considering a number of changes including a Fund change to the AIG Retirement line-up. The Board is also looking at rolling out Morningstar's Retirement Manager, a suite of investment advisory services. Morningstar's product would be offered in addition to Guided Portfolio Services® (GPS) which offers two distinct services, Portfolio Manager and Retirement Manager and has been available to our Participants for over a year.

Additionally, the Board is expected to vote on adopting the new Pension Protection Act provisions shortly.

Look for details on any of these future enhancements on the Board's website, www.scdeferredcomp.com.

Biweekly Deferrals

Since the beginning of the year, the Board has received phone calls from Participants questioning their biweekly deferral amount. These calls came from Participants who planned to reach their deferred compensation maximum limit whether it is \$15,500, \$20,500 or \$31,000. Once the callers were reminded that the County's Payroll Schedule for 2008 includes 27 payrolls, they realized the biweekly deferral is correct. If you have any questions about your deferral amount, please contact your Board representative or call 853-5424.

Collection of Questions Received since January 1st

Q. Once I retire, can I leave the money in my 457 account untouched forever?

A. No, this Plan is subject to Required Minimum Distribution (RMD) rules which kick in when you reach age 70 and a half. Participants who are no longer employed must start distribution by April 1st following the year in which you turn age 70 and a half.

Q. I am 72 years old and am still working for the County. Do I have to take Required Minimum Distributions (RMDs) while I'm still a County employee?

A. No, you will not be required to start any distribution prior to when you leave the County's employ. However, you may elect to start your RMDs while you are still employed. If you have an AIG Retirement Account, you must submit a Required Minimum Distribution form. If you are a T. Rowe Price accountholder, you can make the withdrawal request by phone as long as the account is neither a beneficiary nor an Alternate Payee account.

Contact Information

If you have any questions about the plan, please contact your provider or providers at the toll-free numbers below:

**AIG Retirement 1-800-448-2542
T. Rowe Price 1-888-457-5770**

If you need further assistance, please contact your Deferred Compensation Board representative directly:

Association Municipal Employees

Daniel Farrell

office 589-8400 x107 or
e-mail danfarrell@scame.org

Police Benevolent Association

Bill Tricarico

office 563-4200 fax 563-4204,
e-mail pbacomp@aol.com

Superior Officers Association

Lawrence Faraone

office 654-0400 or
e-mail soatreas2@optonline.net

Detectives Association

Bill Rathjen

office 563-4408 or
e-mail sdadcomp@optonline.net

Detective Investigators

Jack Weishahn

office 244-9212 or
e-mail dipba@msn.com

Correction Officers Association

Michael Polchinski

office 208-1301

Deputy Sheriff's PBA

John DellaRocca

office 289-1768 or
e-mail john.dellarocca@suffolkcountyny.gov

Probation Officers Association

Donald Grauer

office 654-2080 or
e-mail scpoapresident@gmail.com

If you are not represented by any of the Bargaining Units above, please leave a message on the Board's voice mail at 853-5424 for a call back.

Q. I am 73 and still working for the County. What is my maximum deferral limit for 2008?

A. The maximum amount you are eligible for in 2008 is the Age 50 Plus Contribution limit which is \$20,500. As per the Internal Revenue Code, since you are over age 70 and a half, you are no longer eligible to contribute Retirement Catch-up which has a deferral limit in 2008 of \$31,000.

Q. I am 34 years old. If I work full time for the County and work part time for the Town, can I contribute to both our 457(b) and the Town's 457(b) Plan this year?

A. Yes you can. But keep in mind for 2008, your total maximum deferral for a government 457(b) plan is \$15,500. So if you plan to contribute \$12,000 to our Plan this year, you may only contribute \$3,500 to the Town's 457 Plan. If your part time job was with a school district (with a 403b) or a private sector company (with a 401k) you would not be limited to the \$15,500 total.

Q. I cannot remember if I named a beneficiary. How can I check this out?

A. Your monthly statement includes the name of your designated beneficiary. If the space is blank or it says "none" (or you want to change your beneficiary), please download the appropriate provider's Beneficiary Designation Form from the Board website. Complete and follow the instruction on the form. Please keep a copy for your own records.

Q. I read in a newspaper that withdrawals from government 457 plans are exempt from State income tax. Is that true?

A. No, the correction appeared two days after the original column. However, while withdrawals are not exempt from New York State income tax, distributions from our Plan qualify for an exclusion of up to \$20,000 from New York State adjusted gross income provided:

- You are age 59½ or older at the time the distribution was received;
- You are a New York State resident, and
- The distributions from the Plan are in a series of payments made over a period of more than one year.

Access to Account

As per our Plan Document, participants have access to their account balance 30 days after their termination date. The Plan has no penalty for withdrawing the money before age 59 and a half but access to the money is generally limited to former employees.

On the first day of each month, the County generates a list of Plan Participants who have left during the prior month and forwards the information to the appropriate Provider or Providers. Once the list is received, the Provider(s) updates their database to reflect that the individual is now eligible for a distribution.

This updating of information may take more than 30 days. If the employee retires on the 2nd of April, the earliest the information will appear is on May 1st. Once the information is received, employee status is updated manually.

As a recent retiree, if you contact your provider and are told you are still listed as an active employee, please contact your Board representation or call 853-2454.

Deferred Compensation Plan Board Members

Alan Schneider

Chair
County Personnel Director
Civil Service Department

Bill Rathjen

Vice Chair
Suffolk Detectives Association

John Della Rocca

Treasurer
Deputy Sheriff's Police Benevolent Association

Lynne Bizzarro

Chief Deputy County Attorney

Connie Corso

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Lawrence Faraone

Superior Officers Association

Daniel Farrell

Association of Municipal Employees

Donald Grauer

Probation Officers Association

Douglas Miller

Director of Management Information Serv.

Michael Polchinski

Correction Officers Association

Joan Sikorsky

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Todd Stebbins

Senior Energy Coordinator

Jeffrey Szabo

Deputy County Executive

William Tricarico

Police Benevolent Association

Debbie Troise

Employee Medical Health Plan Coordinator

Jack Weishahn

Detective Investigators Association

Marion Smith

Secretary to the Board

Program Providers

T. Rowe Price	1-888-457-5770
AIG Retirement	1-888-568-2542