



## OFFICE OF THE COUNTY EXECUTIVE ALL-EMPLOYEES MEMORANDUM

**DATE:** November 6, 2008

### 2009 Deferred Compensation Contribution Limits

We are pleased to inform you that the Internal Revenue Service has announced the government 457 (b) deferral limits for 2009.

Important information can be found on the Board's website ([www.scdeferredcomp.org](http://www.scdeferredcomp.org)).

Effective January 1, 2009, deferred compensation annual contributions limits are as follows:

**\$ 16,500 Normal**  
**\$ 5,500 Age 50 Plus\***  
**\$ 16,500 Retirement Catch-up\***  
**\$ 33,000 Maximum Total Annual Contributions (Normal and Retirement Catch-up combined)**

\*Participants cannot combine Age 50 Plus contributions and Retirement Catch-up contributions in the same calendar year.

The annual contribution limits are announced each year by the IRS, not by the Suffolk County Public Employees Deferred Compensation Board.

For those who wish to contribute either the maximum **Normal** amount or, if eligible, the **Normal and Age 50 Plus** amount, in substantially equal contributions over 26 payroll periods during the year, please note:

- For participants who wish to contribute the maximum **Normal** amount, the biweekly payroll amount is approximately \$635.
- For participants who wish to contribute the maximum **Normal and Age 50 Plus** amount, the biweekly amount is approximately \$847.

The payroll system is programmed not to exceed the applicable annual limit. In 2009, that limit has been set at \$16,500 for participants under age 50 (born January 1, 1960 or later) and \$22,000 for participants age 50 and above (born December 31, 1959 or earlier). All Participants are responsible to ensure that the amount they wish to contribute, whether it is the maximum or less than the maximum, is communicated to their Provider(s).

It is possible to contribute the maximum annual amount in a shorter period of time (less than 26 payrolls), but it is the responsibility of the participants to notify their Provider(s) of the specific biweekly amount that they want to contribute to reach the maximum deferral limit in less time.

Participants wishing to increase or decrease their biweekly contribution amount must contact their Provider(s) at their toll-free numbers or on their Provider(s)' website (see below). The earliest possible dates to make deferred compensation biweekly payroll changes for 2009 are as follows:

T. Rowe Price	1-888-457-5770	rps.troweprice.com	Dec. 16, 2008
AIG Retirement	1-800-448-2542	<a href="http://www.aigretirement.com/suffolk">www.aigretirement.com/suffolk</a>	Dec. 19, 2008

Contributions, whether **Normal** or **Normal Age 50 Plus**, will be reflected in the deduction codes shown below:

- T. Rowe Price                      0608
- AIG VALIC                            0610

As stated above, to make any changes to your biweekly contribution amount, please contact your Provider(s) toll-free number or their website. If you do not change your biweekly deduction amount, your biweekly deferral in 2009 will be the same amount as you deferred biweekly in 2008. Participants who had already been approved for the maximum catch-up in 2009 and 2010 have been contacted by letter requesting authorization to defer to the new limit. If you have any additional questions, please contact your union representative on the Board directly or leave a message for a callback on the Deferred Compensation Board's line (3-5424).

**Reminder:**

As a reminder, any County employee who would like to defer their separation pay must be an active member of the Deferred Compensation Plan for at least six months. In addition, you must submit an application for any SCAT deferrals prior to the first of the month in which you are retiring.

The List of Board Members and Plan forms are available on-line at [www.scdeferredcomp.org](http://www.scdeferredcomp.org)

  
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**JEFFREY W. SZABO**  
**Deputy County Executive & Chief of Staff**