



SUFFOLK COUNTY

PUBLIC EMPLOYEES DEFERRED COMPENSATION BOARD

Labor and Management Working as One

Alan Schneider
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County Personnel Director

John Della Rocca
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Deputy Sheriff's Police Benevolent Assoc

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Detective Investigators Association

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Director of Risk Management

Lynne Bizzarro
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Christina Blake
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Linda Brown
Association of Municipal Employees

Jeffrey Cergol
Detectives Association

Donald Grauer
Probation Officers Association

James Gruenfelder
Superior Officers Association

Deirdre Lepore
Payroll Coordinator

Joseph Link
Police Benevolent Association

Terry Maccarrone
Coordinator of Community Based Programs

Douglas Miller
Director of Management Information Serv.

Michael Polchinski
Correction Officers Association

Beth Reynolds
Assistant Budget Director

Kristine Sciangula
Department of Civil Service

Marion Smith
Secretary to the Board
Sr. Assistant to the Personnel Officer

Kristine Sciangula
Plan Administrator

March 2016 Newsletter

2016 Contribution Limits

The Internal Revenue Service has announced that the governmental 457(b) salary deferral limits will remain the same for 2016, as the increase in the cost-of-living index did not meet the statutory thresholds that trigger an adjustment.

All participants fall into one of the following three contribution/deferral limits:

Normal	All are eligible for this limit	\$18,000 Max Per Year		
Age 50+	You <u>automatically</u> become eligible for this higher limit in the calendar year in which you turn 50 years old	\$18,000 Normal	+ 6,000 Age 50+ supplement	= \$24,000 Max Per Year
Catch Up*	You <u>may</u> be eligible for this higher limit. You must apply and be approved. Please see below.	\$18,000 Normal	+ 18,000 Catch Up*	= \$36,000 Max Per Year

*You may be eligible to defer up to an additional \$18,000 if you are within three years of being eligible to retire without a pension reduction and did not contribute the maximum allowable amount throughout your employment with Suffolk County. Please contact your Board Representative (listed on the left) for more information.

T. Rowe Price Representatives On-Site

The Suffolk County Deferred Compensation Board is continuing to make T. Rowe Price Representatives available at various County and union buildings. Representatives can discuss your account and assist with any changes you would like to make, provide information on the funds available in our Plan, as well as discuss retirement planning strategies and current market conditions.

For a schedule of dates and locations, please visit www.sdeferredcomp.org.

Welcome New Board Member

The Suffolk County Deferred Compensation Board welcomes new member Deirdre Lepore! Deirdre has been appointed by the County Executive to serve on the Board, replacing Kathy Engelhardt. Kathy retired as Chief Auditor after 24 years with the Department of Audit & Control and she served on the Deferred Compensation Board for six years. Kathy was Chair of the Audit Committee and also served on the Investment Committee. We wish Kathy the best of luck in retirement!

Deirdre started her career with Suffolk County in the County Executive's Office in 1996. She has been in the Department of Audit & Control since 2000 and is currently the Payroll Coordinator, responsible for processing our Plan's salary deferrals and loan payments each pay period.

Deirdre received a Bachelor's Degree in Business Administration from Dowling College. She will serve on the Documents Committee, which is responsible for updating all Plan forms and manuals. We look forward to working with Deirdre!

The Compounding Effect

Consistent investing over a long period of time can help you effectively build your retirement nest egg. Even small deposits can add up over time, thanks to the power of compounding. Consider the example below. In this case, the total contribution amount is the same, but Investor A ends up with more savings because the earnings were able to compound over a longer period of time.

	Investor A	Investor B
	Starts saving at 35 years old and saves \$125/pay period for 20 years	Starts saving 10 years later, at 45 years old but saves \$250/pay period for 10 years
Total Contributed	\$65,000	\$65,000
Total at Retirement <small>*Assumes a 7% rate of return</small>	\$142,000	\$95,000

Buying Back Time with the NYS Retirement System?

Did you know that if you are eligible to buy back time (service credit) in the NYS Retirement System, you can do so using pre-tax money from your Deferred Comp account? This option is often preferable to paying for this time via payroll deductions, which are taxed. Once you've received a letter from the NYS Retirement System indicating how much your prior service credit will cost, that letter should be submitted to T. Rowe Price along with a Purchase of Service Credits Form, which can be found on www.sdeferredcomp.org.

As always, if you have any questions, feel free to contact your Board Representative.

