



SUFFOLK COUNTY

PUBLIC EMPLOYEES DEFERRED COMPENSATION BOARD

Labor and Management Working as One

Alan Schneider
Chair
 County Personnel Director

Kristine Sciangula
 Plan Administrator

John Della Rocca
Vice Chair
 Deputy Sheriff's Police Benevolent Assoc.

December 2018 Newsletter

John Keary
Treasurer
 Detective Investigators Association

2019 Contribution Limits

Leslie Baffa
 Director of Risk Management

The Internal Revenue Service has announced that the governmental 457(b) salary deferral limits will increase for 2019, as detailed below. All participants fall into one of the following three contribution/deferral limits:

Lynne Bizzarro
 Chief Deputy County Attorney

Christina Blake
 Administrator III

Linda Brown
 Association of Municipal Employees

Jeffrey Cergol
 Detectives Association

Stefanie Ennis
Secretary to the Board
 Assistant to Personnel Officer

Donald Grauer
 Probation Officers Association

Michael Koubek
 Superior Officers Association

Deirdre Lepore
 Director of Payroll Services

Terry Maccarrone
 Coordinator of Community Based Programs

Douglas Miller
 Director of Management Information Svcs.

Beth Reynolds
 Deputy Budget Director

Kristine Sciangula
Plan Administrator

Michael Simonelli
 Police Benevolent Association

Robert Varrichio
 Correction Officers Association

PROGRAM PROVIDER
T. Rowe Price
1-888-457-5770

Normal	All are eligible for this limit	\$19,000 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	\$19,000 Normal	+ 6,000 Age 50+ supplement	= \$25,000 Max Per Year
Catch Up*	You <u>may</u> be eligible for this higher limit. You must apply and be approved. Please see below.	\$19,000 Normal	+ 19,000 Catch Up*	= \$38,000 Max Per Year

* You may be eligible to defer up to the additional \$19,000 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 (names on left) for more information.

Active participants who wish to increase or decrease their bi-weekly contribution amount can do so by contacting T. Rowe Price directly. Changes can be made by either calling 1-888-457-5770, logging into your account at rps.troweprice.com or logging into your account using the T. Rowe Price mobile App. It takes approximately 2 payroll periods for the change to take effect, as the Internal Revenue Code states that all deferral changes must be filed prior to the first of the month in which the deferral will be deducted.

If you do not change your bi-weekly deferral amount through T. Rowe Price, your bi-weekly deferral in 2019 will be the same amount as you deferred bi-weekly in 2018, subject to the annual maximum noted above.

Security Measures

You may have noticed increased security measures in place when you contact T. Rowe Price to take a distribution or loan from your Plan account. The Suffolk County Deferred Compensation Board requested this higher level of security to ensure that your retirement savings are protected to the greatest extent possible. We are continuously working to evaluate and improve the processes in place, while balancing the need to protect your savings from fraud, with the desire to keep the process as quick and easy as possible for you. If you have any questions or suggestions, please do not hesitate to contact your Board Representative**.

Frequently Asked Questions

Q: Is there a penalty if I take a withdrawal from my Plan account prior to age 59½?

A: Salary deferred into the Suffolk County Deferred Compensation Plan can be withdrawn once you separate from County service with **no age-based penalty**. Governmental 457(b) plans such as ours are exempt from the 10% age-based early withdrawal penalty that applies to most 401(k) and IRA withdrawals.

Please note that if your assets are rolled out of the Suffolk County Plan and into a 401(k) or IRA, this exemption will no longer apply to withdrawals that you subsequently make from that new plan or IRA.

Q: If I am leaving County service and would like to put my SCAT (accrual) check into the Deferred Compensation Plan, what do I do?

A: A month or two prior to your separation/retirement date, contact your Board Representative** to discuss your options for deferring your SCAT (accruals) check into the Plan. Putting your SCAT check into the Plan allows you to defer income tax on that money and possibly *reduce* the amount of tax that you are ultimately responsible for.

Q: How do I participate in Catch Up?

A: If you are interested in contributing more than the IRS limit of \$19,000 (or \$25,000 for Age 50+) and would like to participate in Catch Up, as detailed on the front of this newsletter, please contact your Board Representative**. The Catch Up Application, which contains more information on the Catch Up provision, can be found on scdeferredcomp.org under "Forms".

Fee Disclosure

Fee disclosure information has been posted to the Plan's website at scdeferredcomp.org. We encourage participants to read the disclosure and contact your Board Representative** if you have any questions.

**Your Board Representative's name can be found in the left margin of the front of this Newsletter. Contact information can be found on scdeferredcomp.org.

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