



Suffolk County Deferred Compensation Plan

Suffolk County Deferred Compensation Plan - Participant Credits

Following the January Deferred Compensation Board meeting, the Board instructed T. Rowe Price to issue another credit to Plan participants, based on excess revenue from 2018. On March 4th, 2019, credits were issued to participants and can be viewed under “Account Activity” after logging into your account on www.rps.troweprice.com or by using the TRP Personal Mobile App.

Where does this money come from?

When you invest in a mutual fund or common trust fund, a portion of that fund’s earnings is retained by the fund and used for their operating costs. This portion is known as a fund’s “expense ratio” or “investment management fee”. Funds with higher expense ratios often pay a portion of that money to the company that performs the record keeping (T. Rowe Price in this case). Based on our current contract with T. Rowe Price, all excess money received by T. Rowe Price, above their cost of record keeping our Plan, is to be returned to the Plan. The Board has chosen to return the portion of money that exceeds the cost of operating the Plan, back to Plan participants.

Those who have a higher amount of money invested in funds with higher expense ratios/investment fees will receive a higher portion of the excess revenue credit, as their investment in those funds generate a large portion of this revenue. Participants invested solely in trusts, such as the TRP Retirement Date Trusts or the Stable Value Common Trust Fund, will receive a smaller credit as the very low expense ratios on those funds do not generate much revenue. Participants should never choose an investment based on these revenue credits, as funds that do not generate excess revenue typically have lower expense ratios than those that do. For more information, please contact your Board Representative.