



# SUFFOLK COUNTY

## PUBLIC EMPLOYEES DEFERRED COMPENSATION PLAN

### Quarterly Newsletter

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#### SUFFOLK COUNTY DEFERRED COMPENSATION WEBSITE

Check out the Plan's new website at [www.scdeferredcomp.org](http://www.scdeferredcomp.org). While it is still in its infancy, the site has a number of links to important information and forms.

In response to requests from employees, the site lists the current fund offerings with ticker symbols. This enables participants as well as non-participants to view all the options available through our Plan.

The cover letter and *Catch-up Application* as well as the cover letter and *Unforeseeable Emergency Withdrawal Form* can now be printed from the site.

Contact information for the Board members is easily accessible. The site also has links to the websites of six of the Bargaining Units represented on the Board.

The site features the current on-site schedule for the local AIG VALIC representatives who have made themselves available to employees in a number of county locations on a regular basis.

The Board has gotten positive feedback regarding the link to the Board's "Distribution Options" booklet. Not only does the booklet outline the process and rules that apply to withdrawals from the Plan after a participant leaves the county's employ, but it contains a chart (Determination of Benefit Payments to Beneficiaries as permitted by IRC Section 401(a)(9)) which outlines the required beginning dates and maximum length of payments for the different categories of beneficiary, for example, Spouse, Non-Spouse or Non-Individual.

A link to the Questions & Answers covered at the recent participants meetings was just added. In the future, the site will prove to be an excellent resource for information about loans, annual deferral limits and any plan document changes adopted by the Board.

Additionally, check out the archive of Quarterly Newsletters from 2004 to the present!

#### SHORT-TERM REDEMPTION FEES

Currently, a number of Plan investment options have short-term redemption fees. The details of short-term redemption fees vary by fund. Short-term redemption fees are charges collected from investors who sell fund shares before a set time period, as specified in a fund's prospectus. Redemption fees generally range from 0.5% to 2% of the redemption transaction (including exchanges) and are designed to discourage investors from making short-term investments in funds. Frequent trading can be disruptive to a fund and raise its expenses, and, as a result, is harmful to long-term investors. Short-term redemption fees are retained by the funds to indirectly compensate long-term shareholders for the trading and administrative costs generated by frequent traders.

Please check out both T. Rowe Price's and AIG VALIC's websites to determine which funds in our Plan have redemption fees. Be advised that funds not currently assessing fees may opt to impose short-term redemption fees in the future so keep current to determine if your transaction will be affected.

#### LOANS

As a reminder, the Board's Uniform Loan Policy permits only one loan at a time.

**INVESTMENT ADVICE**

Many participants are looking for guidance in selecting investments and managing their assets. The Board has been working with both Providers to offer programs that will help participants reach their retirement goals.

The Board has already contracted with AIG VALIC’s Guided Portfolio Services (GPS). AIG VALIC’s local representatives launched the program with a July 19<sup>th</sup> presentation in the Riverhead County Center. For more information on GPS, either call 800-892-5558 Ext 87608 or check out the AIG VALIC On-Site Schedule at [www.sdeferredcomp.org](http://www.sdeferredcomp.org) to see when a local AIG VALIC representative will next be in your building.

Additionally, as agreed to in our service provider agreement with T. Rowe Price Retirement Plan Services, Inc, we are in the process of finalizing an Investment Advisory Agreement with Morningstar Associates to offer certain investment advisory services. Details about this program will be covered in the next quarterly newsletter.

**QUESTION & ANSWER**

**Question:** Does the Plan accept rollovers from SEP IRAs into the Plan?

**Answer:** Yes, the Plan accepts rollovers from SEP IRAs.

**Question:** If I enroll in the Suffolk Deferred Compensation Plan and transfer my 457 balance from my prior employer, when will I have access to the money I rolled in?

**Answer:** Once your transfer your 457 account balance from a prior employer, in general, you will not be eligible to take this as a distribution until you separate from the County. In contrast, if you had rolled money into the Plan from a 401(k) account of a prior employer, you would be able to take a distribution before you separate service. However, that distribution (from a 401(k)) would be subject to a 10% early withdrawal penalty, if you were under 59 and half years old.

Program Providers	
<b>T. Rowe Price</b>	1-888-457-5770
<b>AIG VALIC</b>	1-888-568-2542

**Deferred Compensation Plan Board Members**

**Alan Schneider**  
Chair  
County Personnel Director

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Vice Chair  
Suffolk Detectives Association

**John Della Rocca**  
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Deputy Sheriff’s Police Benevolent Association

**Anne Abel**  
Association of Municipal Employees

**Lynne Bizzarro**  
Law Department

**Larry Faraone**  
Superior Officers Association

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Office of the County Executive

**Douglas Miller**  
Office of the County Executive

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Correction Officers Association

**Joan Sikorsky**  
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**Debbie Troise**  
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Civil Service Department