

PERS 3 Frequently Asked Questions

1. When can I withdraw my defined contribution funds from my Plan 3 account?

Once you're no longer working in a position that is covered by PERS, you can withdraw your contributions at any time. Federal income taxes and penalties may apply, so you may want to check with a tax advisor before requesting a withdrawal.

You can also leave your contributions in your Plan 3 account, where your account value will continue to be based on the performance of your investments. Learn more about your options by calling ICMA-RC at 1-888-711-8773 or reading our booklet Plan 3 Request for Payment of Defined Contribution Funds, available online or from the Personnel Resources Department.

2. How long will my benefit last?

As a Plan 3 member, you have a two-part retirement benefit. The defined benefit portion, funded by Benton County, guarantees you a benefit for your lifetime and, if you choose a survivor option, for the lifetime of your survivor. The defined contribution portion, funded by your contributions, provides a benefit that is based on investment performance.

Once you separate from Benton County, you can choose how you would like to receive the defined contribution portion. The option you choose determines how long you will receive payments.

To learn more about your options for receiving your defined contributions, register for a one-hour Withdrawing from Plan 3 Seminar or contact a Plan 3 representative toll-free at 1-888-711-8773. Your options are also described online in the Plan 3 Request for Payment of Defined Contribution Funds booklet.

3. When am I eligible to receive a benefit?

Plan 3 Defined Benefit provides a retirement benefit at age 65 or older with at least five years of service credit if:

- 12 months were earned after age 44, or
- 5 years of service were established in Plan 2 prior to transferring to Plan 3 and prior to June 1, 2003 (PERS members), September 1, 2000 (SERS members), July 1, 1996 (TRS members)
- Age 65 with at least 10 years of service credit if you do not meet the above criteria.
- Age 55 or older with at least 10 years of service credit. Your benefit will be reduced if you are under age 65. There is less of a reduction if you have 30 or more years of service credit.*

*Plan 2 and Plan 3 provide an unreduced defined benefit at age 62 for members who were hired before May 1, 2013 and retire with 30 or more years of service credit. This benefit provision is part of legislation which ended gain sharing. If a court decides the repeal of gain sharing is invalid, the early retirement rules that were in place before the passage of the new law will apply.

Your Plan 3 handbook contains more specific information.

4. How do I calculate my Average Final Compensation (AFC)?

Average your monthly salary from the highest-paid 60 consecutive months in which you earned service credit, no matter when that is in your career. Your AFC does not include severance pay, such as lump-sum payments for deferred sick leave, vacation, or annual leave.