

# PERS PLAN 3 REPORT

Visit Your Plan 3 on the Web at: [www.icmarc.org/plan3/pers](http://www.icmarc.org/plan3/pers)

DEPARTMENT OF RETIREMENT SYSTEMS QUARTERLY UPDATE • MAY 2009

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## Investing during volatile times

During periods of market volatility it's important to remember that your monthly contributions continue to be invested. This continued regular investment, known as dollar cost averaging, allows you to buy more shares when fund prices drop, which means they'll be worth more if prices go back up.


History shows that many investors have done best by investing over the long term in a well-diversified portfolio. Because it's impossible to know which type of investment will do best, it's important to consider diversifying. If you're a long-term investor, that may mean spreading your money among funds that invest in large, medium and small companies, including some that search for fast-growing companies or for undervalued stocks.

You may also consider bond funds and other fixed-income investments as part of the portfolio. For information about the investments, please call-1-888-711-8773 or review the investments online at [www.icmarc.org/plan3](http://www.icmarc.org/plan3). You can also take

(See *Volatile times*, p. 2)



## Go Green and Receive Plan 3 Statements and Confirmations Electronically

You can now choose to receive both your account transaction confirmations and your quarterly account statements electronically – through Account Access. Sign up for e-Delivery by logging into your Plan 3 account at <http://www.icmarc.org/plan3> and selecting the Statements and Confirms tab, or contact Plan 3 Investor Services for assistance at 888-711-8773. Receiving the information electronically gives you quick, secure and convenient access to your Plan 3 account, while saving time and paper. 

### PERS PLAN 3 WSIB TOTAL ALLOCATION PORTFOLIO (TAP)

AS OF 3/31/2009

	1st Qtr 2009	1-Year	3-Year	5-Year
<b>TOTAL ALLOCATION PORTFOLIO</b>	-11.54%	-28.12%	-4.16%	3.00%

The Washington State Investment Board (WSIB) periodically reviews and adjusts the TAP Fund's asset allocation. Over the last five years, the TAP Fund has shifted to a more aggressive asset mix. These returns reflect the asset mixes during the time periods shown.

### PERS PLAN 3 SELF-DIRECTED FUNDS

AS OF 3/31/2009

	1st Qtr 2009	1-Year	3-Year	5-Year
<b>MONEY MARKET FUND</b>	0.06%	1.50%	3.84%	3.34%
<b>WASHINGTON STATE BOND FUND</b>	3.37%	-1.60%	4.37%	3.08%
<b>SOCIALLY RESPONSIBLE BALANCED FUND</b>	-4.58%	-17.57%	-2.41%	0.57%
<b>U.S. LARGE STOCK INDEX FUND</b>	-10.90%	-37.92%	-13.00%	-4.78%
<b>U.S. STOCK MARKET INDEX FUND</b>	-10.76%	-38.15%	-13.57%	-4.63%
<b>U.S. SMALL STOCK INDEX FUND</b>	-14.90%	-37.37%	-16.83%	-5.27%
<b>INTERNATIONAL STOCK INDEX FUND</b>	-13.87%	-46.30%	-14.33%	-2.11%
<b>2050 RETIREMENT STRATEGY</b>	-11.18%*	N/A	N/A	N/A
<b>2045 RETIREMENT STRATEGY</b>	-11.18%*	N/A	N/A	N/A
<b>2040 RETIREMENT STRATEGY</b>	-11.19%*	N/A	N/A	N/A
<b>2035 RETIREMENT STRATEGY</b>	-11.20%*	N/A	N/A	N/A
<b>2030 RETIREMENT STRATEGY</b>	-10.81%*	N/A	N/A	N/A
<b>2025 RETIREMENT STRATEGY</b>	-10.30%*	N/A	N/A	N/A
<b>2020 RETIREMENT STRATEGY</b>	-9.28%*	N/A	N/A	N/A
<b>2015 RETIREMENT STRATEGY</b>	-8.26%*	N/A	N/A	N/A
<b>2010 RETIREMENT STRATEGY</b>	-7.26%*	N/A	N/A	N/A
<b>2005 RETIREMENT STRATEGY</b>	-5.78%*	N/A	N/A	N/A
<b>2000 RETIREMENT STRATEGY</b>	-4.68%*	N/A	N/A	N/A

\* The Retirement Strategy Funds became available for investment on October 6, 2008.


All returns are net of fees. Self-Directed funds are valued daily; your account balance and rate of return will vary accordingly. Past performance is no guarantee of future results. For more information about the funds, please see the Plan 3 Investment Guide or the Web site at [www.icmarc.org/pers/investing](http://www.icmarc.org/pers/investing).

### CONTACT INFORMATION

**DRS** 800-547-6657  
**ICMA-RC** 888-711-8773  
**Web** [www.icmarc.org/plan3/pers](http://www.icmarc.org/plan3/pers)

*(Volatile times from p. 1)*


advantage of investment education seminars available for Plan 3 members. Call 1-888-711-8773 to register for a seminar.

For your retirement planning strategy, you may also want to consider joining the Washington State Deferred Compensation Program (DCP). Whether you've been saving for years, or are just getting started, DCP offers you an excellent opportunity to enhance your financial future. Check with your employer to find out if DCP is available where you work. 

## New Minimum Distribution Law Does Not Impact Plan 3

A new federal law that waives the requirement for withdrawing a minimum amount of money from a retirement plan in 2009 does not apply to PERS, SERS and TRS Plans 3.

The minimum amount, which is based on the value of your account and the life expectancies of both you and your beneficiary, must be withdrawn from your account annually beginning April 1 following the year in which you reach age 70 ½, or retire (whichever is later).

If you would like additional information on minimum distribution requirements, visit the IRS Web site at [www.irs.gov](http://www.irs.gov). 



## Privacy Policy

*The following is the privacy policy for DRS' Plan 3 record keeper (ICMA-RC).*

We at ICMA-RC recognize the sensitive nature of your personal financial information, and take every precaution to protect your privacy. In order to provide services to you, DRS collects certain nonpublic personal information about you from your employer. DRS then provides that information to ICMA-RC, to allow your account to be serviced. Our policy is to keep this information strictly confidential. We will use this information only as necessary to provide services to you or as otherwise required by law. Our contract with DRS also requires us to maintain the privacy of your personal information. You can be certain your financial information will only be used within our strict guidelines. Our privacy policy applies equally to nonpublic personal information about former clients and individuals who have inquired about our services.

### Information We Collect

“Nonpublic personal information” is personally identifiable financial information about you as an individual or your family. Nonpublic personal information we have about you includes information provided by DRS and information you provide to us in telephone calls, forms, and correspondence.

### Information We Disclose

We use this information to process your requests and transactions, for example, to provide you with additional information about the investments available in your plan or to process a withdrawal.

In order to service your account and carry out your instructions, we may also provide your personal information to firms that assist us. For example, we will provide your address to the company that mails your quarterly financial statements. We do not provide customer names and addresses to outside firms, organizations or individuals except as provided to conduct official business on your behalf, or as otherwise allowed by law. In addition to our own policies, our contract with DRS requires us to keep all information regarding plan members confidential. We are prohibited from disclosing, using, selling or sharing your personal information except to conduct business on your behalf or as directed by DRS.

### How We Safeguard Your Information

We restrict access to nonpublic personal information to those persons with ICMA-RC who need the information to provide services to you or who are permitted by law to receive it. We maintain internal policies and procedures to safeguard your personal information. 