



STATE OF WISCONSIN
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CORRESPONDENCE MEMORANDUM

DATE: August 13, 2009
TO: Employee Trust Funds Board
Teachers Retirement Board
Wisconsin Retirement Board
FROM: Lynn Jarzombek, Policy Advisor
Division of Retirement Services
SUBJECT: Wisconsin Retirement System (WRS) Benefit Information

This memo is for informational purposes only. No Board action is required.

Please find attached the *WRS Benefit Information* report for the period April – June 2009 (second quarter 2009). This document contains information reflecting the retirement benefit activities administered by the Department of Employee Trust Funds. The data presented covers WRS participant retirement estimates requested, new annuities started, finalized annuity data and WRS payment information.

Some of the highlights include:

- For the second quarter of 2009, retirement estimates requested continued to increase, rising 12.1% over the second quarter of 2008.
- This increase follows increases in the past two quarters: first quarter 2009 rose 8.7% over first quarter 2008 and fourth quarter 2008 jumped 13.7% over the same quarter in 2007.
- New annuities decreased 5.2% from the same period in 2008.
 - Note: This decrease follows increases in the previous two quarters over the same periods a year ago: first quarter 2009 increased 2.3% and fourth quarter 2008 increased 15.7%.

Notable for second quarter 2009 is the continued decline in paper check payments. Paper check payments fell by 6,064 during the quarter, as the Department moves closer to direct deposit as the standard method of annuity payment. This significant drop brought paper check payments to fewer than 8,000 payments a month, or 5.3% of total payments.

Reviewed and approved by Jean Gilding, Division of Retirement Services.

Signature

Date

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We would appreciate any feedback that you may offer for improving this report. Staff will be available at the meeting to answer questions. Contact Jean Gilding at (608) 266-1210 (e-mail jean.gilding@etf.state.wi.us) or Lynn Jarzombeck at (608) 261-8081 (e-mail lynn.jarzombeck@etf.state.wi.us) with any comments or questions.

Attachment: WRS Benefit Information



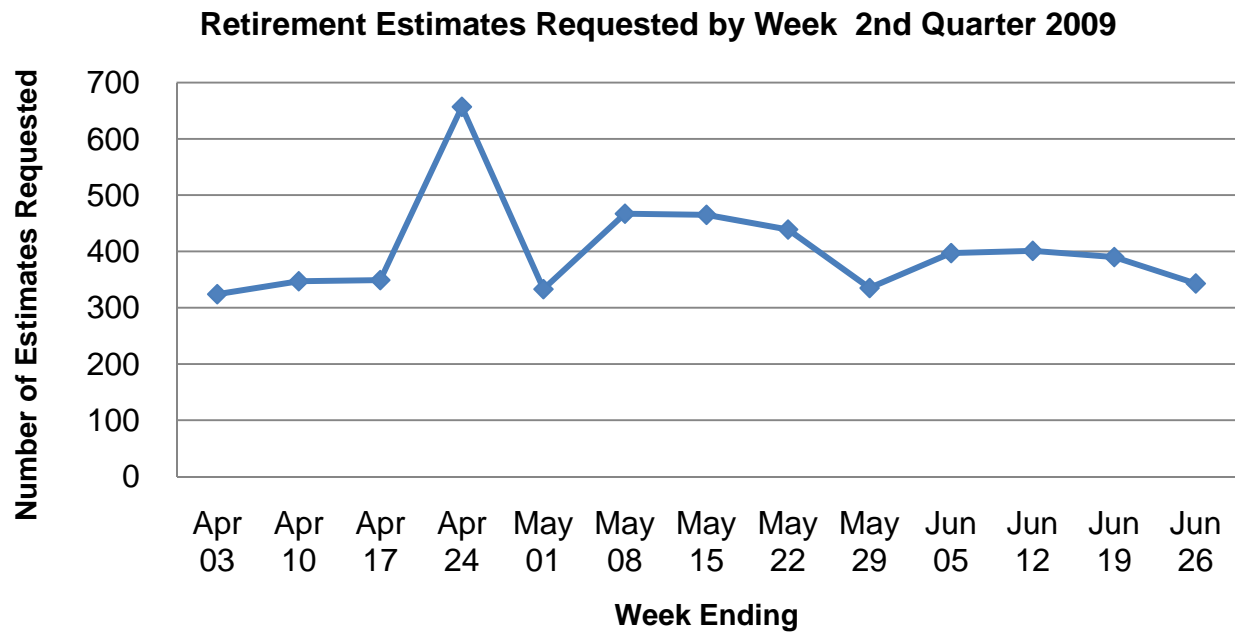
STATE OF WISCONSIN
Department of Employee Trust Funds

Wisconsin Retirement System (WRS) Benefit Information

April – June 2009

WRS RETIREMENT ESTIMATES

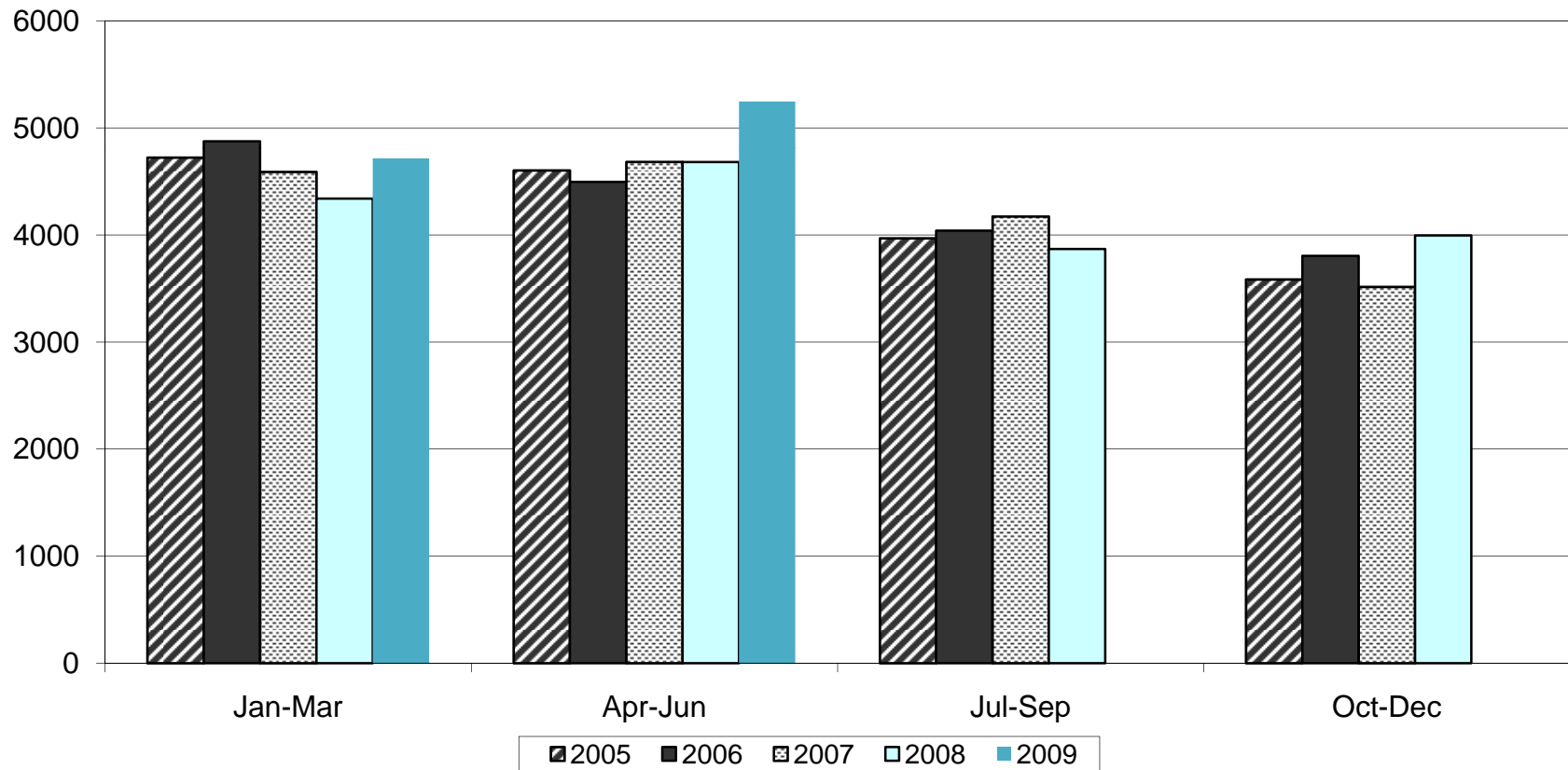
- 5,247 Retirement Estimates requested during the period April - June 2009
- Retirement Estimates requested increased 12.1% from the previous year's 2nd quarter (4,681 in 2008)



WRS RETIREMENT ESTIMATES

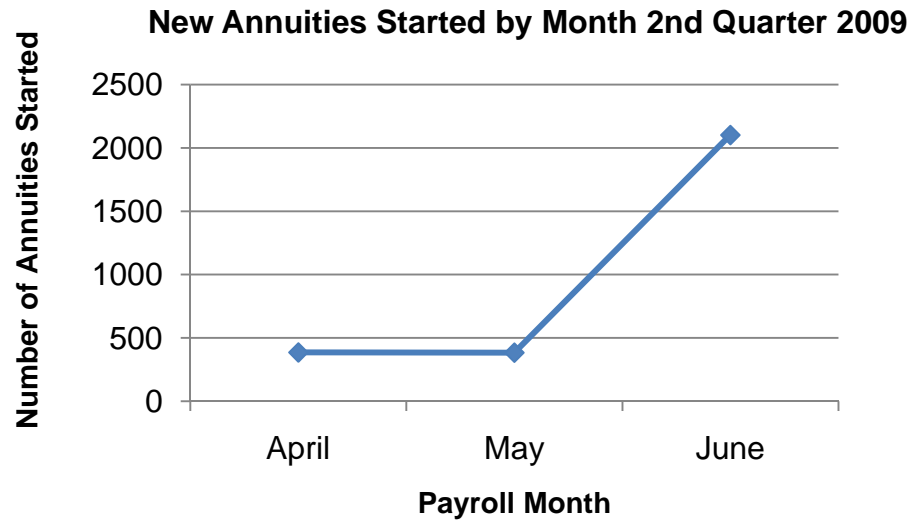
Retirement Estimates Requested 2005-2009

Participants can request a formal benefit estimate up to one year before anticipated retirement.



WRS RETIREMENT ANNUITIES

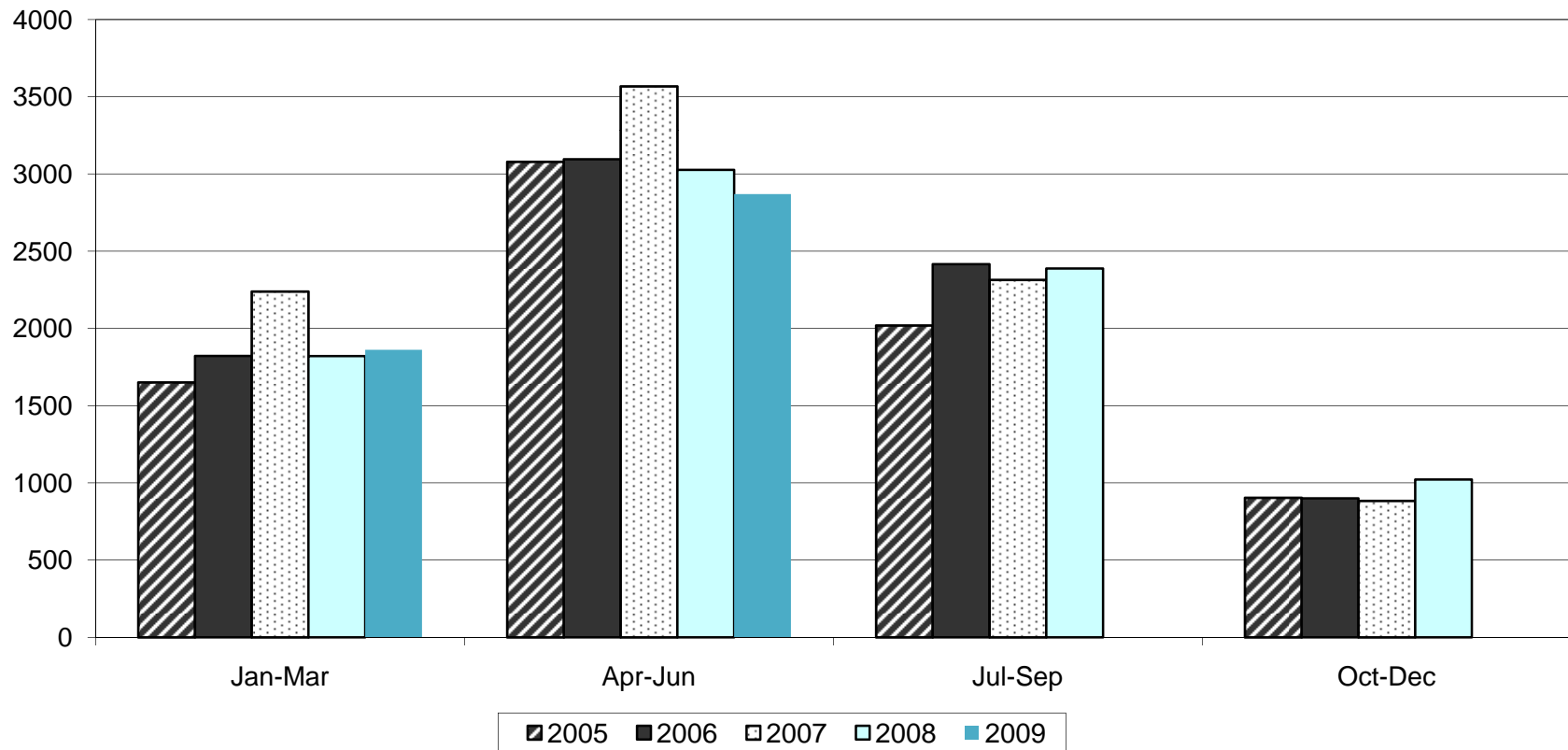
- 2,870 New Annuities started during the period April - June 2009
- 1 Annuity started as a Finalized Payment
(annuities can be started as finalized and not estimated if the Department has the final service earnings and contribution data from the employer)
- New Annuities started decreased 5.2% from the previous year's 2nd quarter (3,027 in 2008)



WRS RETIREMENT ANNUITIES

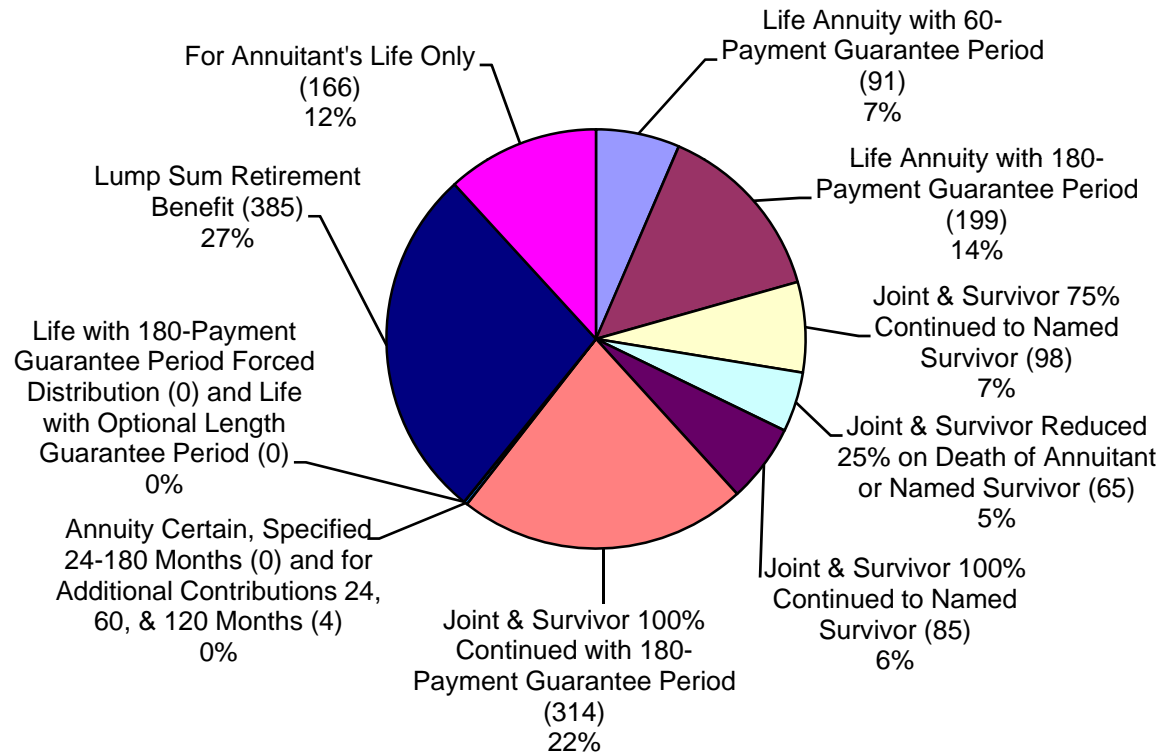
Estimated Annuities Started 2005-2009

New annuities are quickly processed by giving participants “estimated” annuities that are calculated as close as possible to final eligible benefits.



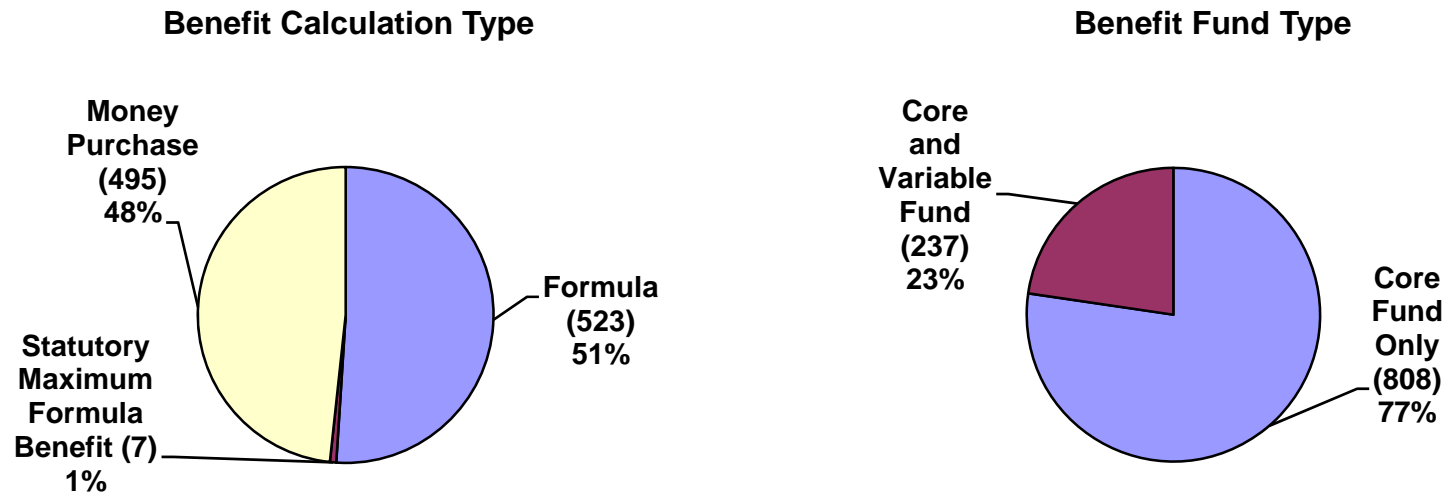
WRS RETIREMENT ANNUITIES

Benefit Options Taken Finalized Annuities & Lump Sum Retirement Benefits 2nd Quarter 2009



WRS RETIREMENT ANNUITIES

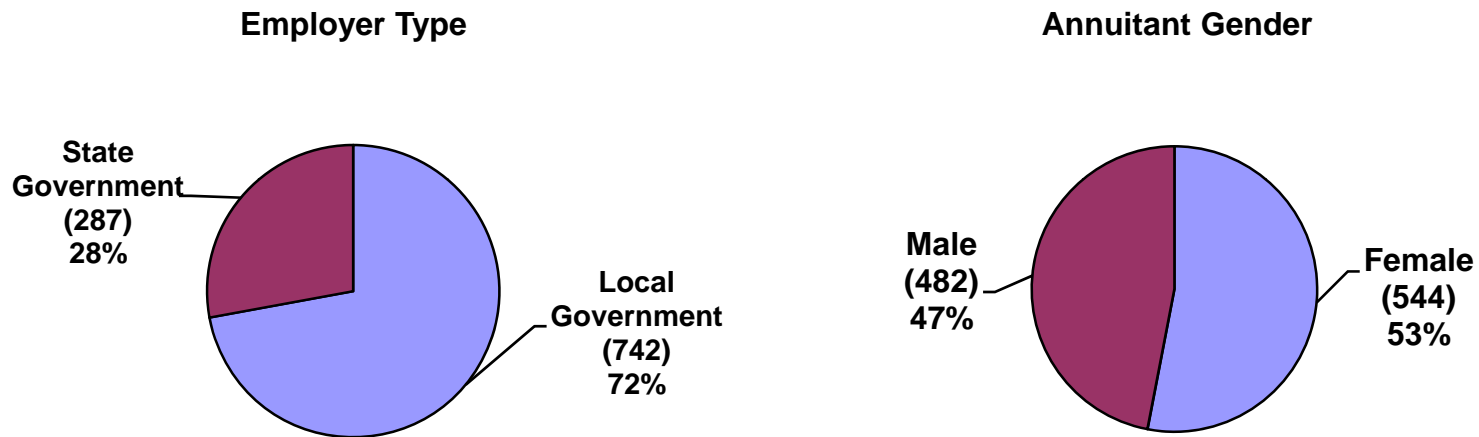
Finalized Annuities By Calculation and Fund Type 2nd Quarter 2009



- Money Purchase calculated benefits fell while Formula calculated benefits jumped up. Comparing the first 6 months of 2009 to 2008, Money Purchase calculated benefits are down 1% to 53% while Formula calculated benefits are up 1% to 47%.
- Core and Variable Fund benefits dropped while Core Fund Only benefits rose. Comparing the first 6 months of 2009 to 2008, Core and Variable Fund benefits are still up 4% to 35.4% while Core Fund Only benefits are down 4% to 64.6%.

WRS RETIREMENT ANNUITIES

Finalized Annuities By Employer Type and Annuitant Gender 2nd Quarter 2009



- State Government retirees continued to increase as Local Government retirees decreased. For the first 6 months of 2009, State Government retirees increased 2.3% to 26.8% while Local Government retirees declined 2.3% to 73.2% compared to 2008.
- Male retirees jumped up while Female retirees dropped. For the first 6 months of 2009, Male retirees are up 1.3% to 41.0% and Female retirees are down 1.3% to 59.0% compared to 2008.

WRS RETIREMENT & BENEFICIARY ANNUITIES

Retirement Terminations and Beneficiary Information 2nd Quarter 2009

- 16 Retirement Annuity Terminations occurred during the period April – June 2009
 - 7 annuitants returned to work and elected to participate in the WRS
 - 4 annuitants cancelled their benefit applications
 - 3 annuitants never terminated and continued employment
 - 2 annuitants were paid in error (incorrect benefit effective date)

- 69 Beneficiary Annuities started during the period April – June 2009

- 6 Beneficiary Annuity Terminations occurred during the period April – June 2009
 - All 6 beneficiaries converted their annuities to lump sum payments

WRS RETIREMENT & BENEFICIARY ANNUITIES

**WRS Payment Information
2nd Quarter 2009**

Gross Payments by Fund (\$)

Payroll Month	Core	Variable	Subtotal	General Purpose Revenue	Total
Apr-09	283,740,951.08	19,937,053.51	303,678,004.59	77,171.78	303,755,176.37
May-09	283,808,419.04	19,946,950.67	303,755,369.71	77,921.01	303,833,290.72
Jun-09	287,272,966.37	20,027,574.14	307,300,540.51	76,468.94	307,377,009.45

Gross Payments by Method of Payment (\$)

Payroll Month	Direct Deposit	Paper Check	Deductions	Accounts Receivable	Total
Apr-09	241,233,616.71	17,134,958.15	46,245,022.30	(858,420.79)	303,755,176.37
May-09	244,923,327.85	13,339,673.61	46,219,531.54	(649,242.28)	303,833,290.72
Jun-09	247,147,719.25	10,495,629.33	50,395,988.54	(662,327.67)	307,377,009.45

Number Paid

Payroll Month	Paid by Direct Deposit		Paid by Paper Check		Total
Apr-09	134,709	91.26%	12,909	8.74%	147,618
May-09	137,748	93.23%	10,006	6.77%	147,754
Jun-09	141,625	94.71%	7,909	5.29%	149,534