



STATE OF WISCONSIN
Department of Employee Trust Funds
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CORRESPONDENCE MEMORANDUM

DATE: June 3, 2010

TO: Employee Trust Funds Board
Teachers Retirement Board
Wisconsin Retirement Board

FROM: Anne Boudreau, Deputy Administrator
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 January – March 2010. This document contains information reflecting the retirement benefit activities administered by the Department of Employee Trust Funds. The data presented covers participant retirement estimates requested, new annuities started, and WRS annuity payment information. It also contains data applicable to customer service functions.

Of interest are both the retirement estimates requested and the new annuities started in the first quarter of 2010. Comparing the first quarter of 2010 with the first quarter of 2009, the number of retirement estimates requested increased by 14.5% and the number of retirement applications increased by 22.2%.

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 Anne Boudreau at (608) 266-0758 (e-mail anne.boudreau@etf.state.wi.us) with any further comments or questions.

Attachment: WRS Benefit Information

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

Signature

Date

| Board | Mtg Date | Item # |
|-------|----------|--------|
| Jl | 6.24.10 | 5A |



STATE OF WISCONSIN
Department of Employee Trust Funds

Wisconsin Retirement System (WRS)
Benefit Information

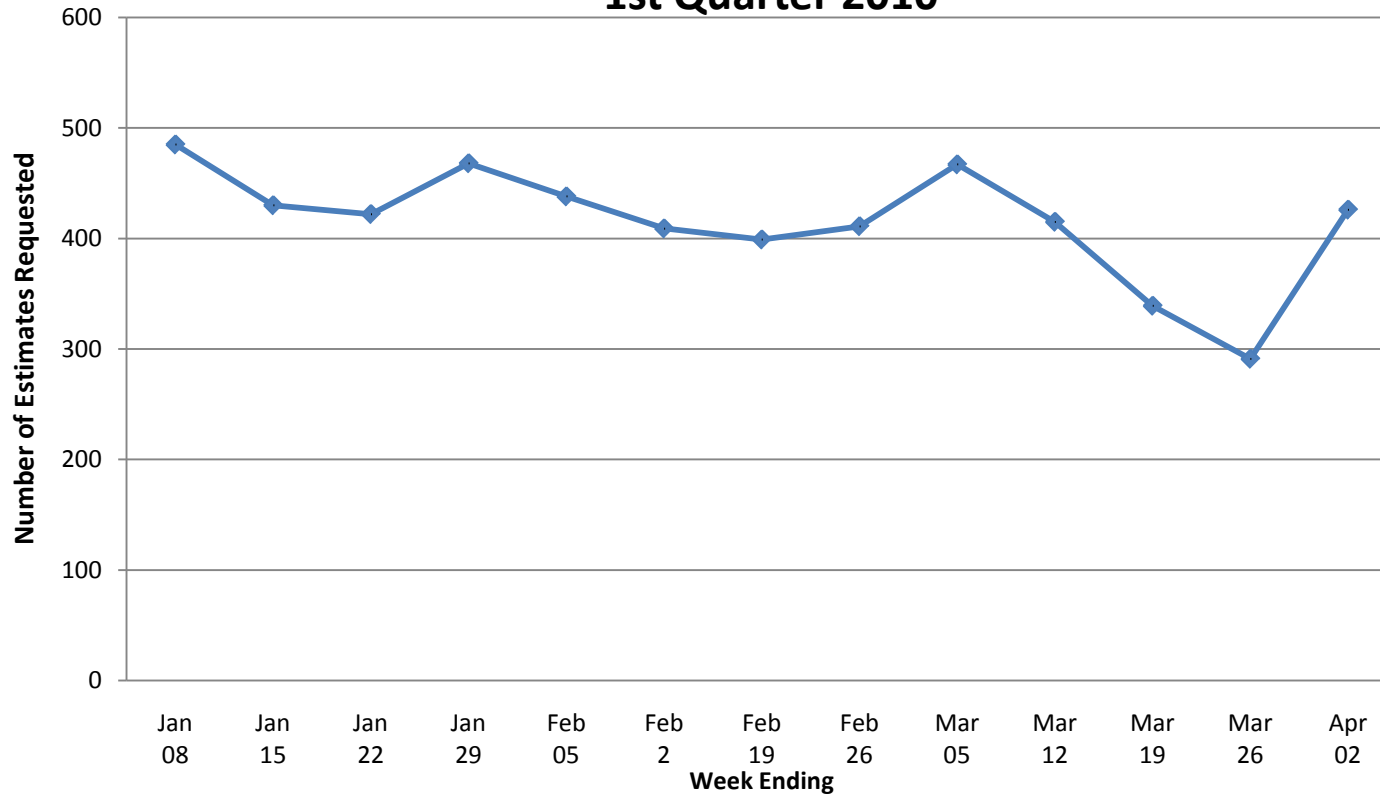
January – March 2010

Retirement Activity – Estimates and New Annuities

WRS RETIREMENT ESTIMATES

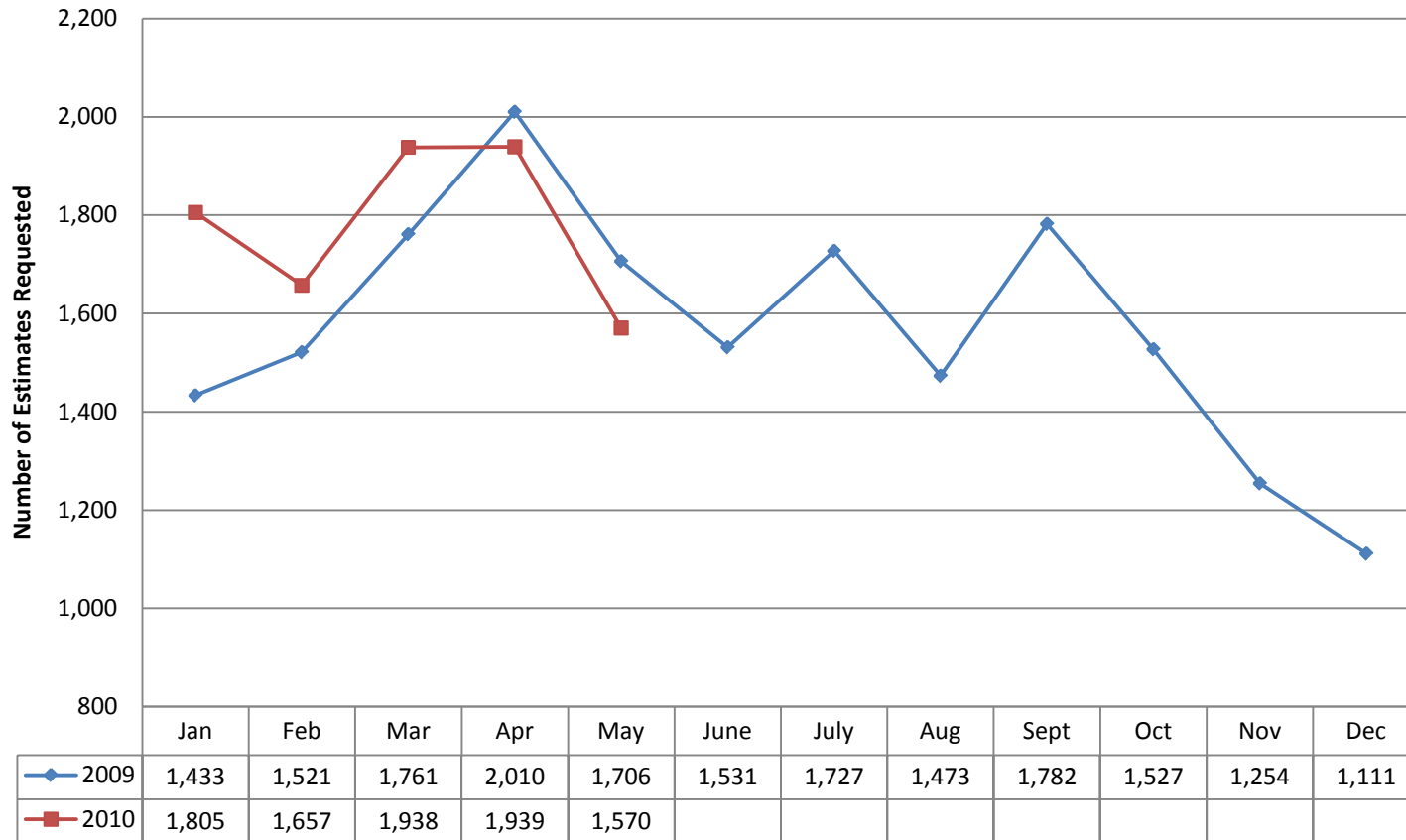
- 5,400 Retirement Estimates requested during the period January - March 2010
- Retirement Estimate requests are up 14.5% from the previous year's 1st quarter (4,715 in 2009)

Retirement Estimates Requested by Week 1st Quarter 2010



WRS RETIREMENT ESTIMATES

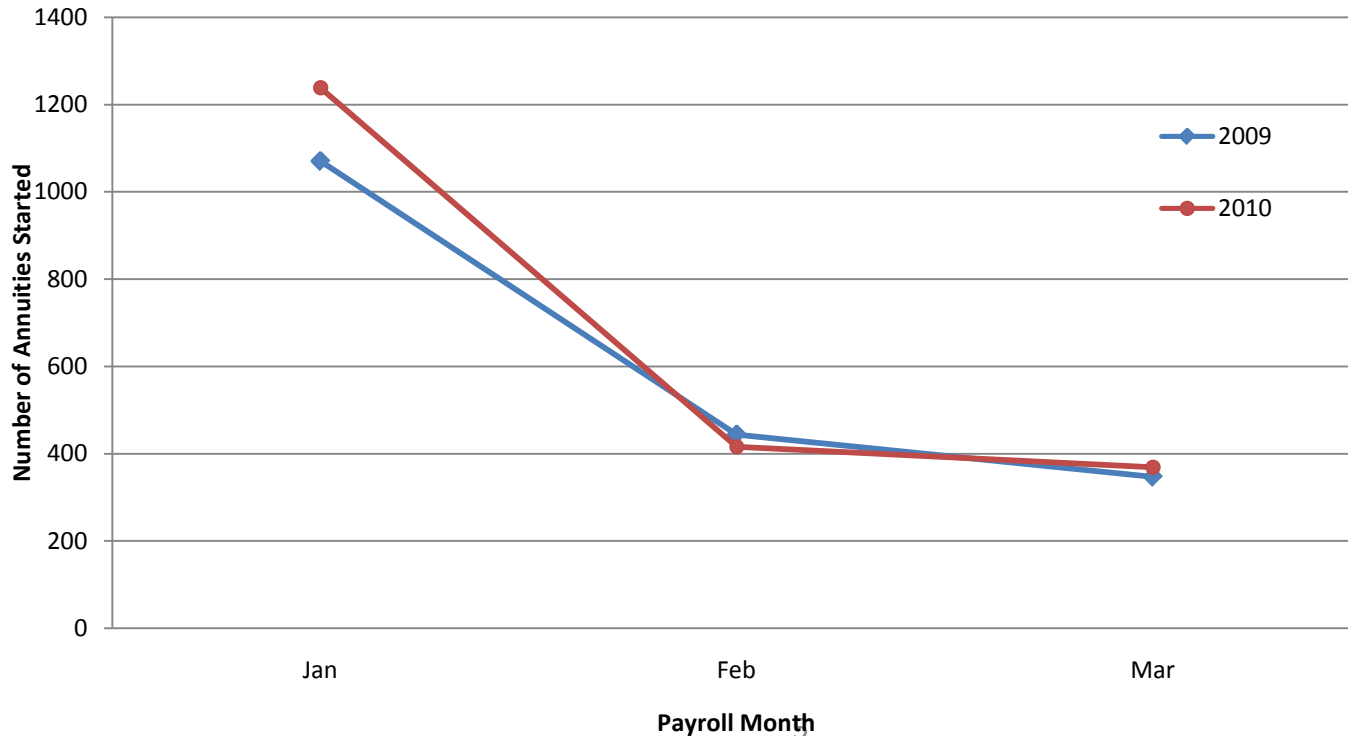
Retirement Estimates Requested by Month First 5 Months – 2010 Compared to 2009



WRS RETIREMENT ANNUITIES

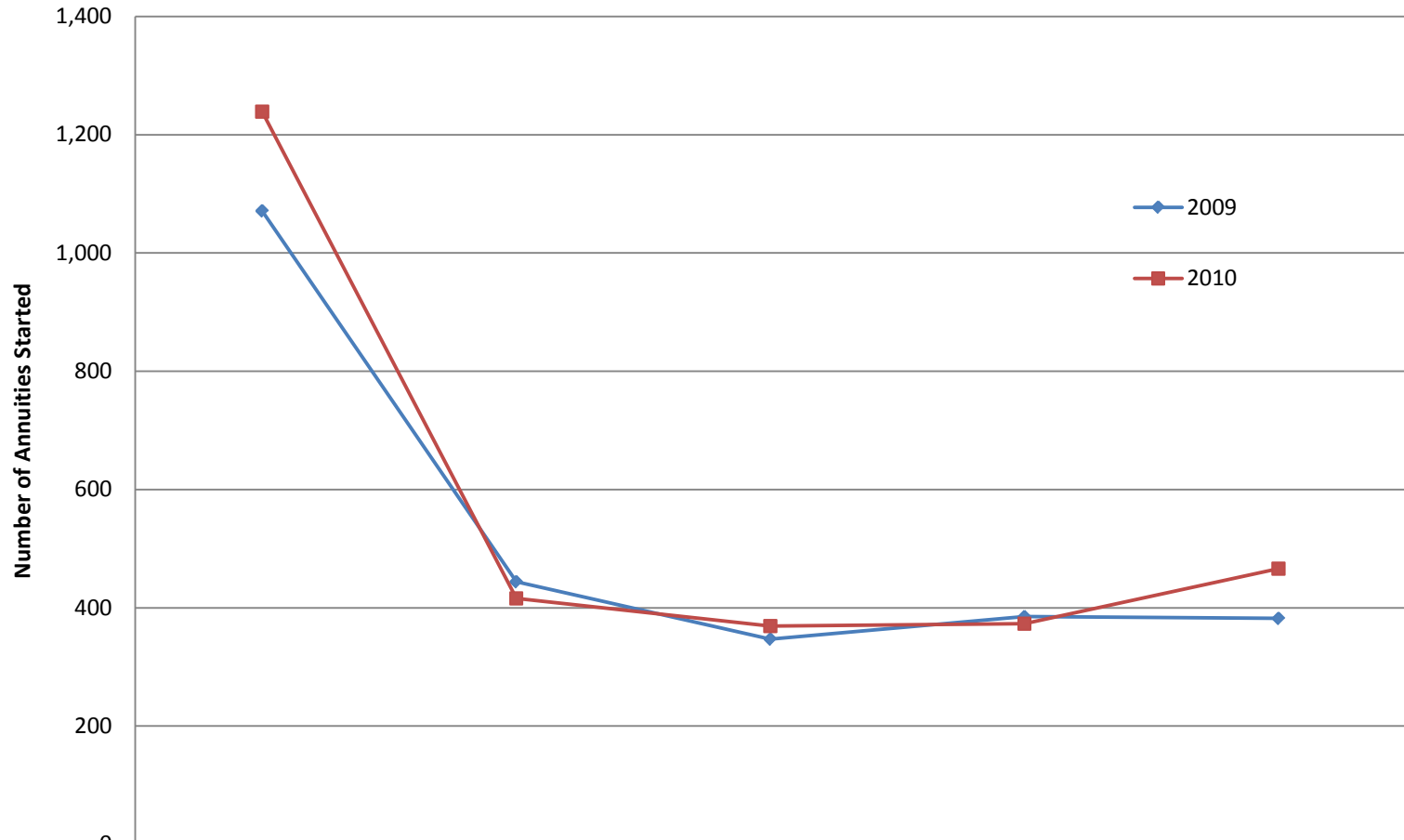
- 2,024 New Annuities started during the period January to March 2010
- 14 Annuities started as a Finalized Payment
(Annuities can be started as finalized and not estimated if the Department has the final service earnings and contribution data from the employer)
- New Annuities started increased 8.7% from the previous year's 1st quarter (1,862 in 2009)

**New Annuities Started by Month
1st Quarter - 2010 Compared to 2009**



WRS RETIREMENT ESTIMATES

New Annuities Started by Month First 5 Months - 2010 Compared to 2009

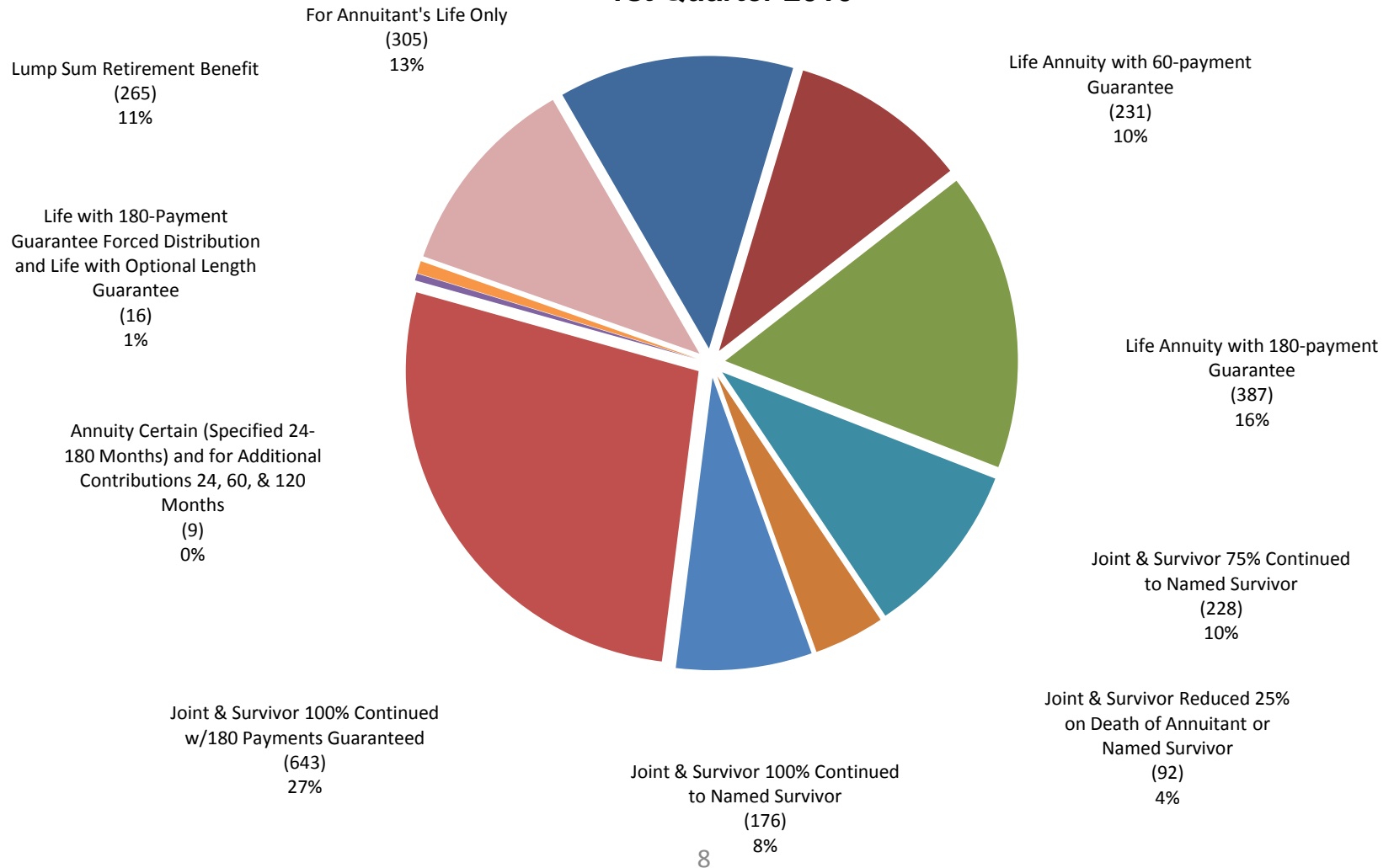


| | Jan | Feb | Mar | Apr | May |
|------|-------|-----|-----|-----|-----|
| 2009 | 1,071 | 444 | 347 | 385 | 382 |
| 2010 | 1,239 | 416 | 369 | 373 | 466 |

Retirement Activity – Option Selections and Demographics

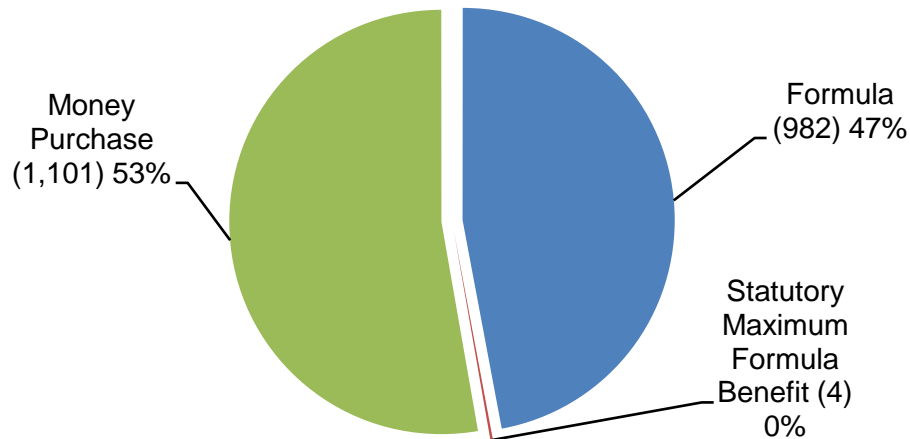
WRS RETIREMENT ANNUITIES

Benefit Options Taken Finalized Annuities and Lump Sum Retirement Benefits 1st Quarter 2010



WRS RETIREMENT ANNUITIES

Finalized Annuities By Calculation Type 1st Quarter 2010

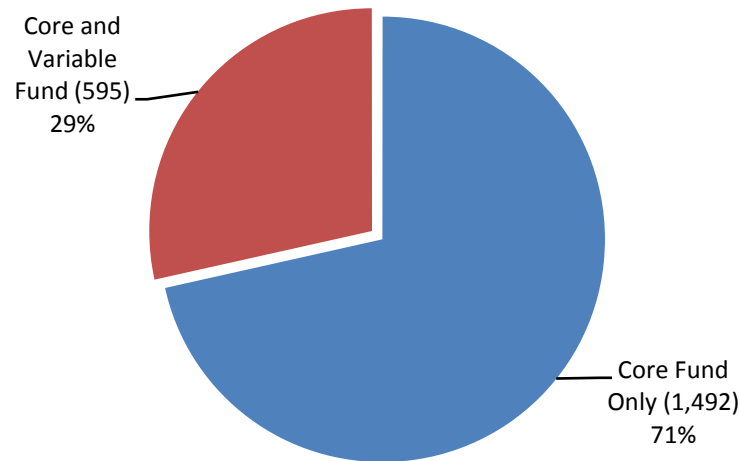


- Money Purchase Calculated benefits still exceed Formula benefits as a percentage of finalized annuities. So far in calendar year 2010, Money Purchase Calculated benefits represented 52.8% of finalized annuities.

| | Formula | Money Purchase |
|-----------|----------------|-----------------------|
| 2007 | 45.9% | 54.1% |
| 2008 | 46.0% | 54.0% |
| 2009 | 44.3% | 55.3% |
| 2010 (1Q) | 47.0% | 52.8% |

WRS RETIREMENT ANNUITIES

Finalized Annuities By Benefit Fund Type 1st Quarter 2010

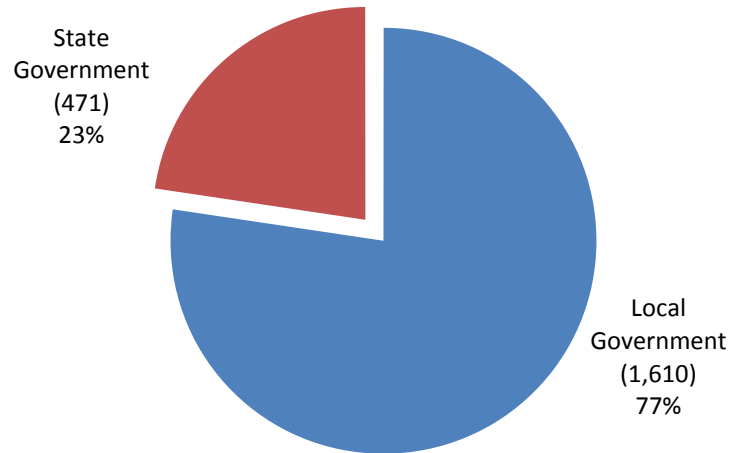


- Core Fund Only benefits for 1st quarter 2010 made up 71.5% of all finalized annuities. This was a slight decrease compared to the previous quarter (4th quarter 2009), when Core Fund Only benefits made up 75.3% of all finalized annuities. But compared to all of 2009, the percentage is virtually unchanged.

| | Core Only | Core and Variable |
|-----------|------------------|--------------------------|
| 2008 | 68.6% | 31.4% |
| 2009 | 71.2% | 28.8% |
| 2010 (1Q) | 71.5% | 28.5% |

WRS RETIREMENT ANNUITIES

Finalized Annuities By Employer Type 1st Quarter 2010

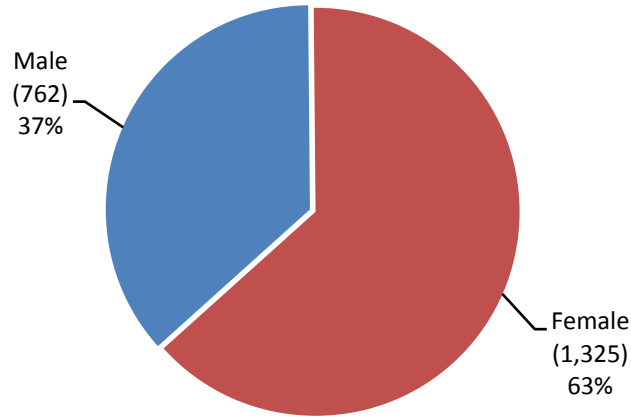


- Local Government retirees made up 77.4% of Finalized Annuities, which is an increase compared to 69% the previous quarter (4th quarter 2009).

| | Local Government | State Government |
|-----------|------------------|------------------|
| 2008 | 75.5% | 24.5% |
| 2009 | 71.0% | 29.0% |
| 2010 (1Q) | 77.4% | 22.6% |

WRS RETIREMENT ANNUITIES

**Finalized Annuities By Gender
1st Quarter 2010**



- At 63.0%, Female retirees increased compared to the previous quarter. They made up 61.2% of retirees in the last quarter of 2009 and 55.1% of retirees during the 2009 calendar year.

| | Male | Female |
|-----------|-------------|---------------|
| 2008 | 39.7% | 60.3% |
| 2009 | 44.9% | 55.1% |
| 2010 (1Q) | 36.5% | 63.5% |

WRS RETIREMENT & BENEFICIARY ANNUITIES

Retirement Terminations and Beneficiary Information 1st Quarter 2010

- 13 Retirement Annuity Terminations occurred during the period January – March 2010
 - 9 annuitants returned to work and elected to participant in the WRS
 - 1 annuity was cancelled due to lack of a reported employment termination date
 - 1 annuitant decided to change from an annuity to a lump sum
 - 2 annuitants withdrew their applications, and of these, 1 annuitant then applied for a disability benefit instead

- 49 Beneficiary Annuities started during the period January – March 2010

- 3 Beneficiary Annuity Terminations occurred during the period January – March 2010
 - 2 Beneficiary Annuities terminated due to expiration of guarantee period
 - 1 beneficiary converted her annuity to a lump sum payment

Annuities – Payroll Data and Annuitant Location

WRS RETIREMENT and BENEFICIARY ANNUITIES

WRS Payment Information 1st Quarter 2010

| Payroll Month | Core | Variable | Subtotal | General Purpose Revenue | Total |
|---------------|----------------|---------------|----------------|-------------------------|----------------|
| Jan 2010 | 293,185,519.86 | 20,066,443.13 | 313,251,962.99 | 65,907.45 | 313,317,870.44 |
| Feb 2010 | 293,128,453.77 | 20,051,425.14 | 313,179,878.91 | 62,972.46 | 313,242,851.37 |
| Mar 2010 | 293,159,992.83 | 19,968,078.55 | 313,128,071.38 | 64,966.27 | 313,193,037.65 |

| Payroll Month | Direct Deposit | Paper Check | Deductions | Accounts Receivable | Total |
|---------------|----------------|--------------|---------------|---------------------|----------------|
| Jan 2010 | 259,093,564.12 | 3,389,164.72 | 51,359,339.32 | (524,197.72) | 313,317,870.44 |
| Feb 2010 | 259,055,372.58 | 3,386,270.72 | 51,401,633.93 | (600,425.86) | 313,242,851.37 |
| Mar 2010 | 259,018,702.13 | 3,374,065.22 | 51,447,020.36 | (646,750.06) | 313,193,037.65 |

| Payroll Month | Paid by Direct Deposit | | Paid by Paper Check | | Total |
|---------------|------------------------|--------|---------------------|-------|---------|
| Jan 2010 | 153,563 | 98.41% | 2,478 | 1.59% | 156,041 |
| Feb 2010 | 153,784 | 98.44% | 2,443 | 1.56% | 156,227 |
| Mar 2010 | 153,916 | 98.45% | 2,419 | 1.55% | 156,335 |

WRS RETIREMENT and BENEFICIARY ANNUITIES

WRS Payment Information 1st Quarter 2010

Annuitant Location

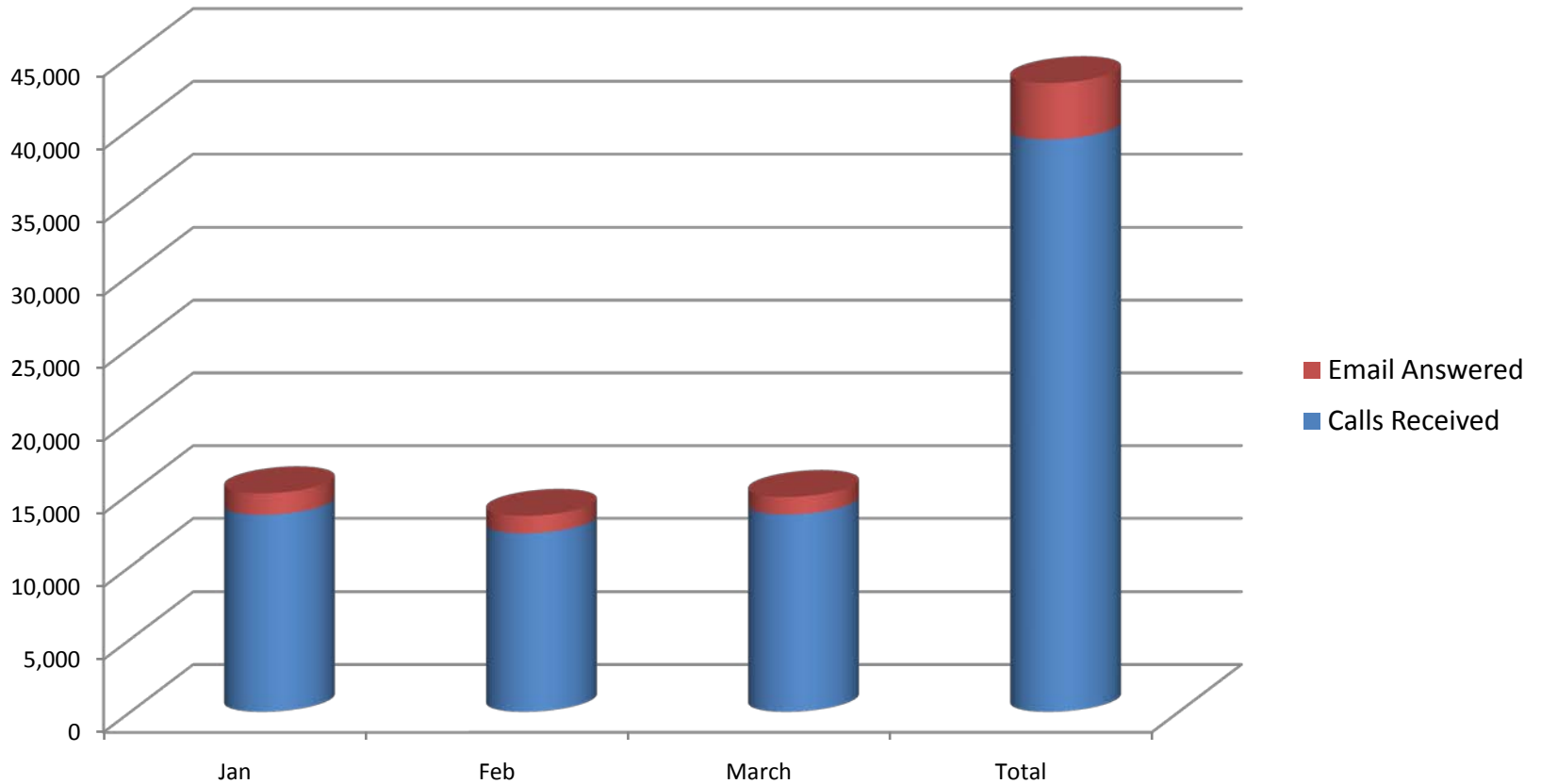
| Number of Annuitants by Location | | | | | | |
|----------------------------------|--|---------|--------|------------------------------|--|-------------|
| Wisconsin | | 131,021 | 85.97% | Texas | | 1,036 0.68% |
| Florida | | 3,875 | 2.54% | Michigan | | 978 0.64% |
| Arizona | | 2,143 | 1.41% | Colorado | | 627 0.41% |
| Minnesota | | 2,022 | 1.33% | North Carolina | | 490 0.32% |
| Illinois | | 1,268 | 0.83% | Other States and Territories | | 7,523 4.94% |
| California | | 1,158 | 0.76% | Foreign Countries | | 254 0.17% |

Customer Service

WRS Member Contacts

Telephone Calls to Main Line

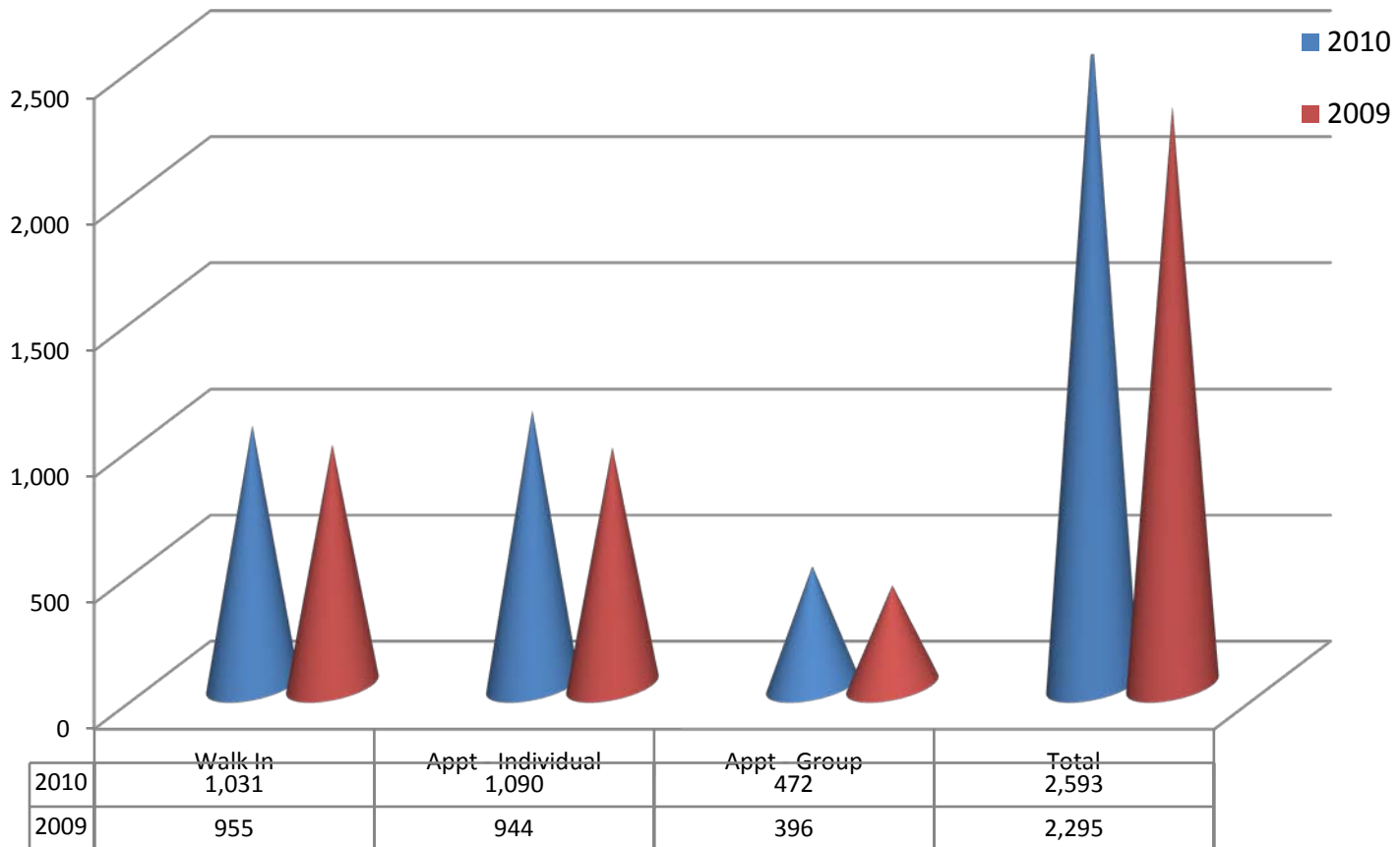
- During the period January – March 2010, there were 39,259 calls received on the main member line
- Members are continuing to increase their use of email as a mean to contact the Department



WRS Member Contacts

Attendance at Retirement Sessions

- In-person sessions increased 13%, comparing the 1st quarter of 2010 with the 1st quarter of 2009
- In addition to retirement sessions, 10 field presentations took place during this quarter with an attendance of 845 people



WRS File Updates at Request of Member

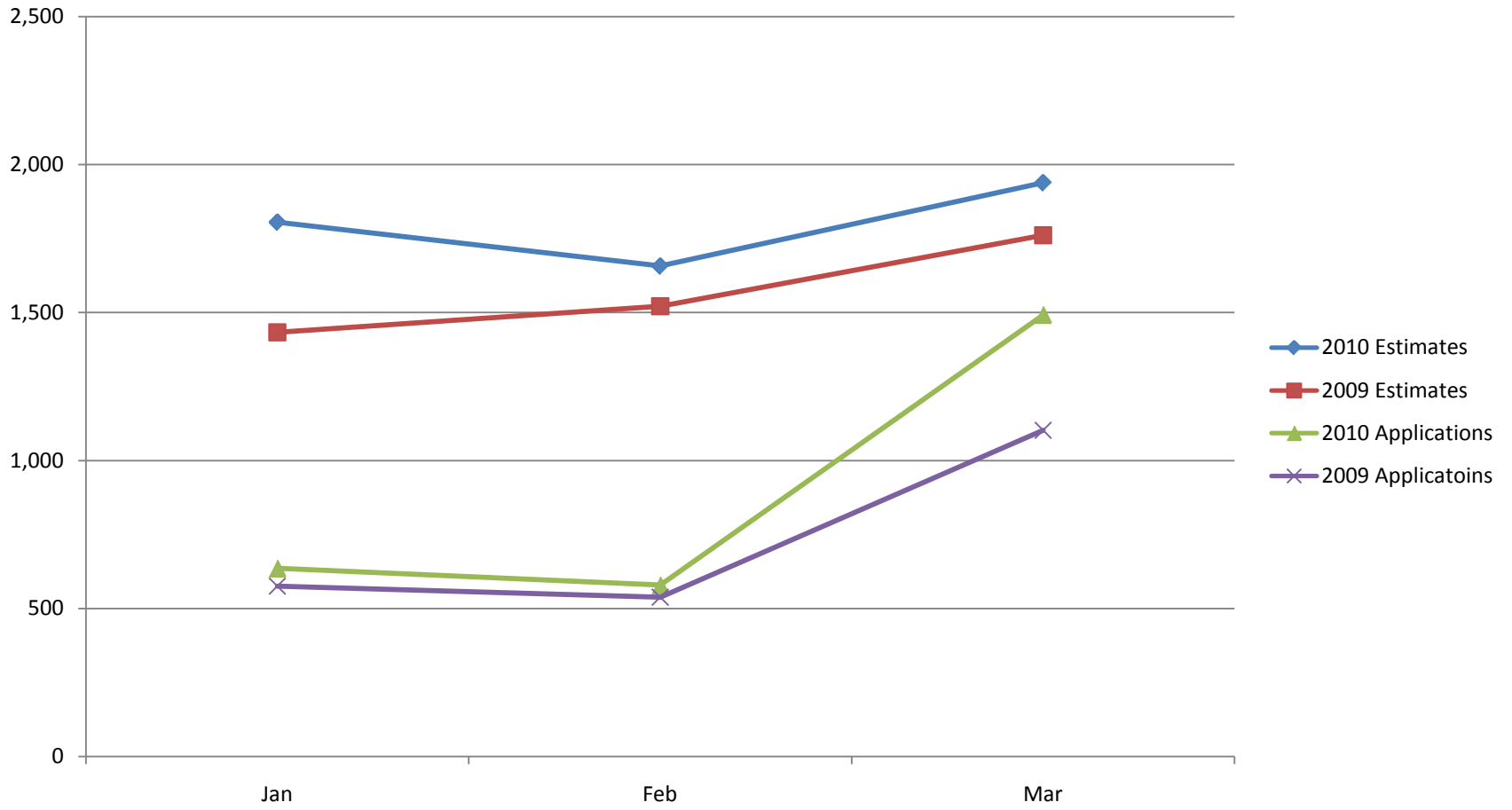
- Members made many important changes to their accounts during the 1st quarter of 2010:

| | Jan | Feb | Mar | Total |
|----------------------------|-----|-----|-------|-------|
| Beneficiary Designation | 849 | 954 | 2,827 | 4,630 |
| Variable Election | 1 | 0 | 0 | 1 |
| Variable Cancellation | 25 | 2 | 36 | 63 |
| Military Service Affidavit | 33 | 75 | 73 | 181 |
| Domestic Partner Affidavit | 231 | 104 | 154 | 489 |

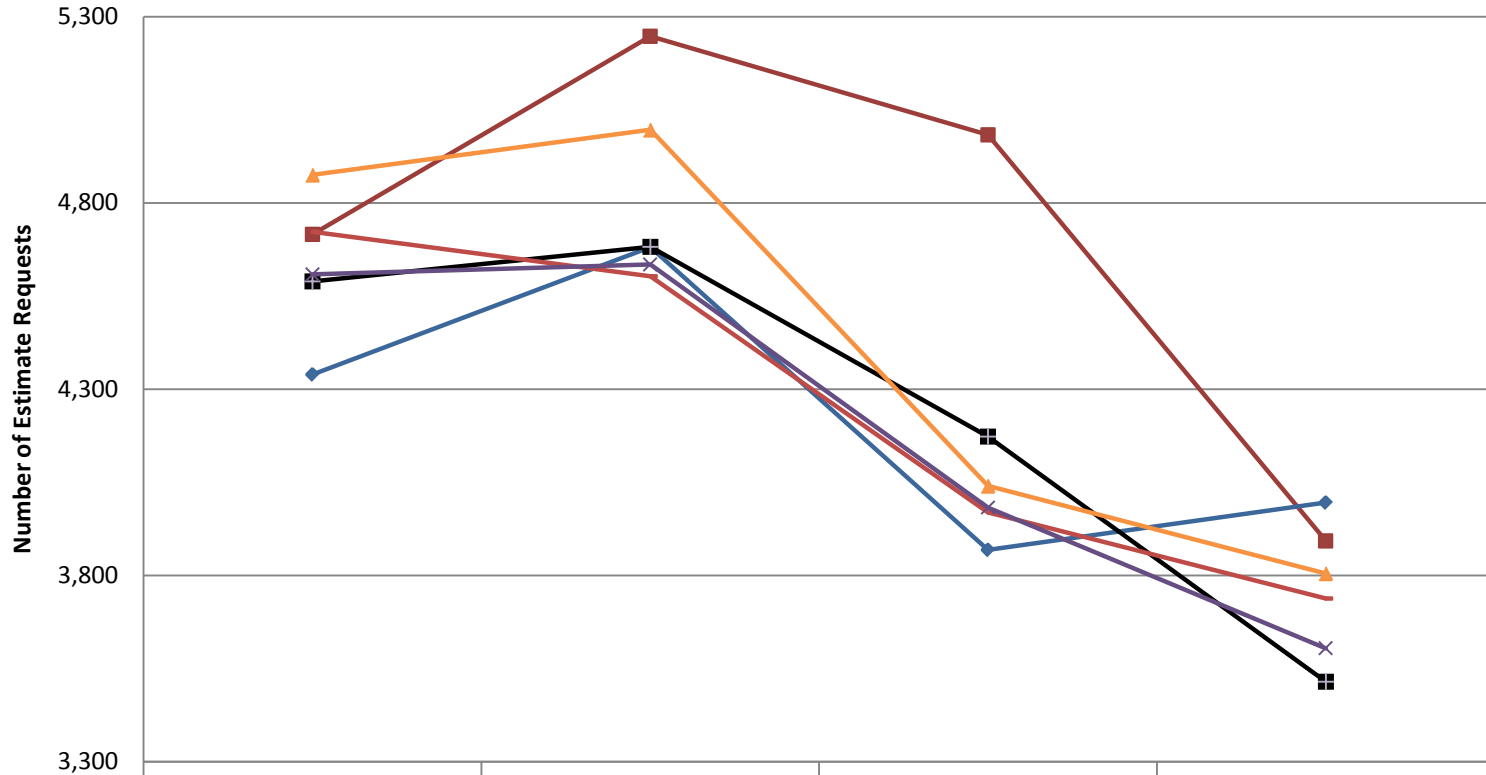
Trends

Trends – Retirement Estimates and Applications

1st Quarter 2010 Compared to 1st Quarter 2009

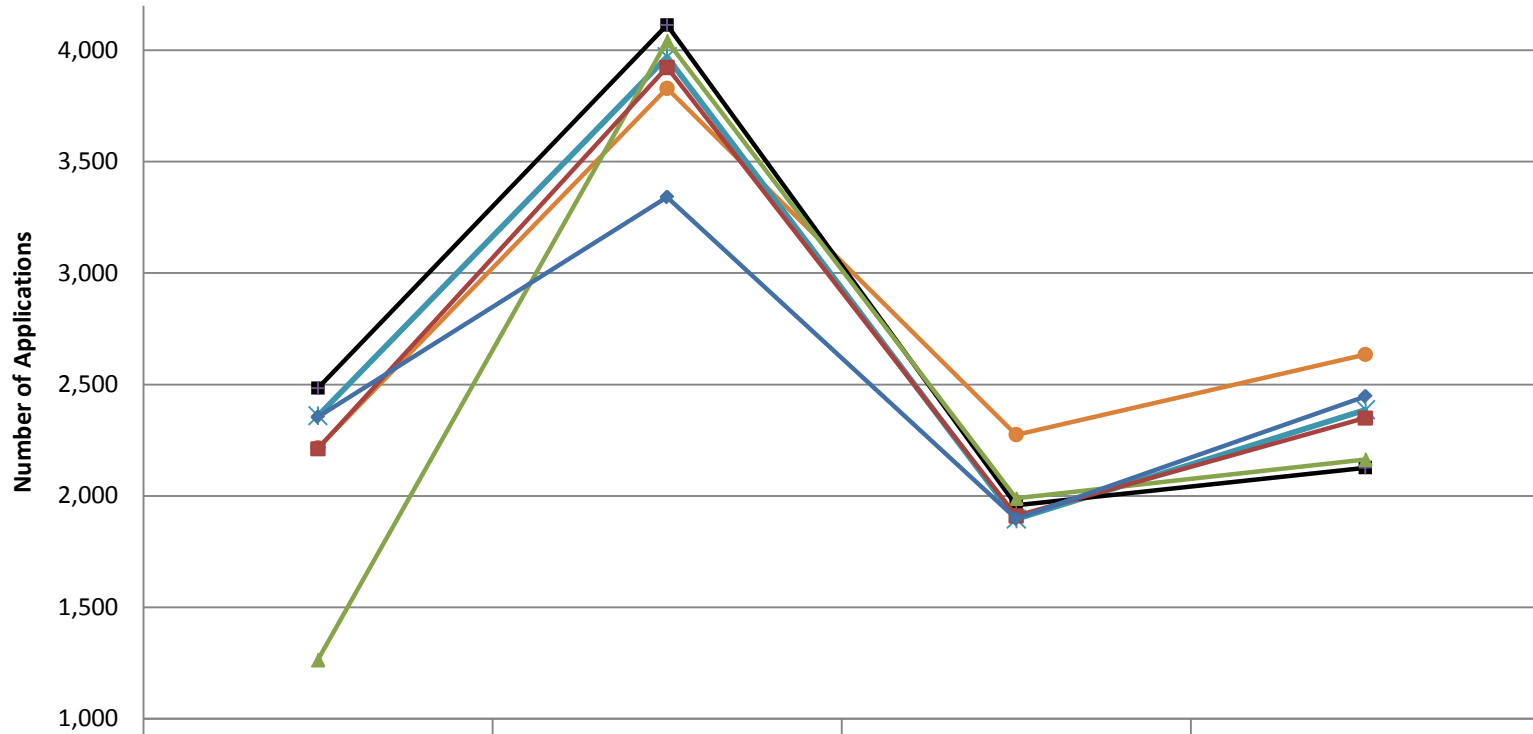


Retirement Estimate Requests Last Six Years



| | 1Q | 2Q | 3Q | 4Q | YEAR |
|------|-------|-------|-------|-------|--------|
| 2009 | 4,715 | 5,247 | 4,982 | 3,892 | 18,836 |
| 2008 | 4,339 | 4,681 | 3,868 | 3,995 | 16,883 |
| 2007 | 4,589 | 4,682 | 4,172 | 3,514 | 16,957 |
| 2006 | 4,875 | 4,996 | 4,040 | 3,805 | 17,716 |
| 2005 | 4,722 | 4,603 | 3,969 | 3,738 | 17,032 |
| 2004 | 4,608 | 4,635 | 3,982 | 3,604 | 16,829 |

Retirement Applications Last Six Years



| | 1Q | 2Q | 3Q | 4Q | YEAR |
|--------|-------|-------|-------|-------|--------|
| ● 2009 | 2,215 | 3,829 | 2,274 | 2,634 | 10,952 |
| * 2008 | 2,359 | 3,970 | 1,896 | 2,386 | 10,611 |
| ■ 2007 | 2,483 | 4,113 | 1,958 | 2,126 | 10,680 |
| ▲ 2006 | 1,263 | 4,042 | 1,988 | 2,163 | 9,456 |
| ■ 2005 | 2,211 | 3,923 | 1,910 | 2,349 | 10,393 |
| ◆ 2004 | 2,354 | 3,340 | 1,897 | 2,446 | 10,037 |