



State of Wisconsin
Department of Employee Trust Funds
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Correspondence Memorandum

DATE: November 18, 2016

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

FROM: Anne Boudreau, Deputy Administrator
Division of Retirement Services

SUBJECT: Retirement Services Update

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

Please find attached the *Retirement Services Update* report, including data from the third quarter of 2016. This document contains information about retirement benefits administered by the Department of Employee Trust Funds. Specifically, the data covers member retirement estimates requested, new annuities started, and annuity payment information for the Wisconsin Retirement System. It also contains data associated with customer service functions.

The number of retirement estimate requests received during the third quarter of 2016 was 11.4% lower than those received during the third quarter of 2015. The number of retirement benefit applications received during third quarter 2016 was 20.1% lower than the number of applications received during third quarter 2015.

Staff will be available at the meeting to answer questions. Contact Matt Stohr at 608-266-1210 (email matthew.stohr@etf.wi.gov) or me at 608-266-0758 (email anne.boudreau@etf.wi.gov) with questions or comments.

Attachment: *WRS Retirement Benefit Statistical Report*
2016 Division of Retirement Services Scorecard

Reviewed and approved by Matt Stohr, Administrator, Div. of Retirement Services

Electronically Signed 12/1/16

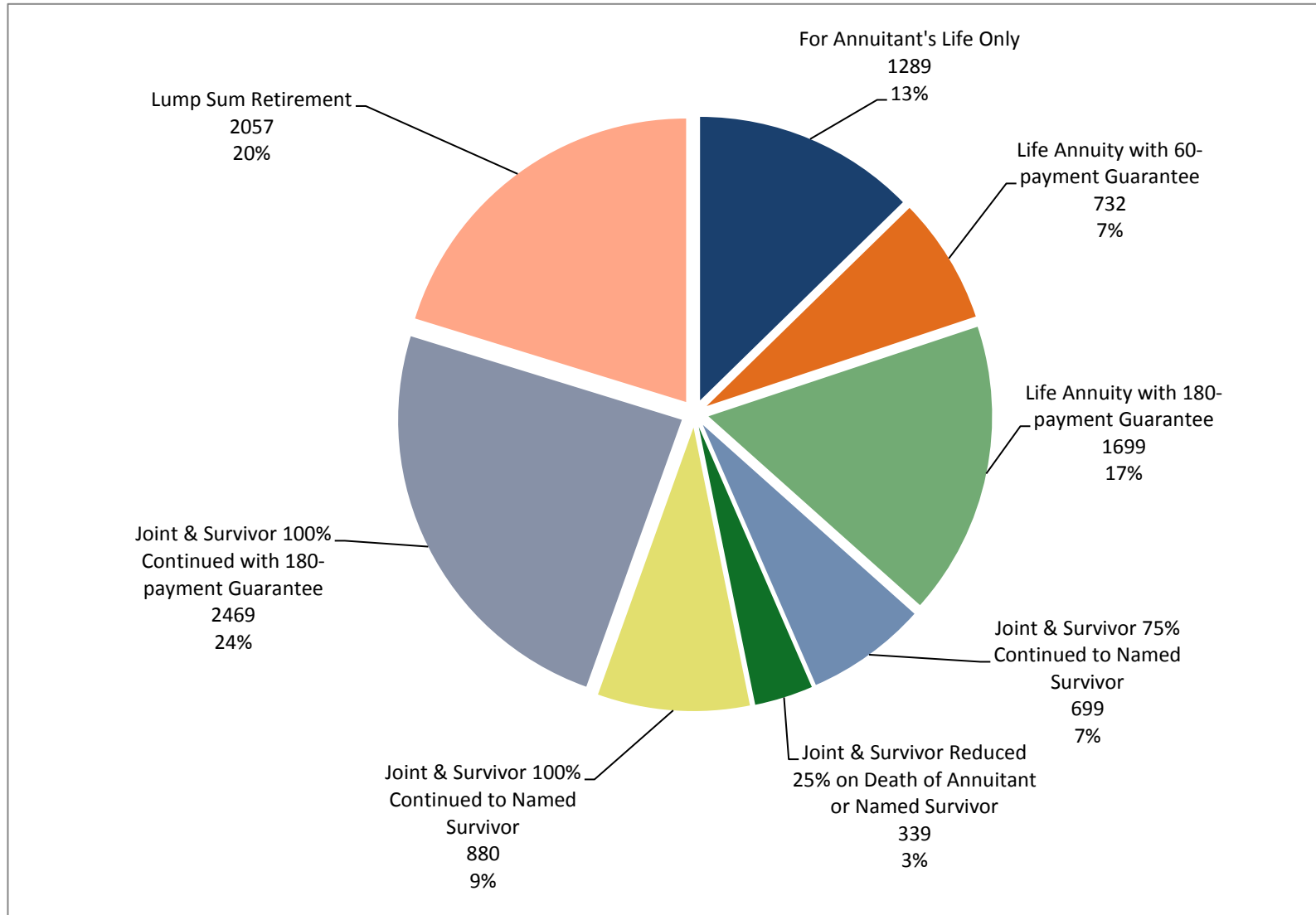
| Board | Mtg Date | Item # |
|-------|----------|--------|
| JM | 12.15.16 | 4A |

WRS Retirement Benefit Statistical Report - CY 2016

| Retirement Estimates and Annuities | | | | | | | | | | | | |
|--|------------|------------|--------------|------------|------------|------------|------------|--------------|------------|----------|----------|----------|
| WRS Retirement - Estimates | Jan | Feb | Mar | Apr | May | June | July | Aug | Sept | Oct | Nov | Dec |
| Retirement Estimates Requested | 2,222 | 2,107 | 1,510 | 2,895 | 1,994 | 1,858 | 1,855 | 2,031 | 1,733 | | | |
| Retirement Estimates Completed | 1,477 | 2,082 | 2,667 | 2,462 | 2,595 | 1,989 | 1,757 | 1,881 | 1,326 | | | |
| WRS Retirement - New Annuities | | | | | | | | | | | | |
| Annuities Started on Estimated Payroll | 1,286 | 692 | 501 | 577 | 571 | 2,473 | 1,211 | 859 | 645 | | | |
| Annuities Finalized (all) | 656 | 669 | 1,367 | 696 | 641 | 919 | 914 | 1,430 | 845 | | | |
| - Annuities Immediately Finalized (subset) | 0 | 0 | 0 | 1 | 0 | 4 | 4 | 8 | 4 | | | |
| Retirement Benefits Finalized | | | | | | | | | | | | |
| 01 Straight Life | 113 | 113 | 207 | 119 | 82 | 145 | 135 | 246 | 129 | | | |
| 02 Life with 60 Payment Guarantee | 54 | 58 | 128 | 70 | 70 | 73 | 80 | 130 | 69 | | | |
| 04 Life with 180 Payment Guarantee | 136 | 149 | 274 | 159 | 141 | 179 | 198 | 304 | 159 | | | |
| 07 75% Continued to Named Survivor | 61 | 61 | 118 | 49 | 59 | 80 | 72 | 114 | 85 | | | |
| 09 Reduced 25% on Death of Annt or Named Surv | 27 | 33 | 53 | 34 | 24 | 48 | 30 | 58 | 32 | | | |
| 11 100% Continued to Named Survivor | 65 | 73 | 140 | 82 | 76 | 85 | 105 | 150 | 104 | | | |
| 12 100% Continued with 180 Payment Guarantee | 200 | 181 | 439 | 182 | 181 | 309 | 291 | 421 | 265 | | | |
| 21 Annuity Certain (Specified 24-180 Months) | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 1 | 0 | | | |
| 29 Annuity Certain - 24 months | 0 | 0 | 3 | 1 | 2 | 0 | 0 | 1 | 0 | | | |
| 30 Annuity Certain - 60 months | 0 | 1 | 2 | 0 | 0 | 0 | 0 | 1 | 0 | | | |
| 31 Annuity Certain - 120 months | 0 | 0 | 2 | 0 | 3 | 0 | 2 | 2 | 0 | | | |
| 40 Life with 180 Payment Guarantee (Mandatory) | 0 | 0 | 0 | 0 | 2 | 0 | 1 | 2 | 0 | | | |
| 41 Life with Optional-length Guarantee (Mandatory) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | |
| 42 Life with Optional-length Guarantee | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | | | |
| Total Retirement Annuities Finalized | 656 | 669 | 1,367 | 696 | 640 | 919 | 914 | 1,430 | 844 | 0 | 0 | 0 |
| 50 Lump Sum Retirement | 22 | 70 | 400 | 182 | 230 | 355 | 282 | 319 | 197 | | | |

WRS Retirement Benefit Statistical Report - CY 2016

Retirement Benefits Finalized - Calendar Year 2016



WRS Retirement Benefit Statistical Report - CY 2016

Retirement Estimates and Annuities

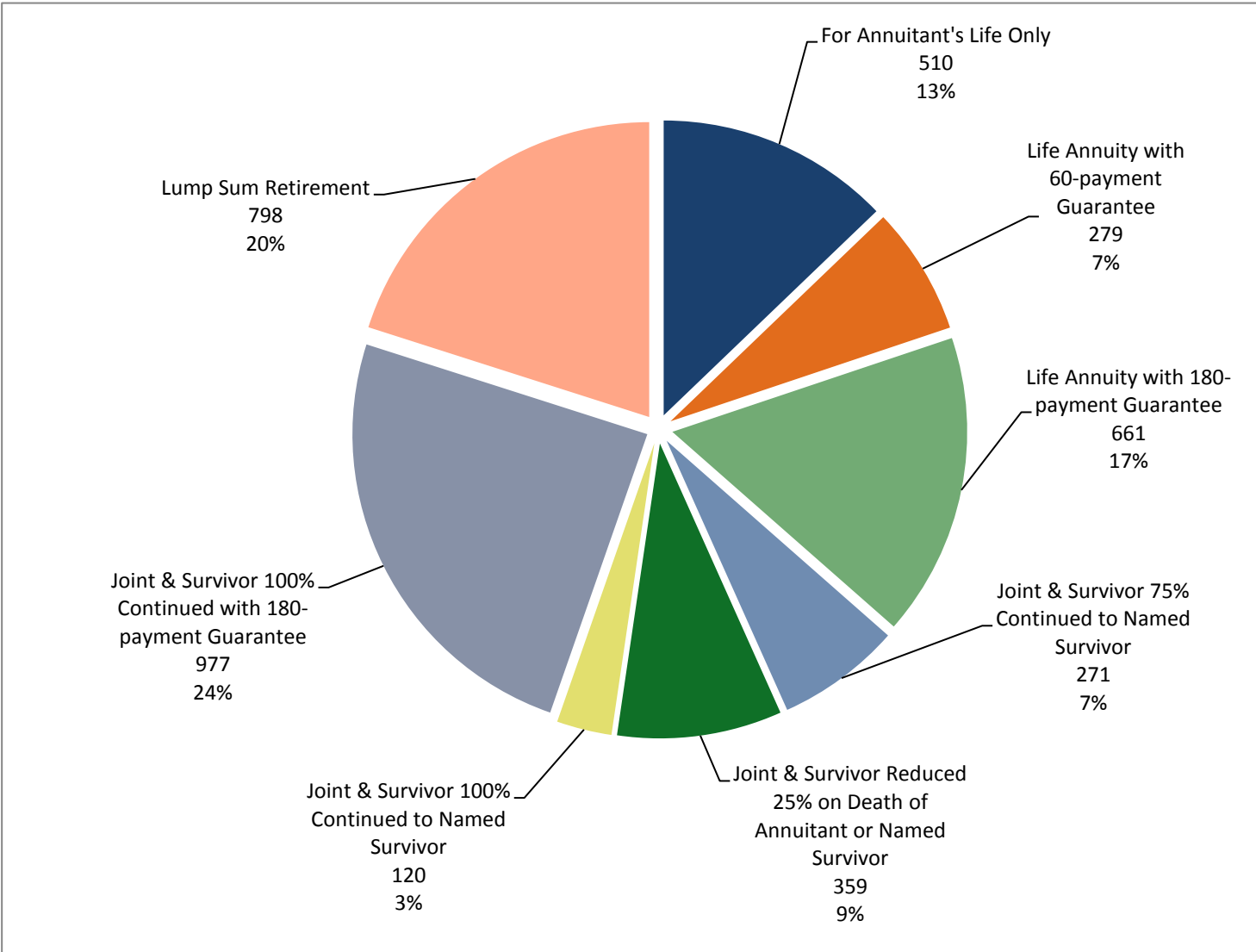
| WRS Retirement - Estimates | 1Q | 2Q | 3Q | 4Q | Year |
|--|-------|-------|-------|----|--------|
| Retirement Estimates Requested | 5,839 | 7,025 | 5,619 | | 18,483 |
| Retirement Estimates Completed | 8,686 | 7,249 | 4,964 | | 20,899 |
| WRS Retirement - New Annuities | | | | | |
| Annuities Started on Estimated | 2,479 | 3,621 | 2,715 | | 8,815 |
| Annuities Finalized (all) | 2,692 | 2,256 | 3,189 | | 8,137 |
| - Annuities Immediately Finalized (subset) | | 5 | 16 | | 21 |

Retirement Benefits Finalized

| | | | | | |
|--|--------------|--------------|--------------|----------|--------------|
| 01 Straight Life | 433 | 346 | 510 | | 1,289 |
| 02 Life with 60 Payment Guarantee | 240 | 213 | 279 | | 732 |
| 04 Life with 180 Payment Guarantee | 559 | 479 | 661 | | 1,699 |
| 07 75% Continued to Named Survivor | 240 | 188 | 271 | | 699 |
| 09 Reduced 25% on Death of Annt or Named Survivor | 113 | 106 | 120 | | 339 |
| 11 100% Continued to Named Survivor | 278 | 243 | 359 | | 880 |
| 12 100% Continued with 180 Payment Guarantee | 820 | 672 | 977 | | 2,469 |
| 21 Annuity Certain (Specified 24-180 Months) | 1 | 0 | 1 | | 2 |
| 29 Annuity Certain - 24 months | 3 | 3 | 1 | | 7 |
| 30 Annuity Certain - 60 months | 3 | 0 | 1 | | 4 |
| 31 Annuity Certain - 120 months | 2 | 3 | 4 | | 9 |
| 40 Life with 180 Payment Guarantee (Mandatory) | 0 | 2 | 3 | | 5 |
| 41 Life with Optional-length Guarantee (Mandatory) | 0 | 0 | 0 | | 0 |
| 42 Life with Optional-length Guarantee | 0 | 0 | 1 | | 1 |
| Total Retirement Annuities Finalized | 2,692 | 2,255 | 3,188 | 0 | 8,135 |
| 50 Lump Sum Retirement | 492 | 767 | 798 | | 2,057 |

WRS Retirement Benefit Statistical Report - CY 2016

Retirement Benefits Finalized - Third Quarter 2016



WRS Retirement Benefit Statistical Report - CY 2016

Retirement Benefits Finalized - By Calculation Method

| | 1Q | 2Q | 3Q | 4Q | Year |
|---------------------------|-------|-------|-------|----|-------|
| Formula | 1,937 | 1,536 | 2,266 | | 5,739 |
| Money Purchase | 737 | 699 | 892 | | 2,328 |
| Statutory Maximum Formula | 12 | 18 | 31 | | 61 |
| | | | | | |
| Core Fund Only | 2,090 | 1,792 | 2,490 | | 6,372 |
| Core and Variable Fund | 604 | 464 | 699 | | 1,767 |
| | | | | | |
| Local Government | 1,682 | 1,407 | 2,004 | | 5,093 |
| State Government | 1,001 | 844 | 1,172 | | 3,017 |
| | | | | | |
| Male | 1,057 | 983 | 1,330 | | 3,370 |
| Female | 1,637 | 1,273 | 1,859 | | 4,769 |

Retirement Terminations and Beneficiary Information

13 Retirement Annuity Terminations occurred during the 3rd Quarter of 2016

- 11 cancellations
- 1 application withdrawn
- 2 suspensions

338 Beneficiary Annuities began during the 3rd Quarter of 2016

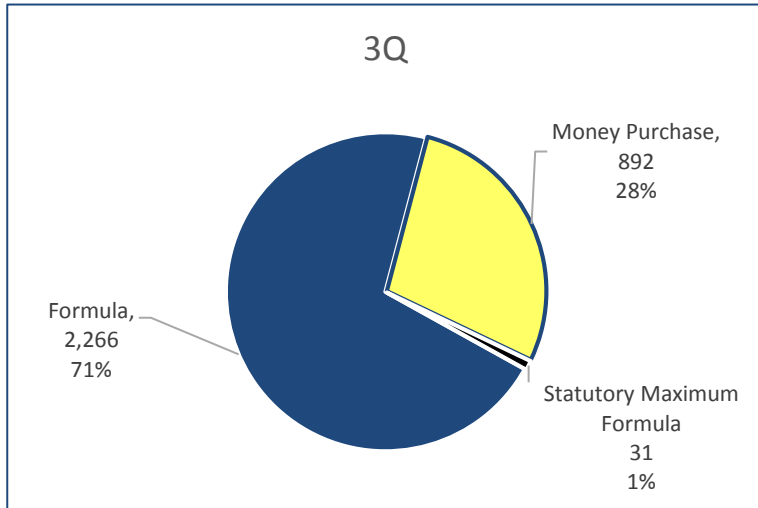
- 17 beneficiaries of non-annuitants
- 272 named survivors of annuitants
- 49 beneficiaries of annuitants (remaining guaranteed payments)

3 Beneficiary Annuity Terminations occurred during the 3rd Quarter of 2016

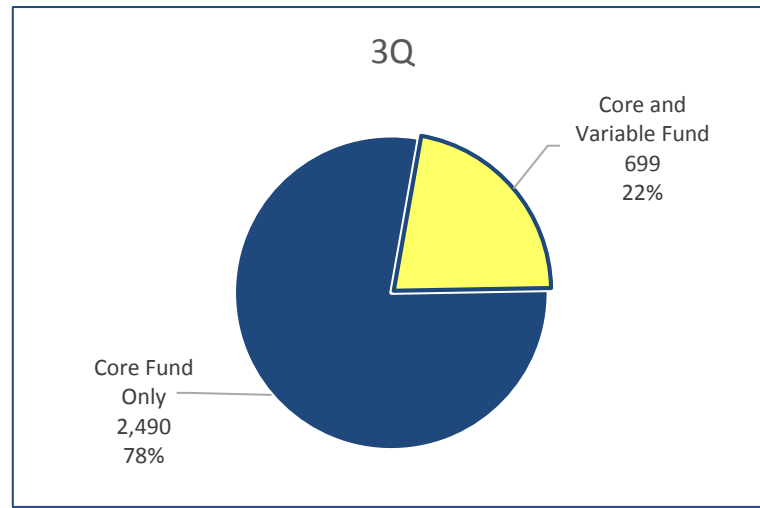
WRS Retirement Benefit Statistical Report - CY 2016

Retirement Benefits Finalized

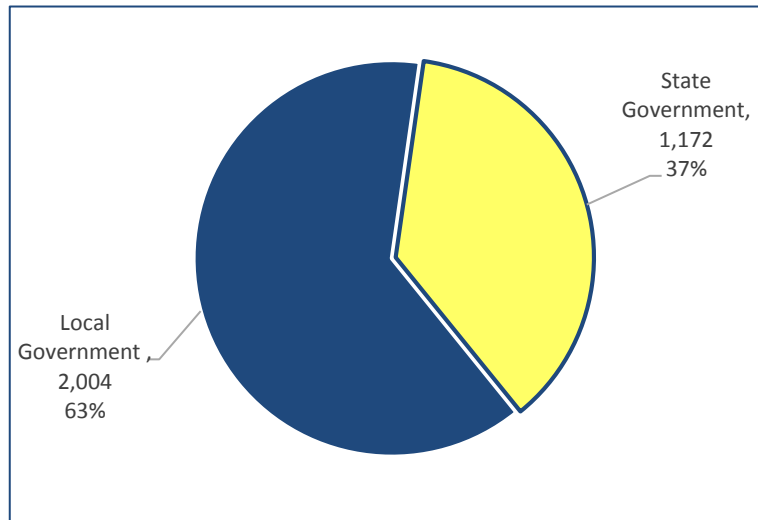
Calculation Method - 3Q 2016



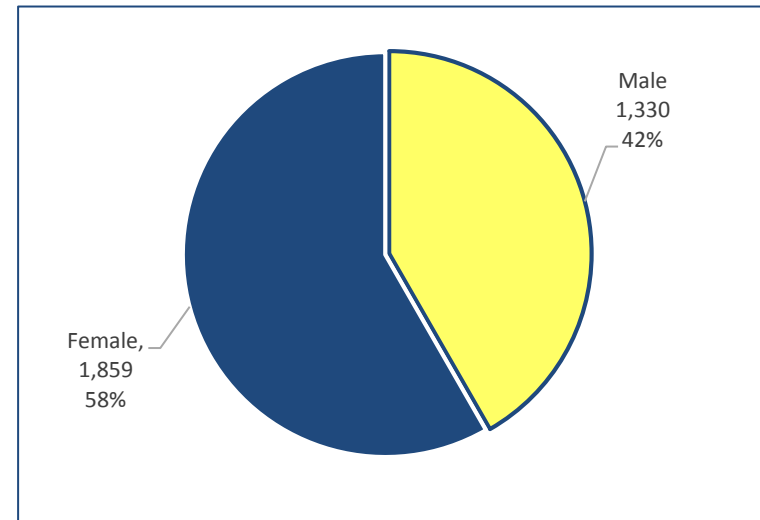
Fund Source - 3Q 2016



Employer - 3Q 2016



Gender - 3Q 2016



WRS Retirement Benefit Statistical Report - CY 2016

WRS Payroll Data - All Annuities Paid

| Payroll Month | Core | Variable | Subtotal | GPR | Total |
|---------------|------------------|-----------------|------------------|-------------|------------------|
| Jan 2016 | \$368,786,848.19 | \$32,306,983.59 | \$401,093,831.78 | \$14,921.77 | \$401,108,753.55 |
| Feb 2016 | \$370,011,303.50 | \$32,373,371.83 | \$402,384,675.33 | \$14,995.64 | \$402,399,670.97 |
| Mar 2016 | \$370,693,806.62 | \$32,388,032.39 | \$403,081,839.01 | \$15,121.48 | \$403,096,960.49 |

| | | | | | |
|----------|------------------|-----------------|------------------|-------------|------------------|
| Apr 2016 | \$372,713,918.26 | \$30,253,725.66 | \$402,967,643.92 | \$13,645.15 | \$402,981,289.07 |
| May 2016 | \$373,022,834.78 | \$30,185,427.12 | \$403,208,261.90 | \$14,102.47 | \$403,222,364.37 |
| Jun 2016 | \$377,459,190.54 | \$30,208,018.88 | \$407,667,209.42 | \$13,366.83 | \$407,680,576.25 |

| | | | | | |
|----------|------------------|-----------------|------------------|-------------|------------------|
| Jul 2016 | \$380,147,206.08 | \$30,278,622.48 | \$410,425,828.56 | \$13,503.65 | \$410,439,332.21 |
| Aug 2016 | \$380,816,397.69 | \$30,389,529.47 | \$411,205,927.16 | \$11,886.34 | \$411,217,813.50 |
| Sep 2016 | \$380,940,146.89 | \$30,411,583.38 | \$411,351,730.27 | \$12,442.92 | \$411,364,173.19 |

| | | | | | |
|----------|--|--|--------|--|--------|
| Oct 2016 | | | \$0.00 | | \$0.00 |
| Nov 2016 | | | \$0.00 | | \$0.00 |
| Dec 2016 | | | \$0.00 | | \$0.00 |

| Year | Core | Variable | Subtotal | GPR | Total |
|------|--------------------|------------------|--------------------|--------------|--------------------|
| 2014 | \$4,057,487,341.17 | \$371,472,557.08 | \$4,428,959,898.25 | \$264,859.88 | \$4,429,224,758.13 |
| 2015 | \$4,327,603,061.18 | \$387,630,000.36 | \$4,715,233,061.54 | \$210,001.71 | \$4,715,443,063.25 |
| 2016 | \$3,374,591,652.55 | \$278,795,294.80 | \$3,653,386,947.35 | \$123,986.25 | \$3,653,510,933.60 |

WRS Retirement Benefit Statistical Report - CY 2016

WRS Payroll Data - All Annuities Paid

| Payroll Month | Direct Deposit | Paper Check | Deductions | Accts Receivable | Total |
|---------------|------------------|----------------|-----------------|------------------|------------------|
| Jan 2016 | \$336,318,168.26 | \$2,366,637.20 | \$63,560,511.83 | -\$1,136,563.74 | \$401,108,753.55 |
| Feb 2016 | \$336,965,696.38 | \$2,307,988.12 | \$63,804,199.14 | -\$678,212.67 | \$402,399,670.97 |
| Mar 2016 | \$337,426,835.84 | \$2,238,393.47 | \$64,039,862.15 | -\$608,130.97 | \$403,096,960.49 |

| | | | | | |
|----------|------------------|----------------|-----------------|---------------|------------------|
| Apr 2016 | \$337,391,337.96 | \$2,209,167.80 | \$64,129,492.29 | -\$748,708.98 | \$402,981,289.07 |
| May 2016 | \$337,505,312.81 | \$2,166,678.93 | \$64,279,419.22 | -\$729,046.59 | \$403,222,364.37 |
| Jun 2016 | \$341,383,674.70 | \$2,175,994.89 | \$64,878,021.42 | -\$757,114.76 | \$407,680,576.25 |

| | | | | | |
|----------|------------------|----------------|-----------------|---------------|------------------|
| Jul 2016 | \$343,405,479.87 | \$2,143,705.74 | \$65,370,145.69 | -\$479,999.09 | \$410,439,332.21 |
| Aug 2016 | \$344,467,760.52 | \$2,202,413.91 | \$65,404,998.59 | -\$857,359.52 | \$411,217,813.50 |
| Sep 2016 | \$344,322,674.47 | \$2,157,182.24 | \$65,429,963.32 | -\$545,646.84 | \$411,364,173.19 |

| | | | | | |
|----------|--|--|--|--|--------|
| Oct 2016 | | | | | \$0.00 |
| Nov 2016 | | | | | \$0.00 |
| Dec 2016 | | | | | \$0.00 |

| Year | Direct Deposit | Paper Check | Deductions | Accts Receivable | Total |
|------|--------------------|-----------------|------------------|------------------|--------------------|
| 2014 | \$3,695,419,550.35 | \$29,832,289.59 | \$711,382,385.12 | -\$7,409,466.93 | \$4,429,224,758.13 |
| 2015 | \$3,946,086,519.00 | \$28,635,038.98 | \$748,517,661.98 | -\$7,796,156.71 | \$4,715,443,063.25 |
| 2016 | \$3,059,186,940.81 | \$19,968,162.30 | \$580,896,613.65 | -\$6,540,783.16 | \$3,653,510,933.60 |

WRS Retirement Benefit Statistical Report - CY 2016

WRS Payroll Data - All Annuities Paid

| Payroll Month | Paid by Direct Deposit | | Paid by Paper Check | | Total |
|---------------|------------------------|--------|---------------------|-------|------------------|
| Jan 2016 | \$336,318,168.26 | 99.30% | \$2,366,637.20 | 0.70% | \$338,684,805.46 |
| Feb 2016 | \$336,965,696.38 | 99.32% | \$2,307,988.12 | 0.68% | \$339,273,684.50 |
| Mar 2016 | \$337,426,835.84 | 99.34% | \$2,238,393.47 | 0.66% | \$339,665,229.31 |

| Payroll Month | Paid by Direct Deposit | | Paid by Paper Check | | Total |
|---------------|------------------------|--------|---------------------|-------|------------------|
| Apr 2016 | \$337,391,337.96 | 99.35% | \$2,209,167.80 | 0.65% | \$339,600,505.76 |
| May 2016 | \$337,505,312.81 | 99.36% | \$2,166,678.93 | 0.64% | \$339,671,991.74 |
| Jun 2016 | \$341,383,674.70 | 99.37% | \$2,175,994.89 | 0.63% | \$343,559,669.59 |

| Payroll Month | Paid by Direct Deposit | | Paid by Paper Check | | Total |
|---------------|------------------------|--------|---------------------|-------|------------------|
| Jul 2016 | \$343,405,479.87 | 99.38% | \$2,143,705.74 | 0.62% | \$345,549,185.61 |
| Aug 2016 | \$344,467,760.52 | 99.36% | \$2,202,413.91 | 0.64% | \$346,670,174.43 |
| Sep 2016 | \$344,322,674.47 | 99.38% | \$2,157,182.24 | 0.62% | \$346,479,856.71 |

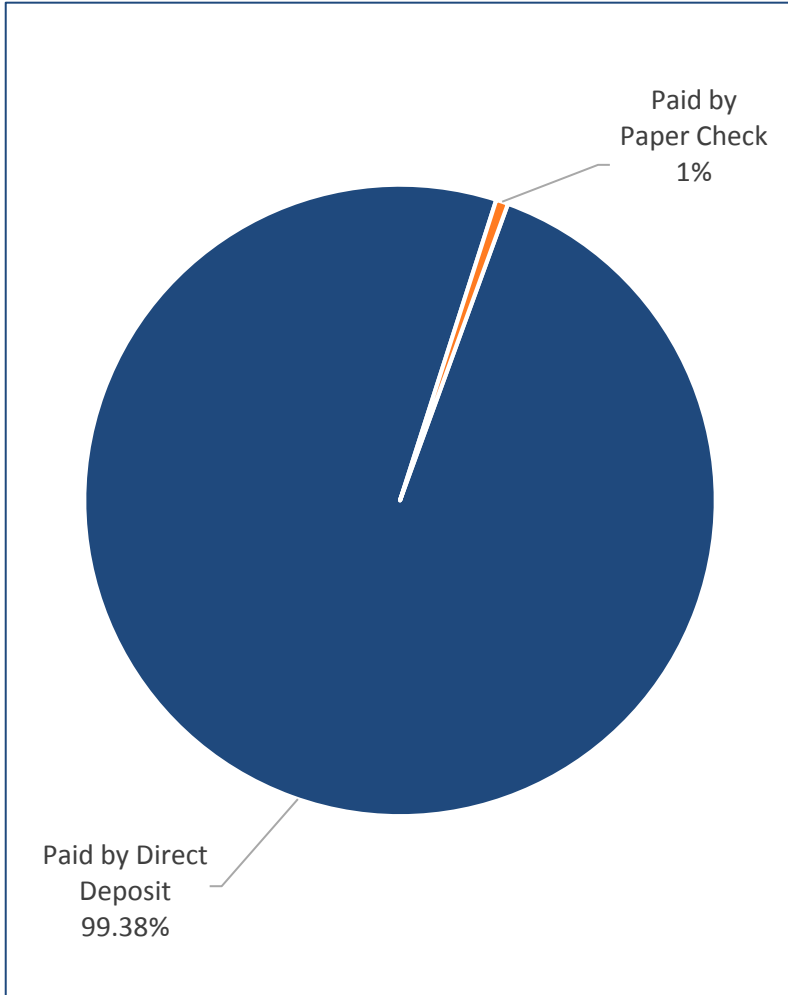
| Payroll Month | Paid by Direct Deposit | | Paid by Paper Check | | Total |
|---------------|------------------------|--|---------------------|--|--------|
| Oct 2016 | \$0.00 | | \$0.00 | | \$0.00 |
| Nov 2016 | \$0.00 | | \$0.00 | | \$0.00 |
| Dec 2016 | \$0.00 | | \$0.00 | | \$0.00 |

| Location of Annuitants | | | | | |
|------------------------|---------|--------|------------------------------|-------|-------|
| Wisconsin | 169,905 | 85.92% | Michigan | 1,277 | 0.65% |
| Florida | 4,893 | 2.47% | Texas | 1,243 | 0.63% |
| Minnesota | 3,078 | 1.56% | Colorado | 910 | 0.46% |
| Arizona | 2,580 | 1.30% | North Carolina | 706 | 0.36% |
| Illinois | 1,703 | 0.86% | Other States and Territories | 9,652 | 4.88% |
| California | 1,467 | 0.74% | Foreign Countries | 333 | 0.17% |

WRS Retirement Benefit Statistical Report - CY 2016

WRS Payroll Data - All Annuities Paid

Method of Payment



Location of Annuitants - Top 3 States

