



Illinois Municipal Retirement Fund Distributes Nearly \$5 Million to Wood River Township

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Payment completes a multi-year intergovernmental cooperative effort

OAK BROOK, Ill. - April 29, 2013 - Wood River Township residents will soon benefit from a \$4.9 million payment from the Illinois Municipal Retirement Fund (IMRF) as a result of the closing of the Wood River Township Hospital in July 2000.

Wood River Township Hospital employees participated in IMRF, a public pension plan for employees of local governments across the state. However, when the Hospital closed, it had funds on deposit with IMRF exceeding the amount needed to pay its current retirees' and future retirees' (former hospital worker) pensions.

In 2002, a team consisting of IMRF, Illinois Senator Bill Haine (who was then Madison County States' Attorney), former U.S. Senator Al Dixon, former Attorney General Jim Ryan, Wood River Township Hospital Board Chairman Ken Miller and attorney, now Judge, Dean Sweet representing the Hospital, worked together to develop an intergovernmental agreement. The agreement concerned the amount of funds needed to remain on deposit with IMRF to pay the pensions of the Hospital's current and future retirees, ensuring that these former hospital workers' pensions remain secure. It also provided for a final settlement this year.

In 2002, the Hospital received an initial payment of \$9.5 million. In the ensuing years, the team worked closely to ensure the pensions of the Hospital's current retirees and future retirees remained fully protected and 100 percent funded.

With the terms of the intergovernmental agreement satisfied, in May IMRF will distribute \$4.9 million to Wood River Township, completing the reimbursement of the Hospital's account.

"This is a win-win situation for the taxpayers of Wood River Township as well as the Hospital's former employees," said IMRF Executive Director Louis W. Kosiba.

"These payments to the Township reflect the positive economic power of a well-funded and well-run public pension fund, like IMRF. In total, IMRF returned more than \$14 million to Township taxpayers.

"The cooperation of all involved also reflects the positive effect of well-run local government and how intergovernmental cooperation can have a positive impact on a community," Kosiba added.

Under a defined benefit pension like IMRF, the units of government-such as Wood River Township Hospital-bear all the investment risk. However, IMRF employers also enjoy all the investment gains as well, making the payments to Wood River Township possible.

ABOUT IMRF

The Illinois Municipal Retirement Fund (IMRF) was created by the Illinois General Assembly. Since 1941, IMRF has partnered with local units of government to provide death, disability and retirement benefits for working and retired public employees. With approximately \$28 billion in assets, IMRF is considered well-funded and sustainable. Today, IMRF has more than 175,000 active members working for nearly 3,000 different units of government, including school districts, counties, cities and villages, parks and libraries. It has more than 100,000 retirees. Members who retired in 2011 retired with approximately 22 years of service and received an average annual benefit of approximately \$17,000. IMRF consistently works toward reaching full funding over the long term, ensuring that it remains financially sound. A full-funding goal guarantees public workers a secure and modest retirement income at the lowest long-term cost to taxpayers. For more information, visit www.imrf.org.