



INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS

# PENSION FUNDING

Mar. 30, 2026

**ADDITIONAL OR DEDICATED REVENUE**

# CERTIFICATES OF PARTICIPATION

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- Transfer of asset “ownership” to Trustee Bank
- Investors provide lump sum to Plan Sponsor
- Plan Sponsor transfers money to Pension Plan
- Plan Sponsor repays investors at interest rate substantially lower than rate owed to Pension Plan
- Interest rate difference and lump sum payment may provide substantial savings
- Asset returned to Plan Sponsor at end of term



# DEDICATED TAX

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- Can be property or sales or dedicated fees
- Assure “NO Supplanting”
- May need to be special election
- May need to be special fee authorized by state legislature
- (Think large non-profit or state universities)



# ASSET TRANSFERS

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- Lottery Sales
- Physical assets such as utilities
- Real estate
  
- **CAUTION!!!** Physical assets may have significant financial, environmental and regulatory risks and liabilities.



# ASSET SALES

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- A Plan Sponsor sells an asset such as significant real estate holdings using the income to pay Pension Plan
- Plan sponsor sells a future revenue stream such as lottery income or water bills for a current lump sum to pay down unfunded liability



# SPECIAL APPROPRIATIONS

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- Can be one time budget maneuver of the Plan Sponsor
- Can be one time or continuing appropriation of the state legislature
- Reasons can include make ups for previous contribution shortfalls or legislative action that reduces local taxable property or sales taxes such as TIF, etc.



# GENERAL OBLIGATION BONDS AND P.O.BS

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- Windows of time where these are advisable
- Windows where they are not advisable
- What's the spread or arbitrage
- Investment Risk
- Plan Sponsor bonding capacity





**THANK YOU!**  
**ANY QUESTIONS?**

**RON SAATHOFF**

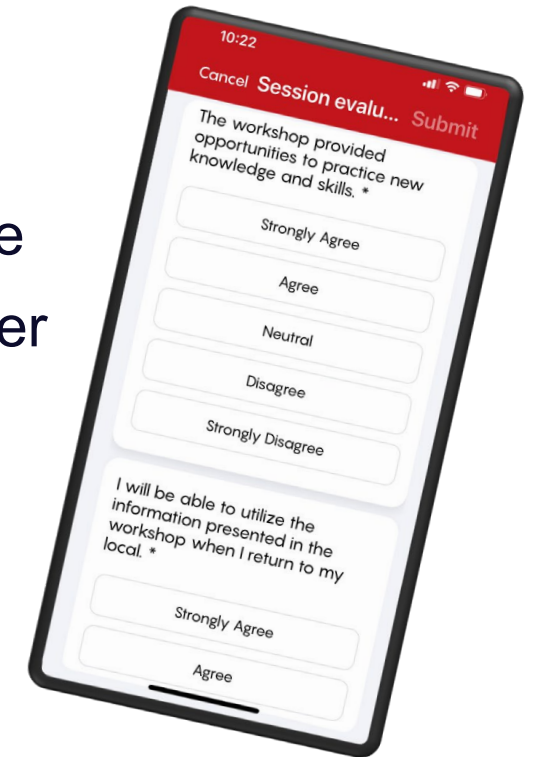
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# EVALUATION AND WIN AN IPAD!

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- **Complete your evaluations using the IAFF app:**
  1. Download the IAFF app and sign in with your iaff.org username
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  3. Tap "Sessions" and tap on the workshops you attended
  4. Tap "Evaluation" and complete the evaluation
  5. Tap "Submit"



**For the event's overall evaluation, follow steps 1 and 2, then tap "Event Evaluation" located in the event's Dashboard.**

