

Resolution No. 2

COMMITTEE ASSIGNMENT: Constitution & By-Laws

Re: Principal Officers' Retirement Plan COLA Modification

1 WHEREAS, an annuity plan for International
2 Association of Fire Fighters Principal Officers was
3 originally established by convention action in 1928
4 to provide a retirement benefit for Principal Officers
5 upon retirement and reaching the age of 65; and

6 WHEREAS, the International Association of Fire
7 Fighters, IAFF, "Principal Officers' Retirement Plan"
8 was originally established by convention action in
9 1954 to provide retirement benefits at the conclusion
10 of a Principal Officer's tenure in service to the IAFF;
11 and

12 WHEREAS, the plan established in 1954 was
13 based loosely on the plans employed for principal
14 officers of the AFL-CIO to make the retirement plan
15 more closely resemble the fire department pensions
16 of the day; and

17 WHEREAS, the original normal retirement
18 benefit was created to mirror the best-in-practice
19 retirement benefit formulas at that time afforded to
20 IAFF members in fire departments which provided
21 defined benefit plan structures; and

22 WHEREAS, the Principal Officers' Retirement
23 Plan was further amended by convention action in
24 1958, 1960, 1964, 1970, 1980, 1984, and 2008 in
25 order for the plan to keep pace with the pension
26 benefits of fire department pension plans; and

27 WHEREAS, the Executive Board has determined
28 that the Principal Officers' post-employment

29 retirement increase formula should more closely
30 resemble the traditional retiree cost of living
31 allowance (COLA) formulas of fire department
32 pension plans; therefore be it

33 RESOLVED, That the following language from
34 Article VII, Section 1, A, of the IAFF Constitution
35 and By-Laws be deleted:

36 “The amount of annual retirement benefit to
37 which a Principal Officer may be entitled shall
38 be based upon the annual compensation being
39 paid to the position such officer last held
40 preceding his retirement and shall be
41 recalculated each occasion on which the
42 annual compensation currently being paid to
43 such position is increased or decreased. In the
44 event the annual compensation being paid to
45 the position last held preceding retirement
46 increased less than the change in the Consumer
47 Price Index, U.S. City—urban wage earners,
48 over the period since the last salary increase,
49 the retirement compensation shall be increased
50 by the increase in the Consumer Price Index.”;
51 and be it further

52 RESOLVED, That new section be created as
53 Article VII, Section 1, E to read as follows: "The
54 amount of the annual retirement benefit to which a
55 Principal Officer may be entitled to shall be
56 increased equal to the increase in the Consumer Price
57 Index, U.S. City – urban wage earners, over the
58 period since the last salary increase."; and be it
59 further

60 RESOLVED, That the new post-employment
61 retirement increase formula for the International

62 Association of Fire Fighters Principal Officers'
63 Retirement Plan shall take effect February 1, 2021;
64 and be it further
65 RESOLVED, That the IAFF Executive Board
66 shall take the necessary actions to implement this
67 resolution.

Submitted by: IAFF Executive Board

Cost Estimate:

COMMITTEE RECOMMENDATION:

CONVENTION ACTION: