Bond Case Briefs

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PUBLIC PENSIONS - WISCONSIN Milwaukee Police Association v. City of Milwaukee

Supreme Court of Wisconsin - July 6, 2018 - N.W.2d - 2018 WL 3341721 - 2018 WI 86

Police union and firefighters union brought action against city, challenging city's amendment of charter ordinance which changed composition of employee retirement system's pension board.

The Circuit Court granted city's motion for summary judgment. Unions appealed, and the Court of Appeals affirmed. The Supreme Court granted review.

The Supreme Court of Wisconsin held that:

- Term "other rights" in statute included right of each individual employee-member of the system to vote for three employees of his or her choice to become members of the pension board;
- City was prohibited from altering or modifying number of board members; and
- Voting rights were intertwined with a matter of statewide concern.

Term "other rights" in statute granting city opportunity to manage employee retirement system through home rule charter ordinance but prohibiting city from modifying "annuities, benefits or other rights of any persons" included right of each individual employee-member of the system to vote for three employees of his or her choice to become members of the pension board and thereby oversee the continued financial stability of the system; it was these other financially-related rights of individual employee-members that the state required the city not amend or alter.

Term "other rights" in statute granting city opportunity to manage employee retirement system through home rule charter ordinance but prohibiting city from modifying "annuities, benefits or other rights of any persons" included having a meaningful voice on system's pension board, which had three employee board members, and thus city was prohibited from altering or modifying number of board members and could not increase number of board members to 11 by adding three mayoral appointments.

Voting rights of individual municipal employees for membership on municipal employee retirement system's pension board that did not unduly dilute their participation supported and was intertwined with a matter of statewide concern such that city's home rule powers did not permit city to regulate the issue of the board's composition in conflict with state law; legislative protection of retirement benefits for employees, as well as for widows and children of deceased employees, was a matter of public welfare, and therefore, primarily of statewide concern, and financially stable system was promoted by legislature's grant of right to each employee-member to elect three employees to serve on the board in numbers giving meaningful voice to employees' concern for the financial stability of the system.