

Bond Case Briefs

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PENSIONS - ILLINOIS

Pisani v. City of Springfield

Appellate Court of Illinois, Fourth District - March 3, 2017 - N.E.3d - 2017 IL App (4th) 160417 - 2017 WL 836819

Electrical worker and electrical workers' union brought class action against city, seeking a declaration that city's elimination of a pension-spiking opportunity violated the pension protection and contracts clauses of the State constitution, as well as injunctive relief.

The Circuit Court granted city's motion for summary judgment, and plaintiffs appealed.

The Appellate Court held that changes in vacation buyback provision of city ordinance did not constitute diminishments or impairments of pension benefits within the meaning of the state constitution's pension protection clause.

Changes in vacation buyback provision of city ordinance did not constitute diminishments or impairments of pension benefits within the meaning of the state constitution's pension protection clause, even if they indirectly affected the amount of a pension by affecting a number that was plugged into the pension formula; while a contractual relationship resulted from membership in the state's pension system, it was between the participating employee, the city, and the state, and while city employees had an employment contract with the city, the city never promised to pay employees a pension, but rather, merely had a duty to contribute to the pension fund, and the vacation buyback provision was not a benefit of membership in the fund, a pension or retirement system of the state.