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Milwaukee Police Supervisors Organization v. City of Milwaukee

Supreme Court of Wisconsin - March 21, 2023 - N.W.2d - 2023 WL 2577560 - 2023 WI 20

Labor unions representing police supervisors and firefighters brought action challenging city employee retirement system's decision to start excluding a "pension offset payment," i.e., a payment that was made pursuant to the collective bargaining agreements (CBAs) and that was conditioned on an employee-paid pension contribution, from the calculation of "current annual salary" for the purpose of calculating duty disability retirement (DDR) benefits.

The Circuit Court entered summary judgment for unions. City appealed. The Court of Appeals affirmed the judgment as to the police union but reversed the judgment as to the firefighters union. Firefighters union petitioned for review.

The Supreme Court held that under the city charter and CBA with firefighters union, the "pension offset payment" was part of the "current annual salary" for the purpose of calculating DDR benefits.

Pursuant to city charter and city's collective bargaining agreement (CBA) with labor union representing firefighters, "pension offset payment," i.e., payment that was made pursuant to CBA and that was conditioned on employee-paid pension contribution, was part of "current annual salary" for purpose of calculating duty disability retirement (DDR) benefits; despite argument that DDR beneficiaries did not make the requisite contribution, charter provided that DDR beneficiaries were to be paid percentage of "current annual salary" for position held at time of injury, "current annual salary" meant base salary, and salary grids listed in CBA included "pension offset payment" in base salaries listed.