
2005 Wis Eth Bd 04
LOCAL CODE

The Ethics Board advises:

1. A school board member, who is a retiree of the district, should not take any vote on the budget if resolution of the matter is likely to affect the level of health insurance premiums the school district will contribute to retirees.
2. The school board member may vote on a budget matter if any effect on the member's health benefits is remote and speculative.
3. Application of these principles depends on the facts. A local school board attorney is in a better position to resolve this factual issue than are we.

¶1 A member of a school district's Board of Education is a retired teacher who receives health and dental care benefits that are dependent, at least in part, on the teacher collective bargaining agreement. Under the terms of the current agreement, the district pays the same portion of premiums for retired teachers as for active teachers. Currently, the board member receives premium contributions of more than \$10,000 per year.

¶2 You have asked a number of questions related to whether, or on what portions, the board member who is a retired teacher may vote on the school district's budget when there is not yet a signed collective bargaining agreement with the teachers.

¶3 Section 19.59 (1) (c), *Wisconsin Statutes*, provides that a local public official may not take any official action substantially affecting a matter in which the official has a substantial financial interest.* The Ethics Board has established clear principles for applying the statute in the context about which you have asked: (1) The school board member should not take any vote on the budget if resolution of the matter is likely to affect the level of health insurance premiums the school district will contribute to retirees. (2) The school board member may vote on a budget matter if any effect on the member's health benefits is remote and speculative. 2005 Wis Eth Bd 02; 1996 Wis Eth Bd 10. Application of these principles depends on the facts.

¶4 Whether adopting all or part of a budget is likely to have an impact on the level of premiums or health care coverage that will be available to retirees is a factual issue that we cannot resolve. Clearly, a budget will set parameters for the total compensation package that will be available to teachers. You are in a better position to resolve this factual issue than are we. Pertinent questions might be: (1) Have there been discussions about the school district's negotiating a change

* You have also asked about application of §946.13, *Wisconsin Statutes*. That is a criminal statute about which the Board does not offer an opinion.

in the level of its contribution to health insurance premiums or health coverage? (2) How likely is it that benefit levels will be affected by any wage increase because of limited dollars? (3) Have other school districts been negotiating changes in health insurance coverage? (4) Where does the Board's current budget and revenue assumptions fit under state caps?

¶5 Similarly, with respect to your questions about whether the school board member may vote on portions of the budget that do not relate specifically to teacher compensation, the question is whether the vote is likely to affect the portion of the budget that relates to teacher compensation. Again, you are in a better position to answer this factual question than is the Ethics Board.

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