MISSOURI ETHICS COMMISSION
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James Klahr
Executive Director

March 18, 2014

Alderman Thomas Kramer
City of Brentwood
2348 S Brentwood Blvd
Brentwood MO 63144

MEC No. 13E144

Dear Mr. Kramer:

The Missouri Ethics Commission, considered at the March 14, 2014 meeting, the complaint filed against you and the City of Brentwood. The Commission reviewed the allegation of elected officials receiving benefits without an ordinance and acting in a manner to provide themselves a special monetary benefit pursuant to state statue and Chapter 105, RSMo. The complaint concerned elected officials receiving health, dental and vision benefits in the absence of a specific ordinance designating appointment of benefits for the two year period preceding the filing the complaint.

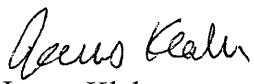
From the facts presented, the Commission voted to dismiss this case. The investigation showed that beginning in 2009, the St Louis Area Insurance Trust (SLAIT) began offering health insurance to the city, including elected officials. In addition, vision and dental benefits were made available to all elected officials. All benefit costs were included in the city's annual budgets which were prepared by the Ways and Means Committee and submitted to the board of aldermen for approval each December for the upcoming year. The city's budget(s) is passed by ordinance. The city stopped providing these benefits in August 2012.

Section 67.150.1, RSMo specifies that the governing body of any political subdivision may utilize the revenues of the subdivision, as a part of the compensation of the elected officials to contribute to the cost of a plan, including a plan underwritten by insurance, for furnishing all or part of hospitalization or medical expenses for the subdivision's elected officials. Section 79.270, RSMo, requires that all compensation of elected officials be set by ordnance.

A 2013 State Auditor's report issued findings that Brentwood provided "fringe benefits to some elected officials without establishing an ordinance authorizing these benefits." The city also obtained an outside legal opinion which found there was constitutional and statutory authority for Brentwood's retirement and health benefits for elected officials.

Finding no legal authority to prohibit the political subdivision from authorizing the health, dental and vision benefits at issue within the city's budget ordinance, the Commission found no reasonable grounds to support either a state statute or a chapter 105 violation.

Sincerely,



James Klahr
Executive Director

JK:sc