

BEFORE THE  
MISSOURI ETHICS COMMISSION

**Filed**  
**AUG 11 2017**  
Missouri Ethics  
Commission

MISSOURI ETHICS COMMISSION,            )  
  )  
  )            Petitioner,            )  
  )  
v.    )  
  )  
SOUTH IRON R-I SCHOOL DISTRICT,        )  
  )  
and    )  
  )  
DON WAKEFIELD,                                )  
SUPERINTENDENT,                             )  
  )  
  )            Respondents.

Case No. 17-0024-I, 17-0030-I

**JOINT STIPULATION OF FACTS, WAIVER OF HEARING  
BEFORE THE MISSOURI ETHICS COMMISSION, AND  
CONSENT ORDER WITH JOINT PROPOSED  
FINDINGS OF FACT AND CONCLUSIONS OF LAW**

The undersigned parties jointly stipulate to the facts and consent to the action set forth below.

The undersigned Respondents, South Iron R-I School District and Don Wakefield, acknowledge that they have received and reviewed a copy of the Complaint filed by the Petitioner in this case, and the parties submit to the jurisdiction of the Missouri Ethics Commission.

The undersigned Respondents further acknowledge that they are aware of the various rights and privileges afforded by law, including but not limited to: the right to appear and be represented by counsel; the right to have all allegations against Respondents be proven upon the record by competent and substantial evidence; the right to cross-examine any witnesses appearing at the hearing against Respondents; the right to present evidence on Respondents' behalf at the hearing; and the right to a decision upon the record of the hearing. Being aware of these rights provided to Respondents by operation of law, the undersigned Respondents knowingly and voluntarily waive

each and every one of these rights and freely enter into this Joint Stipulation of Facts, Waiver of Hearing before the Missouri Ethics Commission, and Consent Order with Joint Proposed Findings of Fact and Conclusions of Law, and agree to abide by the terms of this document.

**I.**

Based upon the foregoing, the Petitioner and the undersigned Respondents jointly stipulate to the following and request that the Missouri Ethics Commission adopt as its own the Joint Proposed Findings of Fact and the Joint Proposed Conclusions of Law, as follows:

**JOINT PROPOSED FINDINGS OF FACT**

1. The Missouri Ethics Commission is an agency of the State of Missouri established pursuant to Section 105.955, RSMo, in part for the purpose of enforcing the provisions of Chapter 130, RSMo.

2. Respondent South Iron R-I School District is located in Annapolis, Missouri. Respondent Wakefield is the current superintendent on the school district and was at all relevant times during the complaint process.

3. On or about January 9, 2017 Respondent South Iron R-I School Board placed an operating levy tax increase on the April 4, 2017 ballot.

4. Pursuant to Sections 105.957 and 105.961, RSMo, the Commission's staff investigated a complaint filed with the Commission and reported the investigation findings to the Commission.

5. Based on the investigation report, the Commission determined that there were reasonable grounds to believe that violations of law occurred, and it therefore authorized a hearing in this matter pursuant to Section 105.961.3, RSMo.

6. Respondents South Iron R-I School Board and Wakefield published, circulated, and/or distributed the mailers, true and accurate copies of which are attached hereto as Exhibit A, Exhibit B and Exhibit C by mailing them to voters in the Iron County School District.

7. None of the mailers referred to in Exhibits A, B and C included paid for by disclosures.

8. South Iron R-I School Board paid for the printed matter referred to in Exhibits A, B and C.

9. The printed matter referred to in Exhibits A, B and C related to a ballot measure in the April 2017 election.

10. The mailers referred to in Exhibits A, B and C should have each contained a clear and conspicuous statement: "Paid for by South Iron R-I School Board, Don Wakefield, R-I Superintendent, 201 School Street, Annapolis, MO 63620" , but they did not.

#### **JOINT PROPOSED CONCLUSIONS OF LAW**

11. "Any person publishing, circulating, or distributing any printed matter relative to any candidate for public office or any ballot measure shall on the face of the printed matter identify in a clear and conspicuous manner the person who paid for the printed matter with the words "Paid for by" followed by the proper identification of the sponsor pursuant to this section." § 130.031.8, RSMo.

12. "[P]rinted matter' shall be defined to include any pamphlet, circular, handbill, sample ballot, advertisement, including advertisements in any newspaper or other periodical, sign, including signs for display on motor vehicles, or other imprinted or lettered material; but 'printed matter' is defined to exclude ... any sign personally printed and constructed by an individual

without compensation from any other person and displayed at that individual's place of residence or on that individual's personal motor vehicle; any items of personal use given away or sold, such as campaign buttons, pins, pens, pencils, book matches, campaign jewelry, or clothing, which is paid for by a candidate or committee which supports a candidate or supports or opposes a ballot measure and which is obvious in its identification with a specific candidate or committee and is reported as required by this chapter; and any news story, commentary, or editorial printed by a regularly published newspaper or other periodical without charge to a candidate, committee or any other person.” § 130.031.8, RSMo.

13. In regard to any printed matter paid for by a corporation or other business entity, labor organization, or any other organization not defined to be a committee by subdivision (9) of section 130.011 and not organized especially for influencing one or more elections, it shall be sufficient identification to print the name of the entity, the name of the principal officer of the entity, by whatever title known, and the mailing address of the entity, or if the entity has no mailing address, the mailing address of the principal officer. § 130.031.8(3), RSMo.

14. There is probable cause to believe that Respondents violated Section 130.031.8 (3), RSMo, by publishing, circulating and distributing three mailers to local residents regarding an operating levy tax increase without including the proper “paid for by” disclosure.

## II.

Based on the foregoing, the parties hereto mutually agree and stipulate that the following shall constitute the order entered by the Missouri Ethics Commission in this matter. This order will be effective immediately upon the issuance of the Consent Order of the Missouri Ethics Commission without further action by any party:

1. The parties understand that the Petitioner will maintain this Joint Stipulation as an open and public record of the Missouri Ethics Commission.

2. The Commission shall issue its Consent Order in the form attached hereto as Exhibit 1.

a. Respondents shall comply with all relevant sections of Chapter 130, RSMo.

b. It is the Order of the Missouri Ethics Commission that a fee is imposed against Respondents in the amount of \$100, pursuant to Section 105.961.4(6), RSMo. The fee will be paid by check or money order made payable to the Missouri Ethics Commission.

3. The parties consent to the entry of record and approval of this Joint Stipulation and to the termination of any further proceedings before the Commission based upon the Complaint filed by the Petitioner in the above action.

4. Respondents, together with their heirs, successors, and assigns, do hereby waive, release, acquit and forever discharge the Missouri Ethics Commission and its attorneys of or from any liability, claim, actions, causes of action, fees, costs and expenses, and compensation, including but not limited to, a claim for attorney's fees whatsoever which Respondents or Respondents' attorney may now have or which they may hereafter have, which are based upon or arise out of the above cases.

SO AGREED:

RESPONDENT SOUTH IRON R-I SCHOOL DISTRICT

PETITIONER MISSOURI ETHICS COMMISSION

By: Don Wakefield 8/8/17  
Don Wakefield, Superintendent Date

By: James Klahr 8/22/17  
James Klahr Date  
Executive Director

RESPONDENT DON WAKEFIELD

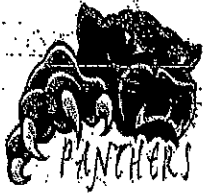
By: Don Wakefield 8/8/17  
Don Wakefield, Superintendent Date

By: Brian Hamilton 8/11/17  
Brian Hamilton Date  
Attorney for Petitioner

By: Cindy Ormsby 8/8/17  
Cindy Ormsby Date  
Attorney for Respondents

# South Iron R-1 School District

1st Flyer

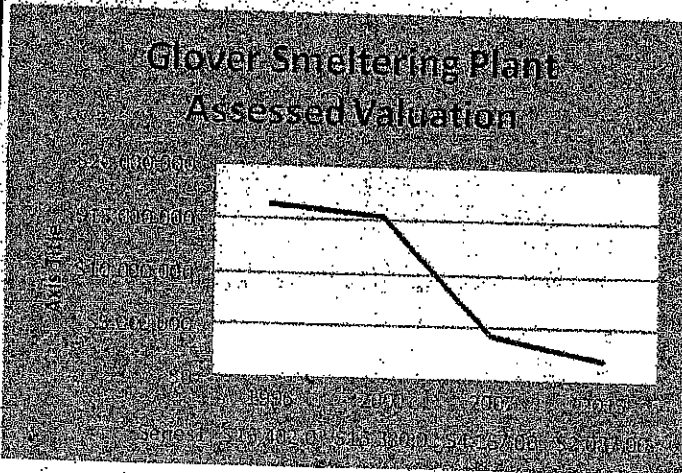


Local Postal Customer

PRSR STD  
ECRWSS  
U.S. POSTAGE  
PAID  
EDDM RETAIL

## WHY THE NEED FOR A TAX LEVY INCREASE?

In 1996, the Doe Run (Glover Plant) had an assessed valuation of \$16,402,000. Since 2016, the assessed valuation has dropped to \$2,000,000. This has created a loss of \$460,864.00 in local tax revenue for the South Iron School District.



The district has also incurred a loss of state revenue over \$150,000 in the last five years. The state is now reimbursing transportation funds at 17% instead of 75% as required by the state.

Since 2000, the district has lost an additional \$134,061 in local tax revenue. For the district to maintain our current level of operation, deficit spending has been required. In 2015 the deficit was \$-198,568, and in 2016 it was \$-232,229. To put this number in perspective, \$232,229 would be the approximate cost to employ 11 teachers in the South Iron School District. It is projected that we will deficit spend again in 2017.

There has also been minimal increases in tax revenue from SGI over the last 21 years. During that time, tax revenue from SGI has increased by only \$60,992.00.

Historical Tax Revenue from SGI	
1995	\$253,935.00
2005	\$281,536.00
2015	\$314,927.00

### LOSS OF PROGRAMS AND POSITIONS

- Band & Music Program
- Industrial Arts Program
- Decrease in FACS Courses Offered
- Combined Librarian and Special Education Director into one position
- Eliminated Summer School
- Loss of positions since 2001
  - ⇒ 12 Certified Staff Members
  - ⇒ 4 Bus Drivers
  - ⇒ 1 Cook
  - ⇒ 1 PAT Parent Educator
  - ⇒ 1 Custodian
  - ⇒ Bus Mechanic/Transportation Director

### SOUTH IRON COMPARED TO BLACK RIVER LEAGUE SCHOOLS

#### Spending per Student

South Iron	\$10,616
BRL	\$11,976

#### Students per Teacher

South Iron	8.36
BRL	8.02

#### Base Salary

Westerville	\$36,500
Wilmington	\$30,750
Bunker	\$30,500
Canterville	\$30,000
Clearwater	\$28,250
East Gate	\$26,250

**South Iron \$28,000**

Southam Reynolds	\$27,500
Van Buren	\$26,000
BRL Average	\$26,500

EXHIBIT

A

tabbles

# South Iron R-1 School District



## Proposition 2 Operating Levy

### HOW TO FIGURE YOUR TAX INCREASE

Locate your real estate property and/or personal property tax receipts. Your assessed valuation will be on these receipts and is a much smaller value than the market value. Once you locate your **assessed valuation**, divide it by 100 and then multiply by \$0.77. This will tell you exactly how much additional tax you will pay for real estate and personal property.

### RESIDENTIAL PROPERTY EXAMPLES

Market Value	Assessed Valuation	Annual Tax Increase	Monthly Cost
\$100,000.00	\$9,500.00	\$73.65	\$6.14
\$100,000.00	\$19,000.00	\$147.30	\$12.28
\$200,000.00	\$38,000.00	\$294.60	\$24.56

### Area School Tax Levies

	\$0.00	\$1.00	\$2.00	\$3.00	\$4.00	\$5.00
Centerville					\$4.20	
Valley R-6					\$3.67	
Ellington					\$3.62	
Westerville					\$3.41	
Arcadia Valley					\$3.37	
South Iron					\$3.20	
Clearwater					\$3.09	
Vigor					\$2.75	
Bunker					\$2.75	

*Providing the Foundation  
for a Positive Future*

**Special Levy Election  
April 4, 2017**

### Proposition 2

The Board of Education of the South Iron County R-1 School District, Missouri, is authorized to increase the operating tax levy, resulting to be 20% above the full credited dollars of assessed valuation in order to provide additional funds to maintain its facilities, retain qualified staff, and meet the operating needs of the District.

If this proposition is approved, the adjusted operating levy of the School District is estimated to increase from \$3,182.11 (currently \$2,902.11) per one hundred dollars of assessed valuation for the 2017 tax year and will be applied to the assessed valuation for each year thereafter.



**Vote on April 4th**

The operating levy increase will help support/maintain the following:

- High quality academic programs for every student
- Preparation of all students for college and/or career
- Exceptional graduation rates (96.2% over last four years)
- Small class sizes (low teacher-student ratio)
- Maintenance/improvement of educational technology available to students
- Hiring and retaining highly qualified and talented teaching staff



# South Iron R-1 School District



2nd Flyer

Local Postal Customer

PRSRST STD  
ECRWSS  
U.S. POSTAGE  
PAID  
EDDM RETAIL

## SOUTH IRON R-1 BUDGET BREAKDOWN

### Deficit Spending

2015 = \$-198,568  
2016 = \$-232,229

\$232,229 would be the approximate cost to employ 11 teachers in the South Iron School District.

A 20.7% increase would generate \$225,000

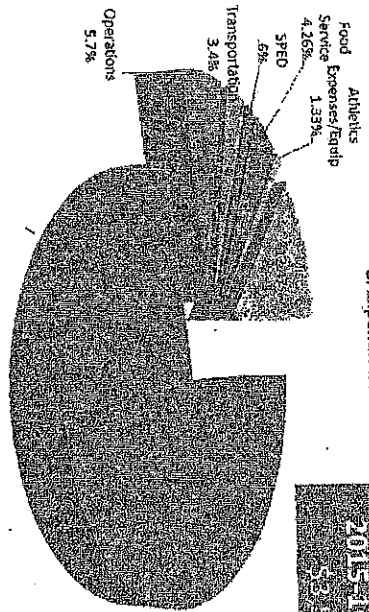
Grade Level	Participants	Total Students	%
5th Grade	18	24	75%
6th Grade	19	27	70%
7th Grade	12	19	63%
8th Grade	18	26	61.5%
9th Grade	12	25	48%
10th Grade	12	16	75%
11th Grade	9	18	50%
12th Grade	7	23	30%
Totals	107	178	60%

#### 2015-16 District Budget/Athletic Expenditures

\$3,525,541.00

2.7% of Overall Budget  
Total Athletic Expenditures

SI Expenditures



2015-16 Expenses  
\$3,525,541

EXHIBIT B

#### BUDGET CLARIFICATIONS

- 3 full-time cook positions — 4 employees (2 full-time & 2 half-time)
- Assistant basketball coaching staff - 1 position per team - stipend is split between assistants
- 3 full-time custodian positions & 1 quarter time position at substitute pay
- Staff members received a \$599 stipend in lieu of raises which has saved the district money compared to the cost of raising salaries. A stipend is given on a year to year basis meaning it can be discontinued whereas raises are a permanent expense to the district.
- The technology age requires consistent improvements/upgrades: The district has invested in students by recently purchasing 25 tablet pcs to enhance high school instruction and 31 Chromebooks to enhance elementary instruction.
- Building maintenance is an ongoing expense. Several improvements over the last few years include new roofs on high school, elementary, & gym; replacement of plumbing in cafeteria; updates to heating and cooling systems; new lighting in all hallways; and security camera systems throughout the building. Future needs include replacement of roof on multi-purpose building; eventual replacement of plumbing throughout the building; and general building maintenance.

Transportation	\$1,172,500.00
SPED	\$1,750,000.00
Service Expenses/Partip	\$150,000.00
Athletics	\$46,041.00
Operators	\$201,021.00
General Education	\$1,995,919.00
Transportation	\$1,172,500.00
SPED	\$1,750,000.00
Service Expenses/Partip	\$150,000.00
Athletics	\$46,041.00
Operators	\$201,021.00
General Education	\$1,995,919.00

# South Iron R-1 School District



## Proposition 2 Operating Levy

Difference in Taxes for \$10,000 in Assessed Valuation (Current Levy vs. Proposed Levy)

Type	Market Value	Assessed Valuation	Current Levy	Proposed Levy	Difference
Real Estate	\$52,631.60	\$10,000	\$60.80	\$75.43	\$14.63
Personal Property	\$30,303.03	\$10,000	\$105.60	\$131.01	\$25.41
Agricultural	\$83,333.33	\$10,000	\$38.40	\$47.64	\$9.24
Commercial	\$31,250.00	\$10,000	\$102.40	\$127.04	\$24.64

\* Taxes are paid on assessed valuation not market value

### SOUTH IRON DISTRICT AWARDS & ACCOLADES

- Missouri Department of Elementary & Secondary Education "Accredited with Distinction in Performance" Award (8 years)
- 53% of SI Graduates earned A+ Certification over last 11 years
- Business Week's "Best Small School in Missouri" in 2009
- U.S. News Magazine's High School of National Distinction 2012, 2015, 2016
- U.S. News & World Report's "Academic Bronze Star" Winner for 8 consecutive years (2009-2016)
- Sum Dog Math Competition 3rd Overall of 27 schools in South Central Missouri (3 students placed in the top 10 of 209 students (2016))
- Missouri Community Betterment Youth Awards for Community Involvement and Improvement Activities (1<sup>st</sup> Place --1999, 2000, 2004, 2005, 2007, 2008, 2010, 2011, 2014, 2<sup>nd</sup> Place--2003, 2006, 2009, 2013, 2015)

**Public Meetings to Address Questions/Concerns**

March 14—6:00 p.m.  
South Iron HS Gymnasium

March 15—5:00 p.m.  
Free Spirit Baptist Church

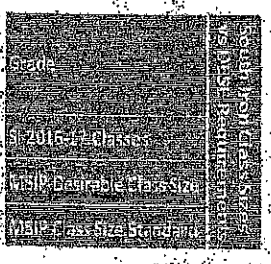
All district patrons invited!

Providing the Foundation for a Positive Future

## Special Levy Election April 4, 2017

# DESE Class Size Requirements

Grades	Standard	Desirable Standard	South Iron 3 Year Avg
K-2	25	17	24
3-4	27	20	25
5-6	30	22	24



Grade	1st	2nd	3rd	4th	5th	6th
Enrollment	84	17	25	24	20	27
Teachers	24	17	25	24	20	27
Principals	1	1	1	1	1	1

### SOUTH IRON COMPARED TO SIMILAR SCHOOLS (250-350 STUDENTS)

ENROLLMENT	SCHOOL	LEVY	# OF TEACHERS	# OF PRINCIPALS
345	Scott County-Central	\$3.65	52	2
343	Oran R-3	\$3.95	34	2
342	Oak Ridge R-6	\$3.65	47	2
<b>328</b>	<b>SOUTH IRON</b>	<b>\$3.20</b>	<b>31</b>	<b>2</b>
328	Dora R-3	\$3.62	43	2
328	Ortick R-11	\$4.82	37	2
259	Lesterville R-IV	\$3.41	43	2
258	Gideon R-7	\$3.58	44	2
253	Walnut Grove R-5	\$3.82	32	2
218	Bell City R-2	\$3.15	34	2

3rd Flyer

**South Iron R-I  
School District**

FRSRT STD  
ECRWSS  
U.S. POSTAGE  
PAID  
EDDM RETAIL

Local Postal Customer

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EXHIBIT  
C

# South Iron R-1 School District Proposition 2 Operating Levy

## Clarifications and Corrections to the February 17, 2017 Mailing

We have had questions about the content included in the latest mailing. The content is in response to questions that we were getting about the proposed tax levy increase, and we hope to answer as many questions as possible.

### Clarification and Correction #1

The table titled "Difference in Taxes for \$10,000 in Assessed Valuation (Current Levy vs. Proposed Levy)" was calculated incorrectly.

The table below has been recalculated and the corrected amounts are as follows:

Type of Property	Market Value	Assessors Percentage	Assessed Valuation	Current Levy	Proposed Levy	Difference
Real Estate	\$ 52,631.60	0.19	\$ 10,000.00	\$ 320.00	\$ 390.21	\$ 70.21
Personal Property	\$ 30,303.03	0.33	\$ 10,000.00	\$ 320.00	\$ 390.21	\$ 70.21
Agricultural	\$ 83,333.33	0.12	\$ 10,000.00	\$ 320.00	\$ 390.21	\$ 70.21
Commercial	\$ 31,250.00	0.32	\$ 10,000.00	\$ 320.00	\$ 390.21	\$ 70.21

### Reminder

Public Meeting to Address  
Questions/Concerns

March 14 - 6:00p.m. - South Iron HS Gymnasium  
March 15 - 5:00 p.m. - Free Spirit Baptist Church

### Clarification and Correction #2

The section titled "Deficit Spending" stated that the 2016 deficit was \$232,229, and the cost to employ 11 teachers in the South Iron School District. The corrected figure is \$232,229, which is the approximate cost to employ 8.29 teachers.

BEFORE THE  
MISSOURI ETHICS COMMISSION

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DON WAKEFIELD, SUPERINTENDENT )  
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CONSENT ORDER

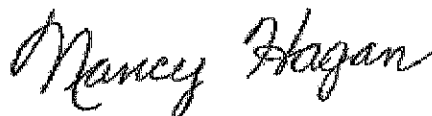
The parties have filed a Joint Stipulation of Facts, Waiver of Hearing, and Proposed Consent Order with the Missouri Ethics Commission. Accordingly, the Missouri Ethics Commission accepts as true the facts stipulated and finds that Respondents South Iron R-I School District and Don Wakefield violated Section 130.031.8(3), RSMo.

The Commission directs that the Joint Stipulation be adopted.

1. Respondents shall comply with all relevant sections of Chapter 130, RSMo.
2. It is the order of the Missouri Ethics Commission that a fee is imposed against Respondents in the amount of \$100, pursuant to Section 105.961.4(6), RSMo. The fee will be paid by check or money order made payable to the Missouri Ethics Commission.

SO ORDERED this 11<sup>th</sup> day of August, 2017

By:



Nancy Hagan, Chair  
Missouri Ethics Commission