

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.¹

2. Respondent Reed was a successful candidate for President of the St. Louis Board of Aldermen in the April 2, 2019 election.

3. Respondent Reed registered a candidate committee, Committee to Elect Reed, by filing a Statement of Committee Organization, on April 29, 2013. The Statement of Committee Organization was amended in 2015, in 2016, and then in 2017 to change the offices sought and the election dates.

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

¹ Unless noted otherwise, all statutory references are to the Revised Statutes of Missouri 2000 (Supp. 2018).

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

COUNT I

Respondents erroneously accepted contributions from corporations

6. Between June of 2017 and December of 2018, Respondents accepted twelve corporate contributions, totaling \$19,400.00.

Report	Name as Reported	Name Registered with MO SOS	Date	Amount
July 2017 Quarterly	Lodging Hospitality Management	Lodging Hospitality Management Corporation	06/30/17	\$5,000
October 2017 Quarterly	Willert Home Products, Inc.	Same as reported	07/14/17	\$2,000
October 2017 Quarterly	G.I. Constructors	Guarantee Interiors, Inc.	07/28/17	\$1,500
October 2017 Quarterly	WC & D Enterprises, Inc.	Same as reported	08/08/17	\$100
October 2017 Quarterly	Basilico Engineering Inc.	Same as reported	08/08/17	\$250
October 2017 Quarterly	Telephone Contact Inc.	Same as reported	09/22/17	\$500
October 2017 Quarterly	J & G Investment Corp.	Same as reported	09/01/17	\$2,000
July 2018 Quarterly	Andy's Seasoning, Inc.	Same as reported	06/28/18	\$1,000
Amended 2018 July Quarterly and 2018 October Quarterly	Lodging Hospitality Management	Lodging Hospitality Management Corporation	06/30/18	\$5,000
Amended July 2018 Quarterly	G. I. Construction	Guarantee Interiors, Inc.	06/26/18	\$1,500
January 2019 Quarterly	Metropolitan Build	Jay-Cee Management Company, Inc.	12/05/18	\$50
January 2019 Quarterly	Brock Auto Parts & Sales Co	Same as reported	12/05/18	\$500
				\$19,400

COUNT II

Failure to timely report expenditures and a disbursement

7. Respondents donated a 2006 Dodge Durango to Cars Helping Veterans on November 12, 2018. Cars Helping Veterans gave Respondents a receipt that estimated the vehicle at a fair market value of up to \$500.00 for tax purposes.

8. Respondents failed to timely report the fair market value of the donated vehicle on a campaign finance disclosure report.
9. On or about February 8, 2019, Respondents made a \$776.55 property tax payment to the City of St. Louis.
10. Respondents failed to timely report the property tax payment on a campaign finance disclosure report.
11. Respondents used a recreational vehicle (RV) for advertisement in support of Respondent Reed's candidacy. On January 30, 2019, Respondents made a \$500.00 payment to SCD Investment III for the use of the RV.
12. Respondents inaccurately reported the \$500.00 payment made on January 30, 2019, to SCD Investment III as \$1,500.00 for office space rent on the 8 Day Before Special Charter Election Report for the March 5, 2019 election.
13. Respondents used a property located at 5654 Delmar Boulevard in St. Louis, MO in support of Respondent Reed's candidacy.
14. The 5654 Delmar property was under lease to Thomas Shepard with terms that required him to maintain the utilities. During the campaign, Shepard made the property available to Respondents under the same terms.
15. Respondents were required to pay an Ameren UE bill for the utilities at 5654 Delmar property.
16. Respondents had incurred a \$78.04 obligation to Ameren UE to pay for electric utility services provided from December 26, 2018, through January 27, 2019.
17. Respondents failed to timely report an incurred expenditure to Ameren UE for the utility cost at the 5654 Delmar property on a campaign finance disclosure report.

JOINT PROPOSED CONCLUSIONS OF LAW

COUNT I

Respondents erroneously accepted contributions from corporations

18. Pursuant to the Missouri Constitution Article VIII, Section 23.3(3)(a): "It shall be unlawful for a corporation or labor organization to make contributions to a campaign committee, candidate committee, exploratory committee, political party committee or a political party."

19. Section 351.075, RSMo, specifies that: "The corporate existence of a corporation shall date from the time of filing its articles of incorporation by the secretary of state. The certificate given by the secretary of state shall be taken by all courts of this state as evidence of the corporate existence of such corporation."

20. There is probable cause to believe that Respondents violated the Missouri Constitution, Article VIII, Section 23.3(3)(a), by accepting twelve monetary contributions, totaling \$19,400.00, from corporations.

COUNT II

Failure to timely report expenditures and a disbursement

21. Candidate committees are required to report expenditures for each reporting period, including:

- (a) The total dollar amount of expenditures made by check drawn on the committee's depository;
- (b) The total dollar amount of expenditures made in cash;
- (c) The total dollar value of all in-kind expenditures made;
- (d) The full name and mailing address of each person to whom an expenditure of money or any other thing of value in the amount of more than one hundred dollars has been made, contracted for or incurred, together with the date, amount and purpose of each expenditure. Expenditures of one hundred dollars or less may be grouped and listed by categories of expenditure showing the total dollar amount of expenditures in each category, except that the report shall

contain an itemized listing of each payment made to campaign workers by name, address, date, amount and purpose of each payment and the aggregate amount paid to each such worker[.]

§ 130.041.1(4), RSMo.

22. There is probable cause to believe that Respondents violated Section 130.041.1(4), RSMo, by failing to timely report the fair market value of a donated vehicle and paid property taxes, by inaccurately reporting a payment for the usage of a RV, and by failing to timely report an incurred expenditure to Ameren UE for the cost of utilities at the 5654 Delmar property.

II.

Based on the foregoing, the parties 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. Prior to finalizing settlement, Respondents will be required to file and amend reports and statements with the Commission.
3. Respondents shall return all corporate contributions received in violation of the Missouri Constitution Article VIII, Section 23.3(3)(a).
4. The Commission shall issue its Consent Order in the form attached hereto as Exhibit A.
 - a. Respondents shall comply with all relevant sections of Chapter 130, RSMo and the Missouri Constitution.
 - b. It is the order of the Missouri Ethics Commission that a fee is imposed against Respondents in the amount of \$1,844.00, pursuant to Section 105.961.4(6), RSMo. However, if Respondents pay \$184.00 of that fee within forty-five days after the date of the Consent Order, the remainder of the fee will be stayed. The fee will be paid by check or money order made payable to the Missouri Ethics Commission.
 - c. Regardless of the stay in paragraph 4.b above, if there is probable cause to believe that any Respondent commits any further violation of the campaign finance laws under Chapter 130, RSMo, within the two-year period from the date of this order, then the Respondent who committed the violation will be required to pay the remainder of the fee. The fee will be due immediately upon final adjudication finding that there is probable cause to believe that such Respondent has committed a violation.
 - d. Respondents shall be jointly and severally liable for all fees imposed under this Consent Order.

e. By signing this Joint Stipulation, Respondents acknowledge that they have violated the two year provision in case numbers 18-0048-I and 18-0057-I. As a result of these new violations, the remainder of the fee assessed in those cases, \$9,855.00, is due within forty-five days after the date of the Commission's Consent Order in the present case. Respondents are jointly and severally liable for this amount.

5. 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.

6. 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, which Respondents or Respondents' attorney may now have or hereafter have, based upon or arising out of the this case.

SO AGREED:

RESPONDENT LEWIS REED

By: [Signature] 9/23/2019
Lewis Reed Date

RESPONDENT COMMITTEE TO ELECT REED

By: [Signature] 9/23/2019
Lewis Reed Date

PETITIONER MISSOURI ETHICS COMMISSION

By: [Signature] 9/24/19
Elizabeth L. Ziegler Date
Executive Director

By: [Signature] 9/25/19
Brian Hamilton Date
Attorney for Petitioner

ATTORNEY FOR RESPONDENTS

By: [Signature] 9/24/19
Brad Ketcher Date
Attorney for Respondent

BEFORE THE
MISSOURI ETHICS COMMISSION

Filed
SEP 25 2019
Missouri Ethics
Commission

MISSOURI ETHICS COMMISSION,)	
)	
Petitioner,)	
)	
v.)	
)	
COMMITTEE TO ELECT REED,)	Case No. 19-0008-I, 19-0009-I,
)	19-0010-I, 19-0011-I
LEWIS REED,)	
)	
and)	
)	
ERIN ZIELINSKI,)	
)	
Respondents.)	

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 there is probable cause to believe that Respondents violated the Missouri Constitution, Article VIII, Section 23.3(3)(a) and Section 130.041.1(4), RSMo.

The Commission directs that the Joint Stipulation be adopted.

1. Respondents shall comply with all relevant sections of Chapter 130, RSMo and the Missouri Constitution.
2. It is the Order of the Missouri Ethics Commission that a fee is imposed against Respondents in the amount of \$1,844.00, pursuant to Section 105.961.4(6), RSMo. However, if Respondents pay \$184.00 of that fee within forty-five days after the date of the Consent Order, the remainder will be stayed. The fee will be paid by check or money order made payable to the Missouri Ethics Commission.
3. Regardless of the stay in paragraph 2 above, if there is probable cause to believe that any Respondent commits any further violation of the campaign finance laws under Chapter 130, RSMo, within the two-year period from the date of this order, then the Respondent who committed the violation will be required to pay the remainder of the

- fee. The fee will be due immediately upon final adjudication finding that there is probable cause to believe that such Respondent has committed a violation.
4. Respondents shall be jointly and severally liable for all fees imposed under this Consent Order.
 5. By signing this Joint Stipulation, Respondents acknowledge that they have violated the two year provision in case numbers 18-0048-I and 18-0057-I. As a result of these new violations, the remainder of the fee assessed in those cases, \$9,855.00 is due within forty-five days after the date of the Commission's Consent Order in the present case. Respondents are jointly and severally liable for this amount.

SO ORDERED this 25th day of September, 2019

By: 

Don Summers, Chair
Missouri Ethics Commission