

**Joint Compliance Audit Committee of Leeds and Grenville
Minutes**

Monday, May 13, 2019

2:00 p.m.

Town of Gananoque

30 King Street East, Gananoque, Ontario

Members Present: Mel Campbell, Chair
Bill Pakeman, Glenn MacKey

Staff Present: Lesley Todd, Clerk, United Counties of Leeds and Grenville
Andrea Bolton, Deputy Clerk, United Counties of Leeds and
Grenville (Recording Secretary)

Others Present: Erika Demchuk, Applicant
Ted Lojko, Respondent
Olga Lazor, Jim Garrah, Melanie Kirkby, Penny Kelly, Brian Brooks,
Ray Stedman, Meg Dabros, Marion Spenger, Amy Kirkland,
Chris McDonald, Wayne Lowrie, Kathy Warren, John Beddows,
Richard Brousseau, Tim Baltz

1. Call to Order

Mrs. Todd called the meeting to order at 2:00 p.m. She explained the meeting of the Joint Audit Committee of Leeds and Grenville is called pursuant to Section 81 of the *Municipal Elections Act, 1996* to consider the matter of a compliance audit application by Ms. Erika Demchuk respecting the election campaign finances of Mr. Ted Lojko, candidate for Mayor of the Town of Gananoque.

2. Appointment of Chair

Mrs. Todd said the first order of business is the election of a Chair, and called for nominations.

Moved by Mr. Pakeman
Seconded by Mr. MacKey

THAT Mel Campbell be appointed Chair of the Joint Compliance Audit Committee of Leeds and Grenville.

CARRIED

3. Disclosure of Pecuniary Interest - Nil

4. Consideration of Compliance Audit Application

4.1 Application by E. Demchuk re: T. Lojko, Town of Gananoque

Mr. Campbell explained the powers and functions of the Committee as set out in Section 88.33 and 88.37 of the *Municipal Elections Act, 1996*. He noted the meeting is open to the public; however, the Committee may deliberate in private.

The Chair invited the applicant to speak.

Ms. Demchuk expressed concern regarding the cost of brochures, which were reported as \$1035; she suggested the cost should more likely total approximately \$2500. With respect to signage, Ms. Demchuk stated the reported cost of \$2,317.34 was low. She noted the donations made by Syed Qayam Askari and Faiz Qayam Askari total the exact amount the of the reported signage costs. Ms. Demchuk expressed concern regarding the relationship between Mr. Lojko and these two donors; she stated Mr. Lojko helped promote their company.

Ms. Demchuk stated Mr. Lojko rented office space from the Olde English Pub, owned by Darren Towriess; she stated the Pub is now asking the Town for more parking spots in front of the building. She noted the cost Mr. Lojko paid for the rent of the space was less than the \$1400 Michael Barrett paid to rent the same space during the federal by-election.

Ms. Demchuk said Mr. Lojko's victory party at the Purple House Café was reported as costing \$144.51. She noted the cost of her own victory party was higher and that did not include the cost of alcohol.

Ms. Demchuk concluded she is not implying Mr. Lojko exceeded the maximum allowable costs; however, she feels the rules apply to every candidate for a reason and she feels Mr. Lojko circumvented the rules and also received donations from businesses.

Mr. Pakeman asked if Ms. Demchuk knew the number of signs Mr. Lojko had used. She stated she did not go out counting the signs and was only making a guess at the number. She stated there were a lot more of Mr. Lojko's signs than those of other candidates.

Mr. Pakeman stated in her application Ms. Demchuk identified an employee of Mr. Lojko's bed and breakfast who was coerced into working for his campaign. Ms. Demchuk said she didn't think there was fear of reprisal such as losing their job, but she wonders if the person was paid to do election work through the business. She noted she and her husband own a business and she would never have expected her employees to campaign for her.

The Chair thanked her for her statements and invited the respondent, Mr. Lojko, to speak.

Mr. Lojko stated he has lived in Gananoque for eight years, during which time he frequented Council meetings. He stated he feels the application against him is innuendo and lies.

With respect to signs, Mr. Lojko submitted receipts to the Committee, stating they are in keeping with the expense report he filed after the election. He noted he originally purchased 50 large and 100 small signs and then added 100 signs. Regarding his victory party he noted there were two people present, and one was Norma Turner who made sandwiches and a vegetable tray. He explained the party moved to the Olde English Pub where everyone bought their own drinks and he paid nothing. Mr. Lojko specified the Purple House Café did not host the victory party, noting there was a Meet the Candidates Event at that location and everyone paid for their own food and drink.

Regarding the use of taxis to drive people to the polls, Mr. Lojko said Dr. Chris Bassel drove around and encouraged people to vote, and offered rides. He noted they also used Olga Lazor's car, but did not use taxis. He presented the Committee with a signed letter from Dr. Chris Bassel stating he drove people using the car owned by himself and Mr. Lojko. Mr. Lojko noted there were four people circulating in the town knocking on doors that day, and two in the office.

Regarding the possibility of employee coercion, he noted it was this person who convinced him to run for office. Ms. Lazor addressed the Committee, stating she is not employed at the bed and breakfast, and said she and Mr. Lojko became

close due to their Polish backgrounds and more so at the time her husband passed away. She stated she sat in the office and answered questions, and invited all the candidates to bring flyers. She stated she allowed her car to be used to give rides on election day.

Mr. Lojko explained he rented vacant space for the campaign, saying it was donated and he put down the dollar amount in his filings. He only rented the space for two and a half weeks, and this contribution was from the owner of the building.

Regarding his work with CS Consulting Mr. Lojko provided the Committee with a letter from Sayed Qayam Askari which states Mr. Lojko is an investor/partner with the company, primarily responsible for an English Language Program. Mr. Lojko said the company has offices in Toronto and India, and he visited India to evaluate the level of English at that location. He noted most of the expenses were paid by him and not by the company.

Mr. Lojko stated he finds the application very damning, and bordering on libel. He concluded by noting if brochures are ordered properly the cost can be reduced to ten cents per brochure. He noted he has used the company many times in the past for brochures and signs.

Mr. Pakeman asked if Mr. Lojko received a volume discount for the brochures. Mr. Lojko stated if you order a significant amount the price goes down. He explained there was an error in the colour of his first printing, and they had to reprint and for that reason he had a surplus of card stock. He stated the order for the small signs was at a higher cost because the order was rushed.

Mr. MacKey asked if Mr. Lojko is a partner in the Indian company; Mr. Lojko confirmed he is an investor partner.

Mr. Pakeman asked if Mr. Lojko received a volume discount regarding the signs. Mr. Lojko said he did not.

The Committee moved to deliberate in private at 2:32 p.m. and returned to open session at 2:52 p.m.

Mr. Campbell thanked everyone for attending and provided the decision of the Committee.

Moved by Glenn MacKey

Seconded by Bill Pakeman

WHEREAS a request for a Compliance Audit under Section 81(1) of the Municipal Elections Act was presented by Ms. Demchuk with respect to Mr. Lojko's election campaign finances; and

WHEREAS the Compliance Audit Committee has considered the request from Ms. Demchuk and believes that the request of a Compliance Audit is unreasonable.

NOW THEREFORE the Committee rejects the request for a Compliance Audit.

CARRIED

5. Adjournment

The meeting adjourned at 2:54 p.m.