

Hydro head at heart of OPP probe

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The chair of Hydro Mississauga is at the heart of an investigation by

Ontario Provincial Police (OPP) into a children's camp associated with a service club.

Ron Starr, a former City councillor, is under scrutiny by OPP officers

at the Alcohol and Gaming Commission for his long-time role as chair of the Aga-Ming Youth Optimist Camp. Police are investigating possible

misuse of lottery funds in connection with the camp, which runs bingo to raise funds on its behalf, say sources at the Commission.

been turned over as well, she indicated.

Starr bristled at the suggestion that the warden's cabin has been used as a family cottage.

The land for the camp was bought in 1986 for \$80,000, with Ron Starr holding a \$40,000 mortgage at the time, according to documents obtained by *The News*.

In a short interview, he chose not to respond to the complaints.

"There's a great deal of difference

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after an ad hoc committee, established by the Mississauga Optimist Club last year to review the status of the camp property encountered difficulties in getting financial and legal documents from Starr and members of his family.

Starr, his wife Elaine, his daughter Michele and Michele's husband Tyler Colthurst are the board members of the charitable foundation that operates the camp.

The OPP investigation is examining whether Starr or members of his family benefited from their association with the camp. The information being reviewed by the OPP includes allegations that:

- the Starr family uses a "warden's cottage" located on the Lake-Front lands as a personal cottage;

- Starr's daughter Michele, who was secretary-treasurer for both the Optimist Club and Camp Aga-Ming Foundation, may have been paid fees for keeping the books for Aga-Ming, which would violate Gaming Act provisions; and

- Starr holds a mortgage on the Aga-Ming property, which has been increasing in value over the years, and has the first right of refusal to buy the property.

In an interview yesterday, Michele Starr said she has never been paid for any of her charity work for Aga-Ming, including the bookkeeping.

She also said she turned over everything that was requested by the committee and referred the members to the auditors if they needed any more information. All records requested by the OPP have



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of opinion," the senior Starr said. "There's a great deal of animosity in the Club. I'm not commenting. It's a sad thing."

"There isn't anything that can't be answered, but until the investigation is over, I've got nothing to say. It affects too many club members and it hurts the work of all the service clubs."

Big developers

Widely rumored to be interested in running for mayor of Mississauga in the post-Hazel McCallion era, Ron Starr is director of development for Ontario West for First Professional Management, one of the biggest developers in Ontario. He has served in a bevy of high-profile volunteer positions with organizations including the Credit Valley Hospital Foundation, the Living Arts Centre, the Peel chapter of the Urban Development Institute, Michigan Tech University, Mississauga International Children's Festival, Mississauga Symphony Gala and Mississauga Art Gallery.

Alcohol and Gaming Commission spokesman Ab Campion confirmed the probe into the possible misuse of lottery funds. He said the OPP has frozen the club's bank accounts while investigators continue to review documentation regarding the camp.

Asked if it would be legal for a

member of a charitable foundation to hold a mortgage on a property owned by the charity, Campion said, "that's getting kind of close to the investigation."

Campion cited a recent case involving the Windsor Rowing Club, which built a facility on the Detroit River using some lottery funds. When a Commission investigation concluded some club members were living in the facility, the club ended up in court, he said.

Members of an organization utilizing bingo proceeds are not allowed to gain a personal benefit, Campion stressed, adding that use of the property as a summer cottage by a board director would be inappropriate.

Payment to a board member for bookkeeping would be prohibited under the Charities Act, Campion said. The camp foundation is entitled only to deduct business expenses such as rent, equipment and advertising costs from its lottery proceeds, he added.

Optimist Club president Bill Karda, who was also president at the time the camp property was purchased in 1986, said the Charities Act is regulated much like the stock exchange.

"You can't benefit from being a member of a charity just as you can't benefit from insider trading," Karda said.

Karda said proceeds from bingo events at Meadowvale Bingo were

being set aside to fund major capital improvements at the camp, which is located just off Hwy. 69 on Crane Lake near Parry Sound. He believes there should be \$75,000-\$100,000 in the fund.

When the Club began making inquiries about how much money was there and how much the Club itself had contributed to Aga-Ming over the years, "we got into a dicey situation," Karda said.

Until recently, Karda said, the Optimists "didn't challenge ourselves" over the operation of Aga-Ming. "We decided to do a little self-examination," after some new members were recruited to join the club.

Karda said the club has now turned over its records to the OPP. "I told them that if we're doing something that needs to be modified, please advise us and we'll comply. It's been brought to our attention that we need to make adjustments in the way things are recorded."

Charitable criteria

Karda said one of the questions both the club and Commission are asking is, "If you're deploying the use of the camp for the directors, are you meeting the criteria of a charitable foundation?" He refused to comment on whether the warden's cabin has been used as a family recreational property.

A member of the ad hoc committee struck to investigate the camp says authorities were contacted after the committee was met with persistent opposition to its inquiries from members of the Starr family.

When Dan Meadowcroft contacted Michele Starr, who was secretary-treasurer of both the Optimists Club and the Aga-Ming Foundation, he "was met with tremendous opposition and reluctance to release anything," he said.

Karda said Michele Starr was removed as secretary-treasurer of the Optimists in October after repeated phone calls and letters to her failed to elicit the information requested by the committee.

Michele Starr maintains she is still the secretary-treasurer of the Optimists as far as she is concerned. "I wasn't replaced," she said.

Meadowcroft said the committee was concerned by what they heard about the property at meetings last year.

"We (Optimists Club) had owned the property for 15 years...it was a kid's camp that never had a kid at the camp, even though there were building funds and money to develop the camp," he said.

Meadowcroft was surprised to hear that while the warden's cottage had been renovated, "the kids' area was unhabitable."

Karda stressed the Optimists have put a lot of effort over the years into improving the camp. It was only after a septic system, pumping sta-

tion, hot water tanks and a shower house were installed that the camp was finally used last summer, 13 years after the camp's purchase, by a handful of children.

If the Optimists decide to sell the camp and invest the proceeds in other youth projects in Mississauga, independent appraisals will be required to establish the value of the property, says Karda. The Aga-Ming board has already been asked to provide two such appraisals and the Optimists plan to get their own evaluation.

Amend title

A legal review has indicated that the Aga-Ming Camp is not a corporate body and, therefore, cannot hold title to property. The camp is now registered to the Youth Camp in trust to Karda. An application to amend the title registration is proposed, but Karda says he does not want to pursue anything until the police investigation concludes.

"We had a vision that we would develop a camp for the youth of Mississauga," says Karda. "The idea was that it would be open to organizations (such as Boy Scouts, Girl Guides, Big Brothers, Big Sisters, etc.) to use and we would provide the facilities."

If he had it to do over again, "we might have structured things differently," Karda said.

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