



STATE OF MICHIGAN
RUTH JOHNSON, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

May 4, 2017

Richard Stathakis
13883 Timberview Drive
Shelby Township, Michigan 48315

Dear Mr. Stathakis:

The Department of State (Department) received a formal complaint filed by Grant Golasa against you, alleging that you violated the Michigan Campaign Finance Act (MCFA or Act), 1976 PA 388, MCL 169.201 *et seq.* The investigation and resolution of this complaint is governed by section 15 of the Act and the corresponding administrative rules, R 169.51 *et seq.* A copy of the complaint and supporting documentation is enclosed with this letter.

In Michigan, it is unlawful for a public body or an individual acting on its behalf to use or authorize the use of equipment, supplies, personnel, funds, or other public resources to make a contribution or expenditure. MCL 169.257(1). The definition of expenditure includes "a payment, donation, loan, or promise of payment of money or anything of ascertainable monetary value for goods, materials, services, or facilities in assistance of, or in opposition to, the nomination or election of a candidate [.]" MCL 169.206(1). A knowing violation of this provision is a misdemeanor offense. MCL 169.257(4).

Mr. Golasa alleges that you unlawfully used Shelby Township resources to further your nomination or election for Township Supervisor.

The purpose of this letter is to inform you of the Department's examination of these matters and your right to respond to the allegations before the Department proceeds further. It is important to understand that the Department is neither making this complaint nor accepting the allegations as true.

If you wish to file a written response to this complaint, you are required to do so within 15 business days of the date of this letter. Your response may include any written statement or additional documentary evidence you wish to submit. All materials must be sent to the Department of State, Bureau of Elections, Richard H. Austin Building, 1st Floor, 430 West Allegan Street, Lansing, Michigan 48918. If you fail to submit a response, the Department will render a decision based on the evidence furnished by the complainant.

A copy of your answer will be provided to Mr. Golasa, who will have an opportunity to submit a rebuttal statement to the Department. After reviewing all of the statements and materials provided by the parties, the Department will determine whether "there may be reason to believe that a violation of [the MCFA] has occurred [.]" MCL 169.215(10). Note that the Department's enforcement powers include the possibility of entering a conciliation agreement, conducting an

Richard Stathakis
May 4, 2017
Page 2

administrative hearing, or referring this matter to the Attorney General for enforcement of the criminal penalty provided in section 57(4) of the Act.

If you have any questions concerning this matter, you may contact me at (517) 241-0395.

Sincerely,

A handwritten signature in black ink, appearing to read "Lori A. Bourbonais". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Lori A. Bourbonais
Bureau of Elections
Michigan Department of State

c: Grant Golasa

FILED
CLERK OF STATE
2017 APR 25 PM 2:01
NOT SEAL

Campaign Finance Complaint Form
Michigan Department of State

This complaint form may be used to file a complaint alleging that someone violated the Michigan Campaign Finance Act (the MCFA, 1976 PA 388, as amended; MCL 169.201 *et seq.*). All information on the form must be provided along with an original signature and evidence. **Please print or type all information.**

I allege that the MCFA was violated as follows:

Section 1. Complainant		
Your Name GRANT GOLASA	Daytime Telephone Number (248) 396-3327	
Mailing Address 4815 KINGS ROW		
City SHELBY TOWNSHIP	State MI	Zip 48316

Section 2. Alleged Violator		
Name RICHARD STATHAKIS (SHELBY TOWNSHIP SUPERVISOR)		
Mailing Address 13883 TIMBERVIEW DR		
City SHELBY TOWNSHIP	State MI	Zip 48315

Section 3. Alleged Violations (Use additional sheet if more space is needed.)
--

Section(s) of the MCFA violated:
169.257 Sec 57.1 (attached in packet)

Explain how those sections were violated:

Richard Stathakis used ShelbyTV resources, which were not available to other candidates or the public in order to produce a campaign video which is included on the CD attached. It was demanded that the staff comply with his orders. John Martin is the individual who was supervising and can be reached at

(248) 525-2381. Photos of the Shelby TV Video studios are attached. Staff also will admit Stathakis did not pay for the video and production of the video is not posted in campaign finance records. Video can be found at www.rickstathakis.com

Evidence that supports those allegations (attach copies of pertinent documents and other information):

Evidence supporting is attached in the photos of the Shelby TV studio which show the Gray curtain used as well as the flags. Shelby TV staff has also admitted to this being the exact location of the filming.

Shelby TV Phone Number: (586) 254-7130

Section 4. Certification (Required)

I certify that to the best of my knowledge, information, and belief, formed after a reasonable inquiry under the circumstances, each factual contention of this complaint is supported by evidence.

X

Signature of Complainant

Date

4/20/17

Section 5. Certification without Evidence (Supplemental to Section 4)

Section 15(6) of the MCFA (MCL 169.215) requires that the signed certification found in section 4 of this form be included in every complaint. However, if, after a reasonable inquiry under the circumstances, you are unable to certify that certain factual contentions are supported by evidence, you may also make the following certification:

I certify that to the best of my knowledge, information, or belief, there are grounds to conclude that the following specifically identified factual contentions are likely to be supported by evidence after a reasonable opportunity for further inquiry. Those specific contentions are:

X

Signature of Complainant

Date

Section 15(8) of the MCFA provides that a person who files a complaint with a false certification is responsible for a civil violation of the MCFA. The person may be required to pay a civil fine of up to \$1,000.00 and some or all of the expenses incurred by the Michigan Department of State and the alleged violator as a direct result of the filing of the complaint.

Mail or deliver the completed complaint form with an original signature and evidence to the following address:

Michigan Department of State
Bureau of Elections
Richard H. Austin Building – 1st Floor
430 West Allegan Street
Lansing, Michigan 48918

Items Included:

- 1) Complaint form
- 2) Evidence C.D. with Video and web page view. (www.rickstathakis.com)
- 3) Photos of Shelby TV Studio where video was shot (including curtain used)
- 4) Copy of Michigan Legislature MCFA section of violation.
- 5) Contents List

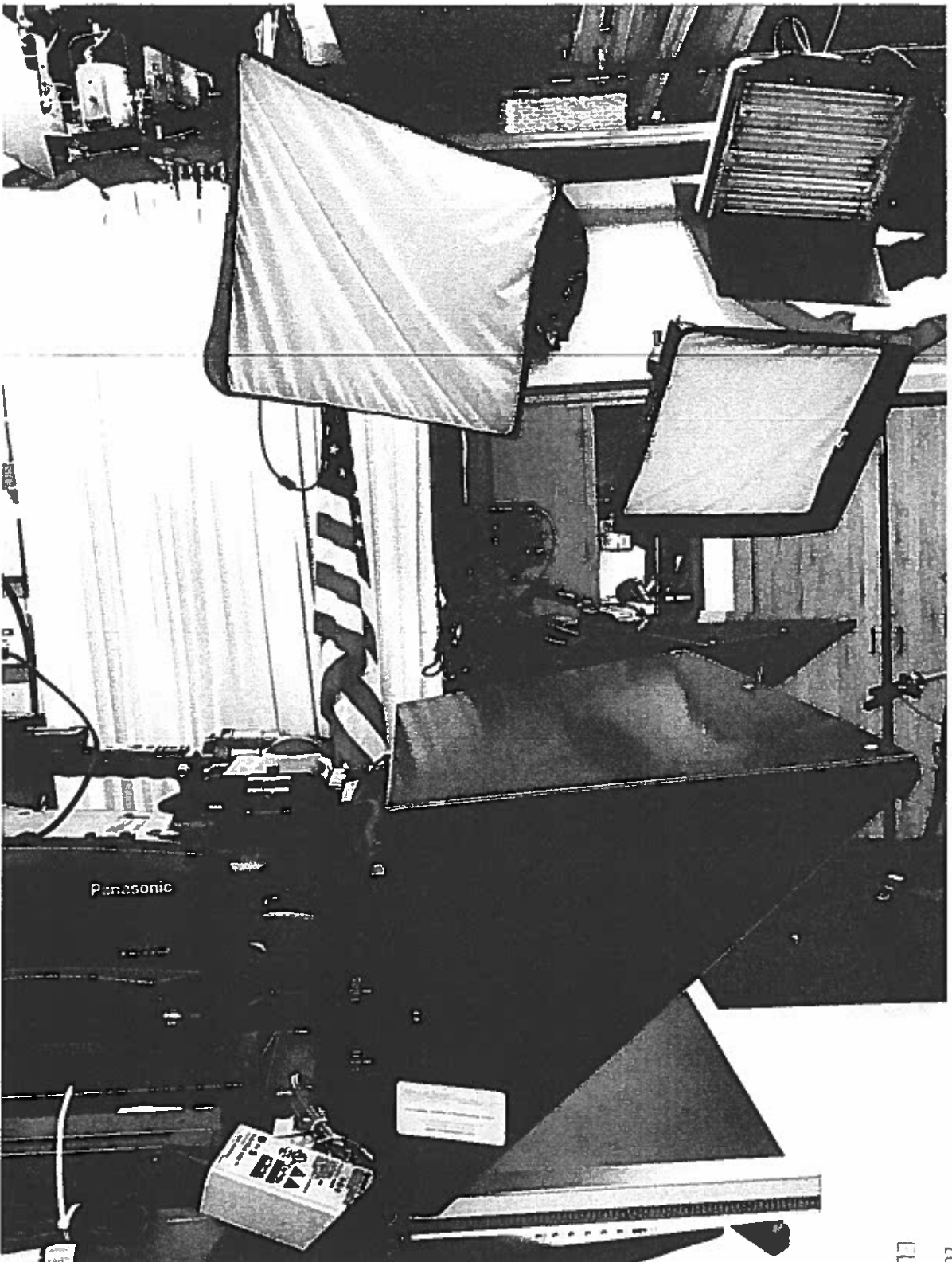
If there are any questions, please feel free to contact me at (248) 396-3327.

Sincerely,



Grant Golasa
4815 Kings Row
Shelby Township, MI 48316

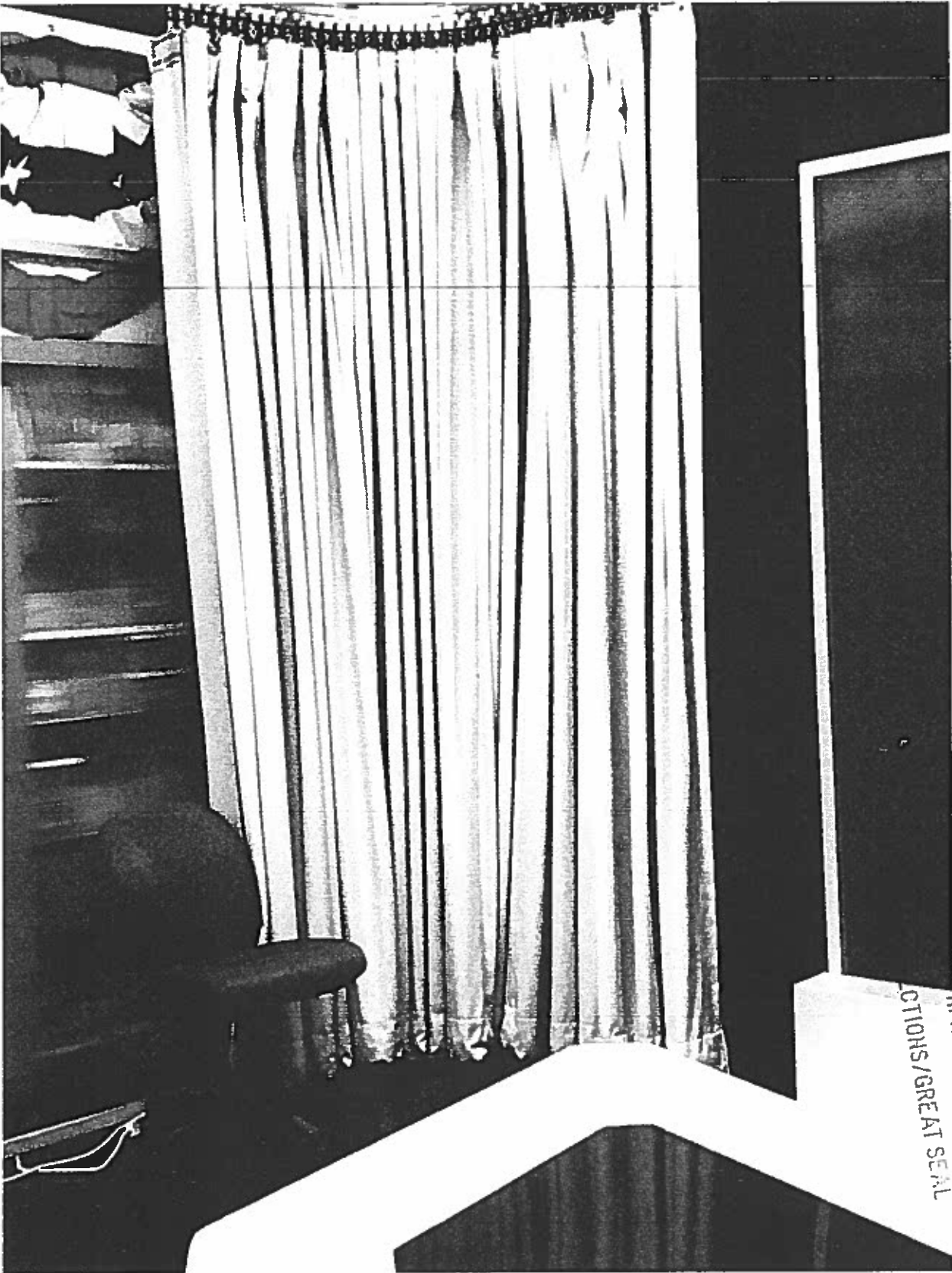
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2017 APR 25 PM 2:01
ELECTIONS/GREAT SEAL



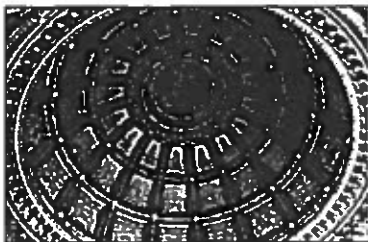
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2017 APR 25 PM 2:02

ELECTIONS/GREAT SEAL



REC'D/FILED
APR 25 PM 2:02
CTIONS/GREAT SEAL



MICHIGAN LEGISLATURE

Michigan Compiled Laws Complete Through PA 563 of 2016
House: Adjourned until Wednesday, April 19, 2017 1:30:00 PM
Senate: Adjourned until Tuesday, April 18, 2017 10:00:00 AM

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MCL Chapter Index

Chapter 169

Act 388 of 1976

Section 169.257

Section 169.257

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MICHIGAN CAMPAIGN FINANCE ACT (EXCERPT) Act 388 of 1976

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169.257 Contributions, expenditures, or volunteer personal services; prohibitions; civil action; use of public funds or resources for communication referencing local ballot questions; violation as misdemeanor; penalty.

Sec. 57.

(1) A public body or a person acting for a public body shall not use or authorize the use of funds, personnel, office space, computer hardware or software, property, stationery, postage, vehicles, equipment, supplies, or other public resources to make a contribution or expenditure or provide volunteer personal services that are excluded from the definition of contribution under section 4(3)(a). The prohibition under this subsection includes, but is not limited to, using or authorizing the use of public resources to establish or administer a payroll deduction plan to directly or indirectly collect or deliver a contribution to, or make an expenditure for, a committee. Advance payment or reimbursement to a public body does not cure a use of public resources otherwise prohibited by this subsection. This subsection does not apply to any of the following:

(a) The expression of views by an elected or appointed public official who has policy making responsibilities.

(b) Subject to subsection (3), the production or dissemination of factual information concerning issues relevant to the function of the public body.

(c) The production or dissemination of debates, interviews, commentary, or information by a broadcasting station, newspaper, magazine, or other periodical or publication in the regular course of broadcasting publication.

(d) The use of a public facility owned or leased by, or on behalf of, a public body if any candidate or committee has an equal opportunity to use the public facility.

(e) The use of a public facility owned or leased by, or on behalf of, a public body if that facility is primarily used as a family dwelling and is not used to conduct a fund-raising event.

RECEIVED
MAY 5 PM 2:20
CLERK OF STATE

Publications
Related Sites

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Recently Viewed

mcl 169 257
mcl 169 244
mcl Act 388 of 1976

(f) An elected or appointed public official or an employee of a public body who, when not acting for a public body but is on his or her own personal time, is expressing his or her own personal views, is expending his or her own personal funds, or is providing his or her own personal volunteer services.

(2) If the secretary of state has dismissed a complaint filed under section 15(5) alleging that a public body or person acting for a public body used or authorized the use of public resources to establish or administer a payroll deduction plan to collect or deliver a contribution to, or make an expenditure for, a committee in violation of this section, or if the secretary of state enters into a conciliation agreement under section 15(10) that does not prevent a public body or a person acting for a public body to use or authorize the use of public resources to establish or administer a payroll deduction plan to collect or deliver a contribution to, or make an expenditure for, a committee in violation of this section, the following apply:

(a) The complainant or any other person who resides, or has a place of business, in the jurisdiction where the use or authorization of the use of public resources occurred may bring a civil action against the public body or person acting for the public body to seek declaratory, injunctive, mandamus, or other equitable relief and to recover losses that a public body suffers from the violation of this section.

(b) If the complainant or any other person who resides, or has a place of business, in the jurisdiction where the use or authorization of the use of public resources occurred prevails in an action initiated under this subsection, a court shall award the complainant or any other person necessary expenses, costs, and reasonable attorney fees.

(c) Any amount awarded or equitable relief granted by a court under this subsection may be awarded or granted against the public body or an individual acting for the public body, or both, that violates this section, as determined by the court.

(d) A complainant or any other person who resides, or has a place of business, in the jurisdiction where the use or authorization of the use of public resources occurred may bring a civil action under this subsection in any county in which venue is proper. Process issued by a court in which an action is filed under this subsection may be served anywhere in this state.

(3) Except for an election official in the performance of his or her duties under the Michigan election law, 1954 PA 116, MCL 168.1 to 168.992, a public body, or a person acting for a public body, shall not, during the period 60 days before an election in which a local ballot question appears on a ballot, use public funds or resources for a communication by means of radio, television, mass mailing, or prerecorded telephone message if that communication references a local ballot question and is targeted to the relevant electorate where the local ballot question appears on the ballot.

(4) A person who knowingly violates this section is guilty of a misdemeanor punishable, if the person is an individual, by a fine of not more than \$1,000.00 or imprisonment for not more than 1 year, or both, or if the person is not an individual, by 1 of the following, whichever is greater:

(a) A fine of not more than \$20,000.00.

(b) A fine equal to the amount of the improper contribution or expenditure.

History: Add. 1995, Act 264, Eff. Mar. 28, 1996 ;-- Am. 1996, Act 590, Eff. Mar. 31, 1997 ;-- Am. 2001, Act 250, Eff. Mar. 22, 2002 ;-- Am. 2012, Act 31, Imd. Eff. Feb. 28, 2012 ;-- Am. 2015, Act 269, Imd. Eff. Jan. 6, 2016

Compiler's Notes: Section 2 of Act 264 of 1995 provides: "If any portion of this amendatory act or the application of this amendatory act to any person or circumstance is found to be invalid by a court, the invalidity does not affect the remaining portions or applications of this amendatory act that can be given effect without the invalid portion or application, if those remaining portions are not determined by the court to be inoperable. To this end, this amendatory act is declared to be severable." Enacting section 1 of Act 31 of 2012 provides: "Enacting section 1. It is the policy of this state that a public body shall maintain strict neutrality in each election and that a public body or a person acting on behalf of a public body shall not attempt to influence the outcome of an election held in the state. If there is a perceived ambiguity in the interpretation of section 57, that section shall be construed to best effectuate the policy of strict neutrality by a public body in an election."

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STATE OF MICHIGAN
RUTH JOHNSON, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

May 23, 2017

Grant Golasa
4815 Kings Row
Shelby Township, Michigan 48316

Dear Mr. Golasa:

The Department of State received a response to the complaint you filed against Richard Stathakis, which concerns an alleged violation of the Michigan Campaign Finance Act (MCFA), 1976 P.A. 388, MCL 169.201 *et seq.* A copy of the response is provided as an enclosure with this letter.

If you elect to file a rebuttal statement, you are required to send it within 10 business days of the date of this letter to the Bureau of Elections, Richard H. Austin Building, 1st Floor, 430 West Allegan Street, Lansing, Michigan 48918.

Sincerely,

A handwritten signature in cursive script that reads "Lori A. Bourbonais".

Lori A. Bourbonais
Bureau of Elections
Michigan Department of State

c: Richard Stathakis

Rick Stathakis

Shelby Township Supervisor



13883 Timberview Drive, Shelby Township, Michigan 48315

May 15, 2017

2017 MAY 19 PM 2:22

ELECTIONS/GREAT SEAL

Via email (bourbonaisk@michigan.gov)

Lori Bourbonais
Michigan Department of State
430 W. Allegan St., 1st Floor
Lansing, MI 48918

Re: May 14, 2017 Correspondence directed to Richard Stathakis

Dear Ms. Bourbonais:

Please let this serve as a response to your correspondence dated May 4, 2017 regarding a formal complaint filed by Grant Golasa alleging violation of the Michigan Campaign Finance Act. Mr. Golasa's complaint is without merit. Essentially, he is alleging that I used public resources to further my campaign for re-election as Shelby Township Supervisor in 2016. Mr. Golasa is mistaken.

First, I did use the studio operated by Shelby TV to prepare materials for my campaign. Attached here is a copy of the check made payable to Shelby TV for the services at the studio. The check was posted on May 6, 2016 by Fifth Third Bank.

Secondly, enclosed is a document showing payment from the Committee to Elect Richard Stathakis, indicating that on May 6, 2016 the expense for the work done at the Shelby studio was properly noted on the report.

Finally, the allegation implies that the Shelby TV production resources were not available to other candidates. This is untrue. Advertisement production is core function of Shelby TV, and no one, to my knowledge, willing to pay a fee, has been denied production resources.

I suspect that a common denominator in many of the complaints that you are tasked with reviewing is that the complaining party is a disgruntled political opponent of the party he/she is complaining about. Unfortunately, this is the case here. Mr. Golasa failed in a campaign to win a seat on our Township Board last year and has vowed to extract revenge on me as a result. In this instance, Mr. Golasa demanded evidence at the Cable TV Department of my payment for these services. Those employees did not have evidence and would not as these payments are handled through our Township Accounting Office. Therefore, Mr. Golasa assumed that there was no payment made.

Should you have any other questions or comments, please do not hesitate to contact me. I look forward to working with you toward a swift resolution of this matter.

Sincerely,

Rick Stathakis



CTE RICHARD STATHAKIS 33823 TIMBerview DR. SHELBY TOWNSHIP, MI 48316-2063		CR 8746	3103
PAY TO THE ORDER OF <u>SHELBY TV</u>		DATE <u>April 14, 2016</u>	\$ <u>100.00</u>
<u>one hundred dollars + 00/100</u>		DOLLARS	
<input checked="" type="checkbox"/> Charter One			
FOR <u>TAPING OF WEBSITE VIDEO</u>			

\$53616 PXT 8
 FIFTH THIRD BANK (P229)

PAY TO THE ORDER OF
 FIFTH THIRD BANK
 EASTERN MI
 FOR DEPOSIT ONLY
 TREASURER'S AGENCY FUND
 CHARTER TOWNSHIP OF SHELBY

Posting Date 2016 May 06
 Posting Seq No 96653451
 DIN No [REDACTED]
 Account Number [REDACTED]
 Check Number 3103
 Amount \$100.00



MICHIGAN DEPARTMENT OF STATE
BUREAU OF ELECTIONS

ITEMIZED EXPENDITURES
SCHEDULE 1B
CANDIDATE COMMITTEE

1. Committee I. D. Number 138012
2. Committee Name CTC Richard Staffhakis

3. Name and address of person or vendor to whom paid	4. Purpose (Required Information)	5. Date	6. Amount
Expenditure #1 Name <u>Shelby TV</u> Address <u>52700 Van Dyke</u> <u>Shelby Twp. MI 48316</u> <input type="checkbox"/> Fund Raiser	Purpose: <u>web video</u> <input type="checkbox"/> Check box if this expenditure is payment of debt or obligation reported on previous statement	<u>5/6/16</u> Date	<u>\$ 100</u>
Expenditure #2 Name <u>Kimi Scott</u> Address <u>101 W. Big Beaver Rd Ste 1400</u> <u>Troy, MI 48064</u> <input type="checkbox"/> Fund Raiser	Purpose: <u>Consulting - no other vendor</u> <input type="checkbox"/> Check box if this expenditure is payment of debt or obligation reported on previous statement	<u>4/29/16</u> Date	<u>\$ 1000</u>
Expenditure #3 Name <u>Hex Design</u> Address <u>72 E. 16th Street</u> <u>Holland, MI 49423</u> <input type="checkbox"/> Fund Raiser	Purpose: <u>Logo / website</u> <input type="checkbox"/> Check box if this expenditure is payment of debt or obligation reported on previous statement	<u>4/16/16</u> Date	<u>\$ 3000</u>
Expenditure #4 Name <u>Shelby Treasurer</u> Address <u>52700 VAN DYKE</u> <u>Shelby Twp. MI 48316</u> <input type="checkbox"/> Fund Raiser	Purpose: <u>Voter Lists</u> <input type="checkbox"/> Check box if this expenditure is payment of debt or obligation reported on previous statement	<u>4/17/16</u> Date	<u>\$ 100</u>
Expenditure #5 Name <u>Rick Staffhakis</u> Address <u>13883 Timberline</u> <u>Shelby Twp. MI 48315</u> <input type="checkbox"/> Fund Raiser	Purpose: <u>Loan Payment</u> <input type="checkbox"/> Check box if this expenditure is payment of debt or obligation reported on previous statement	<u>4/17/16</u> Date	<u>\$ 1500</u>

Subtotal this page

5,700

Grand Total of all Schedules 1B
(Complete on last page of Schedule)

Enter this total
on line 8a of
Summary Page



STATE OF MICHIGAN
RUTH JOHNSON, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

June 20, 2017

Richard Stathakis
13883 Timberview Drive
Shelby Township, Michigan 48315

Dear Mr. Stathakis:

This letter concerns the complaint that was recently filed against you, which relates to a purported violation of the Michigan Campaign Finance Act (MCFA or Act), 1976 PA 388, MCL 169.201 *et seq.* The Department of State has received a rebuttal statement from the complainant, a copy of which is enclosed with this letter.

Section 15(10) of the MCFA, MCL 169.215(10), requires the Department to determine within 45 business days from the receipt of the rebuttal statement whether there is a reason to believe that a violation of the Act has occurred. Mr. Golasa's complaint remains under investigation at this time. At the conclusion of the review, all parties will receive written notice of the outcome of the complaint.

Sincerely,

A handwritten signature in black ink that reads "Lori A. Bourbonais".

Lori A. Bourbonais
Bureau of Elections
Michigan Department of State

c: Grant Golasa

Lori Bourbonais
Michigan Department of State
430 W. Ellegan St., 1st Floor
Lansing, MI 48918

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MICHIGAN DEPT OF STATE

2017 JUN -6 AM 9:41

ELECTIONS/GREAT SEAL

Re: May 23, 2017 Correspondence

Dear Ms. Bourbonais,

I would expect nothing less from Richard Stathakis than an attempt to deflect and discredit my evidential findings on grounds of pure ignorance. It should be noted on the record, I did not run against the man, I ran for a totally different position.

My conclusion of Richard Stathakis using Shelby Township resources to further his political ambitions on the back of the taxpayers has not changed. Please find the attached copy of "Shelby TV Advertising" which includes the pricing information for commercials.

- To avoid any confusion, the cost for a 15 second still graphic is at a minimum of **\$150** dollars for three months. <This is the cheapest item on the advertising menu, which is not what Richard Stathakis used, the complaint mentions production of a web video.>
- Further down the page, it describes 30-second commercials are available at a price not less than **"\$400 for filming and post-production," plus an additional \$250 for airtime <if chosen>.**
 - Richard Stathakis's video was a total of 2 minutes and 51 seconds.
- At the bottom of the page, had Richard Stathakis chose the option to run the video <which he did not> on Shelby TV for twelve months, the price would be reduced to **\$200 for filming and post production PLUS \$200 per month of airtime.**

It can be differentiated by any citizen the cost Richard Stathakis was required to pay was less than any normal resident for his campaign video. Per the director of Shelby TV at the time of the video filming, there were two videos made and only one was paid for by Richard Stathakis. The investigators should consult John Martin for a further in depth analysis of this case (586) 879-2009. Additionally, staff were brought in after hours and paid overtime to produce his demanding video.

Should you have any other questions, comments, or concerns, please do not hesitate to contact me. I look forward to seeing justice being served to the taxpayers of Shelby Township.

Sincerely,

A handwritten signature in black ink, appearing to read 'Grant Golasa', with a stylized, cursive script.

Grant Golasa

Home » ShelbyTV » Advertise With Shelby TV

Shelby TV Advertising

Why choose Shelby TV?

Shelby TV is the No. 1 way to connect with your customers through a local target audience. Through advertising, Shelby TV offers an inexpensive way to boost your exposure by taking advantage of an extremely talented staff and crew that work hand-in-hand with clients to produce the best quality advertising material for you and your target demographic.

Who are the demographics?

Shelby TV reaches more than 22,000 homes on WOW, Comcast and AT&T with an age breakdown consisting of:

- Children (0-13) 18.52%
- Teens (14-17) 8.91%
- Young Adults (18-29) 10.56%
- Adults (30-59) 46.20%
- Senior Citizens (60+) 15.81%

Production Services

Shelby TV uses state of the art equipment to provide top of the line production value for our clients. We pride ourselves on creating presentation of a large studio product, with the ambiance and customer service of a local studio. Shelby TV equipment and staff are ready to assist you with your needs in-studio or on-site production, depending on the occasion to result in complete customer satisfaction.

Services Offered

Electronic Billboard Ads

Shelby TV's electronic billboards provide information about your business in a 15 second still graphic ad aired multiple times daily.

- \$150 for a three-month contract
- \$250 for a six-month contract
- \$400 for a one-year contract

Commercials

We provide complete filming and production services to a 30-second commercial that will air seven or more times daily, seven days a week. The commercial then becomes your property to used on other networks, websites or social media outlets.

Commercial options

Pay as you go:

This option gives you the freedom to air your commercial on a monthly basis as you see fit

- \$400 for filming and post-production
- \$250 per month air time

Six-Month Contract:

This option offers a lower monthly cost by signing for an extended period of time, and allowing payments in two-month increments

- \$400 for filming and post production
- \$225 per month air time

12-Month Contract:

This option offers a reduced commercial production cost with a lower monthly rate by signing for a longer period of time with payments spread over three-month increments

*includes 2 FREE changes to commercial during one-year contract

- \$200 for filming and post-production
- \$200 per month air time

Our Studio Also Offers

- Studio Rental
- Production Truck Rental
- Editing Services
- DVD Duplication
- Photography

51690 Van Dyke Ave.
Shelby Township, MI 48316
Phone (586) 254-7130
Fax (586) 254-1186



STATE OF MICHIGAN
RUTH JOHNSON, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

August 31, 2017

Richard Stathakis
13883 Timberview Drive
Shelby Township, Michigan 48315

Dear Mr. Stathakis:

The Department of State (Department) has completed its initial investigation of the complaint filed against you by Grant Golasa, which alleged that you violated section 57 of the Michigan Campaign Finance Act (MCFA or Act), 1976 PA 388, MCL 169.257. This letter concerns the disposition of Mr. Golasa's complaint.

In Michigan, it is unlawful for a public body or an individual acting on its behalf to use or authorize the use of equipment, supplies, personnel, funds, or other public resources to make a contribution or expenditure. MCL 169.257(1). The words "contribution" and "expenditure" are terms of art that are generally defined to include a payment or transfer of anything of ascertainable monetary value made for the purpose of influencing or made in assistance of the nomination or election of a candidate. MCL 169.204(1), 169.206(1). A person who knowingly violates this provision may be charged with a misdemeanor offense. MCL 169.257(4).

The Act also requires the Department to "endeavor to correct the violation or prevent a further violation by using informal methods [.] if it finds that there may be reason to believe that a violation has occurred, and if the Department is unable to correct or prevent additional violations, it must ask the Attorney General to prosecute if a crime has been committed. MCL 169.215(10)(a). The objective of an informal resolution is "to correct the violation or prevent a further violation [.]" *Id.*

Mr. Golasa filed his complaint on April 25, 2017. You filed an answer to the complaint on May 19, 2017, and Mr. Golasa filed a rebuttal statement on June 6, 2017.

Mr. Golasa alleged that you improperly used township funds or resources to produce a video which advocated for your election for Shelby Township Supervisor.

As evidence, Mr. Golasa provided photos of the Shelby TV studio, a link to your campaign website (www.rickstathakis.com), and a copy of your campaign video. In the video you state, "I ask for your continued . . . support for reelection."

In your answer to the complaint you admitted that you "did use the studio operated by Shelby TV to prepare materials for [your] campaign [.]" but that you paid for those services and reported the payment on your campaign finance statement. You provided a copy of a check payable to

Shelby TV and a copy of a page from your 2016 Pre-Primary statement which discloses a \$100.00 expenditure on May 6, 2016 to Shelby TV for "web video [.]"

With his rebuttal statement, Mr. Golasa provided a printout from the Shelby TV website, which included a price list for services offered. The Department was also able to review the price list at <http://www.shelbytwp.org/shelbytv/advertise.html>. It appears from this list that the cost for the filming and production for a 30-second commercial is \$400.00, and the price lowers if a contract for airtime is also included. The Department notes that the price list indicates that it is also possible to rent the studio and equipment. After contacting Shelby TV, the Department understands that the cost to rent the studio is \$150.00 per hour. Shelby TV also offers editing services for a fee. It is the Department's understanding that this fee has recently changed, but currently editing services are offered for \$100.00 per hour.

As defined in the Act, a contribution includes "the granting of discounts or rebates not available to the general public [.]” MCL 169.204(2). While you paid \$100.00 to Shelby TV for your ad, it appears, based on the published price list, that this was a discounted amount. At a minimum, if you rented the studio and no other township employees provided any assistance, it appears the cost to the general public would be at least \$150.00. That cost increases if more than 1 hour of studio time was used or if township employees assisted in the filming or editing of your ad and it was done on township time. Alternatively, if you paid the normal rate for the filming and production of your ad, it would have cost \$400.00 or more. The list price for a 30 second ad is \$400.00, and your ad ran 1 minute and 50 seconds.

The evidence provided to the Department supports a conclusion that you expended public resources to advocate for your reelection because you received a discount not available to the general public to use Shelby Township resources to produce your campaign ad. Because you used public resources at this discounted price to produce an ad urging voters to reelect you as Shelby Township Supervisor, the Department finds that there is a reason to believe that you violated section 57 of the Act. Upon making this determination the Department is required by law to attempt to resolve the matter informally. MCL 169.215(10).

Please calculate the following and provide written answers to the Department by September 22, 2017:

1. Provide the date(s) and time(s) you used the studio for your campaign ad.
2. Provide the number of Shelby Township staff or employees who worked on the production or editing of your campaign ad, and provide the cost of staff or employee salaries and benefits for the time spent working on the ad.
3. Provide the cost to a member of the general public for the resources used or services received for the ad.
4. Provide a detailed list of any other costs incurred by the Township regarding your campaign ad.

The Department will use this information to facilitate an informal resolution of Mr. Golasa's complaint.

Richard Stathakis
August 31, 2017
Page 3

Please be advised that if the Department is unable to resolve the matter through informal methods, the Department must refer the matter to the Attorney General for enforcement of the criminal penalty provided in MCL 169.257(4). MCL 169.215(10)(a).

Sincerely,

A handwritten signature in black ink, appearing to read "Lori A. Bourbonais", written over the word "Sincerely,".

Lori A. Bourbonais
Bureau of Elections
Michigan Department of State

September 19, 2017

Lori A. Bourbonais
Bureau of Elections
Michigan Department of State
430 W. Allegan
Lansing, MI 48918

Dear Ms. Bourbonais:

Thank you for your thorough review of our cable TV operations. Unfortunately, because of past leadership in this department, we have a number of inconsistent practices; you have added another to this list.

Our cable TV department now has made clear that the former manager was not sticking to a consistent rate schedule for vendors/customers. To make matters worse, there has been inconsistent and unclear promotion of rates and services offered by Shelby TV. A case in point is the issue with the \$400 charge on the www.shelbytwp.org/shelbytv website. I agree, it does appear that this rate is for a 30 second commercial. But, as you can see in the screen capture below, this \$400 charge includes production of a 30 second commercial that "will air seven or more times daily, seven days a week." I did not require or receive any air time, so my video did not fall into this purchase price. Therefore, \$400.00 is not an accurate charge for the services I received.

My video is better priced under the enclosed Shelby TV rate card that outlines hourly rates for studio time and editing. My time in the *studio* was a minimum of 15 minutes and not more than 30 minutes. In speaking with staff, the small amount of *editing* needed for the video was under one hour. What is unclear, though, is whether or not the former manager charged prorated rates for services that did not require a full hour, or if he used the first hour as a flat rate for all services.


If he did use the first hour as a base-line fee for all customers, then it would appear I was not charged enough, and I owe \$50.00 for the small amount of editing that was needed for the video. However, if he prorated the hourly rate, I may have been charged the correct amount for 30 minutes of studio time and 30 minutes of editing.

I wish I had a more concrete answer to the issues you raised, and I can assure you that we are taking the necessary steps at Shelby TV to ensure more consistent billing. The former cable

manager is no longer employed by the township so I believe the remaining answer to the question raised here will be difficult to obtain. Worse, it may carry bias as opposed to objectivity. So rather than continue to ask you to spend time on this issue, I am willing to admit that a misunderstanding may exist with respect to pricing and services that my campaign received. I'm more than happy to pay Shelby TV the additional \$50.00 for the possible editing fee, if that would put this matter to rest and allow your office to put this matter to rest and allow your office to have closure in this matter.

This solution is reasonable as I spoke to the editor and he indicated there was not an hour spent on the edit work for this video. So this offer more than covers any amount that could be due.

Thank you.

A handwritten signature in black ink, appearing to read 'Rick Stathakis', with a long horizontal flourish extending to the right.

Rick Stathakis



**Shelby Township
Michigan**
586-731-5100

Search

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Email
updates



Nixle
alerts

Services Offered

Electronic Billboard Ads

Shelby TV's electronic billboards provide information about your business in a 15 second still graphic ad aired multiple times daily.

- \$150 for a three-month contract
- \$250 for a six-month contract
- \$400 for a one-year contract

Commercials

We provide complete filming and production services to a 30-second commercial that will air seven or more times daily, seven days a week. The commercial then becomes your property to used on other networks, websites or social media outlets.

Commercial options

Pay as you go:

This option gives you the freedom to air your commercial on a monthly basis as you see fit

- \$400 for filming and post-production
- \$250 per month air time

Six-Month Contract:

This option offers a lower monthly cost by signing for an extended period of time, and allowing payments in two-month increments

- \$400 for filming and post production
- \$225 per month air time

12-Month Contract:

This option offers a reduced commercial production cost with a lower monthly rate by signing for a longer period of time with payments spread over three-month increments

*includes 2 FREE changes to commercial during one-year contract

- \$200 for filming and post-production
- \$200 per month air time

Our Studio Also Offers

- Studio Rental
- Production Truck Rental
- Editing Services
- DVD Duplication
- Photography

Answers to your questions in your letter dated Aug. 31, 2017

1. Mid-April 2016, one visit 15-30 minutes
2. One employee in studio 15-30 minutes; one employee editing 15-45 minutes
3. Enclosed rate card dated 2010 outlines \$100 per hour for studio; \$100 per hour for editing. My cost = \$100-\$150.
4. No other expenses were incurred of which I am aware.

BENEFITS OF SHELBY TV:

- TV is still the #1 way to reach out to the population.
- Boost customer loyalty by aiming directly at the Shelby audience with hyper-local content.

SHELBY TWP AGE DEMOGRAPHICS:

•Children (0-13)	18.52%
•Teens (14-17)	8.91%
•Young Adults (18-29)	10.56%
•Adults (30-59)	46.20%
•Senior Citizen (60+)	15.81%

SHELBY TV'S REACH:

- We reach 25,000 homes on WOW, Comcast, and AT&T
- Some programming streams on our website for an infinite audience of viewers

ABOUT SHELBY TV:

- We are composed of two stations, Government, Comcast Ch. 5 and WOW Ch. 10, AT&T Ch. 99 and Community, Comcast Ch. 20, WOW Ch. 10.

DVD COPIES:

- \$10 per copy
- \$15 for Special Features
(discounts for bulk orders)

STUDIO RENTAL:

- \$100 per Hour
(discounts for over 3 hours)

EDITING SERVICES:

- \$100 per Hour

COMMERCIAL PRODUCTION:

- \$300/+ per commercial
(dependent on production scale)

COMMERCIAL AIR-TIME:

- \$300/Month
- Plays 7+ times daily.

E-BILLBOARD ADS:

- \$150 for a 3 Month Contract
- \$250 for a 6 Month Contract
- \$400 for a 1 Year Contract



STATE OF MICHIGAN
RUTH JOHNSON, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

November 15, 2017

Richard Stathakis
13883 Timberview Drive
Shelby Township, Michigan 48315

Dear Mr. Stathakis:

The Department of State (Department) has concluded its investigation of the complaint filed against you by Grant Golasa, which alleged that you violated section 57 of the Michigan Campaign Finance Act (MCFA or Act), 1976 PA 388, MCL 169.257. This letter concerns the disposition of Mr. Golasa's complaint, which was filed on April 25, 2017. You filed an answer to the complaint on May 19, 2017, and Mr. Golasa filed a rebuttal statement on May 31, 2017. At the Department's request, you provided additional information on September 22, 2017.

The MCFA and corresponding administrative rules require the Department to ascertain whether there may be "reason to believe that a violation of this act has occurred." MCL 169.215(10), R 169.55(3). The Department has carefully considered the written statements and supporting documentation and has determined that the evidence submitted meets this evidentiary standard. Upon a finding that there may be "reason to believe that a violation of this act has occurred[,]" the Department is required by law to "endeavor to correct the violation or prevent a further violation by using informal methods." MCL 169.215(10).

Mr. Golasa alleged that you improperly used township funds or resources to produce a video which advocated for your election for Shelby Township Supervisor

The MCFA prohibits a public body or an individual acting on its behalf from "us[ing] or authoriz[ing] the use of funds, personnel, office space, computer hardware or software, property, stationery, postage, vehicles, equipment, supplies, or other public resources to make a contribution or expenditure." MCL 169.257(1).

By letter dated August 31, 2017, the Department notified you of its determination that the evidence provided supported a conclusion that a violation of the Act had occurred. The Department requested that you provide the Department with the following information:

1. Provide the date(s) and time(s) you used the studio for your campaign ad.
2. Provide the number of Shelby Township staff or employees who worked on the production or editing of your campaign ad, and provide the cost of staff or employee salaries and benefits for the time spent working on the ad.

3. Provide the cost to a member of the general public for the resources used or services received for the ad.
4. Provide a detailed list of any other costs incurred by the Township regarding your campaign ad.

You provided this information to the Department on September 22, 2017. You asserted that it took between 15 and 30 minutes to film the commercial and between 15 and 45 minutes to edit the video. You also provided a rate card which indicates that the cost of studio rental is \$100 per hour and the cost of editing services is \$100.00 per hour. You stated that you are not sure if the policy of the previous manager of the TV station was to charge the general public prorated rates for services under an hour or if all persons were charged for an hour of time even if less than an hour was used. Finally, in an effort to resolve the matter, you admitted that "a misunderstanding may exist with respect to pricing and services that your campaign received."

The Department has determined that an expenditure of township funds and resources was made with regard to your campaign video because you appear to have received a discount not available to the general public. The Department must now "endeavor to correct the violation or prevent a further violation by using informal methods." MCL 169.215(10). The Department offers to resolve Mr. Golaska's complaint against you informally through execution of the enclosed conciliation agreement, which requires you to reimburse \$50.00 to Shelby Township for the cost of editing your video and pay a civil fine in the amount of \$50.00. **If you wish to enter into the conciliation agreement, please return the original signed document to P.O. Box 20126, Lansing, Michigan 48901-0726 with payment in full of the \$50.00 fine, along with a receipt from Shelby Township for the \$50.00 payment on or before December 8, 2017.** Payment of the civil fine must be made by check or money order payable to the State of Michigan; please include the notation, "Conciliation Agreement, Attn: Bureau of Elections" on your check or money order. A copy of the conciliation agreement signed by the Secretary of State's authorized representative will be returned to you promptly.

Please be advised that if the Department is unable to resolve Mr. Golasa's complaint informally, it is required by MCL 169.215(10)-(11) to:

- 1) Refer the matter to the Attorney General with a request that his office prosecute you for the crime of expending public funds to make an expenditure, a misdemeanor violation of MCL 169.257(1); or

- 2) Conduct an administrative hearing to enforce the civil penalty provided in MCL 169.215(11), which provides that the Secretary of State may seek a civil fine of triple the amount of each improper expenditure, plus up to \$1,000.00 for each violation of the Act.

Sincerely,

A handwritten signature in black ink, appearing to read "Lori A. Bourbonais". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Lori A. Bourbonais
Bureau of Elections
Michigan Department of State



STATE OF MICHIGAN
RUTH JOHNSON, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

In the Matter of:

Richard Stathakis
13883 Timberview Drive
Shelby Township, Michigan 48315

CONCILIATION AGREEMENT

Pursuant to MCL §169.215(10) of the Michigan Campaign Finance Act (the Act), MCL §169.201 *et seq.*, the Secretary of State and Richard Stathakis (Respondent) hereby enter into a conciliation agreement with respect to certain acts, omissions, methods, or practices prohibited by the Act.

The Secretary of State alleges that there may be reason to believe that Respondent violated MCL §169.257(1) by using Shelby Township resources and services to produce a campaign video and receiving a discount not available to the general public for the resources and services.

Therefore, Respondent, without admitting any issue of law or fact, except as stated herein, hereby voluntarily enters into this conciliation agreement and assures the Secretary of State that he will comply with the Act and the Rules promulgated to implement the Act.

By executing this conciliation agreement, Respondent certifies that he has:

1. Reimbursed Shelby Township \$50.00 and provided a receipt to the Department, and
2. Paid a civil fine in the amount of \$50.00 to the State of Michigan.

The Secretary of State and Respondent further agree that this agreement is in effect and enforceable for four years from the date it is signed by the Secretary of State or her duly authorized representative.

The Secretary of State and Respondent further agree that this agreement, unless violated, shall constitute a complete bar to any further action by the Secretary of State with respect to the alleged violation that resulted in the execution of this agreement.

The Secretary of State and Respondent further agree that the complaint and investigation that resulted in this agreement are disposed of and will not be the basis for further proceedings, except pursuant to this agreement.

The Secretary of State and Respondent further agree that this agreement will not prevent the Secretary of State from taking action for violations of this agreement.

The Secretary of State and Respondent further agree that Respondent's performance under this agreement shall be given due consideration in any subsequent proceedings.

The Secretary of State and Respondent further agree that this agreement, when signed, shall become a part of the permanent public records of the Department of State.

The Secretary of State and Respondent finally agree that the signatories below are authorized to enter into and bind the parties to this agreement, and have done so by signing this agreement on the date below.

RUTH JOHNSON
SECRETARY OF STATE

RESPONDENT

Sally Williams, Director
Bureau of Elections

Richard Stathakis

Date: _____

Date: _____



STATE OF MICHIGAN
RUTH JOHNSON, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

December 21, 2017

Grant Golasa
4815 Kings Row
Shelby Township, Michigan 48316

Dear Mr. Golasa:

The Department of State has concluded its investigation of the complaint that you filed against Richard Stathakis, which concerned an alleged violation of the Michigan Campaign Finance Act (MCFA), 1976 P.A. 388, MCL 169.201 *et seq.* A copy of the final resolution is provided as an enclosure with this letter.

Sincerely,

A handwritten signature in cursive script that reads "Lori A. Bourbonais".

Lori A. Bourbonais
Bureau of Elections
Michigan Department of State



STATE OF MICHIGAN
RUTH JOHNSON, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

MDOS 5539939-1 12/07/2017
ELEC NY \$50.00

In the Matter of:

Richard Stathakis
13883 Timberview Drive
Shelby Township, Michigan 48315

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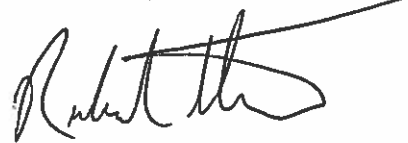
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RUTH JOHNSON
SECRETARY OF STATE



Sally Williams, Director
Bureau of Elections

RESPONDENT



Richard Stathakis

Date:

12/14/17

Date:

12-4-17

Charter Township of Shelby
52700 Van Dyke
Shelby Township, MI 48316
(586) 731-5100
www.shelbytwp.org

Date: 12/04/2017
Receipt: 2017-00115998
Cashier: LH
Received From: RICHARD / CAROL
STATHAKIS

13883 TIMBERVIEW DR SHELBY TWP., MI 48315

Prod Fees 598 - 598-646-500
Production Fees 50.00

Receipt Total 50.00

Check #: 9491 50.00

Total Remitted 50.00

Total Received 50.00