

Shoreline News

Steenburg Lake Community Association

July Edition 1992

Member FOCA & BACA

Gilmour, Ontario - Hastings County

Additional Severences on Steenburg Lake

"O"

The open house meeting on 4/21/92 ended the suspense on the outcome of the Lake Capacity Study. In essence any lake that feeds Limerick Lake, a cold water trout lake, has been given a "o" for further severences and of course one of those lakes is Steenburg Lake. According to the township records there are 16 severed lots around Steenburg Lake that can still be considered available for development. Of those 16 lots in Limerick Township, only three could really secure a building permit, several others would be considered marginal and would require a variance to be built on. A visit to the assessors office in Bancroft indicated 6 vacant lots in Tudor Township on Steenburg Lake, plus two lots owned by the township.

The meeting was chaired by Wes Moffatt with Niall Carney, Hastings County Planner, and Phil Niblett, the consultant that was contracted to do the study, each representing from their prespective what the results of the study meant. Mr. Niblett gave an overview of the basis of the study which centered on the trophic status of lake and the surrounding influences that impact the trophic condition of the lake. The placement of one cottage on Steenburg Lake is equal to 1/2 of a cottage on Limerick Lake. The ministries of both the Environment & Natural Resources back the results and recommendations of the study. This is reassuring in that any one challenging the outcome of the study must attempt to refute the results of the study as well as deal with the ministries. This could be quite costly for anyone wanting to take a proposal to an OMB hearing. It would no longer just be the association or the township defending the outcome.

At the afternoon meeting, which is the one I attended, there were 26 people in attendance and after the presentations were completed there were numerous questions from the floor, most centered on septic systems and placement of tile beds (50 meters from the shoreline). Mr. Carney stated that "Development cannot degrade the trophic status of a lake or have any impact on a trout lake". The results of this study and several other done in Hastings County will be incorporated into the revised and updated county plan and will apply uniformly throughout the county (yes in Tudor/Cashel as well). Specific numbers will not be included. There was a public meeting on June 11th in Belleville to allow citizens to hear what is included in the plan and to ask questions.

Basically this study only included an area within 1000 feet of the lakes, but that also includes 1000 feet from any body of water flowing into the lakes so it is quite inclusive.

Additional Development continued.....

All tile beds must be effeictive in removing phosphorous and that may require the importation of a special medium. It was pointed out that the red clay medium is not approved for use in the Province of Ontario. It is effective in trapping and holding phosphorous but it becomes saturated and then must be dug up and carted away. It was also mentioned that the Ministry of the Environment will only authorize holding tanks where the municipality has an approved facility for accepting the contents of holding tanks and the owner is within 5 years of being hooked up to a sewer system. For the average family with a holding tank it would have to be pumped out every 14 days at a cost of about \$75 per pumping, which for a 90 day season amounts to \$525.00, not a trival expense. If it were not for grey water disposal from the cottages, the privy is considered the best way to handle human waste.

I have included the summary page from the report of the Lake Capacity Study which lists the lakes studied and the allowable additional cottages that each lake could still handle. Two full copies of the report are available and if you would care to secure one to read, call Tom Hughes.

With the severence issue more or less eliminated on Steenburg Lake, concern will now focus on back-lot development, and there is potential for that at several locations around the lake. The restrictions brought about by the the Lake Capacity study apply only within the 1000 foot setback line.

Annual Dinner/ Meeting - S.L.C.A.

The Limerick Centre was reserved last year for August 2nd of this year and there are no available Saturday evenings open at the centre during July. In light of that the annual S.L.C.A. dinner/meeting will be held, as in the past, on the Saturday eveing of the Civic Weekend. The suggestion from the questionnaires that the meeting be held prior to the dinner will be followed this year. The schedule will be: Annual meeting 4:00 - 5:30, Social hour 5:30 - 6:30, dinner served at 6:30, cards after dinner. It is hoped that this format will result in more people attending the meeting.

As in the past there will be no dinner tickets sold at the door. You must purchase your dinner tickets in advance. Tickets are available at 3 locations around the lake: Duggans (#165), Harrison's (#79) and Hughes (#30). Possibly next year we will try a Saturday evening in late July prior to the Civic Weekend and see if that produces a greater turn out for the meeting. The by-laws require a minimum of 20% of the cottages to be represented, each cottage having one vote. That requires a quorum of 34

Annual dinner/meeting continued.....

cottages to be represented at the meeting, not 34 cottagers. I do not believe we have had a quorum for some of the meetings as the by-laws state.

Mark your calendar for August 2nd, 4:00 PM at the Limerick Community Centre for the annual meeting.

Guaranteed the meeting will be over by 5:30 so you can still make it back to the cottage for dinner and the evening with your weekend guests. Of course we would like to see you stay for the social hours and dinner but many of you stated that you always have guests for that weekend and that is why you have not attended either function in the past.

Recording Your Fish Catch

Last year in the July issue of the newsletter there was included a form for your fisher persons to keep track of the number of fish they caught, the type of fish caught, and how many fisherperson hours it took to catch those fish. It was not anticipated that there would be a great deal of participation for the first year and our expectation were realized. A total of 6 forms were turned in at the end of the season, not a total wash out, but close as those sheets reflected 3 families. Gene Tracy tallied the results and the figure is .75 fish caught per hour of fishing. This tally has been forwarded to the Ministry of Natural Resources at Bancroft for their records.

That same program will be in effect this year and it is hoped that a few more fisherpersons will participate. The forms will be handed out by your canvasser and we are only going to track July and August. Participation in Rock Bass Derby should be recorded as well. Incidentally, this is a good time to mention that the prizes for the derby this year will be individual prizes and not cottage prizes as it has been for the past two years. The Rock Bass Derby is just another way that the cottagers can help in upgrading the quality of the lake in the species of fish that we value. The more of those little red eyed buggers we can get out of the lake the better chance the good bass fry will survive and provide enjoyable fishing for future years.

Pre Season Bass Fishing

The Ministry of Natural Resources reminds us that it is illegal to take or attempt to take bass during the closed season.

Anglers who illegally catch and release bass for fun during the closed season may not realize the harm they are doing to the fishery. An adult male bass caught while guarding the nest may be fatally injured in the ensuing fight or the eggs and fry could be eaten by a predator. This can have a significant detrimental effect on the future bass population of the lake.

Anglers are also advised that individuals caught by a conservation officer, specifically angling for bass (and what else would you be fishing for in Steenburg Lake) are subject to a \$5,000 fine and confiscation of all your fishing gear.

Steenburg Stocked With Splake

We finally made the MNR's stocking list and 8,000 Splake fingerlings went in through the ice on April 2nd. Kathy Irwin from the Bancroft Fishery section of the MNR advised that stocking will continue with 8,000 fingerlings every two years (94,96,98...) By next summer those that survive will be about 18" long.

Any caught this years , of course, should be returned to the lake. They look just like a Brook Trout except there is no blue halo around the pink spots. Some will have straight tails and some will have a V notch in the tail. Kathy stated that they would be scattered around the lake and not just in the deep holes.

Kathy also provided some insight on fish in general. When any given species is under stress (diminishing population), that species will grow faster and mature quicker than normal. The net result of that pressure will be a seemingly greater abundance of that species, however within a short period of time there will be a drastic drop off of their presence. This has been noticed in trout lakes and it will also happen with Rock Bass. I don't believe that our derbies have put that much pressure on the Rock Bass yet, but it could be happening over at Dickey Lake where they run their Rock Bass Derby all summer. Possibly that is something we should consider.

In any event, if the Splake flourish in Steenburg Lake the fishermen and women are going to have a whole new challenge with another species of fish in the lake.

Minutes From Special Meeting of Limerick Township

May 6, 1992

The meeting was called to familiarize councillors on the status of severence applications recieved after the Interim Control By-Law is lifted May 11, 1992.

It was confirmed by Reeve Moffatt and Clerk Jane Sopha, that any severence application would be subject to the results of the Lake Capacity Study. If applicants did not come within the allowable number of limits available on any particular lake, appropriate studies would be their responsibility to prove that further development would not affect the water quality.

Cottage Country Environmental Guide

If you would like to secure a copy of this publication from MOE, address your request as follows:

Cottage Country
The Ministry of the Environment
135 St. Clair Ave. West, 6th Floor
Toronto, Ontario M4V 1P5

There is no charge for this publication.

Ice Out Date 1992

Just for the record and as you might have guessed, the ice lingered about for awhile this year. Tina Lloyr reported the lake was clear of ice on May 29th but the little bay by Waddell's cottage (#103) was not ice free until May 3rd.

Planning & Development Cycle In Ontario Under Study

The Commission on Planning & Development Reform in Ontario was established under the Public Inquiries Act and three full time commissioners were appointed in mid-June of 1991. John Sewell, former mayor of Toronto is the Commission Chair. The commissions terms of reference are as follows:

1. Examine the relationship between the public and private interests in land use and development,
2. Inquire, report and recommend legislative change or other actions or both, needed to restore confidence in the integrity of the land use planning system including:
 - a) Improve integrity, efficiency, openness, accountability and goals of the land use planning and development review process.
 - b) Determine the appropriate roles and relationships of elected officials, administrators, the development industry interest and lobby groups, the public and the Ontario Municipal Board in the land use planning and development review system.
 - c) Protect the public interest in planning and land development and support of provincial priorities including environmental and agriculture considerations.

The following are to be considered in the commissions deliberations:

- a) The effect of the development industry's concentration and structure on the ability of provincial and local governments to protect the public interests,
 - b) The appropriate goal of provincial and municipal policy in achieving consistent and fair land use planning decisions and the need for any change in provincial legislation
 - c) The adequacy of development control tools to implement public policy,
 - d) The impact of the municipal financing system and large scale infrastructure projects on local planning and development decisions.
3. To consult widely, undertake research, foster dialogue and make recommendations on amendments to the Planning Act of 1983 and other relevant legislation and to undertake other actions needed to achieve this mandate.

●-----●

John Sewell addressed the Spring F.O.C.A. seminar, providing a summary of the commissions activities to that date and entertaining questions from the floor. On May 26th the full commission held a public meeting in Belleville. Both my wife and I attended the meeting which

Planning & Development continued.....

was held in the Recreation Centre. There was a wide range of interests that had scheduled themselves to address the commission and their varying messages were very interesting. I presented to the commission the results of a meeting Reeve Moffatt and our councilors had in Toronto with a Deputy Minister of the Hon. Ruth Grier concerning the "Grandfather" clause in the Environmental Protection Act of 1974 honoring all septic systems that had been installed prior to April 1974. The results of the meeting were not very encouraging.

The commission publishes the "New Planning News" and you can get on their mailing list for that publication by making a request to:

Commission on Planning & Development
Reform in Ontario
180 Dundas St. W., 22nd Floor
Toronto, Ont. M5G 1Z8
or telephone
1 - 800 - 267 - 4317

Their December 1991 issue Vol 1 #3 was entitled: Septic Issue "A Sleeping Giant".

A few quotations from this issue will illustrate the severity of the problem:

Local health units report that the number of complaints received and investigations conducted climbed from 5,154 in 1984 to 9,067 in 1990

The standard "unscientific guesstimate" that is widely quoted is that 30% of all septic systems are failing.

Dr. John Cherry of the University of Waterloo Groundwater Research Centre states quite clearly that, "we should no longer use standard septic systems. The onus should be on the builder to prove that the system will not cause problems."

In the short term, septic system failures mean public health hazards from exposure to sewage and its attendant diseases. In the long term, drinking water is at risk of contamination.

"But it's hard to get people to realize the sleeping giant that this issue is."

William Arthur Robertson Passed Away

Bill Robertson of cottage #50 passed away on November 22, 1991. We have no news of his wife who was not well last year. His cottage originally was built by Mr. Carpenter, a Rochester, NY science teacher who first came to the lake in the early 20's and was responsible for three other Rochester teachers who built cottages on the lake in the mid 20's.

S.L.C.A. Waste Disposal Survey

Below is an updated summary of the survey. There are still 38 cottages that have not completed a survey form and if some of those are members of the association they will continue to receive a form with their newsletter. From non-members of the association we may never receive a survey form.

STEENBURG LAKE WASTE DISPOSAL SURVEY SUMMARY

Systems Surveyed: 163 (5/92)

'Types and number in use

Septic	Privies*	Holding Tank	Chemical	Other
130	10	18	1	4

System upgrades under consideration 23

'Routing of Kitchen Waste

Septic	Dry Well	Lch	Fld.	Sand	Bed	Hold	Tank	None	Other
105	26	5	7	9	3	8			

Septic systems installed prior to EPA (1974) : 30

* Privies used on a regular basis, not as back up
163 out of 201 cottages have responded = 81% participation

From The Notebook of..... The Intrepid Cottager

"As we kick back for a long, hot, lazy summer, we need to be aware that every paradise has its price. Ours must be to make it better for our children than it has been for us.

In practical terms, this means taking personal action on environmental issues as diverse as the zebra mussel plague which threatens our water ways, the dumping of grey water from pleasure boats and hot tubs, the new waste management initiatives to reduce, recycle and re-use, and the protection and restoration of our shoreline vegetation. It means making sure our septic system is still doing the job, eliminating the shoreline use of garden fertilizers, not dumping septic-killing household chemicals down the drain, and not putting anything in the lake that is not natural."

Craig Nicholson, The Bancroft Times, May 12, 1992

Limerick Township Buys Recycling Truck

The truck is presently being fitted for the task of accepting in various bins, bottles plastic, newspapers, etc.. I have no official word as to when recycling will start but I think it will be around the 1st of July. The truck will be parked at the landfill and it will be up to the users to sort properly. Many of you have asked about this so I think there will be good degree cooperation and participation.

Classified:

For Sale:

Fiber glass boat shell - 13 1/2' "Scott" full shell, \$50.00 or best offer. Contact Ken Waddell at 474-5486 or 416-284-8098.

Wood burning stove - Has heated a four bedroom cottage. Takes 30" wood. Good condition, includes pipes. Asking \$100.00. Cottage #27 474-2645 or 416-781-1019

Double Skiddo trailer with sides, in good condition: \$300.00. Cottage #105, 474-2262

Wooden floating dock, with styrofoam, 2 sections, each section 4' x 8', new last year, \$200.00 each section. Cottage #105, 474-2262.

Wanted:

Small outboard up to 10 - 15HP

Small single sail sailboat.

Tom Little - Cottage #15, 474-5653 or 416-576-5220.

Found:

Dock platform in cove by cottage #30, approximately 4' X 6', plus a 8" X 8" timber.

Summary

Fifteen lakes in Limerick Township were analyzed using the Dillon trophic status model to determine development capacity.

Model concept, accuracy, trophic status indicators, input variables, limitations of the model, and the method for determination of lake capacities are discussed.

Results for the study lakes are presented as:

- 1) Hydrologic and morphologic characteristics
- 2) Water quality indicators
- 3) Measured and predicted phosphorus concentrations
- 4) Recommended number of additional development units
- 5) Dissolved oxygen and temperature profiles

General recommendations made include:

- » For new development sites septic tile beds should be located near the back of the site, a minimum of 50 meters from the lake boundary.
- » Vegetation buffers should be retained or constructed for all sites to curtail runoff.
- » Further water quality testing should be undertaken to augment existing data.
- » More detailed studies should be undertaken for lakes where development is planned beyond recommended limits.
- » For lakes that support lake trout, the Ministry of the Environment should be consulted and the optimal trout habitat model should be run before development proceeds.

LAKE	NO. RECOMMENDED ADDITIONAL UNITS
Bear Shanty	41
Brinklow	9
Dark	0
Dixon	0
Egan	19
John	0
Limerick	Minus
Little Wadsworth	13
Mephisto	0
Robinson	Minus
St. Ola	159
Spring	0
Sweets	0
Wadsworth	7
Steenburg (S)	0
Steenburg (W)	0
Steenburg (E)	0

NB : 1 permanent dwelling = 3.6 cottages or 3.6 development units

TABLE 4.4. LIMITS TO DEVELOPMENT : RECOMMENDED NUMBER OF
ADDITIONAL UNITS

LAKE	NO. EXISTING UNITS		RECOMMENDED NO. UNITS (based on water quality)		
	units + vacant lots = total	Total	Additional		
Bear Shanty	2	1	3	44	41
Brinklow	3	5	8	17	9
Dark	0	0	0	31	0
Dixon	1	2	3	3	0
Egan	0	1	1	20	19
John	2	2	4	4	0
Limerick	136	39	175	175	Minus
L. Wadsworth	1	6	7	20	13
Mephisto	45	2	47	47	0
Robinson	42	7	49	49	Minus
St. Ola	32	4	36	195	159
Spring	6	3	9	9	0
Sweets	9	8	17	17	0
Wadsworth	80	36	116	123	7
Steenburg (S)	86	5	91	91	0
Steenburg (W)	59	9	68	68	0
Steenburg (E)	93	2	95	95	0

cottage = 1 unit
permanent dwelling = 3.6 units

Minus = already has too
many cottages

N.B. Recommendations are based on water quality considerations only. The land base around a given lake may or may not be suitable to accommodate the recommended number of development units.

M.N.R. SELF HELP PROGRAMME

Results of 1991 Testing & History

Steenburg Lake

Beach Bay

SAMPLE DATE (MM/DD/YY)	SECCHI DEPTH (METERS)	CHLOROPHYLL A (UG/L)
05/22/91	4.3	2.4
05/28/91	4.6	1.5
06/04/91	3.7	1.8
06/11/91	3.9	1.3
06/19/91	4.9	2.1
06/25/91	5.2	1.8
07/09/91	4.9	3.8
07/15/91	6.1	2.9
07/23/91	4.6	2.3
07/30/91	3.9	1.7
08/06/91	4.0	1.1
08/13/91	4.0	1.8
08/20/91	4.3	1.8
08/27/91	4.6	3.9
10/01/91	3.1	2.2
10/13/91	3.1	2.1
MEAN	4.3	2.2
MAX	6.1	3.9
MIN	3.1	1.1
N	16	16
SD	0.77	0.79

Phillips Bay

SAMPLE DATE (MM/DD/YY)	SECCHI DEPTH (METERS)	CHLOROPHYLL A (UG/L)
05/22/91	4.0	3.2
05/28/91	4.3	2.4
06/04/91	4.0	2.1
06/11/91	4.3	2.5
06/19/91	4.9	2.0
06/25/91	5.2	1.8
07/09/91	4.6	2.5
07/15/91	4.3	2.3
07/23/91	4.6	2.2
07/30/91	4.0	2.1
08/06/91	4.3	1.5
08/13/91	4.0	1.6
08/20/91	4.6	2.1
08/27/91	4.3	0.6
09/10/91	3.0	1.5
10/01/91	3.0	2.8
10/13/91	3.5	2.4
MEAN	4.2	2.1
MAX	5.2	3.2
MIN	3.0	0.6
N	16	17
SD	0.52	0.59

West Bay

SAMPLE DATE (MM/DD/YY)	SECCHI DEPTH (METERS)	CHLOROPHYLL A (UG/L)
05/22/91	4.3	2.7
05/28/91	4.3	1.9
06/04/91	4.0	1.7
06/11/91	4.0	1.6
06/19/91	4.6	2.0
06/25/91	5.8	1.6
07/09/91	4.3	2.2
07/15/91	4.6	2.3
07/23/91	4.0	2.4
07/30/91	3.7	1.3
08/06/91	3.7	0.6
08/13/91	4.0	2.3
08/20/91	4.6	2.2
08/27/91	4.6	0.6
09/10/91	4.0	2.1
10/01/91	4.0	2.3
10/13/91	3.4	2.5
MEAN	4.2	1.9
MAX	5.8	2.7
MIN	3.4	0.6
N	16	17
SD	0.55	0.61

Previous Record All Locations

SAMPLE DATE (YEAR)	SECCHI DEPTH (METERS)	CHLOROPHYLL A (UG/L)
1976 **	4.6	2.4
1977	4.7	3.0
1978	4.3	3.0
1979	4.5	3.2
1983	4.3	2.4
1984	3.8	3.6
1985 *	4.2	3.1
1986	3.8	3.1
1987	3.9	1.7
1988 *	4.0	0.3
1989	4.2	3.3
1990	4.2	3.2
MEAN	4.2	2.7
MAX	4.7	3.6
MIN	3.8	0.3
N	12	12
SD	0.30	0.91

NOTE : * Based on less than 6 readings.
 ** Recreational lakes included.

Above readings indicate a good quality of water for recreational purposes. Compare these chlorophyll readings to the Bay of Quinte which is at a 20.2 level

The cottage crunch

Capital gains tax means no more free vacation

THE HEART of what this country really stands for is under attack. No, not the Constitution — the tax-free family cottage.

Last month's federal budget will gradually remove such properties from the \$100,000 lifetime capital gains exemption.

Say you bought a cottage five years ago and sell it five years from now. Since half the 10-year ownership period fell before March 1992 only half your gain will qualify for the exemption.

This proration means the exemption will erode with each month you continue to own the property. Thus, accountants and lawyers are getting flooded with calls from clients rushing to sell or transfer their holdings.

"Don't panic," says Michael Frenes, a partner in Toronto accountants McCarney Greenwood Vottero.

First, he asks, do you really qualify for the \$100,000 exemption? You may not if other financial affairs are causing problems with cumulative net investment loss rules, allowable business investment losses or alternative minimum tax.

If you do qualify, consider the outlook for the property's value — you could be better off doing nothing. Say the cottage, bought five years ago for \$300,000, is now worth \$350,000 for a fully-exempt \$50,000 gain. Five years from now perhaps the cottage will sell for \$500,000. While the exemption claim will be halved, it will apply to a \$200,000 gain and equal your \$100,000 lifetime limit.

"If your gain outruns the exemption's monthly erosion you'll still end up with exempt post-budget gains," Frenes explains.

He adds that pre-1982 gains are still tax-free under earlier rules that allowed a family two principal residence exemptions if one property was in the husband's name and the other was in the wife's.

Save tax

You can also save tax when you eventually sell your cottage by claiming some of the principal residence exemption you would normally use for your primary home. It's not widely known — and the mechanics are incredibly complex — but that exemption can be divided among properties year by year. Remember that if your city home tumbles while the cottage soars.

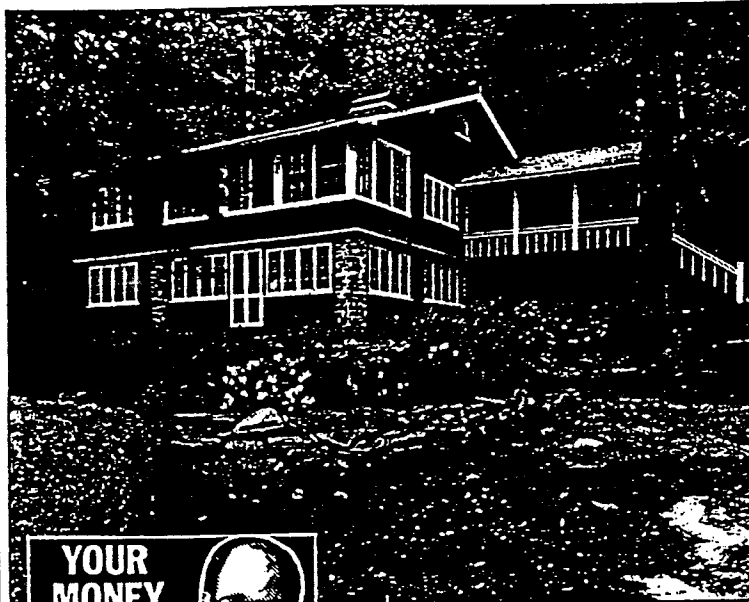
The budget change is also less meaningful if you own a U.S. cottage or condo, Frenes adds. When that property is sold, Uncle Sam taxes the gain. If you also owe Canadian tax because the exemption no longer applies, you can credit one tax against the other. Rushing now to grab the Canadian exemption would attract a U.S. tax bill and no offsetting credit.

No matter what, the budget change means cottage owners should start keeping records on the cost of any improvements. Those expenses increase the "adjusted cost base" and will reduce the taxable amount of any gain when the property is sold.

What if you don't see rapid appreciation for the cottage or you're concerned the capital gains exemption may be killed entirely? Then consider "crystallizing" your exempt gain by transferring the holding to a family member or trust, Frenes suggests.

That means you give up your interest and become taxable for the gains so far, while the others benefit from — and pay tax on — future appreciation. Ideally, the tax bill you face now would be covered by your capital gains exemption.

This will require professional advice; it is definitely not a do-it-yourself project. For starters, tax rules require that non-arm's length transfers occur at fair market value,



YOUR MONEY

By Bruce Cohen



Your principal residence exemption can be divided among properties year by year. Remember that if your city home tumbles while the cottage soars.

Frenes notes. So you should get a written appraisal.

Don't transfer a Canadian cottage to a holding company, he warns. Doing that means you would face a taxable benefit every year for using the retreat. Frenes says corporate ownership of vacation property is generally advisable only if it's in the U.S. and you hope to avoid American estate tax. But many advisers even question that.

More likely, you will want to transfer your interest to your spouse or children.

If the cottage is jointly owned, one spouse could sell half to the other, who would become sole owner. What if each spouse sells half to the other just to lock in the exemption?

"A criss-cross transfer would probably not be considered an effective transfer," says Frenes, noting Revenue Canada has already said such swaps don't count when common shares are involved.

Use a trust if transferring the cottage to minors, Frenes says. Even if your kids are adults, consider a trust if you want to keep tight rein on the property.

Make sure the trust papers prevent the

kids from denying you use of the property.

Frenes says you also have to be careful about tax rules on trusts. In the worst case, it's possible you could give the cottage to the trust, provide the trust with money every year to cover expenses and wind up getting hit with a taxable benefit for using the trust's property. "That seems absurd but there is potential for it," he says.

Another decision is whether the transfer to your spouse or kids will involve a sale or gift.

Family transfer

"With a gift, you give away both the current value and future appreciation," Frenes notes. "With a sale — even if only for a no-interest note — you're just giving up the future appreciation."

Frenes says it's not tax-effective to charge interest because the payments would be taxable for you but not deductible for your spouse or children.

Often, he says, parents prefer a sale to a gift because they want the children to feel they've worked for the property. Those pay-

Some tips on transferring property

DON'T FORGET family law issues when considering whether to transfer your cottage, advises Lorne Wolfson, who practises family law at Torkin Manes Cohen & Arbus in Toronto.

If the cottage goes to a child whose marriage then breaks down, the child's estranged spouse may be due half the property's value, he explains.

That's if the property is considered a "matrimonial home," which depends on how often the child and spouse use it.

Says Wolfson: "It's a question of what you're more concerned about — saving a few tax dollars today or maybe a much bigger claim down the road from an unfriendly son- or daughter-in-law."

Be careful if you've been married more than once, Wolfson adds. He cites cases where husbands transferred property to children from their first marriages. Later, when their current marriages broke up, the wives claimed the earlier transfers had depleted the family assets and won extra shares of what was left.

If your marriage is unsteady, investigate potential tax attribution problems before transferring property to your spouse, Wolfson adds.

In the worst case, unless a certain form is filed, you could transfer the cottage today and deal with the capital gains tax, then separate and find part of the next round of capital gains attributed back to you if your wife sells the property before there is a divorce.

ments can also support the parents retirement.

If selling, you can put a no-interest mortgage on the cottage, he adds. That way, nothing could happen to the holding without you knowing and getting paid. For example, you might want to keep the cottage in the family while your kids want to sell it and take the cash, Frenes explains.

Any sale or gift agreement should protect your right to use the cottage, he adds. You could sell just a "remainder" interest in the property after you die, Frenes notes. That would effectively be priced at the cottage's fair market value.

Check for land transfer tax implications, Frenes advises. In Ontario, for example, that tax does not apply on a non-monetary transfer or bequest to a family member. But there is a wrinkle if the cottage is mortgaged, Frenes warns. In that case, there's no tax if your spouse takes title and assumes the debt, but tax would be due if that's done by your kids.

It might occur to you to trim your future tax bite now by dividing and selling part of your property. Frenes says your cost base would then be prorated based on the value of what you sell and what you keep. That cost base will determine the taxable gain on today's sale and the future gain when the remaining property is sold down the road.

Buying an adjacent lot could also become tricky, Frenes suggests that even if the new lot is registered under the same name, it may not be tax-exempt at all since it wasn't owned before this month.

One consolation: As long as your cottage is a residential — not commercial — hold the beloved goods and services tax apply to the transfer.

One more: Assuming you're young and healthy enough to get a reasonably priced policy, Frenes suggests you can avoid all this by purchasing life insurance to cover the expected capital gains tax when you and/or your spouse die.

Beware of legal ripples

IF YOU'RE having creditor problems, make sure you get legal advice before transferring your cottage.

It is very easy for creditors to check real estate titles and a transfer could prompt them to pounce, warns Rick Orzy, an insolvency lawyer with McCarthy Tétrault in Toronto.

If they successfully attack the transfer, it gets reversed and so do its tax benefits.

Even worse, Orzy says you may have a hard time getting back a land transfer tax that's already paid.

Under fraudulent conveyance law, creditors can reverse the transfer by persuading a judge that you intended to "defeat, defraud, hinder or delay" them. You would, of course, argue that your

intent was to save taxes, not beat your creditors.

Under the federal Bankruptcy Act, your intent is not even an issue, Orzy notes. There, the deal is reversible if you go bust within one year of "settlement," or within five years if your creditors prove that at the time of the transfer you could not pay your debts without that property.

You could really be on the spot if your creditor is Revenue Canada, Orzy adds. A special provision of the Income Tax Act would let them hold the receiver of the property — your spouse or children — liable for the tax you owe.

"It's a very effective section and has serious consequences for the wife or kids," Orzy warns.

July 1992

Steenburg Lake Community Assoc

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
5	6	7	8	9	10	11
12 Midway - Bancroft	13	14	15	16	17	18 St. Ola United Church Pancake Brkfst - Limerick Ctr.
19	20	21	22	23	24	25 Beef Dinner & Picnic - Limerick Ctr.
26	27	28	29 Coe Hill United Church Dinner - Coe Hill	30	31	

Midway - Bancroft

Rockhound Gemboree

August

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

June

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7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

August 1992

Steenburg Lake Community Assoc

SUNDAY

MONDAY

TUESDAY

WEDNESDAY

THURSDAY

FRIDAY

SATURDAY

2	3	4	5	6	7	8	1	9	10
4:30pm SLCA Annual Mtg & Dinner Rockhound Gemhorce Limerick Ctr.							Rockhound Gemhorce Regatta & Rock Bass Derby Craft & Bake Sale		
9	10	11	12	13	14	15			
16	17	18	19	20	21	22			
23	24	25	26	27	28	29			
30	31								

July

S	M	T	W	T	F	S
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5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

September

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6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

Call T. Hughes for Changes

6/6/1992

Gypsy Moth Pheromone Trap

This information came too late to be included in the newsletter, but it is worth an extra page as I know many of you have been looking for such a trap.. The wonder of it all, the company is located in Madoc, so you can pick up the kits there and save the shipping and handling. I hung up two traps last summer and collected about 50 male moths, so they are still around. The order form with their address is printed on the bottom of this sheet.

How Do These Traps Work?

Towards the middle/end of July the adult Gypsy Moths hatch and within hours start mating. The female moth, who only has about a week to live, releases her pheromone in order to attract a mate. Since the female is a poor flier, she must rely on being found by a male moth attracted by her pheromone "scent". The Gypsy Moth trap works on the same principle as the female moth, in that each trap is equipped with a pheromone lure to attract the male moths. Since the trap lure is equal to that of many female moths, the attraction for the searching males will be powerful. The males will enter the trap in their search for a mate and will get caught and die on the sticky surfaces within the trap.

How & When Are The Traps Put Up?

Traps can be hung at any convenient height, and should be in position before the adult moths hatch. July 1st is a good date to hang them up, since the lures will be effective up to September.

Where Do I Put The Traps?

For half acre plot, place one trap at each corner of the lot and one in about the center. In this manner the traps will not interfere with each other.

End Of Season

A good time to take down the traps is Labour Day Weekend. Dispose of the used inserts in the garbage, and store the traps under cover for the winter. New inserts and pheromone lures will be all that is required next year, so the cost will be minimal.

SOLD TO:

FAX OR MAIL THIS ORDER TO :



COOPER MILL LTD.

Agricultural Division
 RR.3, MADOC, ONTARIO, CANADA, K0K 2K0

TELEPHONE: (613) 473-4847 • FAX: (613) 473-5080

DATE:

ORDER FORM

PRODUCT NO.	PACK SIZE	DESCRIPTION	TOTAL UNITS SHIPPED	UNIT PRICE	AMOUNT
2050206	5 traps/kit	COMPLETE GYPSY MOTH TRAP KIT		\$ 26.50/kit	
2050206A	5 inserts/pkt	ADHESIVE INSERTS FOR G.M.TRAP		\$ 3.85/pkt	
2050005	1 per pkt	GYPSY MOTH PHEROMONE LURE		\$ 3.85/lure	
				Sub Total	
		GST @ 7%			
		PST @ 8%			
		Packing/Shipping			
			LESS	ASSOCIATION DISCOUNT	

G.S.T. NUMBER 101144699

INVOICE AMOUNT:

PRODUCT INFORMATION BIOLOGICAL PEST MANAGEMENT

GYPSY MOTH TRAPS

Survival of the Gypsy Moth from one year to the next depends on the ability of the adult moths to mate and lay fertile eggs. This process occurs during July/August each year, and the adult moths die soon after it is completed, leaving behind egg masses that will hatch out into caterpillars the following Spring.

By using the female Gypsy Moth sex-attractant pheromone inside the trap, we are able to attract and capture the male moths, thereby reducing the chance of successful mating. Since each female moth is capable of laying 1000 or more eggs, this has a very great impact on the control of the pest.

The male Gypsy Moths can fly strongly, and can detect the female pheromone from a considerable distance. Since the pheromone is carried by air currents, it also means that the male moths may fly into the area from any direction.

For a property of 200-400sq metres, it is suggested that 5 traps should be used - one trap at each corner of the property, and one trap placed centrally. This high density placement of traps will provide a strong attraction for the searching male moths.

To be effective, the traps must be in position before the adult moths appear. So hang them up in the 1st week of July.

During July/August, the traps should be inspected from time to time, and if full, the inserts should be replaced with new ones or additional traps may be added. It may also be possible that nothing is caught in the traps if there are no male moths present. The lure should last between 3-6 months which is long enough to cover the adult moth period.

The traps may be taken down in September for use again the following year with new inserts and lures. The old inserts may be disposed of in the household garbage

Where large infestations are already present in an area, it is important to use an insecticide spray program against the caterpillars during May/June in order to minimize tree damage. Remember that the traps are effective against the adult moths only - not the caterpillars.

The use of traps can provide important additional protection against a serious infestation the following year, whether or not you already have an infestation of Gypsy Moths.

EACH KIT OF 5 TRAPS WILL TREAT UP TO A MAXIMUM OF ½ ACRE

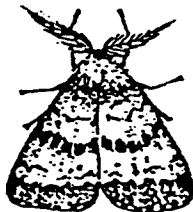
GYPSEY MOTH IDENTIFICATION

The life cycle is made up of 4 stages:

1. Egg Mass Stage (Overwintering) - August to May
2. Larval Stage (Caterpillar) - May to July
3. Pupal Stage (Cocoon) - Early July to Early August
4. Adult Stage (Moth) - Mid July to Late August

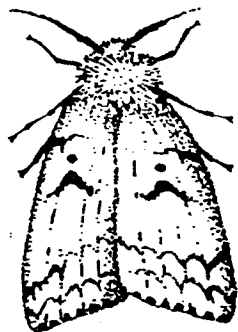
The adult stage is the only flying stage, and is the stage responsible for reproduction of the species. The pupal stage is the transition stage from a crawling insect into a flying one and lasts 10-14 days, with male adults usually emerging before females.

1. Male Adult Gypsy Moth



Dark brown colouration, with small bodies. Strong flying capability and able to detect female moths from a great distance. Often mate many times and will live for several weeks.

2. Female Adult Gypsy Moth



Light Buff colouration, with a few irregular darker markings across the wings. Very heavy-bodied and only able to flutter across the ground. Unable to sustain flight through the air. They live approx. one week, and after mating will deposit their egg mass somewhere secure and often hidden.



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