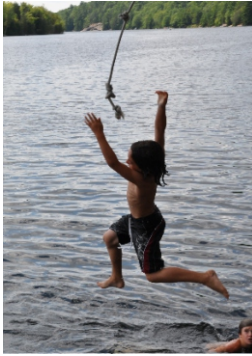




Notes from a summer past

by El Presidente

The two boys tumbled out of the overstuffed car like they had been ejected, pillows and bags of chips rolling in their wake. My friends Patti and Sandra had managed to cram



the Nissan with enough supplies that should civilization as we know it collapse, they might comfortably wait out the apocalypse here on Salerno Lake eating homemade pizza drinking red wine and listening to pop music.

Sandra, Gabriel's mother, was on a mission to wean the boys off the steady diet of video games that threatened to take over their summer holidays. When our cottage was free for a few days, they seized the opportunity. No X-Box, PSP or Wii up here. Lots of board games and vinyl LPs though. So they stuffed the boys in the back seat and headed north. The crew had been traveling four long hours from Hamilton and the lads were restless and ready to do the lakefront boogie. The ladies just needed a glass of wine on the dock.

I hadn't seen Gabriel in a few years and he was now 10 years old, tousle-haired, dark-eyed and the owner of a wicked grin. I had never met his pal Damien who was another cool looking young dude with his Detroit Tigers cap, shy

demeanour and shoulder length locks. They were ready for action - "Hi Doug -- where's the lake?" they demanded. They immediately had me pegged - a willing dupe for kids who just want to have fun!

Over the next few days, these two boys gave me something that I had been missing for a long time. Their wide-eyed enthusiasm for the joys of a cottage washed away the bitter residue of weeks of summer spent with another boy who sadly, wouldn't allow himself to be a kid but insisted on wrongheadedly forcing his way into pseudo-adulthood. It had been a grueling few weeks for Barbara and I, trying and ultimately failing, to keep an at-risk kid from tumbling into deeper trouble at every turn. Sadly that experiment had not panned out but another chapter was about to begin.

"I will never get tired of jumping in the lake" Gabe insisted, leaping onto the diving board and launching himself airborne for about the 30th time in succession. We were over at the Brown's lakeside deck, the site of the Katherine Wheatley concert only a few days earlier and they were using the rope swing, egged on by the 'older kid', 14 year old Colton Katsuras who was the perfect mentor, a guy who knows all about having fun. Damien flung himself out on the rope swing and for an instant defied gravity, his long hair trailing behind him and a determined grin

In this issue...

pasted on his face. Every leap was accompanied by a shriek of unadulterated joy. The guys were best friends, like brothers - which meant that they didn't always get along but whatever happened, they always patched it up. Sure, it took a lot of energy to keep up with them but they gave back in spades, with an innocence that is as precious in children as it is fleeting.

Later that night the boys were poring over the cottage journal and the photograph albums spanning our 16 years on the lake. Gabriel was very

chuffed to find himself in both. There were pictures of him at the ages of four years and others of him at six months, taken in September of 2001. While the world shook in the aftermath of 9/11 we had been up at the cottage, mourning, contemplating everything and finding some comfort in the beauty of a baby boy - the one who was now grown and full of life.

"Wow", Damien said in awe, "I had no idea your cottage was so ancient!!"

The Season Of The Louts.

"I'm gonna change out of my shorts and into my bathing suit now so don't look at my ass, you f*%^ ' fag!" This line was delivered with exquisite timing by my lovely niece Alana over breakfast and we were convulsed with laughter. She was doing her impression of the less-than-urbane witticisms that the drunken professional men (a teacher, an investment banker, an IT specialist etc.) renting the cottage next door, had shared with all and sundry over the course of a boozy Saturday night. In the wake of the exquisite concert by Katherine Wheatley earlier that evening, we had endured hours of their loud and cretinous blathering which only came to an end when the police arrived at 4:15 am. (Ironically we did not call the police but can only thank whoever did.) However annoying and outrageous their behaviour, these boors were ousted by the irate cottage owner before noon of the following day. It was almost worth losing sleep to see them trudge up the steps, dragging their belongings, horribly hungover in the glare of the noonday sun.

Not so repentant were the young folk down the lake whose indulgent parents had supplied them with the loudest and most obnoxious boat available and then put the cottage at their disposal so that they might invite their most voluble and dipsomaniacal friends for a full two weeks of incessant drunken howling every night. On occasion, the caterwauling would be punctuated by the deep growl of the boat engine being

fired up in the wee hours of the night. What is it about the cottage experience that makes people think they can behave there in ways they wouldn't dream of doing in their own neighbourhoods? Like most people, I can endure the occasional night of raucous revelry -- in fact you kind of expect it on the long weekends - but night after night?

Rolling On A River

We drove down to visit a friend who lives on the Burnt River near Fenelon Falls. Cruising the river in a small pontoon boat was most pleasant but the things people do to decorate their front lawns! Yikes! We're talking fake fire hydrants, whirly-gig doo-dads, plywood cutouts of skunks, bear, deer, and moose, faux flowers, lantern-toting lawn jockeys, mini-wishing wells, stuffed hillbillies, foam core hoboos carrying bindle sticks, stolen road signs, and best of all a TTC bus shelter complete with pole! I swear at one point there were two pica-ninny garden gnomes facing each other from both sides of the river. I know there aren't many black cottagers to offend but these were way too 1950's for me. I didn't think you could still buy those things.

On the other hand when I got back to our lake and did a slow tour I was reminded of how lucky we are to have as much natural shoreline as we do and I'm ever hopeful that it will actually improve over the next few years as more of us become hip to the positive things that we can effect by naturalizing our personal riparian zone. And there was nary a Nubian Garden Gnome to be seen!

And lastly...

I've made reference to the Katherine Wheatley concert which was held in August. In the years that I have been President this was our first venture into doing any kind of an event on the lake, other than fireworks. I have to say that it was even more successful than I had dared hope, both artistically and financially. (The object was not to make money but to break even and that we did.) The elements, the music and the setting came together in perfect harmony. I am very grateful for the support of the SDLCA Executive, Rob and Rosalie Brown, Sound Man Markus Tomlin and to everyone who came down the lake to enjoy the music (by boat, canoe, paddle board, kayak - and a couple of folks who swam). Katherine sounded wonderful and she enjoyed herself immensely. An added bonus was the magical light of the setting sun, the quality of light that they call 'magic hour' in the movie business.

With the support of the Executive of the SDLCA, we will hold another Concert By The Lake next summer, on Saturday July 21st. The headlining act is yet to be determined but we are going to be looking for an opening act - or possibly two opening acts - from our Salerno Lake Community. I will be posting details on the website but essentially anyone who is interested in performing as a part of the Concert By The Lake, can audition via You Tube or by sending me a video. In January will post details of the *Salerno Lake Has Talent* competition on the website www.sdca.ca.





JUNIORS (2 canoes)

Laura Holman & Sarah Holman	1:34:56
Alex Schiller & Nick Schiller	1:43:52

SENIORS WOMEN (0 canoes)

SENIORS MEN (1 canoe)

John Leonard & Rob Stuart.....	1:20:22
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WOMENS (6 canoes)

Mariah Witham & Brenna Thompson	1:22:37
Heather Maclachlan & Ella Russell	1:26:44
Jean Orschel & Sierra Orschel.....	1:27:04
Audrey Anderson & Julie Neff	1:41:58
Rachel Francone & Carina Orschel	1:58:23
Allie Cleaver & Brianna McBrien	2:47:52

MIXED (4 canoes)

Katie Dick & Scott Russell.....	1:23:01
Louise Moore & Michael Bartley	1:26:17
Suzie Whitebread & David Bartley	1:28:51
Jennifer Nichols & Lyle Nichols	1:41:29

MENS (4 canoes)

Eric Orschel & Tyler Orschel	1:14:07
Bill Bayard & Jacob Bayard.....	1:16:03
Aaron Witham & Richard Witham	1:23:32
Bill Procter & Sam Procter	1:41:18

OPEN (8 boats)

Corey Witham	1:20:26
Logan Boehm, Roman Boehm & Kyle McNabb	1:26:00
Charlie Alfredsson & Beau Binnie	1:35:19
Mitchell Binnie.....	1:38:45
Carly Manley, Gavin White & Sarah White.....	1:41:06
Chris Flayes, Nelson Lacaria & Louise Pinto	1:42:24
Denise Currie & Tara Currie	1:43:57
Mary Alfredsson, Kathleen Alfredsson & Wendy McElwain	2:06:34

KAYAK WOMEN (5 boats)

Samantha Thompson.....	1:17:12
Chris Whittemore	1:26:19
Kim Field	1:40:28
Peggy Boehm.....	1:54:16
Morgan Boehm (11 years old – youngest female to compete).....	1:55:10

KAYAK MEN (4 boats)

Doug Rodger.....	1:24:24
Michael Field (9 years old).....	1:37:12
Robert Field (6 years old).....	1:39:07
Colton McDonald.....	2:38:48

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"This issue of the Salerno Lake Sentinel is focussed on the topic of Cottage Succession. Tax laws, along with rising property values have greatly complicated the matter of keeping a cottage in the family through generations as was common in the past. Although these changes to legislation came into effect in 1995, their impact is still not widely understood by most of us. Sooner or later, most families will have to make a difficult decision. This excellent series of articles was written by Tim Cestnick of the Globe and Mail.

There are few things in the family that can cause more emotional angst than the cottage. There's no shortage of things to talk about when it comes to cottages, but today I want to focus on one idea: Owning the cottage in a trust.

The concept

It's possible to own your family cottage in a trust rather than owning it directly in your own name. The advantages? You can accomplish the following:

- Avoid probate fees at the time of death on the value of the cottage.
- Avoid a challenge under the wills variation legislation in your province.
- Protect the cottage from the attack of creditors.
- Avoid U.S. estate taxes where the property is located in the U.S. or you're a U.S. citizen or green card holder.
- Facilitate shared ownership among family members.
- Avoid capital gains taxes on death.
- Make use of the principal residence exemptions of beneficiaries.
- Enjoy use of the cottage today while providing flexibility as to the ultimate beneficiary of the cottage.

The exemption

Now, let me focus for a minute on the principal residence exemption. This is the exemption that can allow you to sell a property that you ordinarily inhabit, including the cottage, on a tax-free basis. If a trust that you establish owns your cottage, it's possible for the trust to designate the property as a principal residence and shelter the property from tax. The key is that at least one beneficiary of the trust must ordinarily inhabit the cottage. Even if a beneficiary lives at the cottage for a brief time each year this test will be met.

Now, there's a catch here. When the trust designates the cottage as a principal residence, it must specify all the beneficiaries of the trust who ordinarily inhabited the cottage. Those individuals (and their family units – that is, their spouses, common-law partners, and unmarried children under age 18) will not be able to designate another property as a principal residence for the same years that the trust designates the cottage.

Keep in mind that if a beneficiary of the trust does not ordinarily use the cottage, they can preserve use of their own principal residence exemption. All of this means that a visit to a tax pro is important before you decide to sell the cottage and have the trust designate the property as a principal residence.

In fact, it's critical when drafting the trust agreement, and placing your cottage in a trust, to get good tax advice. There can be a taxable event when you transfer the cottage to a trust (there are ways to deal with this), and care will have to be taken in who is named as a beneficiary of the trust if the hope is to use the principal residence exemption later.

Finally, the trust can designate just one property as a principal residence for any given year. As a result, problems can arise if you own more than one property in a trust. You may be unable to shelter more than one of these properties from tax. One solution in this case is to set up a separate trust for each property, although this will add complexity to your life in the form of additional tax filings and paperwork.

Tax planning can be like that. To save tax, sometimes you need to add complexity. Depending on a client's tolerance for complexity, we'll sometimes suggest doing without the tax savings.