

Kahshe Lake Ratepayers' Association 2016 Annual Report

July 2017



Your KLRA

Purpose

The KLRA is a not-for-profit organization whose purpose is to protect and enhance all aspects of the quality of life on Kabshe and Bass Lakes and their immediate surroundings, and to provide representation for the membership to Municipal and Government bodies.

Your 2016 Board of Directors

April Drane	Sandra Moad
Catherine Dunphy	Michelle Phillippe
Greig Holder	Keith Price
Nancy Howchin	Bob Reyburn
Henry Kowalewski	Gord Robinson
John Kuropatwa	Margaret Taylor
Ruth Miller	John Vail
	Steve Wild

Your Executive

Co President:	Bob Reyburn
Co President:	Margaret Taylor
Past President:	Vacant
Secretary:	Catherine Dunphy
Treasurer:	Greig Holder

Contact the KLRA

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Website: www.kahshelake.ca
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Committees of the KLRA Board

Standing Committees

Conservation
Town & District Liaison

Nagaya Beach
Rock Marker

Communication, Outreach &
Membership

Water Safety
Water Access
FOCA Liaison

Chair

Bob Reyburn
Bob Reyburn/
Margaret Taylor
Steve Wild
Barry Elder

John Kuropatwa

Steve Wild
Henry Kowalewski
John Vail

Ad hoc Committees

Kabshe Heritage Lands
History Project

Allyn Abbot
Clare Henderson

Cover photo courtesy of Stephen Houlden

Presidents' Message

It was a busy and successful year in 2016 for the KLRA board. At this time we would like to thank the many volunteers who dedicated their time and worked hard to deliver the KLRA's many programs and initiatives.

In the summer of 2016 with the help of our IT specialists Clare Henderson, Greig Holder and Maureen Smithers we launched our Twitter and Facebook accounts. It was great to see all the photos posted from the August long weekend. KLRA will continue to post and link issues of concern to all of us on our website: <https://www.facebook.com/kahshelakera> or <https://twitter.com/kahshelakera>

The review of Gravenhurst's Official Plan continued in 2016. The KLRA lake plan remains with no changes. The Official Plan has been accepted by the District of Muskoka with the appeal period in effect until June 14th 2017.

The Rock Marker Committee, led by Barry Elder, along with Troy Hutchinson continued to work hard to have the rock marker system in place for the May holiday weekend and removed after Thanksgiving weekend in 2016. Troy Hutchinson agreed to help with the 2017 spring set up of the flashing rock markers. Unfortunately over the winter months some anchors shifted and were lost in the lake requiring the purchase of new anchors. Your continued financial support for the Rock Markers is very much appreciated.

Ron Pearson, your lake steward, continued his leadership of the water quality monitoring and assessment. His extensive report for Kahshe and Bass Lake is included within this report. Ron has outlined again in this year's Report, how we can maintain the eco system in Kahshe and Bass lakes.

You'll also find these 'rules to live by' in the 2015 edition of the KLRA Good Neighbour's Handbook.

As ever, the KLRA supported our time-honoured roster of events. The 55th Annual Housey's Rapids picnic was held at Bass Lake Park's beach on July 16th, with about 100 cottagers in attendance. Unfortunately no one turned up for the paddle workshop at Nagaya Beach on July 17th. The workshop has been put on hold for 2017. The Annual Fishing Derby in late July was a great success, as was the Nagaya Beach Regatta in August, with many people attending and participating in the various activities: sand castle building, swimming, land, and canoe races, tugs of war, and the cardboard boat competition.

The 6th annual Kahshe Photo contest with four different categories was successful and continues for 2017. All the photos entered can be viewed on kahshelake.ca.

Many KLRA 3 year Memberships were renewed in 2016. The renewal process through the Communication, Outreach and Membership Committee continues.

John Vail who joined the KLRA board in 2016 attended several FOCA meetings and his report on our involvement appears in another area of this report.

The KLRA is in a strong fiscal position with significant reserves and solid revenues from membership. As a not-for-profit organization, our goal is to invest the surpluses to further the mission of the Association, helping improve life on the lake for all.

On behalf of your Board, thank you for your continued support, and a special thanks to the many KLRA dedicated volunteers.

- Bob Reyburn & Marg Taylor, Co-Presidents, KLRA

2016 in Review

Programs & Events

The 55th Annual Housey's Rapids Picnic

The best turnout in many years! Over 100 people showed up to enjoy beautiful weather, good food, great company and a plethora of games for kids and old 'uns alike. And let's not forget the wonderful **U Win, U Choose Prize Raffle** with a multitude of toys and games to go along with the Segwun Cruise, The Opera House tickets, the Boston Pizza voucher, the Grace & Speed Museum tickets and the Cottage Life subscription. Every single child walked away with at least one prize, at least one competition ribbon and wearing a huge smile.



A huge thank you to the army of Volunteers: Set up — Dennis Houlberg, Scott Watson, Matt Barker, Alison Price, Raffle ticket sales — Wendy Houlberg, Craft Table — Gwen Hems and apprentice Jennifer Lasachuk, Barbecue — Gord White, Tien Bui, Horseshoe Tournament — Matt Barker, Alison Price, fantastic photographer, Janis Ryan, and the biggest thank you of all to retiring(?), resigning (?), leaving-me-in-the-lurch (?) games organizer, Belinda Sutherland. What a fantastic job she and Jenelle and the rest of the “Sutherland Crew” have done over the past 8 years. If you think you can do half as well, we need you, but be warned,.... she's a tough act to follow!



Thanks also to Dave Purdon at Muskoka Meats for the sausages and hotdogs, to Muskoka Springs for the water. and to the prize donors mentioned above as well as to Giant Tiger, Peggy Long, Scott & Joanne Watson, John & Joan Kuropatwa, Ken & Karen Long, Nancy Corbett and Anne Hlebko for prizes.

Picnic Volunteers

Dennis Houlberg, Wendy Houlberg, Scott Watson, Joanne Watson, Matt Barker, Alison Price, Gwen Hems, Jennifer Lasachuk, Gord White, Tien Bui, Belinda Sutherland, Jenelle Sutherland, Shawn Corbett, Nancy Corbett, Wes Ryan, Janis Ryan, Cathan DeForest, Anne Hlebko, Donna Sutherland, Joan Kuropatwa, David Crichton + 5 KLRA Board members.

Organising Committee

Keith Price, Anne Hlebko, Cathy Dunphy, Shawn and Nancy Corbett, Dennis and Wendy Houlberg, Cathan DeForest, Scott and Joanne Watson, Wes and Janis Ryan.

The Picnic cannot survive without volunteers. Please consider offering your help in even a small way next year.

The 12th Annual Kahshe Lake Regatta

Once again the August regatta was a success with many people attending with over 200 people participating in the various activities: sand castle building, swimming races, land races, canoe races, tug of war, and cardboard boat competition.

Dave Purdon, owner of Muskoka Meats, once again donated to the BBQ, providing over 158 sausages and hotdogs. Dave's donation was recognized at the regatta with a sign provided by Muskoka Meats and on our social media accounts and website.

The BBQ was free of charge to regatta participants though a donation jar was set-up at the BBQ. \$215 was collected.

The large number of participants resulted extra heats being held in swim and running events. First, second and third place in each event received ribbons and prizes/everyone else received participation ribbons. Winners were tracked with results posted on the Facebook page and the website.

The KLRA boutique provided people with an opportunity to renew memberships, to buy T shirts and BEvERage mugs and to view the photos from the **2016 Kahshe Photo Contest**. Maureen Smithers and her volunteers are to be commended.

Results of the competitions can be found on the website kahshelake.ca.

The 8th Annual Kermit Long Kids' Fishing Derby

On a HOT day when most kids want to swim, 31 anglers took part in the **Kermit Long Fishing Derby** on Saturday, July 23. In all, they brought in over seventy fish. Small mouth bass accounted for nearly a fourth of all fish.....a sign of good fishing in the future

The winner of the largest fish for those 13-15 years old was Megan Davies. The 24 3/4 " pike was the first fish she ever caught! Awesome. The longest fish for the 12 and under anglers was a 25 7/8 pike caught by Emma DeZiel; second longest was Ashley Wayland's 17 7/8 " small mouth bass; and third place was Adam Lundy's 17 3/4 " large mouth bass. Nice fish! Thanks to our sponsors Streamside, C.G. Emery, Kamakazi, and Gagnon Sports.

Trophies and prizes were awarded in 9 categories as follows: Three previous Kermit Long Derby winners volunteered to help Ken and Karen Long, Sandra Moad and Toivu Madrus throughout the day. Kudos to Sophia Selva, Keaton Appleton, and Nick Arnott!

Nick Arnott, who at 15 is now a tournament fisherman with his own company, Blackjack Buck-tails, He contributed 3 rods and reels to add to the teen angler awards and had loot bags of fishing gear for those under 12 years of age.

Lots of energy and great attitudes abounded. Kahshe Lake is certainly in good hands for the future. Looking forward to 2017 and another great fishing derby.

Volunteers

Ken and Karen Long, Sandra Moad, Toivo Madrus, Sophia Selva, Keaton Appleton and Nick Arnott.

Photo Contest

The 2016 contest ran from July 24, 2015 to 4:00 pm, July 22, 2016. There were 89 photos, all on the web site in their various categories. Prizes for the winning photographs were presented at the Kahshe Craft Show where all submissions were on display. After the presentations at the Craft Show, the winning photos were displayed on the Winners page on the KLRA website — www.kahshelake.ca. All entries can be viewed on the **2016 Kahshe Photo Contest** page on the website.

- Clare Henderson, Toby Fletcher, Cathy Dunphy

Ice-Out Contest

A sailboat was set up on wooden stands, freestanding in front of Steve and Hayley Wild's cottage after initial lake freeze up. Ice-Out was called when the boat was fully in the water and floating. This year's contest saw \$245 in ticket sales with 27 tickets sold. Proceeds were designated to support the Regatta and Nagaya Beach.

The official launch of this year's contest was Feb. 20th with Ice-Out being called as April 4, 2017 at 4:30pm. Tickets (\$5 for one guess of the day, date and time of Ice-Out, \$10 for three guesses) were sold online via the KLRA website.

First prize, a 50/50 split of funds raised from ticket sales, was won by Theresa Pritchard for her guess of April 4, 4:20:20pm. Second Place (\$100 gift card for Woodmill of Muskoka Inc.) went to Austin Ball (April 4, 3:31:59pm). Third Place (\$100 gift card for Northland Recreation Ltd) was won by Alison Smithers (April 4, 3:30:00pm). Thanks to Woodmill and Northland Recreation for donating the prizes.

Steve and Hayley Wild provided the sailboat, the webcam feed and boat stand. Thanks to Randy Craig for securing the donations from Woodmill and Northland. Costs of running the event were all donated.

The Kahshe Lake Ice-Out Contest is enabling us to purchase a volleyball game net for the 2017 Regatta.

Conservation Committee Report

Town of Gravenhurst Official Plan Update

In the summer of 2015, the Town of Gravenhurst began a process to update their Official Plan. It is a process that is required by Ontario legislation. The last Official Plan for Gravenhurst was passed by Council in June 2008.

The process was managed by Planscape Inc, consultants in Land Use Planning and was completed in December 2016, when Council passed the revised Official Plan. The process involved several public meetings to provide updates and solicit input, as well as an on-line survey. KLRA actively participated, by submitting position papers, commenting on proposed changes, requesting members to review the updated mapping information and complete the survey. At least one person from KLRA attended every public meeting.

Revisions were required to align with both Provincial and District changes which have happened since June 2008. More accurate mapping data has been developed since June 2008 and was incorporated. The Town's new (in 2015) Strategic Plan was another key input.

Here is the summary from KLRA's initial written submission in October 2015.

"In summary, the current Town of Gravenhurst Official Plan and its enabling By-Laws appear to be working well for Kahshe and Bass lakes. As such, we see no need to make modifications.

We are interested in:

- *Strengthening policies which support guaranteed long term access for water access properties.*
- *Engaging our membership in the review exercise.*
- *Your thoughts on a communication plan which includes seasonal residents.*

- *Participating in the review if you think our association can help*

We look forward to reviewing the ‘issue papers’ when they are completed.”

As a result of input from many groups and members of the public, drafts of the updated Official Plan were circulated and shared at Public meetings. KLRA submitted a final letter, summarized below.

“Overall, we are supportive of the draft as written.

Specially, we support the proposals on:

- *Boat Houses, i.e. one storey on Kahshe, limited by lot width, subject to the side lot set back and focused on marine equipment,*
- *Sleeping Cabins, which recognize a 2nd cabin on larger lots and includes accommodations above a detached garage,*
- *Roads, recognizing that some private road expansion is appropriate and can mitigate challenges associated with water only access properties,*
- *Renewable Energy, however, we are concerned that sufficient science is not be available to allow extensive use of lake loop systems*

As you know we are very concerned about access to docking and services (septic clean-out etc) for our ‘water access only’ members. While we recognize the challenge associated with ‘legally securing’ access to landing and services, we want to emphasise the importance of this section to the KLRA membership. Kahshe Lake has one of the largest number of ‘water access only’ properties, in Gravenhurst. There are many ‘mainland’ cottages to which roads cannot be built, due to Conservation Lands, and many islands to which roads are not feasible. It is important to KLRA for the Official Plan and subsequent By-Laws to recognize the requirement of these properties to have access to basic services.

After hearing the delegations on August 23rd, we support the position to maintain existing wording concerning Lake Capacity until such time as the District’s new model is finalized and approved.”

While KLRA still has concerns, which we feel have not adequately been addressed, on balance, we are pleased with the process and outcome.

The next phase for the Town will be to translate the new Official Plan into revised By-Laws. KLRA will be an active participant in this process as we were in 2010 during the last update.

2016 Kahshe and Bass Lake Steward Report

A comprehensive review and analysis of all historical environmental monitoring on Kahshe and Bass Lakes has now been completed and presented in annual Lake Steward Reports from 2012 through 2015. These documents are posted on the KLRA web-site (kahshelake.ca/ne/ls). This Executive Summary report captures the findings from sampling and analysis of both Kahshe and Bass Lakes in 2016. The sampling programs include those of two agencies: The District Municipality of Muskoka (DMM) and the Ontario Ministry of Environment and Climate Change (MOECC). In the latter, the Lake Stewards of Ontario carry out the sampling and measurement and the MOECC analyzes the samples and coordinates the data reporting. As in 2015, the full report has been structured to address the following issues/areas of potential concern for both lakes:

- **Total Phosphorus and Water Clarity**

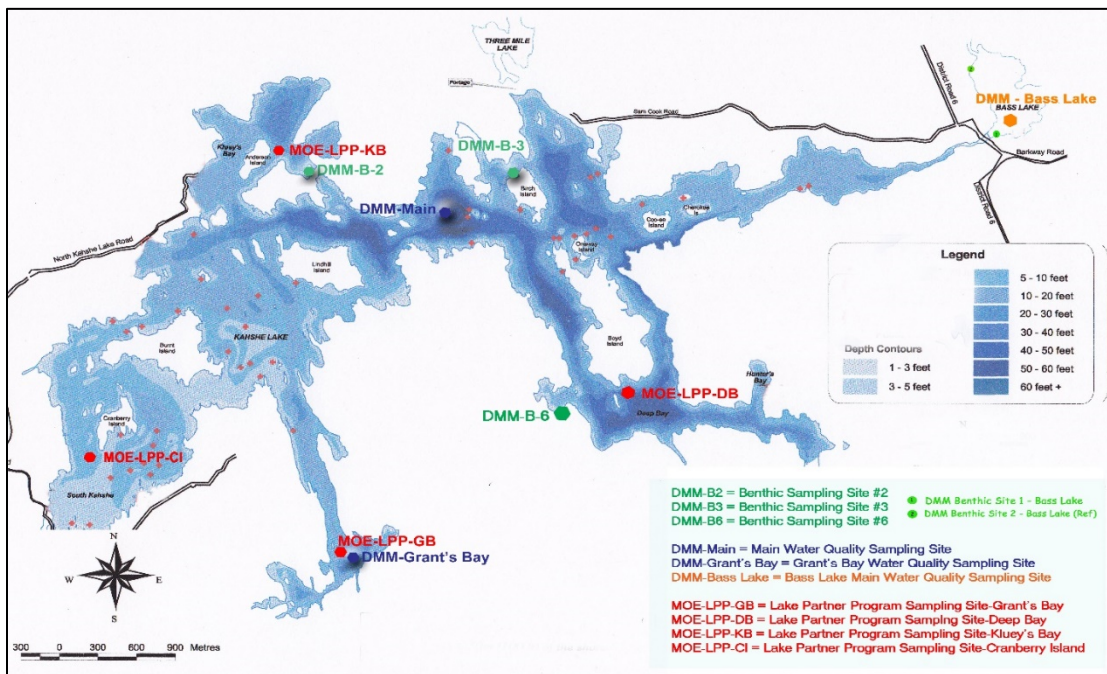
- Calcium Depletion
- Lake Acidification
- Dissolved Oxygen and Water Temperature
- Metals and Other Chemicals
- Benthic Health

Weather and Water/Ice Conditions in 2016

In order to better understand the chemical and physical data that have been collected, this year’s report includes an overview of the climatological factors that have the potential to influence the analytical findings. This attempts to answer the question: How normal were temperature, rainfall, water levels and ice-out conditions compared to past years?

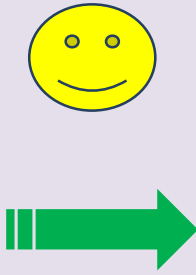
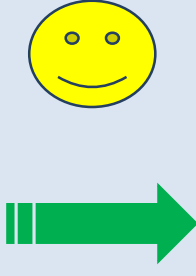
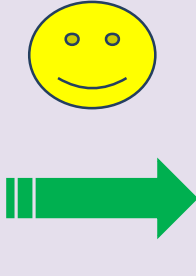
The information on weather and water/ice conditions confirmed that 2016 was warmer and dryer during the summer months, with fairly normal water levels throughout the year. However, consistent with the 125 year trend of earlier ice-out dates for Muskoka Lakes, ice-out on Kagshe Lake was earlier than normal in 2016.


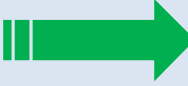



The map below shows the locations of all sampling sites for both DMM and MOECC sampling programs, while the summary table that follows provides brief information on each of the six key issues. The two new benthic monitoring sites which were added to Bass Lake in 2016 also are shown.



Summary of 2016 Findings for Kagshe and Bass Lakes

Measure	Why It's Important	Versus Benchmark*	Comments
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Measure	Why It's Important	Versus Benchmark*	Comments
Total Phosphorus (P) and Water Clarity	<ul style="list-style-type: none"> <input type="checkbox"/> An indicator of water quality degradation and potential for algal blooms. <input type="checkbox"/> Linked to planning & development restrictions. <input type="checkbox"/> Total P benchmark set to preserve water quality via a background approach. <input type="checkbox"/> Natural tea colour of water complicates clarity findings. 		<ul style="list-style-type: none"> <input type="checkbox"/> Background-based model review now completed and P benchmarks to be revised. <input type="checkbox"/> New DMM approach does not change good water quality status for Kahshe Lake. <input type="checkbox"/> Bass Lake was flagged by DMM for further study in 2016 because of elevated phosphorus. <input type="checkbox"/> No change in total phosphorus in Bass Lake in 2016 and slightly improved water clarity. <input type="checkbox"/> More DMM studies are planned for Bass Lake in 2017.
Calcium Depletion	<ul style="list-style-type: none"> <input type="checkbox"/> Calcium is naturally occurring in soils and rocks and is an essential component of the aquatic food chain. <input type="checkbox"/> There was enhanced leaching from soil to lakes due to acid rain impacts in 1970s & 80s. <input type="checkbox"/> Many Muskoka lakes now at lower end of aquatic threshold and this could affect the growth and survival of sensitive microorganisms. 		<ul style="list-style-type: none"> <input type="checkbox"/> Not a shoreline development issue. <input type="checkbox"/> Calcium in Kahshe and Bass Lake is currently above the benchmark (good), but need to keep monitoring and watch for signs of decline.
Lake Acidity (pH)	<ul style="list-style-type: none"> <input type="checkbox"/> In mid to late 1900s, sulphur and other acid gases from the Sudbury basin plus transboundary air flows from the U.S. acidified many lakes. <input type="checkbox"/> Most lakes in Muskoka have partially or fully recovered following air emission controls. 		<ul style="list-style-type: none"> <input type="checkbox"/> The Ontario objective is to keep pH above 6.5 and below 8.5. <input type="checkbox"/> Kahshe and Bass Lakes are 10-20 times above the lower pH limit, so there is no concern for impacts on aquatic species. <input type="checkbox"/> However, both lakes have a low buffering capacity – i.e. they don't have the capacity to neutralize acid inputs - so we need to keep monitoring.

Measure	Why It's Important	Versus Benchmark*	Comments
Dissolved Oxygen (DO) And Water Temperature	<ul style="list-style-type: none"> <input type="checkbox"/> Oxygen is essential for all aquatic organisms. <input type="checkbox"/> It enters surface water from the air and is transferred down to lower depth waters via spring and fall lake water turnover. <input type="checkbox"/> Levels in the bottom waters deplete during the summer and can become anoxic and impact aquatic survival. <input type="checkbox"/> Low DO levels also can result in the release of P from sediments. 	 	<ul style="list-style-type: none"> <input type="checkbox"/> The PWQO for DO in warm water lakes is 5 mg/L. <input type="checkbox"/> The DO levels in mid and lower layers of water in both lakes often drop below the desirable benchmark. <input type="checkbox"/> However, neither Kakshe nor Bass Lake is considered anoxic and the lower DO levels are limited to late summer and fall and are unlikely to impact aquatic organisms. <input type="checkbox"/> The report also charts the 35 year trends in water temperature which show no obvious up or down trend.
All Other Chemicals	<ul style="list-style-type: none"> <input type="checkbox"/> DMM samples and analyzes Kakshe and Bass Lake for over 30 different metals, nutrients and other chemicals. <input type="checkbox"/> This report analyzes them relative to current chronic toxicity benchmarks and charts them all since monitoring began in early 2000s. 	 	<ul style="list-style-type: none"> <input type="checkbox"/> All 30 have been compared to chronic toxicity benchmarks from Ontario, Canada and the U.S. EPA. <input type="checkbox"/> Sampling of Bass Lake in 2016 confirmed that most are well below aquatic benchmarks. <input type="checkbox"/> A few historical exceedances are likely due to analytical problems early in the program and/or to benchmarks that are not well supported and require scientific review.
<p>DMM means District Municipality of Muskoka</p> <ul style="list-style-type: none"> <input type="checkbox"/> Levels are within accepted benchmarks for water quality <input type="checkbox"/> No obvious upward or downward trend has been detected since monitoring began 			

In conclusion, based on the foregoing summary of the environmental monitoring of Kakshe and Bass Lakes, no major issues in terms of environmental quality have been detected.

Although there are no detectable environmental issues, we need to continue with our sampling efforts and practice overall lake stewardship to delay the onset of nutrient enrichment and its impact on lake health.

How can we make a difference? Each of us can do our part to maintain the quality of the water by:

- managing our septic systems properly and having tanks pumped out regularly based on use;
- avoiding the use of products containing phosphorus (detergents and cleaners);
- disposing of toxic wastes (batteries, paint, oil, old gas, pressure-treated lumber and other construction waste) at approved land fill sites;
- minimizing near-shore removal or management of vegetation and ensuring that any shoreline disturbance is conducted in compliance with permitted uses;
- avoiding the use of any chemical fertilizers or pesticides in areas close to the shore; and,
- taking precautions to minimize the introduction of both terrestrial and aquatic invasive species.

Nagaya Beach

Due to the weather and number of young families in the area, our Beach was very well utilized this summer. In general our members and users were very respectful of the beach and the facilities.

We did have a slow start getting the swim floats and port-a-potty. Many families help with early year clean and tidy up.

We had problems with the Floating docks (Big and Small) being “released and set free”, several times early in the year. We decided to leave the big dock in place of the winter (with Safety Reflectors in place). This resulted in less wear and tear on the platform and better security for our equipment. We will be following this procedure going forward.

Scott Dunlop was engaged for the beach maintenance and will be again for the 2017 year.

We want to remind everyone that the Beach is not a safe place to bring motorized boat or SeaDoos. We hope everyone can help re-enforce common sense best practice for members and non-members.

Give the potential of changing our membership structure we feel that campaigning the users of the Beach would be a good target for additional revenue.

Water Access Committee Report

Happy Cottage Season 2017!

The opening of the summer cottage is a lot of work for every cottager, and especially so for water access cottagers. Marinas need to have their docks in, boats have to be in, the ice has to be out and there has to be somewhere to dock a boat at the cottage when arriving. The fun doesn't stop.

This winter seemed to be more damaging than others with the huge amount of snow, later than normal ice melting and ice movement through the winter. Many cottagers saw their docks collapse, go missing or get broken up and no one enjoys that sight when arriving at the cottage for the first time to start the season.

The town of Gravenhurst rebuilt the government dock at Rockhaven, which looks fantastic. We shall see over the next few months whether its height proves to be difficult for loading and unloading of boats. The need of a floating section as we had before may be something to consider. But regardless, thank you, City Hall!

We are also still hoping for new street lights at the government docks.

I participated in a Electrical Safety Association conference recently and lo and behold they handed out a pamphlet regarding the Electrical Safety Around the Dock. Here is a summary of the highlights:

- Dock owners are responsible for ensuring that the electrical installation and equipment around docks and boathouses are maintained and in safe working order.
- Electricity leaking into the water surrounding a dock or boat is caused by a malfunction of electrical equipment or faulty electrical installation.
- If someone enters that area of water, they could lose muscle control, not be able to swim to safety or call for help.
- At least one person dies in North America every year from electrical shock drowning.
- Dock owners need to ensure that GFCI (Ground Fault Circuit Interrupter) breakers are used for receptacle or lighting circuits on and around docks and boathouses. This includes circuits with submersible water pumps. If something happens the owner is responsible.
- Make sure that all frayed and exposed conductors are repaired immediately and use three prongs (a ground conductor) on all conductors.

As usual, make sure that your boat(s) have all of the safety gear aboard for the safety of people on board and to keep away from those pesky, expensive fines.

Safety and marina dock quality is always a concern. If you notice missing, or rotting boards on the docks that you pay to rent every year, please make the marina owner aware of it. It is in everyone's best interest that docks are maintained to avoid accidents or mishaps.

Happy 2017 and cottage safely.

Town Liaison

This function of the KLRA Board of Directors deals with the Town of Gravenhurst and the District of Muskoka on municipal planning and by-law enforcement issues.

During 2016, four applications for zoning amendments, two severance applications, and two variance applications for properties around Kahshe and Bass Lakes were reviewed at the request of the Town. We offered no objections to most of the proposals, and requested clarification on some of them.

The Conservation Committee worked with the Town of Gravenhurst during the year on revisions to the Town's Official Plan. This is covered in detail in the Conservation Committee section.

Communications, Outreach & Membership Committee (COM Com.) Report

2016 was another busy and successful year for the Communication, Outreach and Membership Committee (COM Com). In this our fourth year, we feel that much was accomplished. Eight very active volunteers make up our committee. They represent all parts of the lake and bring a richness of experience, ideas and enthusiasm. Interestingly, many of our members also have additional roles within KLRA. Our group has a wonderful “esprit de corps” and draw energy from each other.

Over the year, we held 6 formal meetings as well as numerous virtual meetings and countless emails.

COM Com. researched and subsequently purchased new canopies for KLRA. We were able to secure a very good deal. As a result, we bought two 10’x10’ pop-up canopies and one 8’x8’ canopy. The larger ones are needed for major events, such as the Craft Show, where they will be used for the photo contest. The smaller one can fit on the floating dock and be used by the organizers of the fishing Derby. Naturally, these canopies will be used at many different KLRA events.

The **Boutique** has proven to be a focus of activity during many lake events. We designed and sold a variety of products. These included t-shirts for ladies, men and children in assorted colours. We also sold coffee mugs, baseball hats and children’s sweatshirts. These clothing items were all produced locally, in our endeavour to support our local businesses. Last year we introduced the popular glass steins; used for whatever beverage people wanted to put in them. We continue to sell the KLRA flags; ones that features the KLRA logo and can be flown on boats or put up on the wall of a cottage or home. The boutique was also the place where people could purchase copies of our lake history, ‘Healing Waters’. Patrons of the boutique also appreciated the ability to pay their membership dues on the spot.

We set up shop at 5 different events during the summer and we are delighted with response and outstanding sales that resulted. A very well received feature of the boutique was that all KLRA members received instant discounts.

The boutique was a source of many prizes for contests and occasions around the lake this year. These were well received and heightened the excitement at these events.

In the fall, we ran the Virtual Boutique again. It provided opportunities for people to place orders on-line. Offerings included the calendar, pennants and copies of both volumes of our lake history. Our customers told us that they liked being able to place orders and have them shipped as gifts.

The **Kahshe Krier** is a highly-anticipated newsletter that is on many peoples must-read list. It is published three times a year. The editor was instrumental in coordinating our annual Dock and Door Drop, a highly successful outreach that saturated our community. The cost of this newsletter is partly underwritten by the generosity of our advertisers. In order to keep costs under control, it was decided to add a surcharge to any member who requests that the newsletter be printed and mailed to their home.

Our **website** continues to be a dynamic source of information and forum for our members. It is rich with information and increases on a regular basis. Many people use it as a reference point as well as a gateway to contacting members of the Board.

The **Photography Contest** continues to generate much interest. It is a highly-anticipated event featuring the creative work of people at the lake. A panel of expert judges decided upon the winners for each category and age group. The winners received plaques that featured their photos as well as a gift voucher for the boutique. Our website proudly displays the entries and the winners. It is also a good source of information and tips for photographers.

Our committee created another **Kahshe Calendar**, using the excellent photos from the Photo Contest. This was so well received that we produced a 2017 version and sold it during 2016. This way, people could purchase calendars all year, give them as gifts to be enjoyed the following year.

The **community bulletin boards** are strategically positioned around the lake. In 2016, we refurbished them, replacing the cork backing and repairing some of the wooden supports.

The **KLRA motto** was modified this year and approved at the AGM, to be more inclusive and welcoming. It now reads “*KLRA – dedicated to the preservation of the environment for future generations.*” Our committee then ensured that stationery, banners and other outreach materials featured the new motto.

Recognition and awards is a vital part of a dynamic association. Our fourth year of the **Outstanding Volunteer Award** was equally successful. Alex Milburn, a long-standing volunteer, received the award at the AGM and proved to be a very popular choice. His award was an engraved canoe paddle and certificate. (You can read more about this award and about Alex on our website).

A major development in 2016 was our venture into **Facebook and Twitter**. Our committee welcomed a new member who had vast experience in social media and is running this outreach. We have active communities following both. This has allowed us to reach individuals who want immediate contact on their computers, tablets and phones. Our Facebook page is linked to the other Kahshe Lake Facebook pages and there is good sharing and linking amongst them. Twitter messages are also shared amongst users.

All in all, 2016 was another fine year for our committee and we eagerly look forward to the activities for the next year.

Our Committee Members are:

Catherine Dunphy
Toby Fletcher
Clare Henderson
John Kuropatwa (Chair)
Eleanor MacLean
Keith Price
Maureen Smithers
Marg Taylor

Federation of Ontario Cottagers Association (FOCA)

My role as your volunteer Board member is to act as your FOCA Rep and to ensure that we get value for money from that umbrella Provincial organization that exists to protect waterfronts and act as Provincial advocates of Lake Associations and individual people who live at the waterfront in Ontario.

We do get value for money but only if the word gets around that membership in our Lake Association allows automatic member benefits in FOCA at no additional cost. However to take advan-

tage and due to privacy issues, KLRA cannot automatically provide the membership list to FOCA without consent.

It takes only about a minute to go to the website titled foca.on.ca and follow the prompts to sign up and get a password as a member of KLRA and then take advantage of member discounts, webinars, and a huge library of materials for our perusal at our leisure. Also there are semi annual meetings in Toronto in the fall and the spring with mini trade shows that bring best cottage and Lake Association management practices to the forefront. All of the information is available online once each of us obtains a password at no charge.

Thanks again for the opportunity to have been your FOCA Rep this past year. Happy cottaging!

- John Vail

Looking Ahead

The KLRA Board of Directors has set out priorities and initiatives for 2017. Some initiatives build on the tradition and work of prior years, while others are cyclical – require attention every few years.

2017 Programs & Events

Every year, the KLRA sponsors or co-hosts a number of events designed to strengthen our community fabric. These events offer an opportunity to get to know your neighbours, introduce your children and grandchildren to time-honored traditions of Kahshe and Bass Lakes, and to have fun.

These events rely on the contributions of a host of dedicated volunteers. To volunteer to support one of your favorite events, please *contact* info@kahshelake.ca.

- NEW this year and possibly one time only: FleaFest2017 to be held at Rockhaven on Canada's 150th Birthday – Saturday July 1st 2017
- 56th Annual Housey's Rapids Picnic; Bass Lake Park, Saturday, July 15th, 2017
- Kermit Long Kids' Fishing Derby; Denne's, Saturday July 22nd, 2017
- Regatta; Nagaya Beach, Saturday, August 12th, 2017

Though not in the role of co-sponsor, the KLRA continues to be fully supportive of the Kahshe Country Craft Show and Sale, which is planned for Sunday August 6th at Rockhaven. This is an important community get-together, and the KLRA will make every effort, where asked, to assist the Rings pull off another memorable Show. The wrap up of the 2017 Photo Contest the Craft Show this year will happen at the Craft Show.

2016 Financial Statements

Kahshe Lake Ratepayers' Association (1994) Inc. (KLRA)

Statement of Assets and Liabilities (Balance Sheet)

As at December 31, 2016

	2016	2015	Notes
<u>ASSETS</u>			
Current Assets			
Cash on hand and in bank	\$ 8,426.60	\$ 16,685.80	
Accounts Receivable	840.00	135.00	
Inventories, at cost	1,838.75	3,710.98	
Investments	47,048.07	16,369.24	5
Total Current Assets	\$ 58,153.42	\$ 36,901.02	
Non-Current Assets			
Investments	\$ 15,002.04	\$ 29,486.22	5
Real Estate (Nagaya Beach)	12,000.00	12,000.00	1
Equipment, net of depreciation	12,588.94	14,692.42	2
Total Non-Current Assets	\$ 39,590.98	\$ 56,178.64	
Total Assets	\$ 97,744.40	\$ 93,079.66	
<u>LIABILITIES</u>			
Current Liabilities			
Accounts Payable	\$ 181.66	\$ 45.08	
Unearned Advertising Income	1,080.00	-	
Prepaid Membership Dues - Current	8,018.00	9,660.00	3
Total Current Liabilities	\$ 9,279.66	\$ 9,705.08	
Non-Current Liabilities			
Prepaid Membership Dues - Non-Current	8,837.00	2,702.00	3
Total Non-Current Liabilities	\$ 8,837.00	\$ 2,702.00	
Total Liabilities	\$ 18,116.66	\$ 12,407.08	
<u>MEMBERS' EQUITY</u>			
Balance at beginning of year	\$ 80,672.58	\$ 81,263.79	
Net surplus/(deficit) for the year	(1,044.84)	(591.21)	
Balance at end of year	\$ 79,627.74	\$ 80,672.58	
Total Liabilities & Members' Equity	\$ 97,744.40	\$ 93,079.66	
<u>Schedule 1 - Allocation of Members' Equity</u>			
Designated Income Funds Surplus (Note 4)			
Kahshe Lake Preservation Fund (Sched. 1a)	\$ 9,742.04	\$ 9,593.21	
Rock Marker Fund (Sched. 1b)	17,192.41	19,157.45	
Contingency/Emergency Reserve (Sched. 1c)	13,040.00	13,108.91	
Undesignated Members' Equity	39,653.29	38,813.01	
Total Members' Equity	\$ 79,627.74	\$ 80,672.58	

Notes

1. Reflects MPAC property value assessment of Nagaya Beach as of 2008. Assessed value was \$15,600 in 2012 and \$15,900 in 2016.
2. Rock markers, shed, beach benches, swim raft.
3. Amount of 3-year memberships that expire in future years.
4. Designated income funds are tracked separately but are stored in the same bank and investment accounts as general KLRA funds.
5. GICs maturing within 12 months are current; others are long-term. Includes accrued interest.

Kahshe Lake Ratepayers' Association (1994) Inc. (KLRA)

Statement of Income and Expenses

For the year ending December 31, 2016

	2016	2015	Notes
<u>Income</u>			
Membership Dues	\$ 11,884.00	\$ 11,809.00	1
Donations	632.95	529.25	
Merchandise Sales Gross Profit	809.65	1,521.17	5
Advertising	681.00	700.00	
Interest	593.54	665.14	
Other	-	26.99	
Total Income	\$ 14,601.14	\$ 15,251.55	
 <u>Expenses</u>			
Programs and Events (Sched. 2)	\$ 8,509.77	\$ 8,720.68	
Fundraising	-	-	
Selling, General and Administrative	1,246.29	1,038.65	2
Insurance	2,071.44	2,071.44	
Depreciation	2,103.48	2,035.52	
External Memberships	1,715.00	1,659.75	3
Donations	-	-	
Inventory Adjustments	-	316.72	4
Total Expenses	\$ 15,645.98	\$ 15,842.76	
 Net Surplus (Deficit)	\$ (1,044.84)	\$ (591.21)	
 Memo: Sources of Net Surplus (Deficit)			
Kahshe Lake Preservation Fund (Sched. 1a)	\$ 148.83	\$ (343.36)	
Rock Marker Fund (Sched. 1b)	(1,965.04)	(1,665.41)	
General Operations	771.37	1,417.56	
Net Surplus (Deficit)	\$ (1,044.84)	\$ (591.21)	

Notes

1. Includes new/renewed memberships and current portion of prepaid memberships from prior years.
2. AGM, office, bank charges, PayPal fees, miscellaneous.
3. FOCA, Muskoka Conservancy.
4. Inventory adjustments are included in cost of goods sold in 2016. Adjustments amounted to an expense (i.e. increase of cost of goods sold) of \$526.47.
5. Calculation of Merchandise Sales Gross Profit:

Merchandise Sales	\$ 4,707.90	\$ 5,243.17	
Less: Cost of Goods Sold	(3,898.25)	(3,722.00)	
Gross Profit	\$ 809.65	\$ 1,521.17	
Memo: Gross Profit net of Inventory Adjust.	\$ 809.65	\$ 1,204.45	
Margin (based on adjusted Gross Profit)	17%	23%	

Kahshe Lake Ratepayers' Association (1994) Inc. (KLRA)

Cash Flow Statement

For the year ending December 31, 2016

Notes

Cash flows from operating activities

Net Surplus (Deficit)		(1,044.84)	
Adjustments for non-cash income and expenses			
Depreciation	\$ 2,103.48		
Interest accrued in period but not received	<u>(563.89)</u>		
	\$ 1,539.59		
Adjustments for changes in assets and liabilities			
(Increase)/Decrease in Accounts Receivable	(705.00)		1
(Increase)/Decrease in Inventory	1,872.23		
Increase/(Decrease) in Accounts Payable	136.58		
Increase/(Decrease) in Unearned Advertising Income	1,080.00		
Increase/(Decrease) in Prepaid Memberships	<u>4,493.00</u>		
	<u>6,876.81</u>		
<i>Cash generated from operations</i>		8,416.40	
Cash flows from investing activities			
Purchase equipment	-		
Purchase GICs	(32,000.00)		
Redeem GICs	<u>16,369.24</u>		2
<i>Cash flows from investing activities</i>		<u>(15,630.76)</u>	
Net change in cash		(8,259.20)	
Cash on hand and in bank at beginning of year		<u>16,685.80</u>	3
Cash on hand and in bank at end of year		<u><u>\$ 8,426.60</u></u>	3

Notes

1. Excludes investments.
2. Principal and interest earned in prior periods. Excludes interest earned in current period.
3. Cash includes bank deposits, merchant accounts (e.g. PayPal, Wave), cash on hand and advances outstanding. Investments are not included.

Schedule 1a - Kahshe Lake Preservation Fund

For the year ending December 31, 2016

Opening balance, consisting of:			
Portion of cash on hand and in bank, and investments		\$ 9,009.77	
Inventory		<u>583.44</u>	\$ 9,593.21
Income			
Interest	\$ 85.51		
History Book sales, net of cost	<u>63.32</u>	148.83	
Expenses			
Printing, History Books	-		
Inventory adjustment	-		
Administration/postage	-	-	
Net change during year			<u>148.83</u>
Closing balance			<u>\$ 9,742.04</u>
Consisting of:			
Portion of cash on hand and in bank, and investments		\$ 9,375.30	
Inventory		<u>366.74</u>	
			<u>\$ 9,742.04</u>

The Kahshe Lake Preservation Fund was established in 2001 and funded by donations by residents of Kahshe and Bass Lakes for development, implementation and ongoing stewardship of the Lake Plan. The fund is administered by the Conservation Committee.

Schedule 1b - Rock Marker Fund

For the year ending December 31, 2016

Opening balance, consisting of:			
Portion of cash on hand and in bank, and investments		\$ 10,271.94	
Equipment		<u>8,885.51</u>	\$ 19,157.45
Income			
Interest	\$ 97.48		
Donations	<u>-</u>	\$ 97.48	
Expenses			
Rock marker maintenance expense	(725.57)		
Depreciation expense	<u>(1,336.95)</u>	<u>(2,062.52)</u>	
Net change during year			<u>(1,965.04)</u>
Closing balance			<u>\$ 17,192.41</u>
Consisting of:			
Portion of cash on hand and in bank, and investments		\$ 9,643.85	
Equipment (rock markers) at depreciated cost		<u>7,548.56</u>	
			<u>\$ 17,192.41</u>

The rock marker fund was establish in 2012 to upgrade existing navigation hazard markers, to expand the number of locations, and to provide for their maintenance over their useful life.

Schedule 1c - Contingency/Emergency Reserve

As at December 31, 2016

Notes

Expenditures by Financial Year

Financial Year	Total	Deductions	Normal
	Note 2	Note 3	
2016	15,645.98	(2,955.48)	12,690.50
2015	15,842.76	(3,413.07)	12,429.69
2014	24,709.97	(10,710.16)	13,999.81
Average of above	18,732.90	(5,692.90)	13,040.00

Prior year Contingency/Emergency Reserve

13,108.91

Contingency/Emergency Reserve for 2016 (from above)

13,040.00

Change from prior year

(68.91)

Notes

1 The Contingency/Emergency Reserve was established in 2013 by Board resolution to ensure funds were kept available to cover significant unanticipated expenditures. It is to be the average of the prior three years normal cash operating expenditures.

2 Total expenditures are from each year's Income Statement. Normal is Total less Depreciation and Unusual. Depreciation is excluded beginning in 2014.

3 Calculation of normal cash operating expenditures in current period is below:

Total Expenses (per Income Statement)		\$ 15,645.98
Less: Depreciation (not cash expenditure)	\$ (2,103.48)	
Less: Unusual expenditures	(852.00)	
Purchase rock marker replacement lights. Purchase 3 new canopies for events.		
Deductions (Depreciation and Unusual Expenditures)	-	(2,955.48)
Normal cash operating expenditures		<u>\$ 12,690.50</u>

Schedule 2 - KLRA Programs and Events

For the year ending December 31, 2016

Programs	2016	2015	Notes
Beach Committee	\$ 2,278.85	\$ 2,298.03	1
Communication, Outreach, Membership Committee	3,464.76	3,977.51	2
Conservation Committee	27.11	134.97	
Award Committee	58.29	64.10	
Rock Marker Committee	725.57	465.18	
Water Safety Committee	- \$ 6,554.58	- \$ 6,939.79	
Events			
Housey's Rapids Picnic	\$ 120.80	\$ 107.78	
Kermit Long Kids' Fishing Derby	326.85	422.00	
Kahshe Lake Regatta	506.37	301.34	
Photo Contest	318.69	658.74	
Other	682.48	291.03	3
Total Programs and Events	<u>\$ 8,509.77</u>	<u>\$ 8,720.68</u>	

Notes

1. Includes Maintenance (\$1600.00), toilet rental (\$535.47), misc. equip., property tax.
2. Includes Newsletter and Door-and-Dock Drop (\$1958.57), website and admin. System
3. Primarily event-related equipment purchases and storage shed location expense.

May 11, 2017

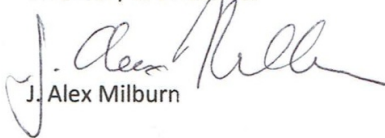
To: Members, Kakshe Lake Ratepayers' Association (1994) Inc. (KLRA)

I have reviewed the accompanying Statement of Assets and Liabilities of the KLRA as at December 31, 2016 and related Statements of Income and Expenses, Cash Flow and supporting schedules for the year then ended.

My review included primarily applying analytical procedures to the financial data and supporting information provided by the Treasurer. A review is less in scope than an audit, and accordingly I do not express an audit opinion on these financial statements.

Based on my review, I am not aware of any material corrections or modifications that should be made to the accompanying financial statements in order for them to reasonably present the financial position of the KLRA as at December 31, 2016 and of the results of its financial activities for the year then ended.

The statements report significant losses of merchandise inventory. Improved controls over this inventory are needed.



J. Alex Milburn

Our Dedicated Volunteers & Contributors

Throughout the year, the programs and events organized by the KLRA are only possible because of the dedication of many, many volunteers. Please accept our apologies for any omissions or misspellings; the errors are entirely ours.

2016 Volunteers (excluding Board members)

Rob Abbott, Keaton Appleton, Nick Arnott, Dave Barker, Matt Barker, Tien Bui, Nancy Corbett, Shawn Corbett, David Crichton, Nell Chrichton , Cathan DeForest, Toby Fletcher, Gwen Hems, Clare Henderson, Anne Hlebko, Susan Holder, Dennis Houlberg, Wendy Houlberg, Joan Kuropatwa, Jennifer Lasachuk, George Lindsay, Susan Lindsay, Karen Long, Ken Long, Eleanor MacLean, Toivo Madrus, Alex Milburn, Ron Pearson, Alison Price, Janis Ryan, Wes Ryan, Jan Saddington, Sophia Selva, Maureen Smithers, Belinda Sutherland, Donna Sutherland, Jenelle Sutherland, Joanne Watson, Scott Watson, Gord White

Corporate Support

Chestnut Park Real Estate
Chidiac Animal Hospital of Gravenhurst
Denne's Marina
Gadsby's of Gravenhurst
Kahshe Kleaning
Kenneth Little - Muskoka Real Estate
Muskoka Meats & 100 Mile Store
Nancy Sutton Kehl & Eric Kehl - Re/Max
Osborn Contracting
Outdoor Storage
R.J. Liquidation
Terry Pilger – Re/Max

How to Get Involved

The events and programs on Kahshe and Bass Lakes are a big part of what makes our lakes great. The events and programs organized by the KRLA are always looking energetic volunteers for volunteers of all ages.

Join in the fun this summer and help keep our lakes great: volunteer!

If you'd like to volunteer to lead or help out with any of our events, simply contact the event organizer or email info@kahshelake.ca and let us know how you'd like to help out. ■