



Ohio & Erie Canal Towpath Trail and the Cuyahoga Valley Scenic Railroad – by Jim Sorenson

The Ohio & Erie Canal was a rich part of Ohio's history. The following is a quote from www.ohioeriecanal.org:

The Ohio & Erie Canal and Towpath Trail is an important piece of Ohio history, and helped make Ohio the great state it is today! The canal and trail was originally 309 miles long and constructed in 7 years— from 1825 from 1832. The Ohio & Erie Canal was one of the longest canals ever built. It was hand dug by Irish and German immigrants, who were paid \$0.30 per day.

The Ohio & Erie Canal Towpath Trail offers folks a unique perspective to travel along a path that for the most part, used to be traveled by horses as they towed vehicles along the Ohio & Erie Canal that connected Lake Erie to the Ohio River. The completed path is supposed to offer about 110 miles that you can walk, bike, run, etc. The Cuyahoga Valley Scenic Railroad (CVSR) travels along a portion of the Towpath as well and can be used in multiple ways.

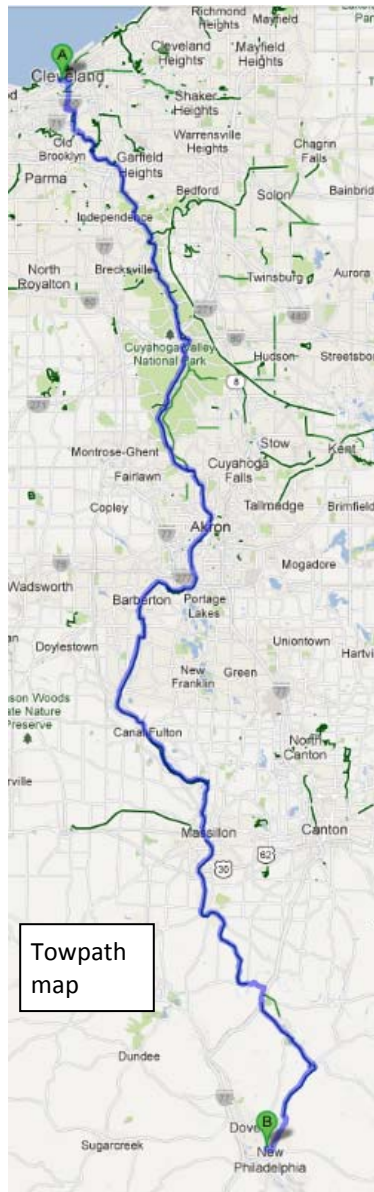


The most northern train station is located in Independence and is around mile marker 11. The most southern train station is in Canton – about 8 miles east of the Towpath Trail – and is located next to

Downtown Ford Lincoln Mercury; 1423 Tuscarawas Street West; Canton, OH 44702.

The CVSR offers scenic tours for \$12 according to their web site. Another way to leverage the CVSR is to ride your bike on the Towpath and then get a ride back to your starting point via the train for only \$2 – this allows bikers to travel just a few miles or tens of miles.

The last page of the newsletter should be a Towpath Trail map with a note added about the Canton train station.



If the Independence station were the start/end point, someone could break the Towpath Trail into 3 phases:

1. Bike the approximate 30 mile northern loop.
2. Bike to the Canton train station located about 64 miles away – and then ride the train back for \$2.
3. Take the train to the Canton station. Bike to the end of the Towpath Trail and back – about a 56 mile loop – and ride the train from Canton back to Independence.

Note that there are multiple stops along the Towpath as shown on their web site. If you were to bike from Independence to Canton, a logical place to stop for lunch might be Akron.

If biking the Towpath Trail in a single shot is more your thing, the FirstMerit Towpath Century Ride takes place May 18 and 19 and is an organized group ride to raise money for the Towpath trail. You can choose to cover the distance in 1 or 2 days.

Web site references:

<http://www.cvsr.com/>

<http://www.ohioanderiecanalway.com/Main/Home.aspx>

Committee and Event Volunteers Needed

Several volunteers are no longer with us on the various committees & events for our neighborhood and we need your help. You can help as much or as little as you would like with a committee or event such as: Covenants/Restrictions • Financial • Landscaping/Beautification • Recreational (including the subcommittees for events like the Easter Egg Hunt, 4th of July Parade, etc.) • Yard Sale Volunteers. The various committees may be reached via the web site:

<http://www.lakeerieshores.com/contactUs.aspx>

What would you do? – by Jim Sorenson

Two years ago a business was ending their lease on some equipment and they had several options:

1. Buy the equipment for \$16,500 and own the assets
2. Extend the lease for another 1, 2 or 3 years. Any one of these options would total \$17,000 to \$17,500 out of pocket - the customer would still not own the equipment and they would still have to return it.
3. Go month-to-month for \$1,950 per month - they would not own the assets and they would still have to return the equipment when finished

It was recommended that the company buy the equipment because it was known that they would have to keep it for 2-3 years for various reasons. Within 8.5 months, the month-to-month option would be more expensive than buying the assets.

The company decided to go month-to-month for reasons that I cannot explain. Two years later, they have spent \$46,800 in monthly payments and still do

not own the equipment. Now at the start of year 3, their CFO is upset and they are trying to decide how to minimize their costs. I cannot explain why it took 2 years for them to want to minimize their costs. Oh by the way, based on their timing and dragging their feet to weigh the options, they are going to have to pay at least 2 more months rent. Thus the net of it is as follows:

1. They will have paid \$50,700 to rent equipment that they still do not own equipment that they could have bought for \$16,500 two years ago. That is paying 3.1x more for something that you still do not own.
2. If they decide to buy the assets now, they will have to buy it for \$13,500 *PLUS* the \$50,700 that they will have already paid in rent for a total of \$64,200 for equipment that they could have bought for \$16,500 two years ago. That is paying 3.9x more for something.

As much as people tell you that the world is *smarter*, the world still has enough dumb decisions like this that are made on a daily basis around the world. Please try to avoid decisions like this.

Lake Erie Shore Community Dates

The proposed dates for the Lake Erie Shores community garage sales are May 17 – 19.

The proposed date for the beach clean-up is Saturday May 18.

The proposed time frame for the 2013 Adult Party is currently June or July.

Revolving Credit – by Jim Sorenson

The cost of money is relatively low for a mortgage, but there are credit card companies that are still charging very high interest rates. I know of credit cards that have interest rates of 34% - that is a really high interest in my world, but they do exist. The following article will quantify the cost of revolving credit with a simple financial model.

The simplified financial model for a revolving credit account has the following assumptions:

1. No additional charges are made to the account during the repayment period.
2. A constant payment is made during the entire repayment period.
3. The constant monthly payment amount is expressed as a percentage of each original dollar borrowed on the credit card. For example, a 10% monthly payment would require \$0.10 per dollar: \$10/month for a \$100 balance, \$100/month for a \$1,000 balance or \$1,000/month for a \$10,000 balance.

It would be impractical to develop the multitude of scenarios to accommodate making additional charges during the repayment period. Thus, the assumption to have no more additional charges serves to simplify the model. The net of making additional charges during the repayment period is that it would cost the user more money in interest.

Note that as the account balance decreases, the required minimum monthly payment should also decrease – but making only the required minimum monthly payment would only prolong the repayment period and increase the cost to borrow that money. Remember that the financial model presented uses a constant payment during the entire repayment period.

Figure 1 represents a family of curves showing the total cost to borrow \$1. The various curves represent different monthly payments ranging from 3 to 10% of the original balance. Several points of interest are as follows:

1. Follow any particular curve - the higher the interest rate, the more interest you pay
2. Pick a particular interest rate – the smaller your monthly payment, the more interest you pay
3. Note how the family of curves is more closely spaced with the lower interest rates, and is more spread apart with the higher interest rates. At a 28% APR you could reduce the amount of interest paid from \$0.95 to \$0.52 per \$1 borrowed by paying \$0.04 vs. \$0.03 per month for every \$1 borrowed. That is a 45% savings!

The solid black line of Figure 1 represents a constant repayment of 3% for each original \$1 borrowed.

- If the revolving credit had an APR of 6%, you would pay a total of \$1.10 for every \$1.00 borrowed: for a \$5,000 original balance, you would pay \$500 in interest. The net is that a 6% APR would cost about 10%.
- If the revolving credit had an APR of 28%, you would pay a total of \$1.95 for every \$1.00 borrowed: for a \$5,000 original balance, you would pay \$4,750 in interest. The net is that a 28% APR would cost about 95%. Thus, borrow a dollar and pay \$1.95 for it – ouch!

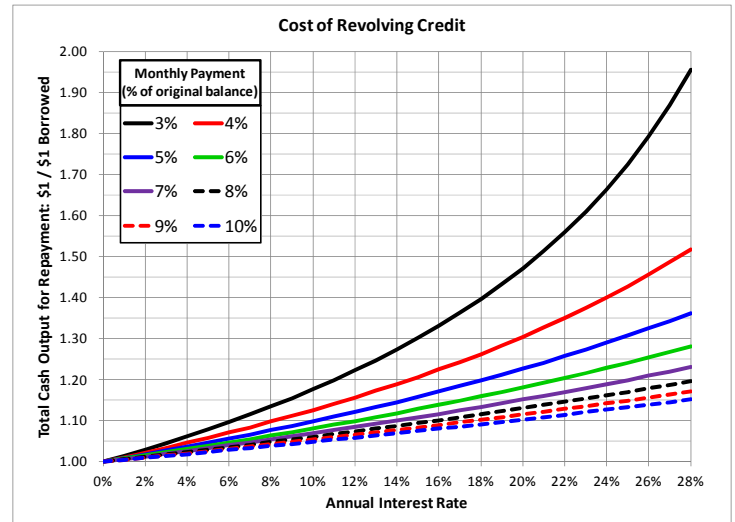


Figure 1. Total cost for each dollar borrowed via different constant monthly payments.

Another aspect of revolving credit is how long someone will be in debt. This too is a function of the monthly payment made and the interest rate. Figure 2 represents a family of curves showing the total time to pay off a borrowed dollar. Several points of interest are as follows:

1. Follow any particular line - the higher the interest rate, the longer you pay. The longer you pay, the more interest you pay.
2. Pick a particular interest rate – the smaller your monthly payment, the longer you pay. The longer you pay, the more interest you pay.
3. Note that for the 8, 9 and 10% monthly payments, the account can be paid off in 1 – 1.25 years even at a 28% APR.

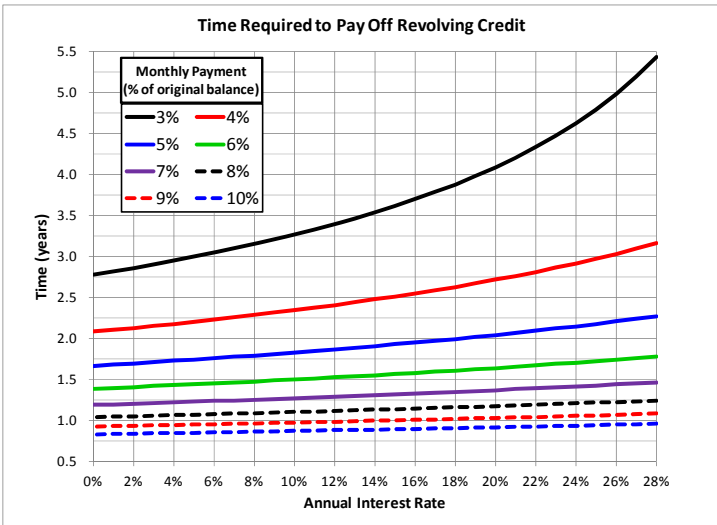


Figure 2. Time required to pay off revolving credit via different constant monthly payments.

I am confident that many people already know that making lower monthly payments and higher interest rates cost them more money. The simple financial model just quantifies the concept.

Dates to Remember – copied from the Township newsletter

April 3rd-Township Yard-Waste Drop-Off

Starts every Saturday (10:00 am to 2:00 pm) and every Wednesday (7:30 am to 3:00 pm) thereafter (through December 3rd) at the Painesville Township Road Service Garage - 558 Fairport-Nursery Road. This service is for Painesville Township residents ONLY.

April 27 - Computer Collection by the Lake County Solid Waste District

From 9:00 am to 1:00 pm at the Lake County Fairgrounds Commercial Building. Accepting home computer equipment, CPU's, monitors, keyboards, mice, printers, modems and speakers. Cell Phones are also accepted. No Televisions, Microwave Ovens, typewriters, DVD players, cameras or VCRs. Call (440) 350-2582 or (440) 350-2644 for more info.

May 11th - Scrap Tire Collection by the Lake County Solid Waste District

Saturday From 8:00 am to 1:00 pm (nominal fee). Lake County Fairgrounds, south entrance (1301 Mentor Ave., Painesville 44077). Up to six tires without rims per resident will be accepted at no charge. Additional tires without rims (\$2 each). Tires with rims (\$4 each). Oversized tires (\$10 each). Call (440) 350-2582 or (440) 350-2644 for more information.

May 27 - Memorial Day Township offices will be closed.

June 8 - Household Hazardous Waste Collection

From 9:00 am to 3:00 pm at the Lake County Fairgrounds (no fee). Acceptable Items: Household Cleaners and Solvents [Thinners, Kerosene, Turpentine, Lighter Fluid, Strippers], Automotive Fluids [Used Motor Oil, Gasoline, Coolants, Antifreeze, Grease], Oil-based Paints, Varnish, Shellacs, Stains, Aerosols, Polyurethanes, Primers, Grout, Pool Chemicals, Lawn & Garden Chemicals, Pesticides, Weed Killers, Spray Insecticides, Batteries [all sizes including lead, acid & household], Fluorescent Bulbs, Photography, "Hobby" Chemicals, Mercury, Empty Propane Tanks, Roofing Tars, Drive Sealers.

No Water Based Paints, Radioactive (Smoke Alarms), Ammunition, Explosives, or Medical Waste.

Call (440) 350-2582 or (440) 350-2644 for more information.

Motorcycle Track Days – by Jim Sorenson

MotoSeries holds motorcycle track days at Nelson Ledges Road Course which is located about 50 minutes from our neighborhood. There are many dates throughout the year and they are held on Fridays, Saturdays and even some Mondays.



My goal is to make 3 or 4 of these events in 2013. If anyone is interested in trying to carpool, let me know which event dates you are interested in and perhaps we can join forces.

<http://www.motoseries.com/>

You can reach me via email at newsletter@lakeeriesthores.net

Contact Information



Lake Erie Shores Web Site
www.LakeErieShores.com

Home Owners Association Committees

Welcoming Committee (welcome@lakeeriesthores.net)
Covenants/Restrictions Committee Chair – Bruce Buffie
(buffie723@att.net)
Financial Committee Chair - Randy Van Buren
(rcvanburen@sbcglobal.net)
Landscaping & Beautification Committee - Dave Spall
(davidspall@sbcglobal.net)
Recreation Committee Co-Chairs - Jonathon Adkins
(jonsuzannaadkins@sbcglobal.net) and Cory Wertch
Volunteer Coordinator - Paula Haumesser
(paulahaumesser@sbcglobal.net)
Newsletter Committee Chair – Jim Sorenson
(newsletter@lakeeriesthores.net)

Board of Trustees

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davidspall@sbcglobal.net
1534 Clipper Cove
440-637-4559

Lake Erie Shores Management Company

First Realty Property Management, Ltd.
6690 Beta Drive, Suite 220
Mayfield Village, Ohio 44143
440-720-0100 (office)
440-720-0973 (FAX)

LES Property Manager is Bob Guarino
rguarino@firstrealtypm.com



The Ohio & Erie Canalway is a National Heritage Area – celebrating the rails, trails, landscapes, towns and sites that grew up along the first 110 miles of the canal that helped Ohio and our nation grow.

There's always more to explore at ohioanderiecanalway.com

FOR A SAFE AND ENJOYABLE VISIT

- Wear a Helmet
- Be Bright, Stay to the Right
- Give Audible Warning Before Passing
- Protect Your Pet – 8 ft. leash (6 ft. in Cuyahoga Valley National Park)
- Take Breaks to the Side of the Trail
- Slow Down
- Single File
- Do Not Block the Trail
- Keep One Ear Clear
- All Yield to Horses



Safe is Sound is a safety awareness program developed for the safe and enjoyable use of the Ohio & Erie Canal Towpath Trail.

Bike Aboard! Bike the trail, ride the rail for \$2. Flag down the train at a boarding station. (Seasonal)

Check Trail Closures. Before you visit, check with park districts for closure updates. Please stay out of closed areas for everyone's safety.

FOR MORE INFORMATION:

Cleveland Metroparks

216-635-3200 www.clevelandmetroparks.com

Cuyahoga Valley National Park

440-526-5256 www.nps.gov/cuva

Metro Parks, Serving Summit County

330-865-8065 www.summitmetroparks.org

Stark County Park District

330-477-3552 www.StarkParks.com

Tuscarawas County Park Department

330-365-3278

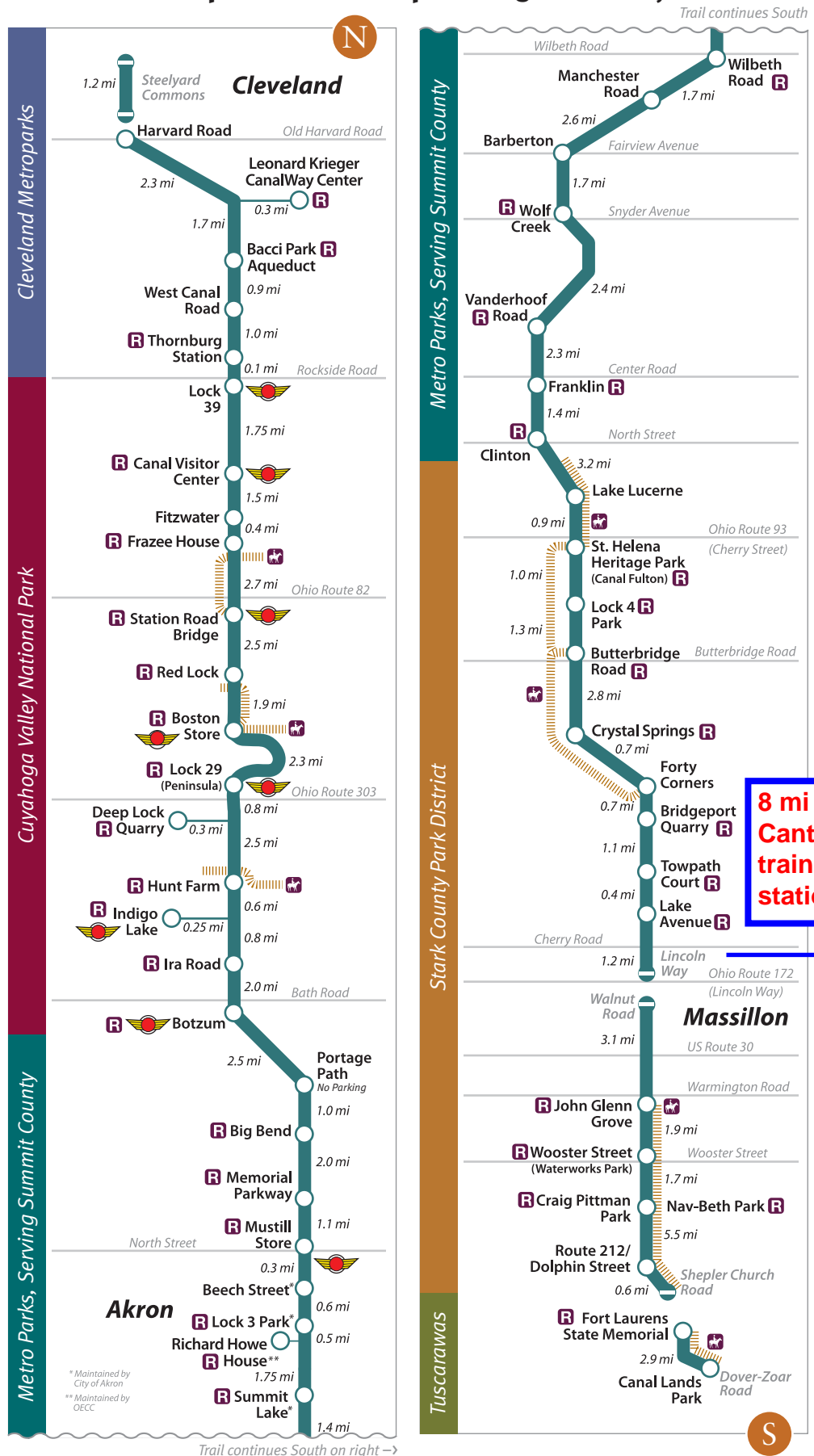
www.co.tuscarawas.oh.us/Park/Canal%20Lands.htm

Cuyahoga Valley Scenic Railroad

800-468-4070 www.cvsr.com

For emergencies, call 911

Towpath Trail Map Mileage & Safety



8 mi to Canton train station

Trailhead/Parking
 Break in Trail
 Bridle Access ALL YIELD TO HORSES
 Restrooms
 Ohio & Erie Canal Towpath Trail
 Bridle Trail
 CVSR Boarding Stations/Bike Aboard