

# O EAST OREGONIAN PINION

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TUESDAY, MAY 3, 2022

Founded October 16, 1875

A4

## OUR VIEW

# Helping out those in need

Charities and food banks across the region face an unprecedented set of new challenges and the larger needs to find a way to help them out.

Demand is up for services at places such as Hermiston's Agape House food bank and the Pendleton Salvation Army. At the same time, costs for food products is rising. When the COVID-19 pandemic raged across the area monetary donations increased, but now that the specter of the infection seems to be receding the need for foodstuffs and money remains.

Rent also is going up while donations from large corporations declined. Federal and state aid, in some cases, continues to lag.

Lisa Patton, of Heppner's Neighborhood Center of South Morrow County, said her organization is crafting and handing out more food boxes than ever before. Last month, for example, Patton's group put together a record 166 food boxes.

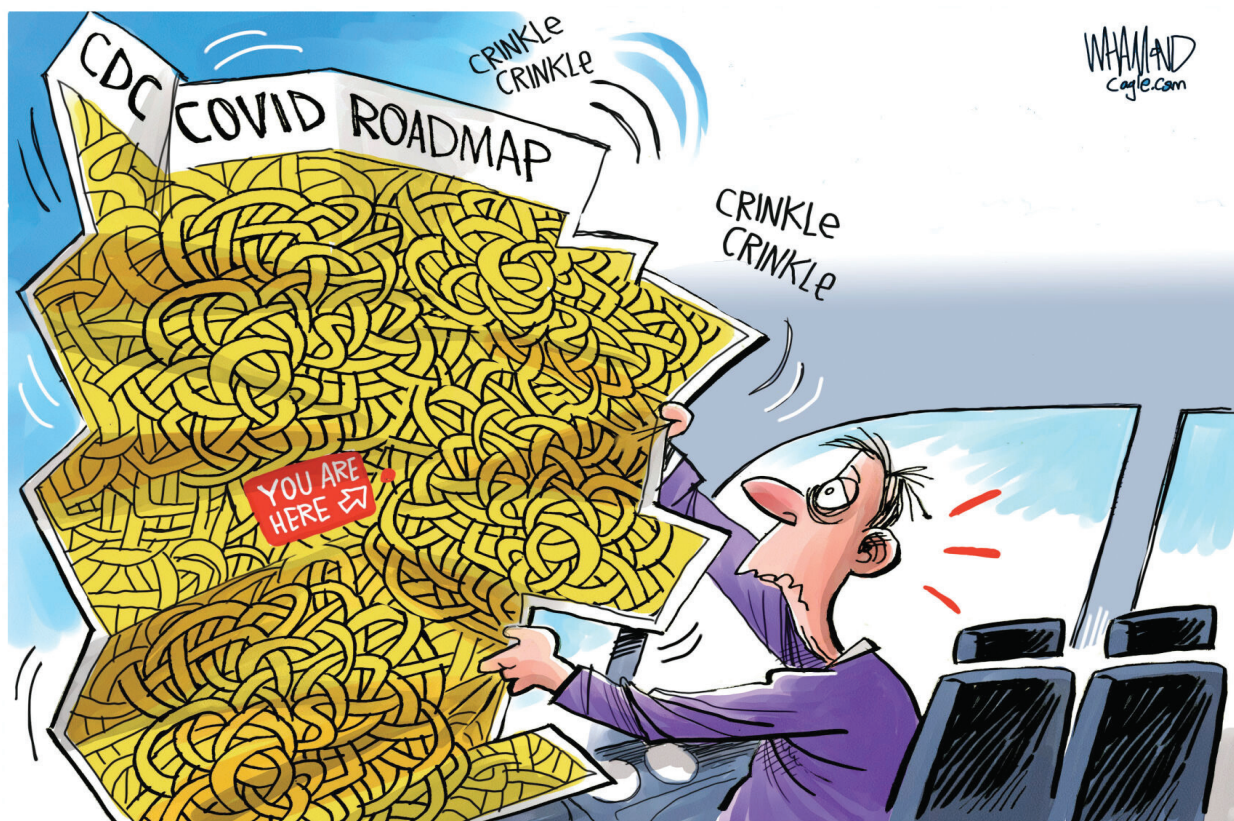
The good news in this depressing scenario is it appears the local charities and food banks are hard at work creating sustaining partnerships across the community. That means a group of people in our community are working together to solve a problem and that is always a great sign a solution can be found.

Yet, more needs to be done. As residents, as voters, of our great region we all are busy, and we all have substantial reasonability. However, one responsibility of a citizen of a Republic is to help out and lend a hand to those who are less fortunate. Simply dismissing the issue as one that does not concern you isn't good enough.

That's why it is vitally important that residents, if they can, find a way to donate to area food banks and other charity organizations. You might not think a small donation will make a difference, but it does. You might not believe the donation of a few cans of food or a bag of pasta will not make a difference, but it will.

The other resources area residents can give to area food banks is time. Charities, food banks and other civic group always need more manpower. Helping out one of these organizations is a great way to give back to the community.

The problems faced by our area food banks and other charity organizations may seem daunting, but if we, as a community, decide to help out, those challenges can be overcome.



## Does your retirement account need rescuing?



STEVE KERBY

LAVIN' IT ON THE LINE

Because of the accumulation benefits of tax deferral, many individuals have successfully created substantial IRA or 401(K) accounts or other qualified plans.

Many people are shocked at how much of their tax-deferred balances will be erased by current taxes when funds are withdrawn. It is not uncommon for these accounts to have amassed seven figures of total dollars. It is also usually the case that little attention has been focused on what will happen to one's hard-earned dollars when taking money out of the plan.

### Reductions due to taxes can be dramatic

The tax-caused decrease in total assets going to family members can be dramatic. For example, we recently reviewed a client situation where the plan holder had a \$6 million balance. The client wished to begin distributions at age 70½. Further, the client did not require any distributions to maintain their lifestyle and wanted all the funds to go to children. The client was disappointed to learn that, under the client's current structure when distributed over 10 years, the \$6 million would be slashed because of taxes by \$2.6 million and only yield \$3.4 million net proceeds to the beneficiaries. The \$2.6 million of asset erosion

occurs because all funds coming out of a qualified plan are fully taxable as ordinary income. And, contrary to common belief, assets in an IRA do not benefit from a step-up basis when passed on. Thus, while this case was a reduction of some 43%, other plans can be crushed by as much as 75% because of income and estate taxes.

The existing plan had other vulnerabilities, as well. One was the assets were all held in equities subject to significant drops in value. Over a lengthy period, the probability that such a reduction will occur is substantial.

### How to increase net to beneficiaries without risk

Fortunately, a solution that could produce guaranteed results was possible in this particular situation. We set up a plan where taxable distributions from the IRA will be used to purchase the appropriate type of life insurance with the family named as beneficiaries. The client and the client's family can be much better off with this solution because:

- Assets are shifted from taxable to nontaxed.
- Total net after-tax assets to the family are significantly increased.
- The increase in assets is immediate.
- There is no need to enter speculative investments to achieve the gain.
- The value of the account is not subject to market losses.
- The results are guaranteed by some of the most substantial financial companies in the world.
- The entire plan can be implemented on a set-it and forget-it basis.

### Implementing IRA rescue for your qualified plan

Each rescue of an IRA or 401K or other qualified plan is custom-made for your circumstances. For individuals with separate plans and assets, net benefits can increase from some 25% of asset value to many times the asset value. For married couples inheriting each other's IRAs, the after-tax yield can be much higher than otherwise. IRA Rescue can be achieved by converting a client's weakest assets — those with the most significant tax liabilities — to nontaxed assets.

And while a plan's asset value is significantly increased immediately, the tax liability on distributions from the plan is spread over time, much to the client's advantage.

All plans can and should be coordinated with your accounting and legal, trust, and estate advisors, and we do that as a matter of course.

A complete solution is available with plan distributions able to be executed on schedule, trustees guaranteeing that policy premiums are paid as required, trustees delivering gifts to beneficiaries, and taxes able to be paid at the funding source. These solutions can truly be established to set and forget while delivering much more financial benefit to those for whom a client wished to provide financial security.

Steve Kerby lives in Wallowa County and has more than 50 years in the financial services industry, specializing on each individual client's goals.

## YOUR VIEWS

### Reelect Lindsay for Morrow County commissioner

Please join us in voting to reelect Melissa Lindsay for Morrow County commissioner.

Melissa has worked tirelessly for the last five-and-a-half years as a Morrow County commissioner; she has been present and committed to the job, spending countless hours representing and working on behalf of the county.

Growing up on the family farm and spending the majority of her adult life here, she understands Morrow County's uniqueness, its strengths, weaknesses and its complexities. She is honest, trustworthy, not afraid to put in the work and

is always striving to do what's in the best interest for Morrow County and its citizens. She listens, is intelligent, wants to learn about issues and more importantly she is willing to ask tough questions in order to find a solution that works.

Melissa lives and breathes her commitment, which we think makes her an excellent choice for the job of Morrow county commissioner.

Steve and Lisanne Currin Heppner

### Thank you for sharing our daughter's story

I would like to express my gratitude to Erick Peterson for his skill in conveying what it is like to be a young woman on the autism spectrum and live with

seizure disorder. He accurately captured the essence of our daughter, Jilli. The article was a celebration for all individuals with intellectual/developmental disabilities. It highlighted how our community reaches out and embraces this special population.

I also appreciate how this article shares how important the role of Eastern Oregon Service Support Brokerage is in providing practical supports so that people who experience I/DD can contribute to society and live full and enriched lives.

We are so fortunate to live in a community that values all people and have a newspaper that is willing to tell these valuable stories.

Mark and Kristi Smalley Hermiston

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### EDITORIALS

Unsigned editorials are the opinion of the East Oregonian editorial board. Other columns, letters and cartoons on this page express the opinions of the authors and not necessarily that of the East Oregonian.

### LETTERS

The East Oregonian welcomes original letters of 400 words or less on public issues and public policies for publication in the newspaper and on our website. The newspaper reserves the right to withhold letters that address concerns about individual services and products or letters that infringe on the rights of private citizens. Letters must be signed by the author and include the city of residence and a daytime phone number. The phone number will not be published. Unsigned letters will not be published.

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