

Avoid these mistakes when selling a business

LAYIN' IT ON THE LINE

Steve Kerby



Even for those who love their businesses and aren't that excited about retiring, most will need to pass it on at some point. Most business owners have, at best, only a vague idea of how to plan their exits properly. Or they make assumptions about their financial futures that may or may not be valid.

Over the years, I have seen numerous agriculture-based clients make costly mistakes when creating their transition blueprints. Here are five of the most typical errors I see when reviewing exit strategies for my self-employed and small business owner clients.

It would be best if you could avoid these common mistakes made by other self-employed people.

Most business owners have only a

superficial idea of how they want their business succession to play out. Many are failing to plan at all. While retirement consultants consider exit plans essential, only around 52% of businesses have one. When you factor in self-employed professionals like dentists and doctors, along with mom-and-pop type companies, that number drops even lower. Businesses with written exit plans often fail to update them regularly and are relegated to back-burner status.

They are making too many assumptions about the exit process. Most business owners make a lot of assumptions when it comes to the succession process. For example, many agriculture-based entrepreneurs assume that they will be able to sell their ranch quickly and easily and at the perfect time when the market is "hot." Or, they assume that someone in their family, a son, daughter or grandchild, will want to run the business after retiring. Even if a family member does want your business, they may not have the qualifications, or skill sets or financing to run it successfully. It's a sad fact the majority of family-owned businesses do not make it past the third generation.

Many business owners are "too busy" to prepare. When I talk to ranchers, it always amazes me how many of them are poorly organized, with so-so financial records. Often, they cannot locate critical documents, insurance policies, tax records or receipts. To create an efficient transition plan, a degree of organization is necessary. Otherwise, you risk overlooking critical data that can turn your transition into a nightmare instead of a smooth, efficient process.

Your plans for retiring from the ranch should never surprise the important people in your life. Oftentimes failing to include their spouse and family in each stage of planning. An owner's decision to exit his business may involve their employees, suppliers and family members. This occurrence also directly impacts their spouses, and few consider the tax landmines. As you sit down with your adviser, you want to include all affected parties in the conversation.

There's often a failure to allow for the time it takes to exit successfully. Some people think that leaving their ranch will be as simple as putting a "For Sale" sign in the front yard or listing it with an experienced ranch broker. The reality

is that it takes time to assemble a team of CPAs or tax specialists, legal advisers, retirement and income planners to ensure you get the best possible outcome. It will help if you don't plan your transition haphazardly or when you are in emotional distress.

Summing it up. If you are selling your ranch, farm or ag business, you should begin putting your succession plan together as soon as you can. When you have an established, written course of action before circumstances force you to exit, you will make better decisions when the time comes.

You will be able to avoid many of the headaches associated with retiring from a small company.

As an avid outdoorsman, Joseph and the Wallowa area have been a big part of Steve Kerby's life since 1964. Steve is a Syndicated Columnists member, a national organization committed to a fully transparent approach to money management. With over 50 years in the financial services industry, Steve specializes and focuses on each individual client's goals. Visit stevekerby.retirevillage.com or call 503-936-3535 for more.

Government cannot violate inalienable rights

ON LIBERTY

Devin Patton



In America today we take for granted the rule of law that protects us as we go about daily life. The idea enshrined in the Declaration of Independence that "all men are created equal" resulted in the formation of a justice system that aims to provide equal protection for all citizens under the law.

It is out of this deep respect for individual rights that the people of our nation have outlawed (and find repulsive) historically ordinary actions such as assault, rape and extortion. While we sometimes deny our personal preferences and entitlement for the sake of others, it's vital to acknowledge that any suspension of individual liberties should take place only with the consent of the one whose rights are being abdicated. The sacredness of individual human rights is universal and timeless.

Tyranny should not be something we think of only when recalling the major authoritarian governments throughout history and in this present age; the desire for power is something that dwells within us from birth.

The human condition includes a desire to leverage the power we have to gain advantage over others. People who have spent any significant amount of time around small children have certainly observed that they are in a near constant power struggle, either with their own parents or with peers. As children get older, this manifests itself as bullying. One of the main roles we have as parents is to train our children to respect the rights of oth-

ers so they don't become bullies, or worse, criminals.

Across the globe, we are currently seeing what happens when equal protection under the law is abandoned. In Afghanistan, an entire generation of Afghans grew up under the occupation of the U.S. military.

A generation of Afghans came of age with the rule of law being enforced in their country, and we currently see the resurgence of the small-minded tyrants who call themselves the Taliban taking over. The Taliban impose Shariah law by force, and we recognize this as a blatant and abhorrent violation of universal human rights.

If you asked the Taliban, however, they would undoubtedly claim their exercise of moral authority over their subjects is for the good of the collective.

Doyle Quiggle of smallwarsjournal.com writes: "They (the Taliban) not only redefined the central moral concepts of Afghan honor-shame culture but reframed them, cognitively, so that "ghariat" (or honorable) now means, according to Taliban "newspeak," a man who is free of that which is disgusting (in Islamic terms, haram) as exclusively defined by Taliban leadership." The Taliban sees their work as necessary and noble, but those who observe the sacredness of individual liberty find it repulsive.

Unfortunately, we also are seeing neo-authoritarians pop up inside of America, indeed, inside of our own communities.

The coronavirus pandemic has provided ample fodder for citizens seeking to rationalize their tyrannical urges — they've got the backing of "public health" in their favor. These self-righteous people sincerely believe that relinquishing personal freedom during times of crisis is not only noble, but a duty to all citizens. They have been relentless in bullying anybody who disagrees with their perspective. This is a dangerous precedent and lacks an obvious lim-

iting principle. If we can claim it is "good" to violate the rights of individuals in order to protect the public, then any violation of rights for any length of time can be justified under the right circumstances.

British novelist C.S. Lewis wrote: "Of all tyrannies, a tyranny sincerely exercised for the good of its victim may be the most oppressive. It may be better to live under robber barons than under omnipotent moral busybodies. The robber baron's cruelty may sometimes sleep, his cupidity may at some point be satiated, but those who torment us for our own good will torment us without end for they do so with the approval of their own conscience."

The violation of inalienable human rights to life, liberty and the pursuit of happiness is never warranted, even for the sake of the collective. Anyone, bureaucrat or not, who attempts to bully you into giving up your individual liberties protected under the law (the right to decline medical treatment, the right to move freely within a state, the

right to freedom of conscience and religion) for "the good of the collective" is exposing their blatant disregard for the sacredness of individual liberties. Are these people really so self-righteous and condescending as to think people must be coerced into doing something "for their own good" because they are too stupid to do it of their own free will?

If we are endowed with certain inalienable rights, that is final. Any deviation from that acknowledgment is not "progress," it is a regression into the past, toward the time when there were no individual rights, and no equality under the law. If our rights are inalienable there can be no justification for a government, whose powers are derived from the consent of the governed, to violate those rights. Not even during a pandemic.

Devin Patton is a third-generation Wallowa County native whose pastimes include the study of ag economics, history and free thought.

Kickoff magazine returns in this week's edition

FROM THE EDITOR'S DESK

Ronald Bond



High school sports are back this week, and we hope they are back to as close to normal as they were in 2019 before the coronavirus pandemic ruined our world.

That also means the "Kickoff" magazine is back, previewing high school football in Northeastern Oregon. This publication, for those who don't know, was a staple of our sister papers, the La Grande Observer and Baker City Herald, then in 2019 was inserted in the Wallowa County Chieftain, along with the rest of EO Media Group's Northeastern Oregon papers.

It, like everything else, was shelved in 2020, and there even was some uncertainty of if it would run in 2021 as cases began to climb statewide.

But a late decision was made to put this publication together, and it was done in a shorter timeline than any of the previous five years.

It looks a tiny bit different — you'll find a cover that features Wallowa's Lute Ramsden alongside a pair of La Grande, Cesar Rodriguez and Coby Hibbert, for a combined Union County and Wallowa

County issue. Our team previews, given the shortened timeline, are a bit varied, as well.

But the main elements that have made this publication shine — and, in fact, win awards in the past — remain. In-depth features on local athletes, team previews, pages full of numbers for stat-heads like myself, and more.

It always feels like a Herculean effort to pull this off each year, but the product has never been one we have looked back and, in hindsight, felt was a mistake to print, in hindsight, felt was a mistake to print, in hindsight, felt was a mistake to print. There was a moment of "Are we really doing this?" especially given the unknowns of the season ahead. Yes, there is a full slate of games. But what if a team has an outbreak? What if the numbers continue to surge statewide and we end up shutting down again?

Those are questions that we asked, yet ultimately decided it was worth the risk. There already have been some COVID-19 induced alterations since the product went to print last week, with Wallowa having its opener canceled and Enterprise scheduling a new opponent. It still was worth it.

The result is what you will find inside — a resource to get you up to speed before the season starts this week, and one we hope you will refer back to again and again.

We hope you enjoy it.

Ronald Bond is the editor of the Wallowa County Chieftain.

Time for the Rat Race tourney

TEE TIME

Rochelle Danielson



Calendars tell us that the first weekend in September is Labor Day. Alpine Meadows knows only that the first weekend is "Rat Race" time.

Since the early '70s each year, except 2020s coronavirus, an average of over 40 couples have dedicated their holiday weekend to play golf at AMGC. This year is no different. The committee of Gary and Carol Marr/Terry and Cheri Lamb says, "46 couples have mailed in their entries."

The annual tournament's popularity has remained contagious since its beginning. Speaking to a longtime member, who wishes to remain anonymous, he/she says, "Back in the days when the rules were written in blood, you had to be married to play. Golfers were prepared to show their marriage license if needed."

Another anonymous says, "My husband and I were heading to divorce court, but realized we wanted to play in the Rat Race instead." And another old-timer joins in saying, "No kidding, for most married couples it was the best of fun times, but for some seriously, serious-minded couples who weren't thinking divorce before the

tournament, were definitely considering the big D after the tournament."

The only rule changes made since the Rat Race came into existence is the marriage rule, and then only because it became difficult to find husband and wife teams to play, yet there were singles out there begging to join the fun competition.

Today, it's still a couple's tournament — guy and gal in a scramble format — three couples to a team with a champagne/shotgun start. There will always be missed putts, in-the-creek balls, jello shots and just pure unbelievable birdie shots. There will also always be laughter, and enjoyable moments with friends, no matter if you are a Cat in first flight (low handicap) or a Rat (medium handicap) or on the third-flight Cheese Team.

This year's itinerary, as in the past, includes a mini 9-hole tournament on Friday (optional) or a practice round. Toward evening, a putting contest is scheduled at the clubhouse practice green. For \$1 a 9-hole try, you can enter as many times as you like to get a lower score.

Saturday afternoon the Sole Survivor tournament takes place.

Saturday evening a catered dinner is offered. Planned to take place at the clubhouse upstairs, the venue has been changed to outdoors with mandated masks or social distancing.

Rochelle Danielson of Enterprise loves the game of golf and has golfed for many years at Alpine Meadows.

