

TIPS FOR ESTATE PLANNING

TAX TREATMENT OF IRAs IN AN ESTATE

Tax-deferred retirement plans such as 401(k) plans and regular IRAs (but not Roth IRAs) have tax-consequences for heirs. The IRS calls this Income with Respect to a Decedent or IRD. This is income previously untaxed. These plans are tax-deferred, not tax-free. Income taxes are due when the owner takes a distribution. This is true whether it is the original owner or an heir.

Thus, an heir owes income taxes on IRD money. If there is a lump-sum distribution, income that year will be unusually high. This may mean a higher income tax bracket. At today's tax rates, heirs could owe federal and state income taxes of more than 35% of the total. For a large estate, the marginal estate tax rate, before the heirs receive it, can be as high as 48%. For every dollar in a tax-deferred retirement plan, it is possible that the heir will receive about 33 cents.

How can you avoid or minimize this tax? A number of legal methods are available. (Tax lawyers joke that the difference in tax avoidance and tax evasion is 20 years!)

The original owner can eliminate 100% of taxes on an IRA by naming a charity, such as the Church of Christ Care Center, the beneficiary of the plan. Since charities do not pay taxes, no income tax is due nor will the estate pay taxes

on the charitable bequest. If you use this option, you can leave heirs other assets, which are not tax-deferred. The heir has no tax liability for a non-IRD legacy, though estate tax may be due. This is attractive for anyone leaving a charitable bequest - or who prefers a charity to receive 100% rather than have an heir receive a smaller percent of the tax-deferred plan.

To do this, merely make the charity the beneficiary of the retirement plan.

The heir can minimize income tax by taking distributions over time. Thus, there would likely be lower marginal tax rates. This has a further advantage of deferring taxes on the growth of the IRA. No taxes are due on principle or growth until distribution. Distributions must begin the year after the death of the original owner and may be over the life expectancy of the heir. This option requires a minimum distribution each year, but allows more if desired.

As with all estate planning, you should get professional legal and financial advice. We offer this article for educational purposes only. Call Jerry Starling at the Care Center (586-285-7132) for further suggestions.

"WE LOVE YOU ENA..."

Residents and Staff said goodbye to Ena Reintjes Friday, April 23. Ena retired after more than 40 years of service with the Church of Christ Care Center.

We marked this milestone with a barbecue lunch and a retirement cake in the afternoon. Residents, family members and staff made a video for Ena. In it they told of their appreciation for her selfless service over the past 40 years. A group of residents sang, "We love you, Ena, O yes, we do!"

One popular event that Ena has taken charge of, as well as providing the

food, is the annual resident picnic at Algonac State Park. Ena frequently prepared meals for



groups of residents. Each meal featured cuisine from different parts of the world.

Her special activities groups have included "show and tell" programs of interesting and various culture items from all over the world - as well as crafts and memorabilia from the USA. Ena was born in Indonesia and married a Dutch serviceman after WWII. Later she moved to the United States. Ena worked for the Care Center in Romeo beginning in November 1963, well before we moved to our present location in 1977. She was trained as a nurse before coming to the USA.

Ena promises she will continue to visit "her" residents. All of us certainly hope she does. We wish her a long and healthy retirement.. She truly deserves it.

**CHURCH OF CHRIST CARE CENTER
23575 15 MILE RD.
CLINTON TWP. MI 48035-3108**

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TO OUR SPECIAL FRIENDS:

17th ANNUAL STEAK & CORN ROAST

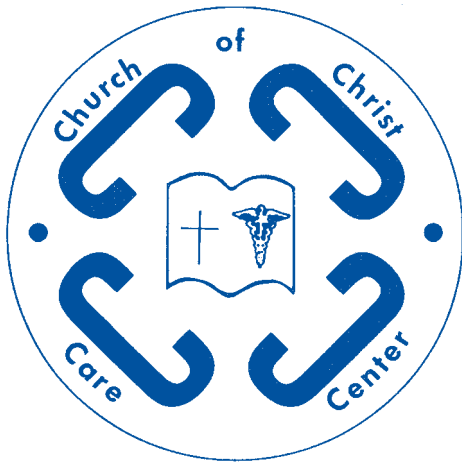
The Corn Roast Theme this year will be “Summer Olympics.” This will be timely, as the Athens Olympiad will be in progress at the time of the Corn Roast.

Our entertainment this year will be by Tom Tremont, illusionist, pickpocket, and comedian. He travels the country as “The Sleek Thief,” He blends magic, pick pocketing and comedy into performances for after-dinner shows, trade shows and “walk-around,” or close-up, magic. So when you come, watch your watch and your pocket! (He does return all items he “picks.”)

Baseballs will be signed this year by Lance Parrish, catcher for the 1984 World Champion Tigers. Parrish, currently the Bullpen/Catching Coach for the Tigers, played in the major leagues from 1977 - 1995, from 1977-1986 with the Tigers. After his 10 years with the Tigers, he played for the Phillies, Angels, Mariners, Indians, Pirates, and Blue Jays. In 1982 he set an American League record for home runs in a year by a catcher with 32 round-trippers.

Tickets may be ordered through the Care Center or from your church representative. The cost per ticket will continue to be \$75.00. As in the past two years, opportunities for “Sponsorships” are available. Call Jerry Starling at 586-285-7132 for more details or to order tickets.

The Ladies’ Group of the Farmington Hills Church of Christ will again have a Craft Table. Last year, this group raised more than \$600 through the Craft Table. Any other group who would like to have space for craft items to be offered for sale for the benefit of the Care Center may contact Jerry at 586-285-7132.



CARE CENTER

News

Summer 2004

(586) 791-2470 • 23575 15 Mile Road • Clinton Township, Michigan 48035



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Honors & Memorials

(Nov. 2003 - April 2004)



JIM LANGFOD STEPS DOWN AS BOARD PRESIDENT

After 16 years as president of our board of directors, Jim Langford has decided to step down. Jim said he is proud of the Care Center's progress under his oversight, but feels it is time to turn the reins over to the next generation. However, he will continue to serve as a member of



the board. His tenure as president saw the development of our Assisted Living facility from its earliest plan to actual opening. Jim has been a member of the Care Center Board since the early 1970's, and is the only board member remaining from that era. He was here when the Nursing Home moved from its old location in Romeo to our present campus in Clinton Township in 1977. That board also oversaw the addition of Senior Housing complex in the early 1980's. Upon going to press, Jim was recovering at home following a quadruple bypass surgery. Please join us in prayers for his speedy recovery.

Our new president of the board is Ted Schollenberger. Ted has been a member since the late 1980's, most recently as board Vice-President. He is also Vice-President with the George W. Auch Company, a firm that specializes in Health Care Construction. He is, in addition, a real estate investor and has several properties in Mt. Clemens. He serves as a deacon at the Northeast Church of Christ.

Ted said, "I am very interested in seeing the Care Center continue to develop its service in the community. We need to continue to build on our past successes and maintain our reputation for excellence." He added, "We are fortunate to have Jim on the board to give continuity with the past as we look to the future."

Other members of the board are Mark Wilson, Mike Messier, Tom Cardwell, and John Swantek.

**Leave a Legacy and Make a Difference for Those Who Come After:
Remember the Care Center in Your Will.**

NEEDS

We continue to need assistance from our supporters. Some of those needs are:

Beds.

Two years ago we began replacing beds that have been in service since 1977 when we moved into our present facility. These replacement beds and mattresses cost approximately \$450 each. Plaques are placed on each new bed stating "This Bed Provided by (or in Memory of)" and the name of the appropriate person(s). To date, we have received funds for close to 38 beds and a pledge for another 22. This means we are nearly halfway to our goal of replacing all 130 beds in the nursing home. Thanks for your generosity so far - and we encourage you to continue to remember this need!

Small Gifts.

Our Activities Department needs small items such as body sprays, lotion, nail polish (and remover), emery boards, costume jewelry, knick-knacks, purses, socks, sweat shirts/pants, stuffed animals, etc. to use as "gifts" for our residents. These gifts are given as prizes for "Bingo" or as birthday gifts.

Bibs & Hand Towels.

We constantly need a new supply of bibs for our residents to use when eating. If you can make them, wonderful! (If you need a pattern, call Jeannette Schielie at ext. 1047.) We have volunteers willing to make bibs - if they have hand towels to make them from. Either hand towels or money to buy them will be greatly appreciated and a real benefit to the Care Center residents.

Exercise Equipment.

We need sturdy exercise equipment - treadmill, exercycle, etc. - for our Assisted Living. Equipment that residents can sit on while exercising would be ideal. During the summer months, many walk in our grounds - but when the weather is inclement, they need something they can do to keep the blood flowing!

Monthly Donors.

The average Medicaid rate in Michigan is \$7.64 per resident per day less than the audited, actual cost of providing for each resident. Because of this, we continue to welcome regular donations. We appreciate donations at all times, but those who give each month (or quarter) on a regular basis are especially appreciated. By giving regularly, you can make a significant contribution to the continuing needs of the Care Center.

PERSONNEL CHANGES

New Nursing Home Administrator.

Tony Coccia has been promoted to Nursing Home Administrator by Steve Czekiel. He joined the Care Center staff as the assistant administrator for the Nursing Home in February 2002. He has been in training for his new job from the beginning.

Tony is an elder at the Northeast Church of Christ (Eastpointe, MI) and a past member of the Board of Directors of the Church of Christ Care Center.

He is responsible for the day-to-day operations of the Nursing Home.

This position will allow us to further develop our Volunteer Program and have a greater presence in the churches, schools, and community. Jeannette has been a friend of the Care Center for many years. She is a long-time member of the Northeast Church of Christ, in Eastpointe, MI. Northeast is the overseeing congregation for the Care Center. In the past she assisted in various volunteer projects by the ladies of the Northeast church, and has also driven residents to various doctor appointments. Jeannette is retired from the Lakeshore School District where she was the Transportation Leader and was responsible for managing the school bus routes and drivers. She is a valuable addition to our staff as a half-time employee. Expect to hear more from her in the future. If you are interested in our volunteer program, you can reach Jeannette at (586) 791-2470 (ext. 1047).



New Volunteer Coordinator.

Jeannette Schiele is our new Volunteer Coordinator (a newly created position).



GIFT COUPON

Name: _____ Phone: _____
 Addr: _____ E-mail: _____
 City: _____ State: _____ Zip: _____ - _____

Enclosed is a Gift of \$ _____ for the following:

- A Bed (\$450 minimum).
 Plaque should read: This bed presented by
 Or: This bed presented in Memory of
 Or: This bed presented in Honor of
- The General Charitable Purposes of the Care Center.
- Steak and Corn Roast tickets @ \$75.00 each.
- Other: _____

In Memory/Honor of
 Please Acknowledge to: _____
 Address: _____
 City: _____ State _____ Zip _____

I would like to contribute regularly to help the Care Center. I plan to give \$ _____ each:
 Month. Quarter Year Other

I will make this gift for _____ months or _____ until further notice.

OLDEST RESIDENT TURNS 119

At 119, Macomb County's oldest living resident said she doesn't know her secret to longevity.

But her surviving brothers and sisters swear they do.

"Hard work," said 90-year-old brother Olea Jones of Mount Clemens. "She's never been afraid of working hard."

Arbelia Wood also doesn't have a problem speaking her mind, said longtime caregiver Joice Owens.

"She'll tell you just like it is," she said.

"If there's something she wants, or she doesn't like you, she's not afraid to let you know."

Wood - still spry and alert - refuses to let other people feed her: She made sure she got her share Saturday [April 3] of

her favorite chocolate birthday cake. Gathered around 30 relatives and members of the Church of Christ Care Center staff, Wood was the center of attention for what has become a yearly celebration of life.

"Every time we celebrate her birthday we think it's going to be her last, and (the party) keeps getting big-

ger," said Wood's niece, who preferred not to give her name. "But every year she's still here, so who knows? Only the Lord knows."

Wood, who doesn't have a birth certificate, is believed to have been born April 6, 1885, to Joe Pennington and Muggie Greer in Caledonia, Miss.

Back then Grover Cleveland was the nation's president, and she's seen 21 others follow.

According to the Guinness Book of World Records, Wood would be the oldest known living woman in the

world - if she could only prove it.

What is known is that Wood is the oldest of 16 siblings - 10 boys and 6 girls, of which only Olea Jones, and 96-year-old sister Mayde Mobley survive.

Relatives say they've tried to get a replacement birth certificate, but have been told no records exist. The U.S. Census does show she's at least 110, family members said.

"She's always been a wonderful big sister," said Mobley, who recalls Wood repairing Mount Clemens rooftops with her carpenter husband,

Phillip, while in her 70s. In her younger years, Wood enjoyed gardening and was known for giving her harvest to area needy. She also had worked assisting doctors as a midwife, and did housework for Mount Clemens families.

She has been married twice, but never had children of her own. A slew of nieces and nephews have made sure she's never noticed [not having children of her own], however.

Relatives said Wood had suffered from cancer, but fought it off with two operations - the last while in her 90s. These days, she enjoys singing older spiritual songs, and visiting with loved ones, Jones said.

And don't get in her way when a good meal is on the table, Owens joked.

"When it's time to eat, she wants to be first. She doesn't want to wait," Owens said. "She's really something."

Reprinted from The Macomb Daily (Mount Clemens: April 5, 2004, pp. 1, 7), by Tony Scotta, Macomb Daily Staff Writer. Used by permission.

Arbelia has lived at the Church of Christ Care Center Nursing Home since June 1993. She is a member of the Broadway Church of Christ in Mount Clemens.



SENIOR HOUSING POTLUCK HONORING MAINTENANCE CREW

The Senior Housing residents had a potluck recently honoring Richard Stanbury and his maintenance staff. The guys all went first in line. They also received accolades

from many of the residents in appreciation for their fine work keeping the lawns in good shape, the snow cleared from the paths, and all the repair chores done. This maintenance staff, which serves all three of our levels of care, helps make living at Senior Housing a real pleasure to these residents.



Gifts From Allen Park Ladies' Group. The Ladies' Group at the Allen Park Church of Christ made a large collection of items for the Care Center. Rachael, one of our Activity Aides, examines these gifts with great appreciation!