The Planned Giving Council of Palm Beach County (PGCPBC) and the East Coast Estate Planning Council joined together in September to launch the season with an annual membership reception in the Founders’ Room at the Kravis Center for the Performing Arts. The event was sponsored by the CPA firm of Cass, Levy & Leone, Alpern Rosenthal Company, and the Kravis Center. Diane Bergner, Planned Giving Council President and Kravis Center’s Director of Development, and Ryland A. Edwards, senior wealth advisor at the Family Office® USA and president of the East Coast Estate Planning Council, welcomed more than 110 members and guests and introduced their board of directors. In addition, Martin Cass, on behalf of his firm, expressed his thanks for the opportunity to co-sponsor the event, and William A. Meyer, Chairman of the Kravis Center Board of Directors emphasized the critical role that planned giving plays in keeping nonprofit organizations, including the Kravis Center, fiscally sound.

End-of-Year Planning Checklist
Don’t Let Dec. 31 Sneak Up on You

With this year’s challenges and accomplishments still fresh in your mind, now is a good time to review and update your estate plans. To help you, we have constructed the following checklist of estate planning actions for you to consider.

☐ Review your current will and trusts. Wills and trusts may need to be updated because of frequent tax law changes to the federal estate tax exemption amount. Your estate can be worth $3.5 million in 2009 before estate taxes are owed. This amount is unlimited in 2010—unless Congress intervenes soon—then falls to $1 million in 2011 and beyond. Also make sure your executor and trustee designations are accurate.

☐ Review and update beneficiaries of your life insurance policies and retirement plan assets. Also review contingent (backup) designations and settlement provisions. If you have a taxable estate, consider shifting ownership of your life insurance to an irrevocable trust or to your heirs.

☐ Name designated heirs to receive bank account proceeds at your death. Naming heirs as “joint owners” is generally too risky and may create gift tax issues. Instead, consider using a “payable on death” (POD) designation to redirect an account without unnecessary probate problems. This method is less complicated, but it still does not solve tax problems and is only advisable in cases where estates are worth less than $3.5 million in 2009.

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Fall is the perfect time of year, as we pause to celebrate Thanksgiving, to take a moment to say thank you to our many steadfast, loyal, and generous donors and patrons for their ongoing support of the Kravis Center. This is also the season when it is most appropriate to review your financial and estate plans with your professional advisors. And for this reason, we are pleased to present timely tips for year-end gift planning in this issue of the Helen K. Persson Endowment Society Newsletter.

There is no question that 2009 was a year of great challenges for all of us. These extraordinary economic times make us all more aware of how important endowment gifts are to the future of the Kravis Center and our ability to fulfill our mission. Without a doubt, current fiscal conditions make it necessary to carefully consider how to spend, save and give resources. That is why we especially appreciate those who have chosen to continue to make generous donations and purchase tickets to performances during a year that has been arduous for everyone.

On behalf of all of us at the Kravis Center, I thank all of our guests who played a critical role in helping us reach 100 percent of our budget goals during a season when the Center has been confronted with many tough decisions, all of which required an enterprising yet judicious approach to our affairs. The Kravis Center really is “your Center,” and we value the role you play in its success and service to the community.

We are excited about the upcoming plans for the 2nd annual Helen K. Persson Endowment Reception to be held on January 26 in the Khoury Family Dance Rehearsal Hall prior to the Moscow State Radio Symphony Orchestra performance. The event, again generously sponsored by Bernstein Global Wealth Management, affords us the occasion not only to thank current endowment members, but also to introduce our guests to appropriate planned giving vehicles that are available to donors who wish to make an endowment gift and create a lasting legacy at the Kravis Center.

Challenging times necessitate creativity to reframe perceived obstacles into potential opportunities. Now more than ever, you may find that the time spent reviewing your estate plan will uncover sensible ways that can help you stretch your charitable dollars. By choosing the most appropriate methods for giving in the most effective ways, you may discover you can make current and deferred gifts that you did not think possible. We encourage you to check with your advisors about the best way to take advantage of your giving opportunities. For more information, we welcome you to speak with our development officers about the Kravis Center’s endowment. Read on for ideas that may be beneficial as you consider your philanthropic plans for the rest of the year.

We appreciate your continued support,

Judith A. Mitchell
Chief Executive Officer

End-of-Year Planning Checklist

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☐ Make sure your durable power of attorney for health care and living will are current. Are these medical documents updated and on file with family members and health care providers?

☐ Review and revise existing business buy-sell agreements.
Prepare agreements if there are none, and value purchase-price clauses under those agreements that require periodic review. Buy-sell agreements are critical to preserve the value of a family business.

☐ Be careful with annual exclusion gifts to your heirs.
Remember, gifts of appreciated assets made during your lifetime retain your cost basis in the hands of the recipient, so there may be capital gains taxes due if the asset is eventually sold by your heirs. The $13,000 annual exclusion, however, is a meaningful tool to reduce the value of an appreciating estate.

☐ Offset your capital gains with losses. As volatile as the market can be, many portfolios may have gains and losses. If you plan to make gifts of stock to our organization, it is best to make those gifts with stocks that are worth more than you originally paid for them. If the stock price has declined or has not changed much from its original cost basis, it may make more sense for you to sell and donate the proceeds.

☐ Finish charitable contributions by Dec. 31. As you think about special holiday gifts for family and friends, remember that making year-end charitable gifts can be a heartwarming experience that also offers you tax benefits. Regardless of your gift method, your generosity comes with many rewards.

We Can Help

If you’re still in the planning stages, please ask us for help. We can confidentially address your financial and personal goals with regard to your charitable giving interests.
Dorothy and Benjamin Polayes
Donors and Volunteers
When we settled in Palm Beach from the New Haven area, we were anxious to continue the kind of cultural life we had always enjoyed. As soon as plans to build the Kravis Center were announced, we became involved in the “doing.”

For the past 20 years, I guess you could say we have been fortunate to have been volunteers and to have helped the Center progress from a great dream to a great institution. We found pleasure in every one of our experiences, whether it was sorting through documents and photos to help set up the archive collection, editing the volunteer newsletter Noteables, giving hard hat tours, manning the information table prior to performances or marching to the strains of Aida’s “Triumphal March” along with swaying elephants in the “topping out” ceremony during the construction of Dreyfoos Hall.

Dorothy and I have always felt we belong at the Kravis Center; we delight in seeing friends at concerts with seats near ours and enjoy having a bite to eat at the Bistro. It is a warm and caring organization with a real desire to bring the best cultural and educational life to the community.

We decided several years ago to include the Center in our estate plan. Because the Center has enriched our lives and the life of the community, it was the natural thing to do. We hope, if you can, you will do it, too.

William A. Meyer, Chairman, Board of Directors
As a not-for-profit, non-governmental entity, the Kravis Center relies heavily on philanthropy to support its ongoing operations. One special way to help secure the Kravis Center’s future is through a strong endowment that allows us to keep ticket prices affordable. Earnings on endowment funds can also provide a stable foundation of financial support to buffer difficult periods of fundraising.

As Chairman of the Board of Directors, I have recently completed the requisite steps to include the Kravis Center in my estate plan, knowing that doing so will ensure that the Kravis Center brings world-class entertainment and educational programs to the community for generations to come. I encourage others to make a planned gift to the endowment and to do so in the very near future.

Jane M. Mitchell, Secretary, Board of Directors
When I moved to Palm Beach County in the 1970s, I found scant options for continuing my lifelong interest in the performing arts. When the doors to the Kravis Center opened, I saw it as a turning point that ushered in the blossoming of arts and culture which offered everything I could have hoped for.

The Kravis Center’s noteworthy building, its quality entertainment, and its educational program created a world-class performing arts center right here in my backyard—I was thrilled.

From the beginning I decided to become a steady donor to the Kravis Center, and as the years have passed, I’ve experienced the difference in our town as a mature cultural environment has developed. Seeing the Kravis Center as the cornerstone of this cultural growth, I want to continue my support to the Center beyond my own lifetime and have arranged for this in my will.

Leave Your Loved Ones More Than Memories
For ideas on how to create a meaningful legacy for the important people and charitable organizations in your life, return the enclosed reply card to receive your complimentary copy of 15 Ways to Support Your Favorite Cause.

Save the Date!
Tuesday, January 26

Helen K. Persson Endowment Society Reception in the Cohen Pavilion’s Khoury Family Dance Rehearsal Hall

The Moscow State Radio Symphony Orchestra’s all-Tchaikovsky program, part of the Regional Arts Concert Series, to follow at 8 p.m.

Sponsored by Bernstein Global Wealth Management
For more information and to receive an invitation, call 561-651-4320.
Mission Statement

The Kravis Center’s mission is to enhance the quality of life in Palm Beach County by:
1. Presenting a diverse schedule of national and international artists and companies of the highest quality.
2. Offering comprehensive arts education programs.
3. Providing a Palm Beach County home for local and regional arts organizations in which to showcase their work.
4. Providing economic catalyst and community leadership in West Palm Beach, supporting efforts to increase travel and tourism in Palm Beach County.

Charitable Gift Annuities Q&A

If you would like to make a donation to the Kravis Center for the Performing Arts and are interested in supplementing your income during retirement, consider a charitable gift annuity.

Q. What is a charitable gift annuity?
A. It’s a contract with us in which:
   • You agree to make an irrevocable donation to us.
   • We agree to make fixed annual payments to you for life. (You can have the payments benefit others, too, such as your spouse.)
   • The portion of your gift that remains at your death helps support our mission.

Q. What are the benefits?
A. It’s a gift that:
   • Enables you to meet your charitable goals.
   • Provides you with tax-favored lifetime payments.
   • Offers immediate income tax savings (if you itemize).

If you are retired and depend on appreciated stocks for income, consider funding a gift annuity with those stocks. That way, you’ll still receive income from the assets—in many cases, in higher amounts.

Q. What payments can I expect?
A. The rate of payment is determined by the ages of those receiving payments at the time of the contribution—the older the annuitants, the higher the rate. The rates are attractive when compared to most savings plans, and annuities insulate your investment from market fluctuations. Payment rates are locked in for the duration of the annuity.

Changing Beneficiaries

To change beneficiaries of your life insurance or insurance annuities, contact your insurance company for its change of beneficiary form. If you’d like to name us as a beneficiary, decide what percentage of the policy’s value you would like us to receive and name us along with the stated percentage on the beneficiary form.

For More Information

Consulting an estate planning attorney is a smart investment that can save you and your family money and heartache in the long run. Please seek legal advice before deciding who will get what in your estate plan.

To change beneficiaries of your life insurance or insurance annuities, contact your insurance company.