An enthusiastic audience of donors, guests and business leaders attended the fourth annual event in honor of the Helen K. Persson Endowment Society, held on February 15 in the Kravis Center’s Gimelstob Ballroom.

Sponsored by Bernstein Global Wealth Management, the luncheon opened with a video salute to the Kravis Center’s 20th anniversary season from a galaxy of celebrity stars who have performed at the world-class center. William A. Meyer, Chairman of the Kravis Center’s Board of Directors, extended a warm welcome to the 300 guests, many of whom would later be attending the matinee performance of *La Cage aux Folles*. He acknowledged members of the Helen K. Persson Endowment Society in attendance for their generosity, especially Elaine and Herb Gimelstob for their “extraordinary current gift that has enabled the Kravis Center to provide funding for bussing so that students in Palm Beach County can attend live performances at the Kravis Center.”

Mr. Meyer thanked Helen Persson for her great vision and generosity and most importantly for “inspiring others to make a provision for the Kravis Center in their estate plan.”

In her remarks to the audience, Mrs. Persson warmly praised all the Society members and shared her story. “I do so love the Kravis Center,” she told the guests. “As a champion of the arts, I have been involved here since its opening 20 years ago. As we look to the future, I am excited to know that a thriving permanent endowment is in place and flourishing. I am very proud that the endowment society bears my name. We share the same passion for the performing arts and because of you, the Kravis Center will continue to fulfill its mission of providing a world-class performing arts center for generations to come.”

Mr. Meyer recognized members of the Kravis Center’s Board of Directors and Life Trustees who were in attendance including Alexander W. Dreyfoos, Herbert Gimelstob, Jane M. Mitchell, Helen K. Persson, Joseph M. Sanches, Kathryn C. Vecellio and Lee Wolf. Following Mr. Meyer’s remarks, Evan C. Deoul, Senior Managing Director of Bernstein Global Wealth Management, introduced guest speaker, Travis A. Allen, Director, Wealth Management Research, who spoke about meaningful ways individuals can make charitable gifts that will truly last forever.

Building a Strong Foundation
The purpose of the Helen K. Persson Endowment society is to build an endowment that will provide supplemental funding to help support the operation of the Kravis Center now and in the future. For more information, please contact the Kravis Center Development Department at 561-651-4230.
For 20 years, the Kravis Center has been a showcase for world-class performances and a source of inspiration for future generations of artists and audiences. There is no doubt that the Kravis Center has truly changed the cultural landscape of Palm Beach County. To our loyal donors and patrons, the Center is so much more than bricks, steel and mortar; it is a cultural beacon drawing audiences from near and far. People count on the Center being here. The establishment of a strong endowment fund will ensure that what so many worked so diligently to build will thrive and remain vibrant for decades to come.

This issue of Persson to Person is a tribute to the members of the Helen K. Persson Endowment Society for their commitment and vision to support the Center and its mission beyond their own lifetimes through a gift to the Endowment Fund. An endowment gift is a wonderful way to make a gift today and fund it in the future through your will or trust. The Society currently has 112 members and is growing. Although the majority of gifts to the endowment fund are in the form of bequests and planned gifts, current gifts are also encouraged and recognized. I want to personally thank Helen Persson for lending her name to the Kravis Center’s Endowment effort. Helen’s service, leadership and passion for the arts and for the Kravis Center are truly inspirational.

Four years ago, in 2009, the Kravis Center, in partnership with Bernstein Global Wealth Management, hosted the inaugural Endowment Society Reception. Since then, the reception has become an annual event. It was my pleasure to greet and speak with several of our dedicated and devoted members at the fourth annual reception on February 15, prior to the matinee performance of La Cage aux Folles. This year, Travis A. Allen, Director, Wealth Management Research at Bernstein Global Wealth Management presented timely charitable gifting information to patrons and guests wishing to know more about the personal and financial benefits of making an endowment gift.

We encourage you to consult your professional advisors or speak with a member of our development staff about the planned and endowment gift opportunities best suited to your family and philanthropic goals.

As always, we appreciate your thoughtful consideration and continued support.

Judith A. Mitchell
Chief Executive Officer

Kravis Center Hosts Fourth Annual Reception
Seizing the Gifting Opportunity

The increased exemptions of $5.12 million per individual and $10.24 million per couple to the transfer taxes provide a unique opportunity to make substantial gifts by the end of 2012. And since most states do not have a gift tax, a lifetime gift not only can take advantage of the increased federal exemption, but can also reduce the size of your estate subject to state estate tax if you live in a state with a state estate tax. Sometimes as important as the gift itself, all future appreciation on a lifetime gift is also removed from your estate.

But there are many other reasons for families to engage in lifetime giving, particularly through trusts. Trust planning allows families to think seriously about the legacy they wish to leave future generations while creating a pool of assets that can protect beneficiaries. Assets in trust, for example, will be protected from a beneficiary’s creditors, including a future spouse in the event of divorce.

Complex family issues around family businesses and family assets, such as vacation homes or artwork, may need to be addressed. Also, a family needs to consider its values, deciding how much to leave to future generations. Is the family’s goal to transfer as much wealth within the family or do they want to establish a family philanthropy as part of their legacy? And if, as we recommend, large gifts are to be made in trust, who should serve as the trustee? The 2010 Tax Act has given wealthy families a window of opportunity for significant wealth transfer without any gift tax.

D. Jeffrey Dever, Vice President, Wilmington Trust, Palm Beach, provides our readers with a synopsis from “Seizing the Opportunity to Make Gifts That Work for Families” by Carol G. Krock, J.D., Head of Wealth and Financial Planning and Managing Director, Charitable Trusts, Wilmington Trust.

Get Expert Help

We recommend that you seek the help of an estate planning attorney. Our FREE guide The Top 6 Questions to Ask Your Estate Planning Attorney will help you collect your thoughts before you meet. Return the enclosed reply card today to receive your complimentary copy.
Giving Back to Kravis

I was born and raised in Washington, D.C., where a plethora of culture was 15 minutes from my home. Between the many museums, galleries, the theaters and the symphony, there was always the opportunity to enjoy a performance or to enhance one’s education.

I came to the Palm Beaches in 1961 and immediately experienced culture shock! At that time, we only had the Norton Museum on a much smaller scale, The Palm Beach Playhouse and a few art galleries. Often we would go to Ft. Lauderdale or to Miami for special events.

Plans for the Kravis Center, which opened in 1992, created tremendous excitement in our community. Our beloved friend Natalie Stone asked us to host a “Cocktails for Culture” party in our home, which we gladly did, which helped to raise money for seats. Today the Kravis Center remains very important to my husband Allen and me. We are proud to be Founder members as well as sponsors of a performance each season.

I am committed to the Kravis Center mission to bring exceptional educational programs and outstanding performances to our community for present and future generations. It is my pleasure to include the Kravis Center in my estate planning.

Zelda Mason

Kravis in the Community

The Kravis Center Development Department continues to be a valued resource for professional advisors when they meet with their wealth holders to discuss the personal and financial benefits of charitable giving techniques. Now in its third season, the department’s outreach initiative, “Show on the Road,” includes a visual presentation that highlights the 20-year history of the Kravis Center’s cultural and economic impact in Palm Beach County, and illustrates meaningful ways wealth holders can support the Center through current and deferred gifts. Early in February, Diane Bergner, J.D., Senior Director of Development; Julie L. Hetherington, Development Officer; and Margaret May Damen, CFP®, CLU®, ChFC®, CAP®, Planned Giving and Endowment Officer, presented the informative “Show on the Road” to professional advisors at Jones Foster Johnston & Stubbs, P.A.


Planned Giving and Endowment Officer, presented the informative “Show on the Road” to professional advisors at Jones Foster Johnston & Stubbs, P.A.
Your will may need to be updated if:

☐ You have moved to another state since your last will was signed. Different state laws control the steps for making a valid will. An estate planning attorney in your new state can help you review and update your will.

☐ You have a new grandchild. You may want to provide for your new grandchild’s financial needs after your lifetime.

☐ You have lost a family member. The death of a family member can profoundly affect a desired plan, especially if your will doesn’t list contingent beneficiaries.

☐ You want to establish or change your philanthropic legacy. To continue supporting us, you may want to bequeath a sum of money, a percentage of your estate or a share of the residue of your estate.

☐ Your children are grown. You may no longer need a guardianship provision or perhaps a trust fund.

☐ Your child is contemplating divorce. Make provisions to ensure that your child receives his or her intended inheritance in the case of a divorce.

☐ You are divorced, remarried or widowed. The exit or entrance of relationships in your life should trigger an update of your will right away—to protect the future of your heirs.

☐ Your estate has increased. If your estate has increased substantially throughout the years, make sure your will fits your current financial situation.

☐ Tax laws change. You must be on guard constantly to be certain that your will takes advantage of available credits and deductions.

☐ Your executor’s situation has changed. Have an alternative plan in case the executor, guardian or trustee you’ve named has moved or passed away.

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The information in this publication is not intended as legal advice. For legal advice, please consult an attorney. Figures cited in examples are for hypothetical purposes only and are subject to change. References to estate and income taxes include federal taxes only. State income/estate taxes or state law may impact your results.

Questions?
We’re Here to Help
Feel free to contact us if you have any questions about including us in your estate plans. We can provide you with our official bequest language for your will or help you navigate other gift planning options.

The Top 6 Questions To Ask Your Estate Planning Attorney
Does my will need to be updated?
A will, no matter how old, can still be probated (established that it is genuine and valid). That can be good and bad. For example, if your will was drafted 25 years ago, as long as it is valid under state law, it can be probated. The bad news is that your personal circumstances have likely changed. Review your will every two to three years or when major changes have occurred in your life.

Should I consider a revocable living trust?
Revocable living trusts are often used as a way to avoid probate. You establish a revocable trust while you are living to manage your assets. Your lawyer drafts the document for you and then you retitle most of your assets in the name of the trust. You can use the income, or principal if needed, from the trust during your lifetime to meet your needs. If you later change your mind, the trust can easily be amended to accommodate changes. You typically appoint yourself as trustee, but you can appoint a trusted friend, professional advisor or bank trust department as your trustee.

Should I have a living will or a medical power of attorney?
These documents deal with health-related issues, not financial ones. A living will typically states whether you want or do not want life-sustaining medical treatments if you are terminally ill or in a persistent vegetative state. A medical power of attorney allows you to name someone to make medical decisions for you if you are unable to communicate while recovering from anesthesia. The person you appoint could consent to needed medical tests on your behalf. These documents can be used to guide medical decisions and help avoid expensive court battles.

Are my life insurance and retirement plan beneficiaries in line with my overall estate plan?
Life insurance policies, annuities, IRAs or other retirement plans are not controlled by the terms of your will; instead, they pass directly to a named beneficiary outside your will. So it is important to address these assets as part of your overall estate plan.

Do I need a durable power of attorney?
A durable power of attorney is considered a staple of any solid estate plan. This document allows a designated person to manage your financial affairs should you become incapacitated and unable to manage them yourself. For example, if you were unable to communicate while recovering from anesthesia, the person you appoint could consent to needed medical tests on your behalf. A living will, on the other hand, deals with health-related issues, not financial ones. A living will typically states whether you want or do not want life-sustaining medical treatments if you are terminally ill or in a persistent vegetative state. A medical power of attorney allows you to name someone to make medical decisions for you if you are unable to communicate while recovering from anesthesia. The person you appoint could consent to needed medical tests on your behalf.

How much would my spouse and children inherit if I died today?
Of utmost concern is ensuring that your spouse has enough money after your death. Although most assets left to your spouse can pass free of estate taxes, the amount your children will inherit can be diminished by estate taxes. So it is wise to include tax-saving strategies in your estate plan. If your estate is worth more than the estate tax-free threshold ($5.12 million in 2012, indexed for inflation), you need to estimate the potential taxes that could be due and the efforts required to minimize them. This is often done with the help of an estate planning attorney.

Invert it if I died today?
If you are married, you might want to consider whether your spouse will be the one to inherit the majority of your assets or if it would be better to give your assets to your children. A surviving spouse who is married to a non-U.S. citizen may not be entitled to the U.S. estate tax exemption. A surviving spouse who is married to a U.S. citizen may be entitled to the U.S. estate tax exemption. If you are married and have children, you should think about how you want to divide your assets.

Your Time Wisely
The thought of planning your estate may seem daunting. You might wonder where to start or what you should ask your attorney. To get your estate plan off on the right foot, consider the following six questions:

1. Do you need your will to be updated?
2. Should I consider a revocable living trust?
3. How much would my spouse and children inherit if I died today?
4. Should I have a living will or a medical power of attorney?
5. Are my life insurance and retirement plan beneficiaries in line with my overall estate plan?
6. Do I need a durable power of attorney?