

COMPASS

SUMMER 2009

A FINANCIAL AND CHARITABLE PLANNING GUIDE

A Sense of Family, A Special Remembrance

"I love the sense of family that Methodist Hospital has. That's why I give my heart and soul to my volunteer work here," says Nancy Donahue. "My hospital family has been there for me during some difficult times, and the friendships here—with staff, volunteers and physicians—have sustained me."



This was especially true last year when Nancy and her husband, Terry, suddenly lost their only daughter, Tracy. It was a devastating blow. Through it all, the couple continued to hope for something positive to come out of the tragedy and searched for a way to honor Tracy's memory. They decided to celebrate her life by naming a patient-care room in the hospital's new Critical Care Unit of the North Tower.

Methodist Hospital was the natural choice. Years ago, Tracy came to work at the hospital after seeing her mother's experience and knowing how important



it was to her. She was a dedicated employee and enjoyed the same camaraderie and satisfaction that her mother loves.

"Working at Methodist Hospital is a real family affair for us," says Nancy. "Terry volunteered here for several years, my Aunt Ruth (Taylor) still works in the gift shop and

many other family members have helped out on Holiday Homes at one time or another."

In a volunteer career that has spanned more than 20 years and 13,500 hours of service, Nancy has made a big difference in many areas of the hospital. Not only has she led the Auxiliary as president, but she did a tremendous job in establishing the hospital archives and still maintains this valuable resource.

"I believe in this hospital," says Nancy, explaining her passion for Methodist. "Not only has my family benefited from the excellent care here, but my friends, and others, have gotten and will always get the best care at Methodist Hospital when they need it most. That is why we wanted to create Tracy's memorial here."

Methodist Hospital was the right place, and the Donahues found that a charitable gift annuity was the best way for them to give. "We decided it would be a
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Read more stories at our "Meet Our Donors" page at www.methodisthospital.org/plannedgiving.

INSIDE YOU WILL FIND...

- 12 Months to a Well-Planned Estate
- Q&A: How to Remember Methodist Hospital In Your Will
- No Better Gift Than "Home Sweet Home"
- Add to Your Security With a Charitable Gift Annuity



12 Months to a Well-Planned Estate

If you've put off writing your will or are making plans for how your estate will be distributed after you're gone, you're not alone. Let's face it, estate planning is a chore. But—like paying bills or cleaning the house—it's a task that, once completed, feels great.



Getting started is often the hardest part, so we've put together a simple plan to help you begin right now. Every couple of months, tackle the next step in the plan. If you keep at it, in a year's time you will have the peace of mind that comes from having a solid plan for protecting yourself and your loved ones.

Month 1: Tally your assets.

Begin by preparing an inventory of personal data. You should include the following:

1. A list of your assets as well as your spouse's, if you are married, that shows current value as well as title.
2. Specifics about any debts and other liabilities.
3. A list of life insurance policies that indicates the insured, the owner and the beneficiary of each.



4. Details about deferred compensation.
5. Names of your intended estate beneficiaries.
6. The location of your will, securities and other valuable papers.

Month 4: Make decisions about your will.

To ensure that your personal and family needs are satisfied, take these three steps:

1. Decide which people and charities you'd like to benefit through your will.
2. Determine what (and how) to leave your belongings to those people and favorite causes (e.g., you can leave shares of the residue of your estate and you can pass along assets outright or hold them in a trust).
3. List each person and charity, the gift you'd like each to receive, and other information about how you'd like the gifts completed.

Month 7: Pick your team.

Think about and list whom you'd like to fill these roles.

- **Executor.** This is the person you name to carry out the terms of your will.
- **Guardian.** If you have minor children, you should name a guardian of each child and each child's property in case your spouse doesn't qualify or doesn't survive you.

- **Agent for durable power of attorney.** Choose someone to act on your behalf in financial matters if you become unable to manage your own affairs.
- **Agent for health care power of attorney.** This person makes health care decisions on your behalf if you are unable to make them.
- **Estate planning attorney.** This person ensures that your wishes are accurately and clearly depicted through your will and legal documents.

Month 10: Meet with your estate planning attorney.

Review all the decisions and lists you've made so far, and bring them with you when you meet with your attorney. If you're considering remembering

Methodist Hospital Foundation in your will, we'd be happy to meet with you and your attorney to help answer any questions you may have, with no obligation. If you have made a provision for us, please let us know. That way we can give you the proper recognition for your decision.

Month 12: Finalize your plans.

Follow through with any additional steps resulting from your meeting with your attorney.

***Congratulations!** You have taken the time to ensure that your family and favorite causes are cared for after you're gone. Continually review your estate plans every three years, or whenever major life or tax law changes occur.*

Q. I want to remember charities in my will. How do I accomplish this?

A. The process of making a provision in your will for charities is simple. You can include a bequest when you create your will, or you may add or update a bequest later.



A common mistake. It's important to precisely identify an organization's full legal name. By avoiding generalities in naming a charity, you alleviate confusion or possible litigation and help ensure that your donation helps others.

Safeguarding your plans. Although it is not required, making the charity aware of your bequest is very helpful. If you intend to include Methodist Hospital, we would recognize you for your thoughtful

generosity and include you in our Rose Society (see back cover).

Several methods are available for making gifts through your will that support our mission, with varying tax consequences depending on the method you choose. Please give us a call to receive our recommended bequest language or to learn more about your options.

"We make a living by what we get, but we make a life by what we give."

—Sir Winston Churchill

METHODIST HOSPITAL FOUNDATION

No Better Gift Than "Home Sweet Home"

A gift of real estate can be completed in a variety of ways. Here are some examples:



- **Leave Methodist Hospital Foundation the property through your will** and your estate will receive an estate tax deduction for the full value of the property. Bequests support our work and create lasting legacies in your memory or in memory of a loved one.
- **Deed your home to Methodist Hospital Foundation now but continue living there** during your lifetime through an arrangement called a retained life estate. You realize an immediate income tax deduction for a portion of the home's value and estate taxes are avoided on your home's value.
- **Transfer property to a charitable remainder trust** that provides you a lifetime income. In addition to income and estate tax savings, up-front capital gains taxes are avoided.
- **Give real estate directly to Methodist Hospital Foundation** and receive an immediate income tax charitable deduction. Completing the gift is as simple as transferring ownership via the real estate title.



Gifts of real estate can be complex, depending on the property involved. Therefore, we always recommend you consult your professional advisors for help. We are happy to discuss, with no obligation, how a potential gift of real estate might work in your situation. Please give us a call at (626) 898-8888.

Useful Information Sent Straight To Your Computer

Return the enclosed reply card to begin receiving our free e-newsletter, *Compass*, and:

- Browse helpful estate planning tips.
- Learn about ways to support our important work.
- Stay informed about what's going on at Methodist Hospital.



“In order for us to keep ahead and provide the best care for patients, we need a lot of support.”

—Dr. Terrence Baruch

Add to Your Security With A Charitable Gift Annuity

Life always brings about unexpected changes. But with the help of a charitable gift annuity, you can add security to your future.



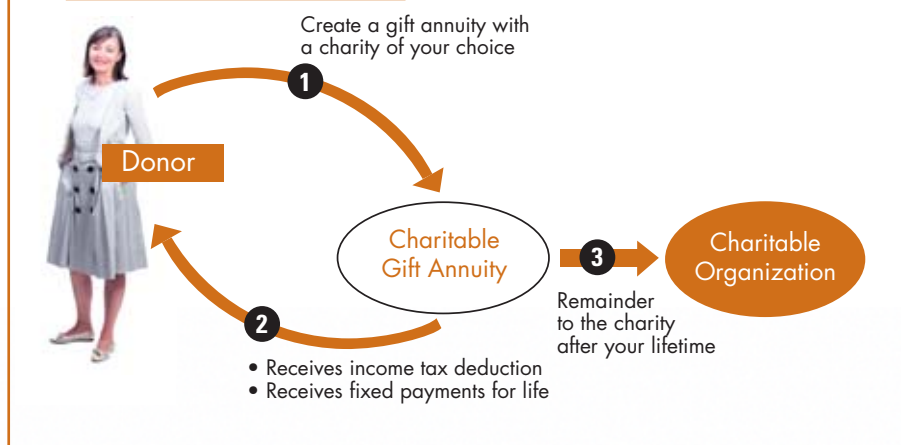
A charitable gift annuity can be accomplished with a simple contract between you and Methodist Hospital Foundation. You make a donation and we, in turn, pay you a fixed amount each year for the rest of your life. The rate of payment you receive doesn't fluctuate with the stock market, interest rates or inflation. It is firmly set at the time of your gift and never changes. After your lifetime, the remaining

balance is used to fulfill our vision of assuring an exceptional patient experience at Methodist Hospital.



If you think a gift annuity might be right for you, we would be glad to calculate your benefits based on contemplated gifts of various amounts. Just call Jay Harvill for more information at (626) 898-8888, or E-mail at foundation@methodisthospital.org.

Charitable Gift Annuity



Not Yet Near Retirement?

You can also set up a deferred gift annuity so you can delay payments until a later date—such as when you reach retirement. You'll get the income when you need it most, and the payout rate and your tax deduction will be significantly higher than that of an immediate payment gift annuity.

A Sense of Family, A Special Remembrance

(Continued from cover)

good idea to make some kind of long-term arrangement with the hospital yet in a way that would give us some income for the remainder of our lives,” says Terry. When a substantial certificate of deposit came due, they decided to

move the funds into a charitable gift annuity.

When the North Tower opens, the name Tracy Diane Kleckner will grace the doorway of a CCU room with a view of the mountains. Thereafter, a special remembrance exists for those who walk past, especially those who knew her well—her hospital family.



DID YOU KNOW...

...that construction has begun on the new North Tower addition? Before the building goes up, it has gone down—8,500 cubic yards of soil has been trucked away in 160 truckloads daily to make way for the basement.

The centerpiece of the new addition is the Hollfelder Emergency Care Center, which will occupy the entire first floor. Tom and Bea Hollfelder made a \$4 million gift to The Campaign for Methodist Hospital—a campaign that has now topped the \$26 million mark.

Their generous act of philanthropy was an expression of their belief that you should “give until it feels good.” It was also a vote of confidence for a hospital that Tom Hollfelder says “is a very well-run organization that is looking toward the future.”

That future will include a greatly expanded emergency facility that stands ready to supply help and hope 24 hours a day to more than 50,000 people a year.

There is no way to know who will need emergency care, or when. Seeing that such care is available to everyone, at any time, is a core part of the Methodist Hospital mission. It is philanthropic support—gifts small and large—that is helping to build the emergency facilities that may one day save your life or the life of a loved one, friend or colleague.

The Rose Society honors those special friends of Methodist Hospital Foundation who have created a legacy for the future through their estate plans.

*Membership is open to all who have made a provision in their **wills, trusts, annuities, retirement plans, insurance policies** or other documents to support the continuing advancement of medical technology, first-rate facilities and dedication to personal care at Methodist Hospital.*

For more information about becoming a member, contact Jay Harvill at (626) 898-8888.

Planned Giving the Web Way

If you'd like to know all your options and opportunities for making a gift to Methodist Hospital Foundation, and you want to learn what each means in terms of income, tax advantages and other issues for you, help is just a few clicks away.

Send your Web browser to www.methodisthospital.org/plannedgiving. You can use our convenient “Build Your Gift” wizard, which will ask you questions and walk you through the options, or opt for the “Compare Gifts” feature, which lets you compare the tax benefits for several kinds of gifts side-by-side.

There are many other tools on the site that will help you get the whole picture. Also, if you have questions, please call—we'd be glad to help.



METHODIST HOSPITAL FOUNDATION

Supporting The Next Generation of Care

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