



Legacy of Caring

Winter 2008

Giving back to something they believe in



Al and Joan Eggert

“While working with HealthEast, I see an organization with such a caring group of people and more committed to its mission than any other.”

**—Al Eggert, vice chair,
HealthEast Board of Directors**

It’s always encouraging to learn how hospitals are enhancing the well-being of their communities. Yet you may not hear as much about those who work tirelessly to improve the well-being of their hospitals. Al and Joan Eggert are two people who have made that kind of difference for HealthEast Care System.

Al, a Minnesota native who started his successful 40-year career at 3M in St. Paul, formed a connection to HealthEast while he was vice president and general manager of 3M’s Health Care Services division. “While working with HealthEast, I see an organization with such a caring group of people and more committed to its mission than any other,” he says.

After retirement, Al continued his involvement with HealthEast as a Foundation board member and was then asked to be on the HealthEast Corporate Board of Directors, where he currently serves as vice chair.

Joan volunteered with the St. Joseph’s Hospital Auxiliary, which she feels has been helpful in the hospital’s restoration efforts and

keeping its presence in downtown St. Paul strong to this day.

Al and Joan’s leadership, volunteering and ongoing financial support of HealthEast throughout the years has bolstered several initiatives, including The Pillars Hospice Home and the annual Festival of Trees fundraising event. They are currently involved in the *Building on Our Mission* campaign for St. Joseph’s Hospital.

Now, through the Legacy Society, the Eggerts have included St. Joseph’s Hospital in their estate plans to ensure their support continues for HealthEast. For them, giving back is just part of who they are. Al says, “HealthEast is a faith-based organization, and I’d like to think we’re faith-oriented people with a Christian commitment to help others.” Joan adds, “We’ve been blessed with a great family and great careers, so giving back is something we want to do. And we have a great sense of pride in what these hospitals can do for the community.”

Start receiving benefits today

End of Year

When you make a donation to HealthEast Foundation now, we both benefit. Your generosity enables HealthEast to meet our pressing needs and you receive immediate tax benefits. If you would like to defer your giving to a later time, contact us about making a future planned gift — a way for you to make a gift without using any of the money in your pockets today. To learn about the rewards of a gift you make today, continue reading.

GET SOMETHING IN RETURN

The federal income tax deduction encourages the support of not-for-profit institutions like ours by reducing the out-of-pocket cost of your generosity.

Each year you can deduct up to 50 percent of your adjusted gross income for cash gifts.

CALL US

A gift you make today promises many benefits. Ask our representative to explain how your philanthropy can be satisfying and cost-effective.

Choose the best kind of gift for you

When you consider making a donation today, be sure to determine the form of gift that makes the most sense for you.

Cash gift by check. With a cash gift, you receive an income tax deduction and give us immediate financial support. This is the most common and simplest method of making a contribution—though not always the most cost-effective.

Gift of a marketable security.

This is the second most popular outright donation. If you have held the security for more than one year and it has increased in value, you get a deduction for its current fair market value and avoid capital gains tax on the appreciation.

Suppose you like the particular security and want to hold it for further growth in value, but you also want to make a gift to us. Go ahead and

donate the stock instead of cash, and then buy an equal number of new shares of the same holding. The replacement shares will have a new, higher cost basis, eliminating any future capital gains tax on your prior appreciation when you eventually sell the stock.

Additional gift options. Other kinds of assets may also make desirable gifts. Seek professional counsel to ensure that you make the most of the gift for you and us.

- **Life insurance.** Consider donating a policy with cash surrender value that you no longer require for its original purpose.
- **Closely held stock.** If you are a major stockholder, a donation of nonmarketable stock can allow you to be generous at a low-net personal cost.



End-of-year planning checklist

Don't let December 31 sneak up on you

With the events of the past year fresh in your mind, it is a good time to review and update your estate plans. To help you in this process, we have constructed the following checklist of estate planning actions for you to go over as the end of the year rolls closer.

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 \$2 million in 2008 before estate taxes are owed. This jumps to \$3.5 million in 2009. If estate tax planning is not a factor for you now, make sure your executor and trustee designations are accurate.

Inventory and make a written

record of the contents of any safe-deposit box. Give a copy to a trusted family member and remove any property that does not belong to you.

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 is only advisable in cases where estates are worth less than \$2 million in 2008.

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? Have decisions on anatomical gifts been discussed with your family?

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 \$12,000 annual exclusion in 2008, \$13,000 in 2009, 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, it is best to make those gifts with appreciated stocks. If the stock price has declined or has not

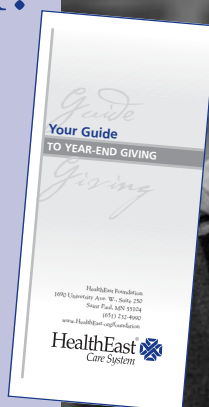
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Are you prepared for December 31?

In our free brochure, *Your Guide to Year-End Giving*, you will discover:

- What you can give
- When you should give to get the most from your gift
- What benefits you receive when supporting causes you care about at the end of the year

Return the enclosed reply card to receive your complimentary copy today.



End-of-year planning checklist

Don't let December 31 sneak up on you

Continued from page 3

changed much from its original cost basis, it may make more sense for you to sell the securities and donate the cash proceeds.

Finish charitable contributions by December 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 the

gift arrangements you choose, 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, what you want to give, the timing of your gift and how the gift can be made.

For a limited time only Use your IRA to make gifts and avoid taxes

If you are 70½ or older, the charitable IRA legislation continues to allow you to make outright gifts using IRA funds without tax complications. Gifts must be transferred directly from an IRA and total \$100,000 or less in 2008 or 2009. While you will not pay income tax on the amount, you also cannot claim a charitable deduction. This unique opportunity is only available until December 31, 2009, so act now! Call us for more information.

HealthEast Foundation Legacy Society

HealthEast Foundation Legacy Society recognizes individuals for their commitment to compassionate, quality health care through planned gifts and special contributions to HealthEast Care System. The Legacy Society is designed to provide opportunities for donors to stay connected with HealthEast and its programs. The dedication and generosity of Legacy Society members enable us to offer a vision of future programs that bring hope and health to our community.

For more information on the benefits of joining the Legacy Society, please call HealthEast Foundation at **651-232-4990**.

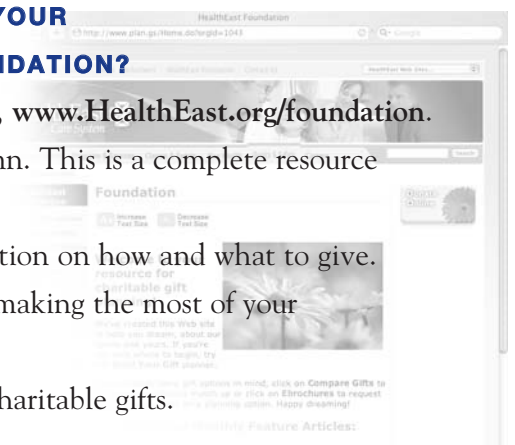
MISSION

HEALTHEAST FOUNDATION DEVELOPS PHILANTHROPIC SUPPORT, CONSISTENT WITH OUR JUDEO-CHRISTIAN HERITAGE, TO BENEFIT PATIENTS AND THE COMMUNITIES SERVED BY HEALTHEAST CARE SYSTEM.

DO YOU WANT TO LEAVE A LEGACY FOR YOUR FAMILY, FRIENDS AND HEALTHEAST FOUNDATION?

Learn how to plan for tomorrow at our web site, www.HealthEast.org/foundation. Click on "Ways to Give" in the left-hand column. This is a complete resource for estate and charitable planning.

- Discover a virtual encyclopedia of information on how and what to give.
- Access hundreds of up-to-date articles on making the most of your charitable giving.
- Calculate your income tax deduction for charitable gifts.



HealthEast Foundation
1690 University Ave. W., Suite 250
Saint Paul, MN 55104
651-232-4990
www.HealthEast.org/foundation