

EXPERTS CORNER



Bruce L. Carrow is a *Vice President* in the *M&T Investment Group*. He is responsible for providing comprehensive financial and estate planning to individuals for more than 20 years. Mr. Carrow is a member of the Financial Planning Association and the Estate Analysts of WNY, and he obtained his Certified Financial Planner designation from the College for Financial Planning in Denver, Colorado. He also holds the Chartered Financial Consultant and Chartered Life Underwriter designation from the American College in Bryn Mawr, PA. *To contact Mr. Carrow, please call 716-848-7542.*

LIFE INSURANCE AS A WEALTH REPLACEMENT TOOL

What Is It?

People are often reluctant to make substantial gifts to charity because they fear they will be unable to leave sufficient assets to their heirs. By using life insurance as a wealth replacement tool, the amount given to charity can be replaced with an equal (or even greater) life insurance death benefit. Thus, your heirs may receive at least as much as they would have if you hadn't made a charitable gift, and you'll be able to give freely to your chosen charities, while gaining some tax benefits at the same time.

How To Do It?

Set Up a Charitable Remainder Trust (CRT)

First, enlist the help of an attorney to set up a CRT - usually a charitable remainder annuity or unitrust trust.

Transfer Assets into the CRT

The next step is to decide what to contribute to the trust, which will then be donated to your designated charity. This can be anything from cash, to works of art, shares of stock, and even a house. The CRT is irrevocable, once ownership of an asset transfers to the trust, there is no going back. However, the donor will get a tax break as a reward for his or her generosity (subject to adjusted gross income limitations and other restrictions).

Set Up a Wealth Replacement Trust

A wealth replacement trust is the popular name given to an irrevocable life insurance trust (ILIT), established for the purpose of replacing assets given to charity that would otherwise have gone to the deceased's heirs. In other words, this irrevocable trust is set up to hold a life insurance policy. The aid of an attorney is necessary to set up a wealth replacement trust.

Use CRT Distributions and Tax Savings to Fund Wealth Replacement Trust

All CRTs make periodic payments to the non-charitable beneficiary, which is you. You can use these payments, along with the tax savings resulting from the charitable gift, to make cash gifts to the wealth replacement trust. The trustee of the trust will use these cash gifts to purchase life insurance coverage on your life, with the trust as beneficiary of the life insurance policy. Your heirs are the beneficiaries of the trust.

Life Insurance Proceeds Will Replace Value of Assets Given to Charity

The result of this strategy is that the proceeds from the insurance policy will pass to the named beneficiaries of the trust, your heirs, in place of the asset that was given to charity.

What Are The Advantages of This Strategy?

- Heirs do not suffer as a result of the charitable gift
- Proceeds from insurance policy held by irrevocable trust not included in taxable estate of decedent
- Cash gifts to trust, up to certain limits, to buy life insurance can be made without incurring gift tax
- Trust protects a young or irresponsible heir

What Are The Disadvantages of This Strategy?

- Trusts must be irrevocable
- Strategy can be expensive to implement

What Is Legacies for Life?

Legacies for Life is a special program that recognizes and honors generous friends who have decided to offer a legacy gift through provisions in a will, trust, insurance policy or individual retirement plan. *Legacies for Life* provides an excellent opportunity for you to leave a legacy of your own. As a supporter of the Niagara Lutheran Health Foundation's mission, we would be very pleased to work with you to make arrangements that work best for you and your family.

During the year, a number of appreciation activities will be planned for our current membership. Our quarterly newsletter, Annual *Legacies for Life* Benefactors Dinner, legacy recognition boards, and wealth management seminars are among these activities.

Niagara Lutheran Health Foundation News

♥ **Cardiac Rehabilitation at GreenField Health and Rehabilitation Center (GHRC).** In the spring the Foundation received a very significant gift from Mr. Peter Tower, and a portion of this gift is being used for the implementation of inpatient and outpatient cardiac rehabilitation services at GHRC. Comprehensive programs have been planned for patients and families. Counseling services and support groups are also available to assist patients with their adjustment to a healthier lifestyle. The Peter Tower Cardiac Rehabilitation Unit was opened with a Service of Dedication on November 26.



From left, Jurgen Arndt, Niagara Lutheran Health System President / CEO, and Peter Tower.

♥ **Mayor Brown Luncheon at the Niagara Lutheran Home and Rehabilitation Center (NLHRC).** We recently hosted Buffalo Mayor Byron Brown for lunch at NLHRC, and introduced him to our city continuing care campus plans and asked for his support of the project.

Mayor Brown was very supportive of our plans, not only as the Mayor but as a neighbor as well, as he lives just a few blocks from our city campus, which is located at East Delavan Avenue and Hager Street.



"Home-Style Dining Experience" will encourage resident's appetites.

♥ **Leadership Council Campaign.** The 2007 campaign, co-chaired by Foundation Trustees Patricia Garman and Howard Vahue, will support living enhancements in 2008 that will greatly improve the quality of life for our residents. These enhancements include what we're calling our new "Home-Style Dining Experience." In place of tray service, the "Home-Style Dining Experience" will include new serving kitchens which will be installed adjoining the resident dining rooms on each floor/wing. Specially-trained wait staff will serve residents from these new home-style kitchens and the aromas of cooking food will permeate the air, which will encourage the resident's appetites. Additional benefits to our residents

will include a decrease in dehydration, medical use, and depression.

♥ **The 3rd Annual Legacies for Life Benefactors Dinner was held on October 23 at the Lancaster Country Club.** Individuals who have included the Niagara Lutheran Health Foundation in their estate plans attended this enjoyable event in their honor.

♥ **Legacies for Life Benefactors Boards** were recently updated and are now on display at the Niagara Lutheran Home & Rehabilitation Center, Lutheran Church Home, GreenField Health & Rehabilitation Center, and GreenField Manor & Court locations.

♥ **The Legacies for Life program** currently has 77 living members and 60 deceased benefactors. We extend our highest regard and deep appreciation to these members.



Development and Communications staff - L. to R. - Gail Brown, Jayne Antonio, David McMullen, Vivian Cosentino, and Ginny Rusk.

Are We In Your Will?

Don't miss the opportunity to tell us we are in your will! Over the years we have been blessed with generous gifts through a bequest in a will. More often than not, these donors never notified us of their intended bequest. This was unfortunate because we as an organization were unable to personally thank them for their generosity, or talk about all the wonderful things that could have been done as a result of their generous gift.

Please let us know if the Niagara Lutheran Health Foundation is included in your estate plans so we can personally thank you!

Gifts large and small are important. Charitable giving is not only for the wealthy. For more information on charitable giving options or to advise us of your planned giving intentions, please call the Foundation at 716-886-4377.

Legacies for Life

Caring Beyond Your Lifetime

Legacies for Life recognizes generous benefactors who have arranged for a gift to the Niagara Lutheran Health Foundation via a will, trust, retirement plan, or insurance policy.

We extend our highest regard and sincere thanks to the following benefactors who have notified us of their **Legacies for Life** intentions.

Deep appreciation is also felt for the deceased benefactors whose **Legacies for Life** gifts were received during the past several years.

Anonymous - 8
Mr. & Mrs. Howard R. Acker
Ms. Geraldine K. Allenbach
Mrs. Olga M. Arle
Mr. & Mrs. Jurgen A. Arndt
Mr. Thomas J. Arrigo
Mr. Melvin Becker
Mr. Philip A. Becker
Mr. Arthur H. Beitz, Sr.
Mr. Richard Beitz
Ms. Irma C. Belling
Mrs. Ola F. Benzee
Mr. Erwin A. Brese
Mr. & Mrs. James A. Brese
Mr. Donald L. Broecker
Ms. Gail M. Brown
Mrs. Eleanor Walker Craw
Ms. Maxine B. Ehrman
Mr. & Mrs. Walter J. Eising
Mrs. Ida C. Ewald
Mr. William Fahbusch
Mr. & Mrs. Lawrence A. Fenske
Mrs. Nordena B. Forster
Mr. & Mrs. Richard E. Garman
Mrs. Allison J. Gaudy
Mrs. Ruth H. Geiger
Mr. Edward H. Geisendorf
Mrs. Helen C. Goellner
Mr. Gerald K. Grabau
Mrs. Raymond F. Groth
Mr. Calvin J. Haller
Mr. Alfred G. Hamann
Mr. & Mrs. Fred E. Harbart
Ms. Oneida M. Harder
Mrs. Irma M. Hasler
Mr. & Mrs. Donald J. Heckerman

Mrs. Jean V. Heidenburg
Mr. Walter G. Herr
Mrs. Betty C. Hochhauser
Mrs. Alice M. Hoffman
Mrs. Marjorie B. Hollis
Mrs. Alice M. Holmlund
Mrs. Evelyn O. Jacobus
Mr. & Mrs. Kenneth A. James
Mrs. Norma Johnson
Mrs. Sylvia C. Kamp
Mrs. Doris L. Kaushagen
Mrs. Jane B. Kinkead
Mr. Adam J. Kessler
Mr. Andrew W. Klein
Mr. Julius J. Klein
Mr. & Mrs. Joseph W. Kleinmann
Ms. Freda A. Klump
Mr. & Mrs. Thomas J. Kowalczyk
Mrs. Margaret A. Lambert
Mrs. Gladys S. Lang
Reverend Carol L. Lankes
Mrs. Sandra J. Lau
Mrs. Ethel M. Ludwig
Mrs. Norma MacKenzie
Mrs. Alberta E. Matesick
Mr. & Mrs. David E. McMullen
Mr. Arthur C. & Mrs. Evelyn B. Menge
Rev. & Mrs. Paul R. Mertzluft
Mr. William P. Meissner
Mrs. Martha S. Muck
Ms. Ruth E. Ochs
Mrs. Gunda Pfuesser
Mrs. Kathleen A. Reckenwalt
Mrs. Emily S. Renn
Mrs. Marion L. Robert
Mrs. Margaret F. Rojot

Mrs. Marjorie L. Roth
Ms. Virginia F. Rusk
Mr. Samuel J. Savarino
Mr. & Mrs. Arthur Scharf
Mr. & Mrs. Clifford W. Scharf
Mr. Earl A. Schilt
Mrs. June R. Schillinger
Mr. Donald A. Scholz
Mrs. Norma H. Schrader
Mr. & Mrs. William C. Schugardt
Mrs. Melba Y. Seibold
Ms. Helen F. Sharp
Mr. & Mrs. Leonard S. Sikora
Mrs. Doris C. Snyder
Mrs. Helen J. Snyder
Mrs. Erna Soell
Mr. E. Allen Stevenson
Mrs. Evelyn G. Stohrer
Ms. Alice M. Szmanda
Mrs. Mildred E. Tepe
Mrs. Mildred W. Todenhagen
Mrs. Lulu Turks
Mr. & Mrs. Howard B. Vahue
Mrs. Robert A. Walter
Mrs. Levina Weber
Mr. Alvin C. Weinreber
Mrs. Gartley Weller
Rev. & Mrs. Robert A. Wendelin
Ms. Gertrude J. Weyland
Mrs. Elizabeth Wheeler
Ms. Blanche S. Williams
Mr. Warren & Mrs. Suzanne Swanson Wittek
Mrs. Herta A. Wittkugel
Mrs. Vera M. Wolpert
Mrs. Suzannah M. Woolcutt
Mr. Jeffrey L. Yates

David E. McMullen, Director of Development
Gail M. Brown, Assistant Director of Development
Virginia F. Rusk, Legacy Gifts Coordinator

Telephone: (716) 886-4377 ~ Fax: (716) 886-0036
Email: grusk@niagaralutheran.org
Website: www.niagaralutheran.org



Caring Beyond Your Lifetime

NIAGARA LUTHERAN HEALTH FOUNDATION

64 Hager Street
Buffalo, New York 14208

NIAGARA LUTHERAN HEALTH SYSTEM

- NIAGARA LUTHERAN HOME & REHABILITATION CENTER -
- LUTHERAN CHURCH HOME -
- GREENFIELD HEALTH & REHABILITATION CENTER -
- GREENFIELD MANOR & COURT -
- NIAGARA LUTHERAN HEALTH FOUNDATION -

Legacies for Life

Issue 6

PLANNED GIVING NEWSLETTER PUBLISHED BY THE NIAGARA LUTHERAN HEALTH FOUNDATION

HARBART OFFERS CHARITABLE GIFT

Legacies for Life member Fred E. Harbart decided several years ago to invest in the future of the Niagara Lutheran Health System by offering a planned gift to the Niagara Lutheran Health Foundation. Fred is a perfect example of an individual who has chosen to utilize planned giving as a way to make charitable gifts while ensuring his family's personal financial security.



Fred E. Harbart

Fred, a current Niagara Lutheran Health System board member, grew up in Buffalo and graduated from Tech High School before beginning his career as a sales representative for the Aid Association for Lutherans (now known as Thrivent Financial for Lutherans). He and his wife, Betty, reside in Williamsville, New York.

Fred's passion for serving the developmentally handicapped and aged have been two personal goals he has devoted his life to accomplishing. In addition, Fred's commitment to the Lutheran community, and tireless efforts on their behalf, earned him the 1994 Niagara Lutheran Health Foundation's Community Service Citation. That connection eventually led to his position on the Niagara Lutheran Health System Board in 1997, where he currently serves on the Quality Assurance Committee.

Lutheran Church Extension Society, and is on the board of Holy Rest Cemetery. One of Fred's proudest accomplishments, however, was founding the Lutheran Association for the Developmentally Disabled (LADD), where he recently retired as Chairman after twenty years of service. LADD is an organization, like Niagara Lutheran, that supports the physical, emotional and spiritual needs of the individuals it serves. LADD purchases homes where disabled individuals learn to care for themselves. It also operates two thrift shops, and provides Christian education for the developmentally handicapped.

Fred and other **Legacies for Life** members like him, represent the very best humanity has to offer. Because of their indelible love of life and concern for others, their legacy will never be extinguished, and their planned gifts to Niagara Lutheran remind us that we, too, can make a difference in the lives of those who will follow us.

Fred continually demonstrates extraordinary generosity each day by "encouraging other people to serve their God." As a member of St. Luke's Lutheran Church in Cheektowaga for fifteen years, he serves as the Chairman of the St. Luke's Men's Club. He is also a director of the

How Your Gift Helps

- ♥ Gifts help us reduce pain and suffering for our residents and loved ones.
- ♥ Gifts help us provide equipment and furnishings that otherwise would not be purchased.
- ♥ Gifts provide for a variety of life enrichment programs for our residents and their loved ones.
- ♥ Gifts assist with the recruitment and retention of top quality staff and help us provide for recognition of our invaluable volunteers.
- ♥ Gifts provide training opportunities and scholarships for outstanding caregivers.
- ♥ Gifts strengthen our ability to meet today's needs and enhance our capacity to plan for the future of eldercare service in the community.

Our Niagara Lutheran Health System Mission

Our mission is to provide for the physical, social, and spiritual needs of the individuals we serve, in a Christian environment.

OUR MISSION