

The Trust Report

Developmental Disabilities Life Opportunities Trust

Washington State Developmental Disabilities Endowment Trust Fund

Spring 2009

Trusting in the Trust: The Fund's Past Performance and Future Strategies

A message from the Fund's Administrator, Ed Holen

It should come as no surprise that the downturn in the economy has had an impact on the DD Endowment Trust Fund.

The investment portfolios for both our private contributions (contributions you make to a trust) and our public dollars (the dollars we use for match) bore losses during the fourth quarter of 2008. We continue to experience losses during the first quarter of 2009.

We have fielded numerous phone calls from concerned trust holders after we issued the four quarterly statements for 2008 and people saw the losses then incurred.

Below you will find a history of the earnings and losses that both the

private and public dollars have encountered over time.

The Trust Fund Governing Board meets quarterly and reviews the status of the investment portfolios at each meeting. They bear the responsibility of exercising their role as trustees for these funds. Our portfolios are designed to be conservative investments and investments are made for the long term.

Many have asked if there is a safer investment option. The Board is looking at this request carefully because any changes affect the long term goals of the trust and need to be weighed for unintended consequences.

Ed Holen,
Trust
Administrator



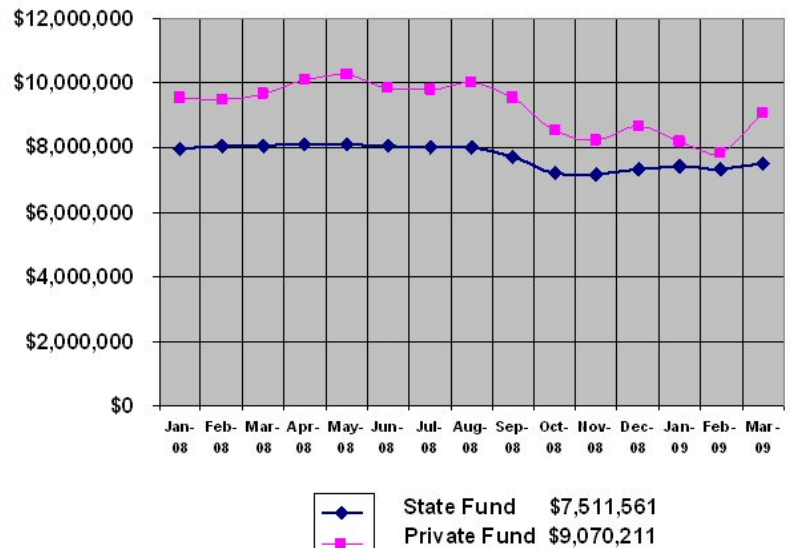
Some have asked if they could transfer their trust. This is permissible. The trust would need to be transferred to another special needs trust. Each transfer must be approved by the Governing Board or its designees.

If you have questions, I encourage you to call me at 800-634-4473 or email me at: edh@cted.wa.gov.

DDLOT STATE AND PRIVATE FUND PERFORMANCE – JANUARY 2008 THROUGH MARCH 2009

MONTH	STATE	PRIVATE	TOTAL
Jan-08	7,958,938	9,531,476	17,490,414
Feb-08	8,064,622	9,483,713	17,548,335
Mar-08	8,049,758	9,666,100	17,715,858
Apr-08	8,079,254	10,075,619	18,154,873
May-08	8,099,599	10,278,771	18,378,370
Jun-08	8,042,231	9,834,821	17,877,052
Jul-08	8,001,717	9,791,347	17,793,064
Aug-08	8,027,585	9,988,532	18,016,117
Sep-08	7,727,245	9,533,984	17,261,229
Oct-08	7,189,854	8,530,525	15,720,379
Nov-08	7,186,560	8,236,266	15,422,826
Dec-08	7,339,902	8,658,703	15,998,605
Jan-09	7,414,095	8,204,396	15,618,491
Feb-09	7,353,211	7,834,506	15,187,717
Mar-09	7,511,561	9,070,211	16,581,772

STATE AND PRIVATE FUND PERFORMANCE



"State" refers to the public dollars used for match. "Private" refers to the funds trust holders have invested in the Trust.

Hoods Feel Good About Opening Their DDLOT Trust

Margaret Hood enjoys life. She likes shopping, being around people, Mickey Mouse, M & Ms and boys. Her parents, Charlene and Stephen Hood, want her to continue doing the things she enjoys when they are gone. That is the major reason why they opened a Trust account for 30-year old Margaret.

Charlene first learned about the Trust from the Arc of Grays Harbor. “My husband and I liked the matching funds and the way it allows Margaret to have funds available to her without jeopardizing her eligibility for benefits. The Trust’s funds will help her continue to have the same lifestyle and do the things she loves after her father and I are no longer here. We also liked that the enrollment and disbursements are done by the Arc because they have an understanding of the kinds of items we would want to purchase with Trust funds. I don’t think there’d be that kind of understanding with a bank.”

Opening a Trust has benefited Margaret’s 34 year old brother as well. “He feels a relief that a plan is in place,” says Charlene, “He knows about the Trust and what we would like it used for in providing for Margaret.”



Margaret, her mom Charlene, and her brother Jeremy

Setting up an account has also helped Charlene and Stephen think more about preparing for the future. “Because of the Trust we are more disciplined about saving for the future, and we try to add funds to her account each month,” Charlene notes, “It helps me stay organized. I appreciate that that Washington state has created this Trust. It does help make it easier to be prepared.”

Charlene recommends the Trust to other families who might be considering opening an account. “Even without the matching funds it’s a good deal,” she says, “The Trust is a good investment in your child’s future. Even in these difficult times, if you can put some money in the Trust, so it will be there when your son or daughter needs it later.”

Raising a child with a developmental disability is full of challenges. Sometimes parents minimize the value of the financial and physical support they provide their child. “There are all sorts of little things we provide for Margaret. She lives in her own home, with support. But just like most parents, we provide the house cleaning supplies, help with some of her utilities and then there’s the trips to the mall.”

“Having a Trust provides for the big and little things that make Margaret’s life better. Margaret loves to get a shirt every time she goes to the mall. It’s not a big ticket item, but it means a lot to Margaret”, Charlene says. She hopes that the Trust account she has established will help with all the big and little items Margaret will need in the future.

By the Numbers

As of March 31, 2009, 1,147 trust accounts have been opened and funded.



Of those, 388 are Trust I accounts, third-party trusts, where families, guardians and others are making contributing to the trust for the benefit of the beneficiary with developmental disabilities.

There are another 759 Trust II accounts, self-settled trusts, where the contributions are funds belonging to the beneficiary with developmental disabilities.

Twenty-one families are participating in the Payment Plan option by making monthly payments towards the enrollment fee.

Moving Soon?

If you have moved or are planning on moving, please let us know. Call Patti Bell at the Arc of Washington 1.888.754.8798.



Questions? Feedback

We welcome your comments and feedback. Let us know how we can do better. Call Ed Holen at 1.800.634.4473 or email him at: edh@cted.wa.gov.

