

# The Trust Report

Developmental Disabilities Life Opportunities Trust

Washington State Developmental Disabilities Endowment Trust Fund



Summer 2008

## Taking Stock of the Market: Diana Will Provides Some Perspective

With the stock market fluctuating like waistlines during the holidays, we spent some time with the State Investment Board's Diana Will to get a better perspective of what is happening in the stock market and what it means for DDLOT Trust Holders.

### **Q: What is going on now with the DDLOT investments?**

**A:** As people are probably already aware the US and international markets have been hurt by the financial sector crisis and as a result the funds earnings haven't been at the level they have been in the recent past.

### **Q: Did the recent market change come as a surprise?**

**A:** Actually, it wasn't completely unexpected. We're always expecting downturns (and upturns) knowing that they'll happen at some point in time. We try to build a portfolio that will outperform over the long run and one that is highly diversified, so that any one crisis will not excessively hurt the portfolio. Right now the equity market (financial sector) is being hurt the most so this diversification protects the fund from being overly impacted by the current circumstances. Always remember the stock market is cyclical in nature. If you remember the early 2000's, we experienced the dot-com bubble and then the market bounced back again.



*Diana Will  
State Investment Board*

### **Q: What observations do you have at this time about the way things are going in the market (short term and long term)?**

**A:** At the State Investment Board, we do not have a general consensus about what the market will do. At our office we talk about it a lot, and we try to build a portfolio that will perform well no matter what happens in the market in the future.

### **Q: Given the current economic situation, people may be concerned about the money they have invested in their Trust. What would you tell someone who had money in a Trust?**

**A:** One of the biggest mistakes is to make short-term decisions because of what the market is doing today. People panic and take their money out when stocks go down, and then put it in when the money is going up. A better strategy is to pick a portfolio that you are comfortable with and stick with that unless something substantially changes.

### **Q: What do you mean when you say 'something substantially changes'?**

**A:** There are two things people need to be aware of when they are looking at their investments. One is their investment timeframe and the second is their investment size. As a general rule, when you know your money will be invested for a long time, say 20 years or so, you can more easily tolerate fluctuations in returns and the ups and downs of investing than if you need the money in a year or two. Additionally, when you have a larger portion of money you might be comfortable with more risk versus those when you are working with a smaller amount of money.

If you have additional questions about the DDLOT Fund's investments, you can contact the State Investment Board at 360.956.4600.

## By The Numbers

As of June 30, 1,040 trust accounts have been opened and funded.

Of those, 372 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 668 Trust II accounts, self-settled trusts, where the contributions are funds belonging to the beneficiary with developmental disabilities.

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



## Newly Established DDLOT Will Work to “Pay it Forward”

The Developmental Disabilities Life Opportunities Trust is working to build even more on its success. Due to the program’s popularity the matching funds designated by legislature are well on their way to being spent. The DDLOT Board wanted to ensure that there could be financial assistance for anyone wanting to open a trust. After weighing a number of options, the decision was made to develop a non-profit foundation to maximize opportunities to generate additional funds for the Trust.

The new foundation, the Developmental Disabilities Life Opportunity Foundation, will work to acquire gifts or contributions that can be used to boost enrollments in the Trust and help pay the costs of membership and management fees.



*David Maltman  
DDLOT Foundation's  
Registered Agent*

“We’re so excited about the foundation,” says Francie Peltier, the Foundation’s Secretary/Treasurer . “The Legislature gave the Trust a great starting gift that opened the door to special needs trust in Washington State. Now that we’re well over 1,000 opened Trusts it seems like a good time to “pay it forward” by finding ways to give the same opportunities to other families who haven’t yet opened a Trust.”

Right now the Foundation is in its forming phase. The Board is working to secure the remaining legal authority to start operations. The Board is seeking other members who may have experience in fund raising and grant writing or expertise in fund management, accounting, or general legal advice.

By the end of 2008, the Board Members of the Foundation plan to be ready to accept cash, securities, real estate, and personal property. It will be possible for contributions to be made as an outright gift, a gift specified in a will, or by using other planned giving vehicles.

“We want to make sure that we provide as many donation options as we can,” says David Maltman, the Foundation’s Registered Agent. “The DDLOT Foundation is a worthy cause so we want to make sure that providing these resources is simple for donors.”

If you or someone you know is interested in discussing Board membership or if you would like to learn more about giving to the Foundation, contact David Maltman at 1.800.634.4473 or by email to davidm@cted.wa.gov.

## Disbursement Requests Online

Now you can use your computer to complete disbursement requests . The fill-in and print forms are available on our website at: <http://www.ddlot.org/forms.htm>. You must have Adobe Acrobat to be able to use the form. The print and complete forms continue to be available on the same page.

Also, a second reminder that all deposits and disbursement requests go to the Trust Manager, Patti Bell at the Arc of Washington.

Deposits and disbursement requests should be mailed to:

**Life Opportunity Trust  
c/o the Arc of Washington  
2638 State Ave NE  
Olympia, WA 98506**

## Moving Soon?

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



## Questions? Feedback

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

