

Minor Trust Accounts:

Due to Covid-19 and the stock market decline in March 2020. The Trust Committee and Board of Directors made the decision to pull the Minors Trust Accounts from Stock exposure. This process officially took place March 24, 2020. The Stock Market crash did affect the minors that had their investments in Balanced Portfolio- invested in Stocks and bonds.

History

November 2004-June 2016 the default option for trust was the **Conservative Investment:**

The Conservative Investment Pool option is an investment option with the primary objective of preserving capital (deposited per capita funds), while providing a competitive rate of return that is intended to keep up with inflation plus a little additional return.

The choice option was **Balanced Investment:**

- Balanced #1 (Ages 15 and Older) (10% Stocks, 90% Bonds & Money Market)
- Balanced #2 (Ages 10 - 14) (50% Stocks, 50% Bonds & Money Market)
- Balanced #3 (Ages 0 - 9) (65% Stocks, 35% Bonds & Money Market)

After a 12 year review in June 2016 a decision was made to switch the default option to Balance Investment and the Conservative Investment as a choice. Anyone in the Conservative option already was switched to Balanced. We did send out notice to all members and minors for this change and gave the option to stay in the Conservative Investment. One of the examples is the Conservative had earned roughly \$500 and the Balanced had earned roughly \$5000.

Yearly we do have minor’s trust investment education meetings. We do this in February; which is the only month members are allowed to change the investment option. Historically the attendance has been low except for a few meetings.

To Consider and information:

Minors in Balanced have earned a significant amount of interest, dividends and capital gains such that this recent stock market hit did not hurt as bad as it looks. Here is an example of a 6 year comparison of Conservative vs. Balanced:

Example 1:

6 year old					
	earned	12/31/2019	Gain/Loss	Per Capit Deposit	3/31/2020
Balanced	\$ 3,739.00	\$ 73,030.00	\$ (12,841.00)	\$ 1,627.50	\$ 61,816.50
Conservative	\$ 240.00	\$ 63,128.00	\$ 634.00	\$ 1,627.50	\$ 65,389.50
Differnce	\$ 3,499.00	\$ 9,902.00	\$ (13,475.00)		\$ (3,573.00)

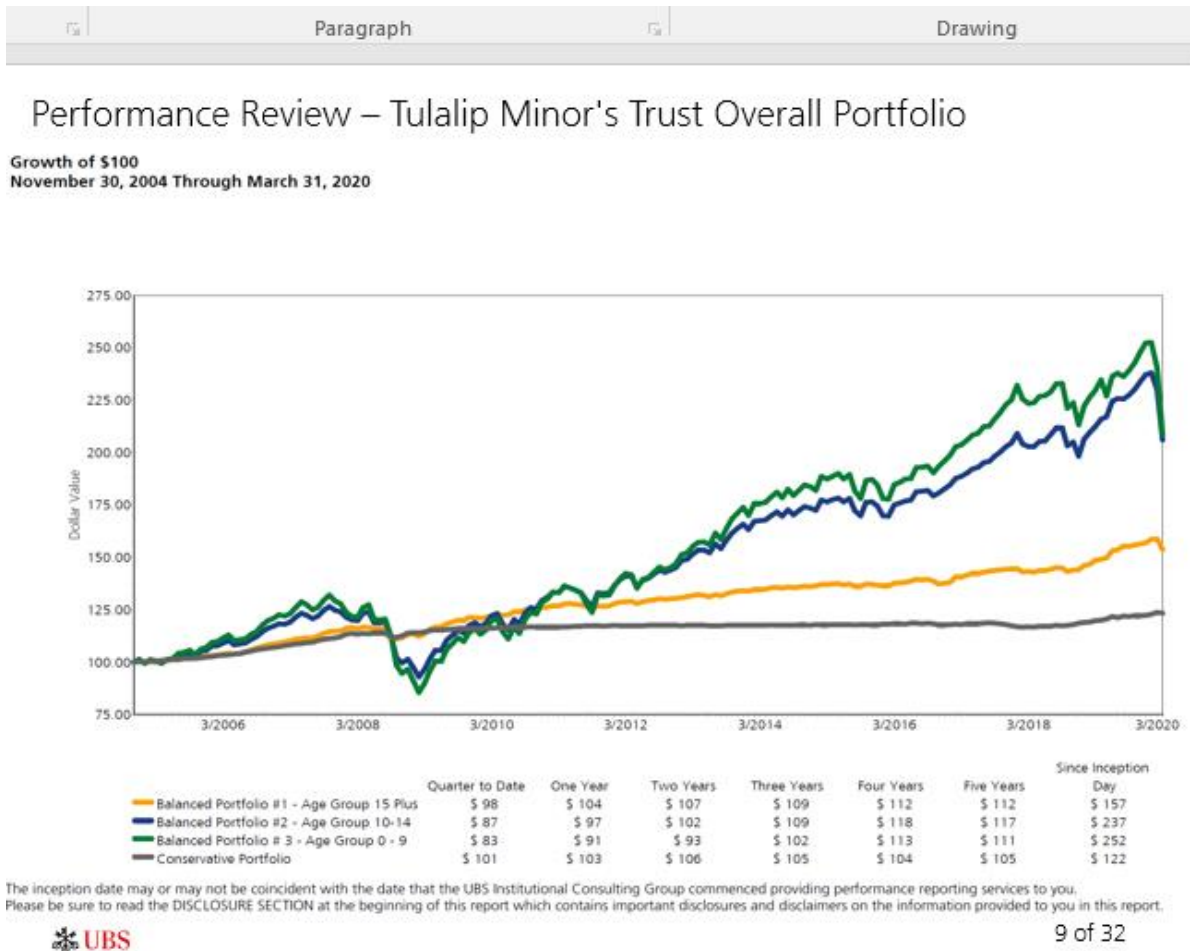
Explanation: So the difference in the short term if you kept in conservative from December 31, 2019 to March 31, 2019 is \$3299.00 more compared to Balanced. The Balanced had more money from earning more in the Stock investment up until December 31, 2019(Ages 0 - 9) (65% Stocks, 35% Bonds & Money Market). The majority of what the Conservative account earned was interest income and no principal growth.

Example 2

10 year old					
	earned	12/31/2019	Gain/Loss	Per Caput Deposit	3/31/2020
Balanced	\$ 4,512.00	\$ 110,518.00	\$ (14,787.00)	\$ 1,627.50	\$ 97,358.50
Conservative	\$ 308.00	\$ 80,391.87	\$ 800.00	\$ 1,627.50	\$ 82,819.37
Difference	\$ 4,204.00	\$ 30,126.13	\$ (15,587.00)	\$ -	\$ 14,539.13

Explanation: 10 year old that has been in balanced portfolio had \$110,518 prior to March 2020. Now has \$97,358. Another 10 year old that has been in conservative the entire time has \$82,819 after March 2020. This is to show that even though they lost like in example above \$14,000 – they still have more than an account in conservative.

When you invest in stock markets this is the roller coaster effect. Over the long term, the Balanced approach has demonstrated to grow in value more than the Conservative approach. See chart below:



The Board of Directors has passed a resolution to reinvest anyone that was in the Balanced Portfolio in order to hopefully regain the losses back. **Given this and concern from members you have the option to stay in the Conservative option if you choose and you have until June 30, 2020 to do this.** We will try

to a social distance meeting in June if we can dependent upon the health of the community. If we cannot hold a meeting we will try to hold a conference call for those interested to get some first hand information some Q & A. Please email me if you interested. This form is attached to this notice and will also be posted online, and can be signed with a digital signature.

I am open to speak to any tribal member and families Rtopaum@tulaliptribes-nsn.gov or office phone 360-716-4298. I am in the office usually 3 days a week but I check my email all the time.

Covid-19 Draw for youth 18+ that are already getting distributions.

Youth that have already started to receive their funds due to getting their High School Diploma/GED or aged out at 22 can get a one time draw on their trust up to \$10,000 from May 2020 to December 31, 2020. This will not effect any regular release dates – it is a draw on funds. If you have less the \$10,000 in your account this will be deemed your last distribution.

You can get the paper work from Rosie Topaum rtopaum@tulaliptribes-nsn.gov

Enrollment

- Tribal ID email and I print and mail. If need asap we can schedule a pick up time.
- Address changes email with name, roll #, dob or write out and take a picture and attach.
- Enrollment for new members we meet once a month now before the Board meeting. Next meeting we need all documents in by June 1st for June 3rd meeting. Email for application and questions.
- Trust Distribution form on website: <https://www.tulaliptribes-nsn.gov/Base/File/Distribution%20Request%20Full%20Packet%202020>
 - * 1st time distribution you must do a financial class. There is online class here is link for info. <https://www.tulaliptribes-nsn.gov/Dept/Enrollment> You scroll down to Youth with Accounts and click on Financial Class.
 - * Direct Deposit is the ONLY option and we need proof of bank account for all request.
 - * NEW DRAW FOR COVID19 EXPENSES –Please read above.
- Investment Trust – Please read the first part of this notice for information.

My notary is expired so any paperwork you need notarized will need to done beforehand. I am working together it reinstated.

Rtopaum@tulaliptribes-nsn.gov

360-716-4298 or 360-716-4300. I am the only one in the office so please don't email other enrollment staff and also be patient with my response it make take a little longer than normal.

Stay safe and healthy my members!!!!

Rosalie Topaum, Enrollment Director.