

Anne Wolfe's Trust Financial Info and Analysis 2018 - 2021

updated: 2/28/2025

Ellen Wolfe died: October 19, 2016
Trust fund set up: btw March and May 2017 (Per Cynthia Wolfe)

		2017	2018201920202021202220232024						7 yr Total	Ave Return per year	Normalized Delta			
Trust spending			\$18,249	\$19,508	\$37,002	\$16,034	\$86,979	\$49,609	\$19,698	\$247,079				
Baird fund balance yr end	\$1,043,874		\$959,694	\$1,079,506	\$1,106,705	\$1,288,440	\$1,112,210	\$1,108,078	\$1,216,938					
Unadjusted income	na		(\$84,180)	\$119,812	\$27,199	\$181,735	(\$176,230)	(\$4,132)	\$108,860	\$173,064			< (unadjusted)	
Unadjusted return			-8.1%	12.5%	2.5%	16.4%	-13.7%	-0.4%	9.8%		2.7%		< (adjusted for spending)	
Total + spend *	\$1,043,874		\$974,435	\$1,135,868	\$1,183,067	\$1,386,048	\$1,284,900	\$1,330,193	\$1,460,686	39.9%	5.7%			
Adjusted Income **			(\$69,439)	\$161,433	\$47,199	\$202,981	(\$101,148)	\$45,293	\$130,493	\$416,812				
Adjusted return			-6.7%	16.8%	4.4%	18.3%	-7.9%	4.1%	11.8%					
Adjusted return (mulaplicative)			93.3%	116.8%	104.4%	118.3%	92.1%	104.1%	111.8%	44.4%	6.3%	36.0%	< w/ S&P 500 as basis	
											(total return)			
S&P 500 Index (yr end)	2,674		2,486	3,240	3,756	4,766	3,839	4,769	5,970					
Return %	na		-7.0%	30.3%	15.9%	26.9%	-19.5%	24.2%	25.2%					
Total S&P return % (mutiplicative)			93.0%	130.3%	115.9%	126.9%	80.5%	124.2%	125.2%	123.3%	17.6%	277.7%	< w/Anne's Trust as basis	
											(total return)			
Opportunity Lost **	2017	2018201920202021202220232024							S&P Delta to Trust:					
33% S&P merged w/Baird	\$1,043,874	\$973,131	\$1,180,205	\$1,276,804	\$1,547,005	\$1,366,340	\$1,512,849	\$1,757,943	33%	\$297,257	< earnings gain w 33% of S&P 500 used			
50% S&P merged w/Baird	\$1,043,874	\$972,459	\$1,201,722	\$1,323,686	\$1,623,046	\$1,401,494	\$1,599,787	\$1,895,428	50%	\$434,742	< earnings gain w 50% of S&P 500 used			
67% S&P merged w/Baird	\$1,043,874	\$971,787	\$1,223,208	\$1,371,378	\$1,701,455	\$1,435,649	\$1,687,959	\$2,038,365	67%	\$577,679	< earnings gain w 67% of S&P 500 used			
100% S&P 500	\$1,043,874	\$970,483	\$1,264,829	\$1,466,264	\$1,860,547	\$1,498,666	\$1,861,718	\$2,330,564	100%	\$869,878	< earnings based on 100% S&P 500			
Fidelity S&P % choice:	67%	< 67% of assets invested in S&P type market funds is a strategy quoted to Hal by a Fidelity advisor for a managed Trust fund striving for stable growth.												

* Assumption here is that Trust spending is added back as lost income. (adjusted income includes the expenses plus the lost earnings (or losses) on them.)
** This is the added amount the Trust would now have if a portion of it had been invested in the S&P500 and the rest invested as it was. **Between \$300 - \$600,000 was lost.**



Commentary: Per comments from Trustee Chris Wolfe from 3 years ago, he pursued a conservative dividend income strategy largely because that is what our 90+ year old mother had used. This seemed to me to be an unfortunate path to pursue, as the needs of a *much younger* beneficiary who's wealth and financial needs are vastly different from that of her mother should have been fully considered. A more appropriate strategy for Anne would have been use a "growth-oriented" strategy when she was stable and working. Now that she is in need of more Trust support, that strategy would likely shift to a "balanced" (modest risk) strategy, which might transition to a conservative strategy at some point. Unfortunately, using a conservative strategy from the onset, Anne lost out on significant potential earnings. Sure, that's easy to point out now in hindsight, but to not even attempt to position Anne's Trust to benefit more appreciably from market gains, it's like throwing in the towel from the start. It was also effectively holding Anne down. The complacency required to doggedly pursue a strategy that netted a return of ~1/3 of the market return I find very discouraging. I believe it's a reflection of arrogance from the disengaged/remote Trustees. - H. Wolff

< Combined plot of S&P 500 for the past 7 years as of 2/27/2025