



# Oneida Minors' Trust Fund, Ages 15+

## **ANNUAL REPORT**

### **December 31, 2012**

July, 2013

Dear Minors Trust Beneficiaries:

The Oneida Trust/Enrollment Committee is pleased to share with you the eleventh annual Minors' Trust report.

This annual report is a compilation of two portfolios, one portfolio is for ages 0-14, which is moderately invested and a second portfolio for ages 15 and over, which is conservatively invested. Both are balanced portfolios containing stocks, bonds, and cash equivalents. Investments selected must be screened according to Oneida's Investment Policy criteria and must go through a detailed financial analysis. That screening and analysis is completed by Trillium Asset Management located in Boston, MA. Trillium is the firm we hired to manage Trust and Stephanie Leighton (Trillium's Personnel) is our Money Manager. Ms. Leighton selects the investments which are subject to screening and financial analysis.

The Minors Trust Funds are "unitized" meaning each unit has a value. The unit value changes with the investment's market value. Equinox, our fund accountant, is responsible for the accounting of the portfolios and record keeping for each individual account.

A high school diploma or a General Equivalency Diploma (GED) from an accredited school is now required to receive your minor's trust fund if you are 18 and not yet 21 years old. Accordingly, your diploma must be part of your distribution request form.

Finally, minors eligible to receive their trust fund have an opportunity to defer a portion or all of their trust fund to a later date. Please contact the Trust Department for more information if you are interested in the deferral opportunity.

We hope you find this report informative. Please use it with the quarterly fact sheets to understand how the Tribe's per capita distributions are managed on your behalf. We welcome your comments and suggestions not only on this report but on all communications you receive from the Trust/Enrollment Committee throughout the year.

YawáꞤko,

*Carole Liggins,*

Carole Liggins, Chairwoman  
Oneida Trust/Enrollment Committee





# Oneida Minors' Trust Fund

July, 2013

Dear Minors' Trust Beneficiaries:

This report covers the trust fund activity for 2012. I will tell you about the economy, market indicators, and the trust funds' performance. I will close with our market forecast and an update on our sustainable and responsible investment practices.

Stock markets were strong last year. The U.S. economy continued a slow but steady recovery from the housing market crash and the Recession of 2008-2009. House prices and employment numbers continued to increase from low levels. Consumer debt is down and confidence is improving. The S&P 500 stock index gained 16% and the International stock MSCI EAFE Index was up 17.9%. The Barclays Government/Credit Intermediate Bond Index rose 3.9%.

Overall, the trust funds continue to perform well. The 0-14 Minor's Portfolio increased 23.9% in the last three years, and 13.1% last year. Approximately 65% of the 0-14 fund was invested in stocks in 2012. The U.S. stocks in the 0-14 fund grew by 17.5%, compared to the 16% increase in the S&P 500 Index. International stocks in the fund increased 20.1%, compared to the International stock index 17.9% increase. Approximately 30% of 0-14 fund holdings were in bonds. The Trust Fund Bonds increased by 4.8%, compared to the 3.9% Barclays U.S. Government/Credit Intermediate Bond index.

The 15+ fund grew by 14.4% in the last three years and was up 6.8% in 2012. Approximately 25% of the 15+ fund was invested in stocks. The 15+ fund is conservatively managed with over 75% of the fund in bonds and cash. It is conservatively managed because minors may be claiming the fund in less than three years. We want to minimize fluctuations in value due to the shorter time horizon of this fund. The U.S. Stocks in the 15+ fund increased by 13.2% last year, while non U.S.stocks increased 18%. Bonds rose 4.8%.

We remain optimistic on the outlook for stocks. We expect continued recovering job and US housing markets. Europe is taking action to stimulate growth and support the weaker countries in the region. The support will help revitalize world economies. Longer term, low bond rates and reasonably valued stock prices tell us that stocks continue to be attractive, relative to bonds.

On the social front, in 2012 Trillium continued efforts to steer businesses toward responsible and sustainable practices. We engaged over two dozen major U.S. and foreign corporations on a wide range of concerns, including climate change, sustainable agriculture, and labor, human rights and Indigenous rights. On Indigenous rights, we continue to oppose the proposed Pebble Mine in Bristol Bay, Alaska. The mine is in a critical salmon habitat and the habitat is source of subsistence fishing for Native Alaskans. Our recent engagement with Target led to the \$680 billion Food Marketing Institute to send a letter to the Environmental Protection Agency. The letter explained that "Bristol Bay is a one-of-a-kind fishery that is important not only to the ecology of the region but also to fulfilling the goal of long-term sustainable seafood sourcing." Working together with other social investors, we continue to push Fedex and BankAmerica to use their business relationships with the Washington Redskins football team to adopt a non-offensive name.

We appreciate your confidence and trust in Trillium Asset Management. We encourage you to stay tuned to our financial and social advocacy updates at [www.trilliuminvest.com](http://www.trilliuminvest.com).

Sincerely,

*Stephanie R. Leighton*

Stephanie R. Leighton, CFA  
Senior Vice President and Portfolio Manager



Shares	Security Description	Value
<b>COMMON STOCK -</b>		
<b>Basic Materials - .07%</b>		
298.00	NUCOR CORP	12,861.68
		<b>12,861.68</b>
<b>Communications - 0.81%</b>		
1,540.00	CISCO SYSTEMS INCDS5	30,260.08
339.00	EBAY INCDS5	17,288.22
1,974.00	TIME WARNER INCDS5	94,416.42
		<b>141,964.72</b>
<b>Consumer, Cyclical - 1.00%</b>		
500.00	HOME DEPOT INCDS5	30,925.00
914.00	STARWOOD HOTELS & RESORTSD55	52,427.04
1,539.00	TARGET CORPD55	91,062.63
		<b>174,414.67</b>
<b>Consumer, Non-cyclical - 2.16%</b>		
449.00	BAXTER INTERNATIONAL INCDS5	29,930.34
1,260.00	GENERAL MILLS INCDS5	50,929.20
62.00	MASTERCARD INC-CLASS AD55	30,459.36
312.00	MEDTRONIC INCDS5	12,798.24
1,020.00	PROCTER & GAMBLE CO/THED55	69,247.80
995.00	JM SMUCKER CO/THED55	85,808.80
404.00	SYSCO CORPD55	12,790.64
751.00	UNILEVER N V -NY SHARES55	28,763.30
1,025.00	UNITEDHEALTH GROUP INCDS5	55,596.00
		<b>376,323.68</b>
<b>Energy - 1.22%</b>		
348.00	EOG RESOURCES INCDS5	42,034.92
1,235.00	ENERPLUS CORPD55	16,005.60
371.00	HESS CORPD55	19,648.16
1,370.00	MARATHON PETROLEUM CORPD55	86,310.00
702.00	NATIONAL OILWELL VARCO INCDS5	47,981.70
		<b>211,980.38</b>
<b>Financial - 2.45%</b>		
1,020.00	AFLAC INCDS5	54,182.40
1,120.00	CHUBB CORPD55	84,358.40
2,754.00	EAST WEST BANCORP INCDS5	59,183.46
2,462.00	HARTFORD FINANCIAL SVCS GRPD55	55,247.28
1,420.00	HORACE MANN EDUCATORS55	28,343.20
1,474.00	JPMORGAN CHASE & COD55	64,810.45
2,359.00	WELLS FARGO & COD55	80,630.62
		<b>426,755.81</b>
<b>Industrial - 1.05%</b>		
905.00	ILLINOIS TOOL WORKSD55	55,033.05
871.00	LINCOLN ELECTRIC HOLDINGS55	42,400.28
695.00	3M COD55	64,530.75
560.00	SEALED AIR CORPD55	9,805.60
394.00	SONOCO PRODUCTS COD55	11,713.62
		<b>183,483.30</b>
<b>Technology - 2.28%</b>		
196.00	APPLE INCDS5	104,305.91
1,030.00	ANALOG DEVICES INCDS5	43,321.80
444.00	INTL BUSINESS MACHINES CORPD55	85,048.20
2,494.00	MICROSOFT CORPD55	66,613.99
985.00	ORACLE CORPD55	32,820.20
753.00	QUALCOMM INCDS5	46,580.28
607.00	TEXAS INSTRUMENTS INCDS5	18,750.23
		<b>397,440.61</b>
<b>Utilities - 0.58%</b>		
1,440.00	AVISTA CORPD55	34,718.40
3,621.00	NV ENERGY INCDS5	65,684.94
		<b>100,403.34</b>
<b>Total Common Stock (Cost \$1,703,017.37)</b>		<b>2,025,628.19</b>

Shares	Security Description	Value
<b>AMERICA DEPOSITORY RECEIPTS</b>		
<b>Communications - 0.66%</b>		
1,183.00	BT GROUP PLC-SPON ADRD55	44,989.49
2,762.00	VODAFONE GROUP PLC-SP ADRD55	69,574.78
		<b>114,564.27</b>
<b>Consumer, Non-cyclical - .93%</b>		
1,777.00	GLAXOSMITHKLINE PLC-SPON ADRD55	77,246.19
1,343.00	NOVARTIS AG-ADR55	85,011.90
		<b>162,258.09</b>
<b>Energy - 0.45%</b>		
3,164.00	STATOIL ASA-SPON ADR	79,226.56
		<b>79,226.56</b>
<b>Financial - .19%</b>		
615.00	HSBC HOLDINGS PLC-SPONS ADRD55	32,638.05
		<b>32,638.05</b>
<b>Industrial - 0.19%</b>		
1,568.00	ABB LTD-SPON ADR	32,598.72
		<b>32,598.72</b>
<b>Utilities - 0.54%</b>		
1,635.00	NATIONAL GRID PLC-SP ADR	93,914.40
		<b>93,914.40</b>
<b>Total America Depository Receipts (Cost \$483,170.44)</b>		<b>515,200.09</b>
<b>EXCHANGE TRADED FUNDS</b>		
<b>ETF - 16.14%</b>		
9,014.00	ISHARES BARCLAYS AGENCY BONDD55	1,021,241.13
14,786.00	ISHARES BARCLAYS TIPS BONDD55	1,795,168.26
		<b>2,816,409.39</b>
<b>Exchange Traded Funds (Cost \$2,648,576.12)</b>		
<b>OPEN-END FUNDS</b>		
<b>Funds - 5.26%</b>		
69,319.18	DOMINI INTL SOCIAL EQUITY-ID55	476,222.79
54,159.32	PAX WORLD INTL-IND INV55	441,940.05
		<b>918,162.84</b>
<b>Open-End Funds (Cost \$894,347.38)</b>		
<b>CORPORATE BONDS</b>		
<b>Communications - 2.97%</b>		
500,000.00	JNPR 3.1 03/15/16D55	518,281.50
		<b>518,281.50</b>
<b>Consumer, Cyclical - 2.96%</b>		
500,000.00	SWY 3.4 12/01/16D55	516,358.50
		<b>516,358.50</b>
<b>Financial - 37.74%</b>		
500,000.00	AMERICAN EXPRESS CO AXP 4 7/8 07/15/13D55	511,634.50
500,000.00	C 5 1/2 02/15/17D55	554,266.50
500,000.00	CITIGROUP INC C 6 3/8 08/12/14D55	538,245.00
500,000.00	GNW 5 3/4 06/15/14D55	525,548.00
500,000.00	GNW 8 5/8 12/15/16D55	586,576.50
500,000.00	MS 6 5/8 04/01/18D55	589,287.50
1,000,000.00	MS 0 10/31/17D55	987,565.00
500,000.00	RBS 4 10/28/22D55	508,450.00
500,000.00	SANTAN 3.724 01/20/15D55	502,270.00
500,000.00	STI 5 09/01/15D55	546,285.00
200,000.00	URS 3.9 09/06/22D55	202,146.80
500,000.00	WACHOVIA CORP WFC 5 1/4 08/01/14D55	532,805.00
		<b>6,585,079.80</b>
<b>Technology - 5.98%</b>		
500,000.00	DELL INC DELL 5 5/8 04/15/14D55	534,215.00
500,000.00	HPQ 3.3 12/09/16D55	508,944.50
		<b>1,043,159.50</b>
<b>Total Corporate Bonds (Cost \$8,547,370)</b>		<b>8,662,879.30</b>
<b>GOVERNMENT SECURITY</b>		
<b>Government - 5.85%</b>		
500,000.00	FEDERAL HOME LOAN BANK	508,513.50
500,000.00	FANNIE MAE	512,625.00
		<b>1,021,138.50</b>
<b>Total Government Security (Cost \$1,028,636.92)</b>		<b>1,021,138.50</b>
<b>Total Accrued Interest</b>		
		<b>97,426.73</b>
<b>Total Investments in Securities - 92.03% ( Cost \$15,305,118.23)</b>		<b>16,056,845.04</b>
<b>Other Assets &amp; Liabilities, Net - 7.97%</b>		
		1,389,995.82
<b>Total Net Assets - 100%</b>		<b>17,446,840.86</b>



# Oneida Minors' Trust Fund

## STATEMENT OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31, 2012

<b>INVESTMENT INCOME</b>	<b>2012</b>
Dividend income, net of withholding .....	168,829
Interest income .....	403,275
Other income .....	464
Total Investment Income .....	<u>572,568</u>
 <b>EXPENSES</b>	
Total Expense .....	<u>(111,663)</u>
 <b>NET INVESTMENT INCOME</b> .....	<u>460,905</u>
 <b>NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS</b>	
Net realized loss on investments .....	(46,555)
Net change in unrealized appreciation on investments .....	613,591
 <b>NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS</b> .....	567,036
 <b>NET INCREASE IN NET ASSETS FROM OPERATIONS</b> .....	<u>1,027,941</u>

### NOTES

#### Schedule of Investments

The Schedule of Investments lists each security held in the Trust's portfolio as of December 31. The securities are divided into two groups: common stock and fixed-income securities. The value of each security in each group is shown as of December 31. The last total in this section shows how much the Trust was worth on December 31. Trillium Asset Management Corporation monitors the portfolio and makes decisions about which securities to buy or sell based on criteria set by the Trust Committee.

#### Financial Highlights

The Financial Highlights are created from data shown in the Statement of Operations, but the data is translated into per Unit information. This makes it easier to see the change in the value of each Trust Unit from the beginning to the end of the reporting period.

#### Statement of Assets and Liabilities

The Statement of Assets and Liabilities is a snapshot of the financial position of the Trust portfolio on December 31. It lists all amounts paid to and owed by the Trust on that date. The final total in this section shows how much the Trust was worth on December 31. The last item shows how many Trust Units were held by all of the beneficiaries together on December 31 and the value of each Unit on that date.

#### Statement of Operations

The Statement of Operations shows: the income earned by the Trust portfolio, the Trust expenses and the change in value of the Trust portfolio of securities during the reporting period. If the final total in this section is positive, the value of the Trust portfolio was higher at the end of the reporting period than at the beginning. Please note that investment advisory fees are paid to Trillium Asset Management Corporation directly from the Trust. All other fees and expenses of the Trust are paid by the Oneida Trust Department.

#### FOR THE YEAR ENDED DECEMBER 31, 2012

<b>Per Unit Operating Performance:</b>	<b>2012</b>
Unit Value, beginning of period	<u>\$ 10.72</u>
Income from Investment Operations:	
Net investment income	0.33
Net realized and unrealized gain on investment transactions	<u>0.41</u>
Total from investment operations	<u>0.74</u>
Unit Value, end of period	<u>\$ 11.47</u>
 <b>Total Return</b>	 6.92%

#### STATEMENT OF ASSETS AND LIABILITIES AS OF DECEMBER 31, 2012

<b>ASSETS</b>	<b>2012</b>
Total investments, at value (Cost \$15,305,118.23)	\$ 15,959,418
Cash	1,378,377
Interest, dividends and other assets	112,577
Total Assets .....	<u>17,450,372</u>
 <b>LIABILITIES</b>	
Accrued Admin Fees	(3,531)
Total Liabilities .....	<u>(3,531)</u>
 <b>NET ASSETS</b> .....	 <u>\$ 17,446,841</u>
 <b>COMPONENTS OF NET ASSETS</b>	
Paid-in capital	\$ 15,545,306
Accumulated net investment income	1,317,860
Accumulated net realized loss	(70,626)
Net unrealized appreciation of investments	654,301
 <b>NET ASSETS</b>	 <u># \$ 17,446,841</u>
 <b>UNIT VALUE</b> (1,521,602.41 units) .....	 <u>\$ 11.47</u>

