

# LMA Trust Report

April 2024

Chuck Unruh, Chair

The Life Member Asset Trust (Trust) is a solely owned US Chess Grantor Trust. Trustees invest and manage life member assets and the funds from the sale of US Chess Life Memberships. Dividends and interest from investment activities reimburse operations for the annual Life membership expenses. The Trust has eleven Trustees elected by the Delegates at the annual meeting. Our Trustees have a combined US Chess leadership experience measured in decades.

The Trust assets and funds are separate from operational accounts. In the first three quarters of the fiscal year, US Chess sold approximately 50 Life Memberships. The Trust receives the Life Member sales proceed by agreement with operations. Life Member funds are then placed into the investment markets.

US Chess Life Membership sales are solid and the Trust welcomes the 50 new life members in the current fiscal year. Our last Life Member Survey focused on inclusion and several notifications over a period of six months. Survey results confirm at least 7,500 Life Members with good addresses. US Chess membership is approximately 117,000 and Life Members represent 6.4% of the general membership.

Over the last seven years, Trustees have set investment strategies and tactics for portfolio distributions adequate to meet the future Life Member expenses. The investment program has cost averaged into conservative dividend producing holdings. The public investment markets to date face headwinds given the recent rapid increase in interest rates, yet the longer-term results of the yearly investment strategies continue to meet the goals and guidance of the original investment plan.

Each year, the Trustees approve a strategic investment plan for the Life Membership Assets and funds under management named after the city of the next Delegates Annual Meeting. Norfolk 2 is the current investment plan since US Chess repeats the U.S. Open in Virginia. Meanwhile, the Trustees begin a review this June of the proposed Norfolk #2 Investment Plan. Like the previous Grand Rapids Investment Plan, the Norfolk #2 focuses on defensive equity and fixed income. Currently, the Trust portfolio is 52% invested in public securities and 48% insured Cash Deposits or U.S. Dollars.

The Trustees will present the new investment plan for the 2023-24 fiscal year at the Friday Finance Workshop during the Delegates Annual Meeting. Investment results for the previous

year and a brief strategy discussion are on the agenda, along with a short question and answer period.

LMA Trust Assets Under Management as of March 31st, 2024:

	2023	2024	Gain/(Loss)
Land	\$-0-	\$-0-	
Building net Depreciation	\$-0-	\$-0-	
TD Ameritrade Securities	\$ 1,556,634	\$ 1,723,542	\$ 166,908
	=====	=====	=====
Total:	\$ 1,556,634	\$ 1,723,542	\$ 166,908

Teamwork, dedication, and ownership style management by our volunteer Trustees has made the Life Member Grantor Trust a success since its creation on January 1, 2013. I appreciate and thank all of the Trustees for their service and continued dedication to LMA Trust goals.