

**RETIREMENT PLAN FOR
EMPLOYEES OF BRAZOS RIVER AUTHORITY**

Waco, Texas

FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT

February 29, 2024 and February 28, 2023

RETIREMENT PLAN FOR EMPLOYEES OF BRAZOS RIVER AUTHORITY

TABLE OF CONTENTS

	<u>Page</u>
FINANCIAL SECTION:	
Independent Auditors' Report	1
Management's Discussion and Analysis (Unaudited)	4
Financial Statements	
Statements of Fiduciary Net Position	8
Statements of Changes in Fiduciary Net Position	9
Notes to Financial Statements	
A. Description of Plan	10
B. Significant Accounting Policies	12
C. Investments	13
D. Net Pension Liability	19
E. Tax Status	21
F. Plan Termination	21
REQUIRED SUPPLEMENTARY INFORMATION:	
Schedule of Changes in the BRA's Net Pension Liability (Unaudited)	22
Schedule of the BRA's Net Pension Liability and Related Ratios (Unaudited)	23
Schedule of the BRA's Contributions (Unaudited)	24
Schedule of Investment Returns (Unaudited)	25
Additional Information (Unaudited)	
Schedule of Direct and Indirect Fees and Commissions (Unaudited)	26
Schedule of Alternative Investments, Investment Managers And Total Investment Expenses (Unaudited)	27

Financial Section

Independent Auditors' Report

To the Retirement Committee of
Retirement Plan for Employees of Brazos River Authority

Opinion

We have audited the accompanying financial statements of Retirement Plan for employees of Brazos River Authority (the Plan), a fiduciary fund of the Brazos River Authority, as of and for the years ended February 29, 2024 and February 28, 2023, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Plan as of February 29, 2024 and February 28, 2023, and the changes in the plan's fiduciary financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note A, the financial statements present only the Plan and do not purport to, and do not, present fairly the financial position of the Brazos River Authority, as of February 29, 2024 and February 28, 2023, and the changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents be presented to supplement the financial statements. Such information is the responsibility of management and, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Additional Information

Management is responsible for the accompanying Schedule of Direct and Indirect Fees and Commissions and Schedule of Alternative Investments, Investment Managers and Total Investment Expenses (the additional information), which is presented for purposes of additional analysis and is not a required part of the financial statements. Our opinion on the financial statements do not cover the additional information, and we do not express an opinion or any form of assurance thereon.

Baker Tilly US, LLP

Austin, Texas
July 12, 2024

Management's Discussion & Analysis

**Retirement Plan for Employees of
Brazos River Authority**

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited)

As of and for the Years Ended February 29, 2024 and February 28, 2023

The management's discussion and analysis for the Retirement Plan for Employees of Brazos River Authority (the "Plan") provides a narrative overview of the financial activities and funding conditions for the fiscal years ended February 29, 2024 and February 28, 2023.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis is intended to serve as an introduction to the Plan's financial statements. The financial section consists of the Plan's financial statements, notes to the financial statements, and required supplementary information.

The Plan's Financial Statements

The Plan's financial statements are a statement of fiduciary net position that provides information about the fair value and composition of plan assets, plan liabilities, and plan net position; and a statement of changes in fiduciary net position that provides information about the year-to-year changes in fiduciary net position. On July 16, 2007, the Board of Directors (BOD) of the Brazos River Authority (BRA) approved an adoption to freeze the plan as of September 30, 2007. Beginning October 1, 2007, all existing employees, and any employee hired after that date, transitioned to and became members of the Texas County and District Retirement System (TCDRS). TCDRS is a statewide agent multiple-employer public employee retirement system consisting of nearly 830 nontraditional defined benefit pension plans. The notes to the financial statements include a brief plan description and a summary of significant accounting policies of the Plan. Additionally, the notes to the financial statements contain information about the Plan, including contributions, investment concentrations, valuations, and risks.

Condensed Financial Information

Condensed Financial Information	February 29, 2024	February 28, 2023	February 28, 2022
Fiduciary net position			
Total Assets	\$ 23,786,107	\$ 21,757,523	\$ 24,422,187
Total Liabilities	(13,109)	(7,384)	(7,543)
Total fiduciary net position	\$ 23,772,998	\$ 21,750,139	\$ 24,414,644
Change in net position			
Net investment income/(loss)	\$ 3,209,083	\$ (1,406,798)	\$ 1,859,813
Employer's Contributions	1,197,007	1,164,997	1,379,022
Benefits paid to participants	(2,299,856)	(2,335,863)	(2,310,213)
Administrative expenses	(83,375)	(86,841)	(85,102)
Net increase/(decrease) in fiduciary net position	2,022,859	(2,664,505)	843,520
Total net position restricted for pensions at beginning of the year	21,750,139	24,414,644	23,571,124
Total net position restricted for pensions at end of year	\$ 23,772,998	\$ 21,750,139	\$ 24,414,644

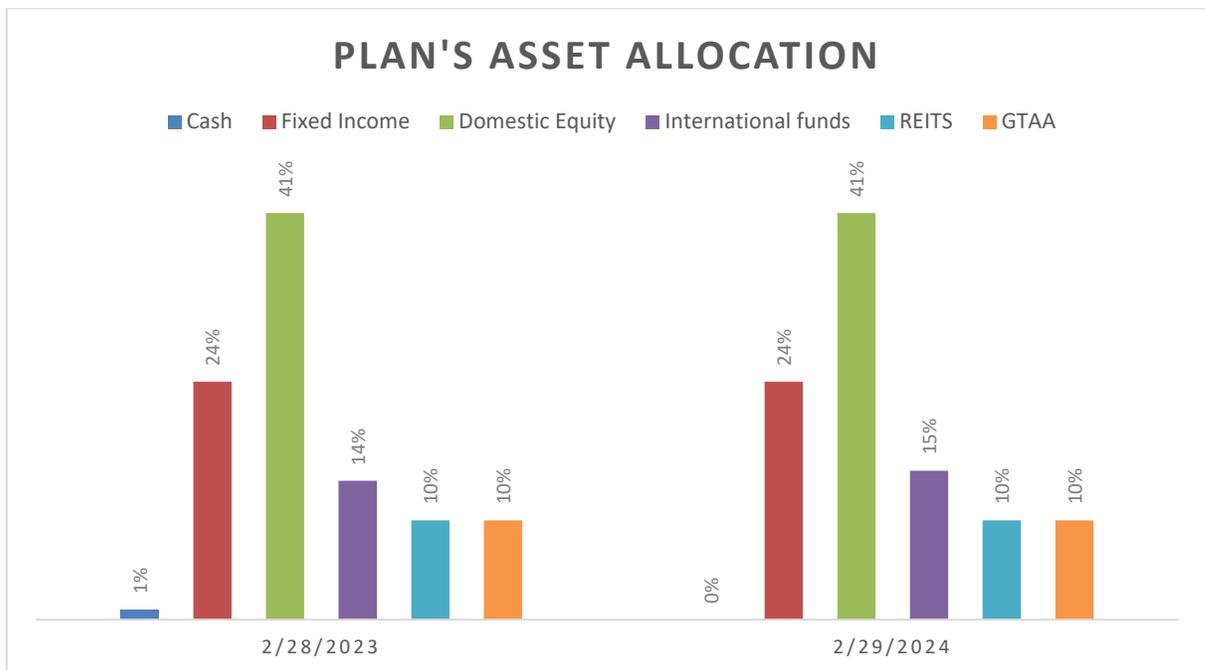
**Retirement Plan for Employees of
Brazos River Authority**

MANAGEMENT’S DISCUSSION AND ANALYSIS
(Unaudited)

February 29, 2024 and February 28, 2023

Financial Highlights

- Fiduciary net position reported in the financial statements is \$23,772,998 for the fiscal year reported. This compares to the previous years when fiduciary net position reported was \$21,750,139 in 2023 and \$24,414,644 in 2022. These assets are held in trust to pay pension benefits to employees.
- The Plan’s investment policy (updated March 14, 2022) target mixture is as follows; the equity funds have an allowable range of 15%-40% for domestic large cap, 7.5%-12.5% for domestic small/mid cap and 12.5%-17.5% for international funds. The fixed income funds have an allowable range of 15%-40%; Real Estate Investment Trusts (REITs) have an allowable range of 0%-20%; and Global Tactical Asset Allocation (GTAA) investments have an allowable range of 0%-15%. The cash equivalents have a maximum range of 10%. The Plan’s asset allocation at February 29, 2024 and February 28, 2023 was as follows:

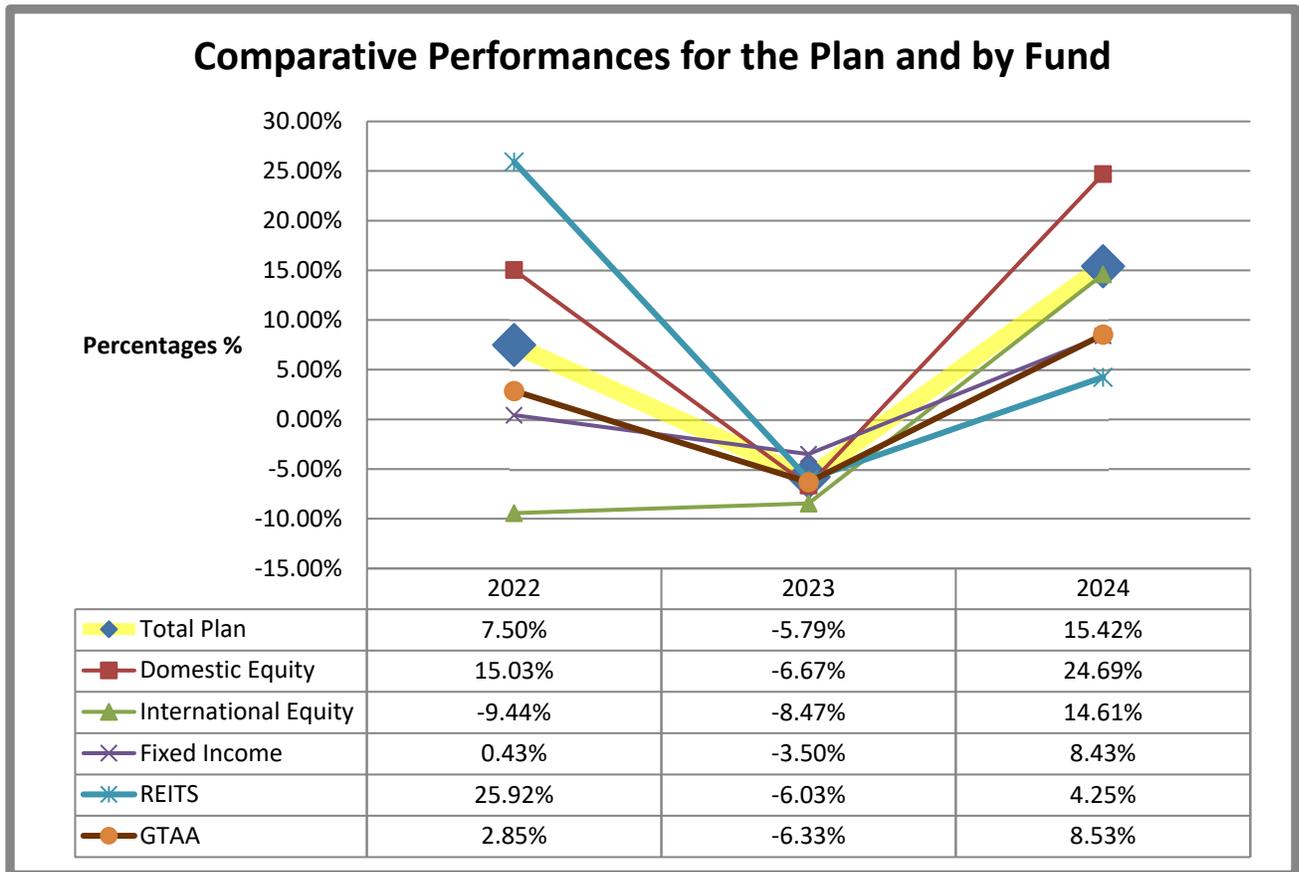


**Retirement Plan for Employees of
Brazos River Authority**

**MANAGEMENT’S DISCUSSION AND ANALYSIS
(Unaudited)**

February 29, 2024 and February 28, 2023

- During the plan years ended February 29, 2024 and February 28, 2023, the employer made an annual recommended contribution of \$1,197,007 and \$1,164,997 respectively. See Note A in the accompanying financial statements.
- At the end of the fourth quarter of Year 2023, the Real Gross Domestic Product increased at an annual rate of 2.5 percent. The Dow ended the year down 13.70% as the effects of inflationary pressures continued to be an issue. The return on the domestic equity portion of the portfolio was 24.69% which was lower than the benchmarks. The return on the fixed income portion of the portfolio was 8.43% vs. the Bloomberg Inter-med Aggregate Index being 4.38%. The return on the international portion of the portfolio was 14.61% vs. the MSCI AC World EX USA index being 13.09%. The return on the REITS portion of the portfolio was 4.25% vs. the Wilshire US REIT Index being 7.93%. The return on the GTAA portion of the portfolio was 8.53% vs. the 50% MSCI World Index (net)/50% BB US Agg Index being 13.79%.
- The Plan’s past performance for the last three years are as follows: (reported in a full 12 month period, gross of fees).



**Retirement Plan for Employees of
Brazos River Authority**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited)**

February 29, 2024 and February 28, 2023

Current Environment

There were 314 employees participating in the Plan as of the beginning of the year valuation date, March 1, 2024 compared to 320 as of the beginning of year valuation date March 1, 2023.

Future Outlook and Currently Known Facts

The Plan's actuary has developed a recommended contribution for fiscal year 2025 of \$1,124,997. There are no other currently known facts, decisions or conditions known to management.

Contacting the Plan's Administrator

This financial report is designed to provide our participants and stakeholders with a general overview of the Plan's financial activities. If you have questions about this report or need additional financial information, contact the Human Resources Manager at 254-761-3104.

Financial Statements

**Retirement Plan for Employees of
Brazos River Authority**

STATEMENTS OF FIDUCIARY NET POSITION

February 29, 2024 and February 28, 2023

	2024	2023
Assets		
Investments:		
Mutual funds - equities	\$ 9,827,873	\$ 8,873,265
Mutual funds – fixed income/GTAA	5,075,507	4,701,886
Mutual funds – international funds	3,538,118	3,086,979
Mutual funds – REIT	1,078,957	966,057
Limited partnership – hedge fund	2,485,980	2,375,227
Limited partnership	1,546,396	1,560,954
Cash equivalent	203,817	181,114
Total investments	23,756,648	21,745,482
Benefits receivable	13,972	–
Accrued interest	15,487	12,041
Total assets	23,786,107	21,757,523
Liabilities		
Administrative expenses payable	7,846	7,384
Benefits Payable	5,263	–
Total liabilities	13,109	7,384
Net position restricted for pensions	\$ 23,772,998	\$ 21,750,139

The accompanying notes are an integral part of these financial statements.

**Retirement Plan for Employees of
Brazos River Authority**

STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION

Years Ended February 29, 2024 and February 28, 2023

	2024	2023
Additions		
Investment income:		
Interest	\$ 44,013	\$ 500
Dividends	477,117	405,296
Net appreciation/(depreciation) in fair value of investments	2,687,953	(1,812,594)
Net investment income/(loss)	3,209,083	(1,406,798)
Employer's contributions	1,197,007	1,164,997
Total additions	4,406,090	(241,801)
Deductions		
Benefits paid to participants	2,299,856	2,335,863
Administrative expenses	83,375	86,841
Total deductions	2,383,231	2,422,704
Net increase / (decrease) in net position	2,022,859	(2,664,505)
Total net position restricted for pensions at beginning of the year	21,750,139	24,414,644
Total net position restricted for pensions at end of year	\$ 23,772,998	\$ 21,750,139

The accompanying notes are an integral part of these financial statements.

**Retirement Plan for Employees of
Brazos River Authority**

NOTES TO FINANCIAL STATEMENTS

February 29, 2024 and February 28, 2023

NOTE A - DESCRIPTION OF PLAN

The following description of the Retirement Plan for Employees of Brazos River Authority (the “Plan”) provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan’s provisions.

Brazos River Authority (“BRA”) sponsors the Plan. The Plan does not purport to present and does not present the financial position or changes in financial position of BRA as of any date or for any period. Certain information regarding the Plan is included in the notes to BRA’s financial statements.

General

The Plan, a single employer plan, was established in 1959 BRA, a governmental agency of the State of Texas, and was amended and restated effective September 1, 1997. Prior to the revision, the Plan was exclusively a defined benefit structure. Effective September 1, 1997, the Plan changed to a combination defined benefit and defined contribution structure (Internal Revenue Code (“Code”) Section 401 (a) plan) for all eligible employees who first become participants (or who re-enter plan participation) on or after September 1, 1997. Employees who were active plan participants on August 31, 1997, made a one-time irrevocable election to choose either to remain under the benefit provisions of the prior plan as it existed August 31, 1997, or to have benefits determined under the new benefit provisions effective September 1, 1997. On July 16, 2007, the Board of Directors (“BOD”) of the BRA approved a resolution to freeze the plan as of September 30, 2007. The resolution amended the Plan by closing the Plan to new entrants, freezing benefit accrual service credits, and limiting compensation and service contributions to the defined contribution component of the Plan. On October 18, 2010, the BOD of the BRA approved a resolution to amend and restate substantially the form of the Plan effective November 30, 2010. The resolution spun-off the defined contribution portion into its own plan Defined Contribution Plan for Employees of BRA (“Defined Contribution Plan”) and at the same time made effective November 30, 2010 the termination of the Defined Contribution Plan. The Plan is administered by a Retirement Committee that is made up of six members selected from the BOD of the BRA. All members are appointed by the Presiding Office of the BOD and ratified by the BOD. The Plan has a fiscal year-end of the last day in February.

Participation in the Plan as of the beginning of year valuation dates, March 1, 2023 and 2022 is composed of the following:

Group	<u>2023</u>	<u>2022</u>
Retirees and beneficiaries currently receiving benefits	168	164
Deferred beneficiaries	3	4
Terminated plan members entitled to but not yet receiving benefits	92	96
Active plan members	<u>57</u>	<u>60</u>
	<u>320</u>	<u>324</u>

**Retirement Plan for Employees of
Brazos River Authority**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

February 29, 2024 and February 28, 2023

NOTE A - DESCRIPTION OF PLAN – Continued

Contributions

The BRA’s employees are not required or allowed to contribute to the Plan. The BRA intends to make, but does not guarantee, annual contributions in amounts at least equal to the amounts that would be required to meet the minimum funding requirements of Section 412 of the Code. The actuarial valuations for the Plan for the valuation date of March 1, 2023 was performed by Arthur J. Gallagher & Co. The actuarial valuation for the plan for valuation date of March 1, 2024 was performed by Nyhart. A copy of the assumptions used and methods of determining the required contribution for the fiscal years commencing September 1, 2024 and 2023 can be obtained by contacting the Human Resources Manager at 254-761-3104. The BRA made the recommended contributions for the Plan years ending February 29, 2024 and February 28, 2023.

Eligibility and Vesting

For all prior Plan-electing participants, the vesting schedule shall be as follows:

<u>Years of Vesting Service</u>	<u>Vesting Percentage</u>
Less than 15	0%
15 or more	100%

This is provided, however, that a prior Plan-electing participant’s vesting percentage shall be 100% upon the attainment of (i) normal retirement age of 65 years or (ii) age 45 plus the completion of five years of vesting service as defined.

For all other participants, the vesting schedule shall be as follows:

<u>Years of Vesting Service</u>	<u>Vesting Percentage</u>
Less than 5	0%
5 or more	100%

Payment of Benefits

The Plan provides pension, disability and death benefits. The Plan’s normal retirement age is 65. A participant may retire after reaching both the age of 55 and completing 15 years of service or after both attaining age 62 and completing 10 years of service.

Pension benefits are based on the participant’s final average monthly compensation and credited service. Final average monthly compensation is defined as the participant’s average monthly rate of basic compensation during whichever five successive calendar years out of the last ten calendar years immediately preceding the participant’s termination date, provides the highest average monthly rate of compensation for the participant. Provided, however, compensation for calendar years beginning on or after January 1, 2008 shall not be included in the determination of average monthly compensation.

**Retirement Plan for Employees of
Brazos River Authority**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

February 29, 2024 and February 28, 2023

NOTE A - DESCRIPTION OF PLAN – Continued

Retirement benefits begin on the participant's normal or early retirement date and normally continue for the participant's lifetime under the following options: (1) Monthly income payable throughout the lifetime of the participant with a specified guaranteed number of monthly payments with such guaranteed number, if any, being a multiple of 60; (2) Monthly income payable throughout the lifetime of the participant with a reduced percentage of such initial monthly income continuing after his death for the remaining lifetime, if any, of his joint pensioner; such reduced percentage shall be selected from three stated percentages; (3) Monthly income payable throughout the joint lifetime of the participant and his joint pensioner reducing to a percentage of such initial monthly income upon the death of either the participant or his joint pensioner and such reduced amount payable for the remaining lifetime, if any, of the survivor; such reduced percentage shall be selected from three percentages; (4) Monthly income payable throughout the lifetime of the participant with 100 percent of such monthly income continuing after his death for the remaining lifetime, if any, of his joint pensioner; (5) Monthly income payable for a specified guaranteed number of months for 120, 180 or 240 payments; (6) A combination of Option 5 with Option 2, Option 3 or Option 4; or (7) A single, lump sum payment. A single, lump sum payment, however, is not payable if the lump sum payment is greater than \$20,000.

For early retirement and termination benefits, the age 65 retirement benefit is considered to accrue on a pro rata basis over service with the BRA. For retirement before age 62, the accrued retirement income is reduced by an actuarial reduction factor to account for the younger age of retirement and earlier commencement of retirement income payments.

A late retirement benefit is available for participants that continue service beyond normal retirement age. Benefits provided for on the delayed retirement date will not be less than the actuarial equivalent of the benefit the participant would have received had they retired on their normal retirement date.

NOTE B - SIGNIFICANT ACCOUNTING POLICIES

Valuation of Investments

Investments are carried at fair value. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants. The Plan values mutual funds at fair value based on quoted market prices per share of the fund. Purchases and sales of investments are recorded on a trade-date basis. Investment income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. The Plan values investments in limited partnerships based on the partnership's net asset value (NAV) of the underlying securities and the Plan's percentage of units owned in each such fund. The NAV of each fund is based on fair value reported by the fund managers based on the audited financial statements of each fund at the end its reporting period and any subsequent contributions, distributions, withdrawals, or changes in fair value through the Plan's fiscal year end.

Basis of Accounting

The financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Contributions are recognized when earned, and benefit amounts are recognized when due and payable under the terms of the Plan.

**Retirement Plan for Employees of
Brazos River Authority**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

February 29, 2024 and February 28, 2023

NOTE B - SIGNIFICANT ACCOUNTING POLICIES – Continued

Risk and Uncertainties

The Plan utilizes various investment instruments. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and, that such changes could materially affect the amounts reported in the statements of fiduciary net position and the statements of changes in fiduciary net position.

Related Party Transactions

During the years ended February 29, 2024 and February 28, 2023 there were no related party transactions other than the employer contributions.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of net position restricted for pensions and changes therein. Actual results could differ from those estimates.

NOTE C - INVESTMENTS

Investment Policy

The investment policy's objectives are to insulate the Plan's assets against deterioration of purchasing power caused by inflation and over time provide, at a minimum, the Plan's actuarially assumed rate of return of the Plan's assets and provide an acceptable lever of volatility in both long and short-term periods. The Plan's investment decisions are made by the investment managers following guidelines established by the Committee.

The Plan's investment consultant will generally be responsible for the following:

- Assist in the development and on-going review of the investment policy, asset allocation strategy and performance of the investment managers,
- Conduct investment manager searches when requested by the Committee,
- Monitor the performance of the Investment Manager(s) to provide the Committee with the ability to determine the progress toward the investment objectives,
- Communicate matters of policy, manager research and manager performance to the Committee, and
- Act as liaison between the Committee and any outside investment managers, consultants, or other advisors in receiving and responding to inquiries, referrals, and solicitations.

The Retirement Committee will generally be responsible for the following:

- Adopting and executing the Plan's investment policy,
- Establishing appropriate investment objectives,
- Hiring of trustees, investment consultants, managers, and other service providers whose expertise is deemed by the Committee to be appropriate and necessary,
- Monitoring of performance and compliance with this policy by investment managers and other service providers who have been given responsibility over the Plan's assets, and
- Revising the investment policy to reflect changing conditions within the Plan, or to refine the policy in order to make it more effective.

**Retirement Plan for Employees of
Brazos River Authority**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

February 29, 2024 and February 28, 2023

NOTE C - INVESTMENTS - Continued

The investment managers are responsible for determining investment strategy and implementing security selection within the policy and guideline limitations.

Investment Policy Target Allocation

The following was the Committee's adopted targeted mixture of asset allocation policy as of the Plan year ended February 29, 2024, and February 28, 2023.

Asset Class	Minimum	Maximum	Target
Total Public Equities			
Domestic Large Cap Equity	15%	40%	30%
Domestic Sm/Mid Cap Equity	7.5%	12.5%	10%
International Equity	12.5%	17.5%	15%
Total Fixed Income	15%	40%	25%
Other Alternative Investments			
Real Estate Investment Trusts	0%	20%	10%
Global Tactical Assets	0%	15%	10%

Investments

The Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level one inputs are unadjusted quoted prices in active markets for identical assets; Level two inputs are significant other observable inputs other than quoted market prices included in Level one that are observable directly or indirectly; Level three inputs are unobservable inputs representing the Plan's own assumptions about the assumptions a market participant would use in valuing the investment. The Plan's investments in mutual funds are classified as level one investments based on quoted market prices. Alternative investments are valued at fair value, determined by the NAV of the partnership shares.

**Retirement Plan for Employees of
Brazos River Authority**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

February 29, 2024 and February 28, 2023

NOTE C - INVESTMENTS – Continued

The following table summarizes the inputs used as of February 29, 2024:

	2/29/2024	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
Equity Securities				
Mutual funds - equities	\$ 9,827,873	\$ 9,827,873	-	-
Mutual funds – international funds	3,538,118	3,538,118	-	-
Mutual funds - REIT	1,078,957	1,078,957	-	-
Total equity securities	14,444,948	14,444,948	-	-
Fixed Income Securities				
Mutual funds – fixed income	5,075,507	5,075,507	-	-
Total investments by fair value level	\$19,520,455	\$ 19,520,455	-	-
Limited partnership – hedge fund fixed income strategy	2,485,980			
Limited partnership	1,546,396			
Total investments measured at NAV	4,032,376			
Total investments measured at fair value	\$23,552,831			

The carrying value for investments measured at NAV as of February 29, 2024 are as follows:

Investments Measured at Net Asset Value	Carrying Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Limited partnership – hedge fund fixed income strategy ¹	\$ 2,485,980	None	Semi-annually	90 days
Limited partnership ²	1,546,396	\$363,768	Not applicable	
Total investments measured at NAV	\$ 4,032,376			

**Retirement Plan for Employees of
Brazos River Authority**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

February 29, 2024 and February 28, 2023

NOTE C - INVESTMENTS - Continued

The following table summarizes the inputs used as of February 28, 2023:

	2/28/2023	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
Equity Securities				
Mutual funds - equities	\$ 8,873,265	\$ 8,873,265	-	-
Mutual funds – international funds	3,086,979	3,086,979	-	-
Mutual funds - REIT	966,057	966,057	-	-
Total equity securities	12,926,301	12,926,301	-	-
Fixed Income Securities				
Mutual funds – fixed income	4,701,886	4,701,886	-	-
Total investments by fair value level	17,628,187	\$ 17,628,187	-	-
Limited partnership – hedge fund fixed income strategy	2,375,227			
Limited partnership	1,560,954			
Total investments measured at NAV	3,936,181			
Total investments measured at fair value	\$ 21,564,368			

The carrying value for investments measured at NAV as of, February 28, 2023 are as follows:

Investments Measured at Net Asset Value	Carrying Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Limited partnership – hedge fund fixed income strategy ¹	\$ 2,375,227	None	Semi-annually	90 days
Limited partnership ²	1,560,954	\$543,301	Not applicable	
Total investments measured at NAV	\$ 3,936,181			

¹Limited Partnership – Starwood Global Opportunity XI Fund

The Partnership intends to acquire real estate assets at significant discounts to replacement cost with the potential for improvement in operations. The Fund will target submarkets in the United States and Europe where new construction is limited or near cyclical lows, and where market fundamentals (including employment projections) indicate strong and growing demand. In the U.S., the Fund seeks to focus on opportunistic real estate investments blended with high-quality cash-flowing assets, with more than half of the fund-level return expected to come from current income. The Fund will focus on real estate opportunities that are undervalued due to micro- and macroeconomic factors. In Europe, the Fund seeks to focus on acquiring distressed real estate assets that may require recapitalization or repositioning, along with cash-flowing real estate assets acquired on an attractive basis.

**Retirement Plan for Employees of
Brazos River Authority**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

February 29, 2024 and February 28, 2023

NOTE C - INVESTMENTS - Continued

¹Limited Partnership – Hedge fund – PIMCO Tactical Opportunities Offshore Fund, LP

The Fund invests all or substantially all of its assets in PIMCO Tactical Opportunities Master Fund Ltd. The Fund's and the Master Fund's investment objective is to seek returns by investing principally in (or otherwise gaining exposure to) performing, stressed or distressed securities and loans of any type and with any sector across the global fixed income markets.

²Limited Partnership –LBC Credit Partners IV, LP

The Partnership was established to provide a high degree of current income primarily through the origination and management of a diversified portfolio of privately negotiated, secured, high-yielding loans to middle-market corporate borrowers, cash flow loans, unsecured mezzanine loans, broadly syndicated corporate loans, equity participations, corporate leases, debtor-in-possession loans, loan pools and bonds traded in the primary and secondary markets.

²Limited Partnership –Apollo Total Return Fund

The Fund is a long-only global multi-sector credit strategy designed to leverage Apollo's entire credit platform. The strategy focuses on four main sectors: US corporate credit, global credit, structured credit, and real estate credit. The strategy is unconstrained in nature and can invest in a mix of public and private credits ranging between investment grade and high yield. While the strategy has the ability to invest in CCC rated securities, it will not invest in distressed assets.

Rate of Return and Risk

For the years ended February 29, 2024, and February 28, 2023 the annual money-weighted rate of return on the Plan investments, net of pension plan investment expense, was 14.75% and -6.33%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amount actually invested.

The Plan's investments are subject to various risks that have the potential to result in losses. These risks are custodial credit risk, credit risk, concentration of credit risk, interest rate risk, and foreign currency risk. Each risk is described in detail on the following pages.

Custodial Credit Risk

Custodial credit risk for investments is the risk that in the event of a failure of a counter party to a transaction, the Plan will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial risk if the securities are uninsured, are not registered in the name of the Plan and are held by the counterparty, its trust or agent, but not in the Plan's name. The Plan has no investment policy regarding custodial credit risk. The Plan is not exposed to custodial credit risk because all securities are held by the Plan's custodian in the Plan's name.

Concentration of Credit Risk

Concentration of credit risk is defined as the risk of loss attributed to the magnitude of a government's investment in a single issuer. The Plan's investment policy states that all investment managers have full discretion in the management of those assets of the Plan allocated to the investment manager(s), subject to prospectus or the overall investment guidelines set by the Committee. Those prospectus state that manager(s) shall not purchase common stock or securities convertible into stock of any issuer if the purchase would cause the portfolio's assets to reach five percent (5%) of the outstanding voting stock; or more than ten percent (10%) in market value of all outstanding securities of a single issuer. Since it is the policy of the Plan to employ multiple managers with different investment strategies and styles, the single issuer concentrations are further reduced. Securities issued by or backed by the full faith and credit of the U.S. Government and mutual funds are not subject to concentration of credit risk.

**Retirement Plan for Employees of
Brazos River Authority**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

February 29, 2024 and February 28, 2023

NOTE C - INVESTMENTS - Continued

There were no investments in any one issuer in excess of 5% of plan investments at February 29, 2024 or February 28, 2023. However, the following were investments in any one organization that represent 5% or more of fiduciary net position at February 29, 2024 and February 28, 2023 (other than those issued or guaranteed by the U.S. Government):

Security Name	Classification	FYE 2024 Fair Value >5%	FYE 2023 Fair Value >5%
Euro Pacific Growth Fund	International fund	\$3,538,118	\$3,086,978
Metropolitan West Fund	Fixed Income	2,149,837	2,061,765
PIMCO	Limited Partnership Hedge fund	1,226,582	1,143,195
SOF-XI VIP	Limited Partnership-Hedge fund	1,259,399	1,232,032
Apollo Total Return Fund	Partnership	1,268,695	1,249,125
Vanguard 500 Fund	Equities-large cap	7,421,437	6,592,221
Diamond Hill Small Cap	Equities-small cap	-	1,146,421
Vanguard Mid Cap	Equities-mid cap	1,274,968	1,134,624
Blackrock Multi-Asset Income Fund	GTAA	1,218,941	1,117,055
JPMorgan Income Builder Fund	GTAA	-	1,119,767

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The Plan investment policy manages foreign currency risk by limiting investments in foreign companies to 17.5% of the Plan's assets, and employing investment managers that select companies whose results are not necessarily tied to the currency of their country of origin. The Plan's investment in the SOF -XI VIP fund and the Euro Pacific Growth fund, were the only funds of the Plan that were exposed to foreign currency risk at February 29, 2024, and February 28, 2023.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. The Plan investment policy manages credit risk by limiting investments in equities and fixed income securities to those determined as creditworthy by the investment managers and listed as investment grade by nationally recognized rating agencies. Furthermore, the Plan restricts, and is monitored by the Investment Consultant, equity transactions involving:

- Common stock in non-public corporations,
- Short sales of any type,
- Letter stock, and Buying or selling on margin.

As of February 29, 2024, and February 28, 2023, the credit ratings for mutual funds in fixed income securities were as follows:

Security Name	FYE 2024 Credit Rating	FYE 2023 Credit Rating
Metropolitan West Fund	AA-	AA-
Vanguard Short Term Invest Grade Bond Fund	A-	A-
Blackrock Multi-Asset Income Fund	BB+	BB+
JP Morgan Income Builder Fund	BB	BB-

**Retirement Plan for Employees of
Brazos River Authority**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

February 29, 2024 and February 28, 2023

NOTE C - INVESTMENTS – Continued

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of investments. The Plan’s investment policy states it is set to establish asset allocation parameters that will provide for sufficient diversification of asset classes to control investment risk and achieve the investment return objectives. The Plan is exposed to minimal interest rate risk, since more than 80% of the fixed income allocation of the plan has an average maturity of less than 4 years and is benchmarked to the Bloomberg U.S. Intermediate Government/Credit. The Plan’s investment in the Metropolitan West Intermediate Bond fund has a dollar-weighted average maturity expected to range from three to seven years. The average duration of this fund was approximately 4.5 years and 4.4 years at February 29, 2024 and February 28, 2023, respectively. The Plan’s investment in the Vanguard Short-Term Investment Grade Admiral Bond fund has a dollar-weighted average maturity expected to range from one to four years. The average duration of this fund was approximately 2.5 years and 3.1 years at February 29, 2024 and February 28, 2023, respectively.

NOTE D - NET PENSION LIABILITY

The status of the BRA’s net pension liability for the two most recent actuarial valuation dates as of March 1, 2024 and 2023 are as follows:

Actuarial Valuation Date	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	BRA’s Net Pension Liability (a – b)	Plan Fiduciary Net Position as a % of the Total Pension Liability (b/a)
March 1, 2024	\$ 30,386,798	\$ 23,772,998	\$ 6,613,800	78.23%
March 1, 2023	\$ 30,920,110	\$ 21,750,139	\$ 9,169,971	70.34%

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimated ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Plan’s target asset allocation as of February 29, 2024 and February 28, 2023 (see the discussion of the Plan’s investment policy) are summarized in the following table:

<u>Asset Class</u>	<u>2024 and 2023</u>
Domestic Equities	7.50%
International equity	8.50%
Domestic Fixed income	2.50%
GTAA fixed income	5.50%
Real estate investment trusts	4.50%
Private equity partnerships	7.80%
Cash	0.00%

**Retirement Plan for Employees of
Brazos River Authority**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

February 29, 2024 and February 28, 2023

NOTE D - NET PENSION LIABILITY - Continued

Discount Rate

The discount rate used to measure the total pension liability for the Plan Year February 29, 2024 and February 28, 2023 was 6.5 percent. The projection of cash flows used to determine the discount rate assumed the contributions from the BRA will meet the minimum funding requirements as supplied by the actuarially determined computation. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity in the Discount Rate

The following presents the net pension liability of the Plan as of February 29, 2024 and February 28, 2023 calculated using the discount rate of 6.5 percent, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is 1- percentage point lower or 1-percentage point higher than the current rate:

	Brazos River Authority's Net Pension Liability		
	1% Decrease (5.5%)	Current Discount Rate (6.5%)	1% Increase (7.5%)
February 29, 2024	\$ 9,497,986	\$ 6,613,800	\$ 4,143,572
February 28, 2023	\$ 12,177,532	\$ 9,169,971	\$ 6,601,682

Actuarial Assumptions

Additional information as of the two most recent actuarial valuation dates as of March 1, 2024 and 2023 are as follows:

	<u>2024 and 2023</u>
Actuarial cost method	Entry Age
Payroll growth rate for amortization	N/A
Remaining amortization period	N/A
Actuarial Assumptions:	
Investment rate of return	6.5%*
Projected salary increases	N/A**
Cost-of-living adjustments	N/A**
*Includes inflation at	2.5%

** Not applicable due to the amendment to freeze the Plan in 2007.

Effective with the March 1, 2022 report, the actuarial assumption for termination rates was updated from the Sarason T-7 table to the 2003 Society of Actuaries Pension Plan Turnover Study table for small pension plans, and the mortality improvement scale was updated from MP-2018 to MP-2021.

The schedules of the BRA's net pension liability, presented as required supplementary information ("RSI") following the notes to the financial statements, present multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the plan fiduciary net position.

The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

**Retirement Plan for Employees of
Brazos River Authority**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

February 29, 2024 and February 28, 2023

NOTE E - TAX STATUS

The Internal Revenue Service has determined and informed the BRA by a letter dated April 16, 2012, that the Plan and related trust are designed in accordance with applicable sections of the Code and therefore, tax exempt. The Plan's Retirement Committee believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the Code and therefore, tax exempt.

NOTE F - PLAN TERMINATION

The BRA may terminate the Plan at any time. In the event the Plan terminates, the Plan's net position held in trust shall be allocated among the participants and beneficiaries of the Plan in accordance with the following procedure:

- (a) The plan administrator shall determine the date of distribution and the asset value to be distributed, after taking into account the expenses of such distribution, and shall have a final accounting and allocation of plan assets performed as of the date of distribution;
- (b) The plan administrator shall determine the method of distribution of the asset value, on the basis that the amount required to provide any given benefit shall mean the actuarially equivalent single sum value of the accrued benefit on the date of the termination for the plan for each participant or other person entitled to benefits under the plan;
- (c) The plan administrator shall direct the trustee to make distributions to persons in the amounts and manner determined above, or in accordance with applicable regulatory or other guidance, as of the distribution date.

Required Supplementary Information

**Retirement Plan for Employees of
Brazos River Authority**

**SCHEDULE OF CHANGES IN THE BRA'S NET PENSION LIABILITY
(Unaudited) Last Ten Fiscal Years**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability										
Service cost	\$ 17,815	\$ 14,388	\$ 24,463	\$ 35,457	\$ 45,935	\$ 65,624	\$ 76,016	\$ 105,788	\$ 127,126	\$ -
Interest	1,936,220	1,948,314	2,029,989	2,006,088	2,068,208	1,956,411	1,933,528	1,891,624	1,901,930	1,765,095
Differences between expected and actual experience	(187,491)	184,050	(777,333) * (200,748)	616,817	(861,349)	(16,086) * 1,938,617	550,484	689,326	228,217 ** (593,331)	637,863 * 1,259,465
Benefit payment, including refunds of member ns	(2,299,856)	(2,335,863)	(2,310,213)	(2,250,046)	(2,147,584)	(2,260,472)	(2,136,672)	(1,891,765)	(1,713,349)	(1,656,340)
Net change in total pension liability	(533,312)	\$ (189,111)	\$ (1,233,842)	\$ 408,316	\$ (894,790)	\$ 1,684,094	\$ 423,356	\$ 794,973	\$ (49,407)	\$ 2,006,083
Total pension liability – beginning	30,920,110	31,109,221	32,343,063	31,934,747	32,829,537	31,145,443	30,722,087	29,927,114	29,976,521	27,970,438
Total pension liability – ending (a)	\$ 30,386,798	\$ 30,920,110	\$ 31,109,221	\$ 32,343,063	\$ 31,934,747	\$ 32,829,537	\$ 31,145,443	\$ 30,722,087	\$ 29,927,114	\$ 29,976,521
Plan fiduciary net position										
Employer contributions	\$ 1,197,007	\$ 1,164,997	\$ 1,379,022	\$ 1,390,930	\$ 1,425,166	\$ 1,137,903	\$ 1,018,208	\$ 911,424	\$ 826,368	\$ 682,436
Net investment income/(loss)	3,209,083	(1,406,798)	1,859,813	4,049,008	1,413,874	676,209	1,255,630	2,972,010	(2,200,950)	1,226,445
Benefit payment, including refunds of member contributions	(2,299,856)	(2,335,863)	(2,310,213)	(2,250,046)	(2,147,584)	(2,260,472)	(2,392,970)	(1,891,765)	(1,713,349)	(1,656,340)
Administrative expenses	(83,375)	(86,841)	(85,102)	(82,250)	(79,801)	(136,612)	(84,045)	(80,464)	(80,599)	(78,782)
Net change in plan fiduciary net pension	2,022,859	\$ (2,664,505)	\$ 843,520	\$ 3,107,642	\$ 611,655	\$ (582,972)	\$ (203,177)	\$ 1,911,205	\$ (3,168,530)	\$ 173,759
Plan fiduciary net position – beginning	\$ 21,750,139	\$ 24,414,644	\$ 23,571,124	\$ 20,463,482	\$ 19,851,827	\$ 20,434,799	\$ 20,637,976	\$ 18,726,771	\$ 21,895,301	\$ 21,721,542
Plan fiduciary net position – ending (b)	\$ 23,772,998	\$ 21,750,139	\$ 24,414,644	\$ 23,571,124	\$ 20,463,482	\$ 19,851,827	\$ 20,434,799	\$ 20,637,976	\$ 18,726,771	\$ 21,895,301
BRA's net pension liability – (a) – (b)	\$ 6,613,800	\$ 9,169,971	\$ 6,694,577	\$ 8,771,939	\$ 11,471,265	\$ 12,977,710	\$ 10,710,644	\$ 10,084,111	\$ 11,200,343	\$ 8,081,220

Note to Schedule:

* Effective May 18, 2015, and again on May 1, 2019 the Retirement Committee of the BRA voted and approved the change in the mortality table used in the Actuaries assumptions. Effective with the March 1, 2022 report, the actuarial assumption for termination rates was updated from the Sarason T-7 table to the 2003 Society of Actuaries Pension Plan Turnover Study table for small pension plans, and the mortality improvement scale was updated from MP-2018 to MP-2021.

**In 2016 the Plan implemented the GASB Statement No. 67 requirement for recognition of service costs for frozen plans.

**Retirement Plan for Employees of
Brazos River Authority**

SCHEDULE OF THE BRA'S NET PENSION LIABILITY AND RELATED RATIOS
(Unaudited)

Last ten fiscal years

Actuarial Valuation Date	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	BRA'S Net Pension Liability (a - b)	Plan Fiduciary Net Position as a % of the Total Pension Liability (b/a)	Covered Payroll	BRA'S Net Pension Liability as a % of Covered Payroll
Feb. 29, 2024	\$ 30,386,798	\$ 23,772,998	\$ 6,613,800	78.23%	\$ 6,202,658	106.63%
Feb. 28, 2023	30,920,110	21,750,139	9,169,971	70.34%	5,989,876	153.09%
Feb. 28, 2022	31,109,221	24,414,644	6,694,577	78.48%	6,102,752	109.70%
Feb. 28, 2021	32,343,063	23,571,124	8,771,939	72.88%	6,603,887	132.83%
Feb. 29, 2020	31,934,747	20,463,482	11,471,265	64.08%	7,129,947	160.89%
Feb. 28, 2019	32,829,537	19,851,827	12,977,710	60.47%	7,025,877	184.71%
Feb. 28, 2018	31,145,443	20,434,799	10,710,644	65.61%	7,405,027	144.64%
Feb. 28, 2017	30,722,087	20,637,976	10,084,111	67.18%	7,674,349	131.40%
Feb. 29, 2016	29,927,114	18,726,771	11,200,343	62.57%	7,989,938	140.18%
Feb. 28, 2015	29,976,521	21,895,301	8,081,220	73.04%	7,962,415	101.50%

**Retirement Plan for Employees of
Brazos River Authority**

SCHEDULE OF THE BRA'S CONTRIBUTIONS
(Unaudited)

Year Ended	Actuarially Determined Contribution (a)	Contributions in Relation to the Actuarially Determined Contribution (b)	Contribution Deficiency (Excess) (b-a)	Covered Payroll	Contributions as a Percentage of Covered- Employee Payroll
February 29, 2024	\$1,197,007	\$1,197,007	-	\$ 6,202,658	19.30%
February 28, 2023	1,164,997	1,164,997	-	5,989,876	19.45%
February 28, 2022	1,377,143	1,379,022	(\$ 1,879)	6,102,752	22.60%
February 28, 2021	1,390,930	1,390,930	-	6,603,887	21.06%
February 29, 2020	1,425,166	1,425,166	-	7,129,947	19.99%
February 28, 2019	1,137,903	1,137,903	-	7,025,877	16.20%
February 28, 2018	1,018,208	1,018,208	-	7,405,027	13.75%
February 28, 2017	911,424	911,424	-	7,674,349	11.88%
February 29, 2016	826,368	826,368	-	7,989,938	10.35%
February 28, 2015	682,436	682,436	-	7,962,415	8.57%

Note to Schedule:

The comparability of trend information is affected by changes in actuarial assumptions, benefit provisions, actuarial funding methods, accounting policies and other changes. Those changes usually affect trends in contribution requirements and in ratios that use the total pension liability as a factor. Isolated analysis of the dollar amounts of actuarial value of assets, total pension liability, and net pension liability can be misleading. The plan fiduciary net position as a percentage of the total pension liability provides an indication of the Plan's funding status on a going-concern basis. Analysis of this percentage over time indicates whether the Plan is becoming financially stronger or weaker. Generally, the greater the percentage, the stronger the public employee retirement system is.

Additional information as of the two most recent actuarial valuation dates as of February 29, 2024 and February 28, 2023 are as follows:

	<u>2024 and 2023</u>
Actuarial cost method	Entry age method
Payroll growth rate for amortization	N/A
Remaining amortization period	N/A
Actuarial Assumptions:	
Investment rate of return	6.5%*
Projected salary increases	N/A**
Cost-of-living adjustments	N/A**
*Includes inflation at	2.5%

** Not applicable due to the amendment to freeze the Plan in 2007.

**Retirement Plan for Employees of
Brazos River Authority**

SCHEDULE OF INVESTMENT RETURNS

(Unaudited)

Fiscal Year Ended	Annual Money-Weighted Rate of Return, Net of Investment Expenses
February 29, 2024	14.75%
February 28, 2023	-6.33%
February 28, 2022	8.10%
February 28, 2021	20.37%
February 29, 2020	7.30%
February 28, 2019	3.44%
February 28, 2018	6.05%
February 28, 2017	15.83%
February 29, 2016	-10.7%
February 28, 2015	5.35%

Note to schedule:

The money-weighted average rate of return expresses investment performance, net of investment expenses, reflecting the estimated effect of the contributions received and the benefits paid during the year.

Additional Information

**Retirement Plan for Employees of
Brazos River Authority**

**SCHEDULE OF DIRECT AND INDIRECT FEES AND COMMISSIONS
(Unaudited)**

FEBRUARY 29, 2024

Asset Class	Management Fees Paid From Trust	Management fees Netted From Returns	Total Investment Management Fees (Management Fees Netted from Returns + Management Fees Paid From Trust)	Total Direct and Indirect Fees and Commissions (Management Fees + Brokerage Fees/Commissions + Profit Share)
Cash	\$ -	\$ -	\$ -	\$ -
Public Equity	-	29,643	29,643	29,643
Fixed Income	-	45,470	45,470	45,470
Real Assets	-	26,606	26,606	26,606
Alternative/Other	-	12,460	12,460	12,460
Total	\$ -	\$ 114,179	\$ 114,179	\$ 114,179

FEBRUARY 28, 2023

Asset Class	Management Fees Paid From Trust	Management fees Netted From Returns	Total Investment Management Fees (Management Fees Netted from Returns + Management Fees Paid From Trust)	Total Direct and Indirect Fees and Commissions (Management Fees + Brokerage Fees/Commissions + Profit Share)
Cash	\$ -	\$ -	\$ -	\$ -
Public Equity	-	26,668	26,668	26,668
Fixed Income	-	43,079	43,079	43,079
Real Assets	-	24,901	24,901	24,901
Alternative/Other	-	11,499	11,499	11,499
Total	\$ -	\$ 106,147	\$ 106,147	\$ 106,147

SCHEDULE OF ALTERNATIVE INVESTMENTS, INVESTMENT MANAGERS AND TOTAL INVESTMENT EXPENSES
(Unaudited)

FEBRUARY 29, 2024

List of Alternative/Other Investments
Private Debt
Global Tactical Asset Allocation

List of Investment Manager Names
Diamond Hill
Vanguard
American Funds
Metropolitan West
PIMCO
LBC
BlackRock
JP Morgan
Apollo

INVESTMENT EXPENSE	
Total Direct and Indirect Fees and Commissions	\$ 114,179
Investment Services	
Custodial	
Investment Consulting	\$ 35,000
Total	<u>\$ 149,179</u>

FEBRUARY 28, 2023

List of Alternative/Other Investments
Private Debt
Global Tactical Asset Allocation

List of Investment Manager Names
Diamond Hill
Vanguard
American Funds
Metropolitan West
PIMCO
LBC
BlackRock
JPMorgan

INVESTMENT EXPENSE	
Total Direct and Indirect Fees and Commissions	\$ 106,147
Investment Services	
Custodial	
Investment Consulting	\$ 35,000
Total	<u>\$ 141,147</u>