LOWER COLORADO RIVER AUTHORITY 401(K) PLAN

FINANCIAL STATEMENTS AND REQUIRED SUPPLEMENTARY INFORMATION AS OF AND FOR THE YEARS ENDED Dec. 31, 2023, and 2022

With Independent Auditors' Report

Lower Colorado River Authority
401(k) Plan

Financial Statements
As of and for the
Years Ended
Dec. 31, 2023, and 2022

Table of Contents

Independent Auditors' Report

To the LCRA Retirements Benefits Board of Trustees of
Lower Colorado River Authority 401(k) Plan

Opinion

We have audited the accompanying financial statements of the Lower Colorado River Authority 401(k) Plan (Plan), as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Plan's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position of the Plan as of December 31, 2023 and 2022, and the changes in the Plan’s fiduciary net 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.

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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that rise substantial doubt about the Plan's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

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 basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic 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 basic financial statements, and other knowledge we obtained during our audit of the basic 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.

Baker Tilly US, LLP

Austin, Texas
July 23, 2024

This section of the Lower Colorado River Authority (LCRA) 401(k) Plan (Plan) financial report presents our discussion and analysis of the Plan's financial performance for the years ended Dec. 31, 2023, and 2022. The reader should consider the information presented here in conjunction with the basic financial statements that follow.

Financial Statements Overview

This overview is intended to serve as an introduction to the Plan's basic financial statements, which comprise the following:

Management's Discussion and Analysis
This section provides an objective and easily readable analysis of financial activities based on currently known facts, decisions and conditions.

Statements of Fiduciary Net Position
The statements of fiduciary net position present the assets and liabilities of the Plan for the current year and prior year. All assets with a market value are stated at fair value and, accordingly, unrealized appreciation and depreciation are reported in the statements of changes in fiduciary net position. Purchases and sales of investments are recorded on a trade-date basis and, accordingly, the related receivables and payables for any unsettled trades are recorded. Amounts reported may include management's estimates. Actual results could differ from those estimates.

Statements of Changes in Fiduciary Net Position
The statements of changes in fiduciary net position present information showing how the Plan's net position changed during the current period. Changes are reported when the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Revenues and expenses are reported in these statements for some items that will only result in cash flows in future periods.

Notes to Financial Statements
The notes include a summary of significant accounting policies, a brief description of the Plan, and disclosures regarding liabilities, investments and administrative expenses, which are deemed necessary for a full understanding of the data provided in the Plan's financial statements.

Collectively, this information presents the net position restricted for retirement benefits as of the end of each period and summarizes the changes in fiduciary net position for the period.

Financial Highlights

Statements of Fiduciary Net Position
(Dollars in thousands)

	Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2021
Assets			
Investments at fair value	$ 430,354	$ 349,910	$ 408,563
Loans to participants	8,031	7,020	7,125
Total assets	438,385	356,930	415,688
Liabilities			
Total liabilities	20	46	13
Net position restricted for retirement benefits	$ 438,365	$ 356,884	$ 415,675

Statements of Fiduciary Net Position Overview

Net position restricted for retirement benefits increased by approximately $81 million, or 23%, for the year ended Dec. 31, 2023, due to the increase in the fair value of the Plan's investments compared with values as of Dec. 31, 2022. The increase for 2023 was a result of favorable market conditions in 2023 when compared with market conditions for the year ended Dec. 31, 2022.

Net position restricted for retirement benefits decreased by approximately $59 million, or 14%, for the year ended Dec. 31, 2022, due to the decrease in the fair value of the Plan's investments compared with values as of Dec. 31, 2021. The decrease for 2022 was a result of unfavorable market conditions in 2022 when compared with market conditions for the year ended Dec. 31, 2021.

Total investments were approximately $430 million as of Dec. 31, 2023, an increase of approximately $80 million, or 23%, for the year ended Dec. 31, 2023, due to a favorable market performance in 2023. Total investments were approximately $350 million as of Dec. 31, 2022, a decrease of approximately $59 million, or 14%, for the year ended Dec. 31, 2022, due to an unfavorable market performance in 2022.

Participants applied for 212 new loans during 2023; however, 209 loans were paid off during the same period. Overall, for 2023, net new loans increased by three year over year. The total number of loans outstanding was 555 as of Dec. 31, 2023. The change in loans to participants resulted in a $1 million increase in loan balances from Dec. 31, 2022, to Dec. 31, 2023. In prior years, participant loan activity was at a lower volume with 186 new loans in 2022 and 183 new loans in 2021. The total number of loans outstanding was 552 as of Dec. 31, 2022, and 559 as of Dec. 31, 2021. The change in loans to participants resulted in a $0.1 million decrease in loan balances from Dec. 31, 2021, to Dec. 31, 2022.

Condensed Statements of Changes in Fiduciary Net Position
(Dollars in thousands)

	Year Ended Dec. 31,		
	2023	2022	2021
Additions			
Contributions	$ 36,758	$ 35,151	$ 31,479
Investment income (loss) and interest income on loans receivable from participants	70,885	(71,299)	55,898
Total additions (deductions)	107,643	(36,148)	87,377
Deductions			
Benefits paid to participants	25,803	22,241	24,796
General, administrative and other expenses	359	402	361
Total deductions	26,162	22,643	25,157
Net increase (decrease) in net position	81,481	(58,791)	62,220
Net position restricted for retirement benefits, beginning of period	356,884	415,675	353,455
Net position restricted for retirement benefits, end of period	$438,365	$356,884	$415,675

Statements of Changes in Fiduciary Net Position Overview

Contributions made by both employees and LCRA increased by approximately $2 million, or 5%, for the year ended Dec. 31, 2023, and increased by approximately $4 million, or 12%, for the year ended Dec. 31, 2022. Favorable market conditions and the level of participation to the Plan largely contributed to the increase for both the years ended Dec. 31, 2023, and 2022.

Investment income (loss) and interest income on loans receivable from participants was $71 million, which represents an increase of $142 million, or 199%, for the year ended Dec. 31, 2023, compared with the same period in 2022. The increase was a result of an unrealized gain on Plan investments due to strong growth in the global financial markets in 2023. For the year ended Dec. 31, 2022, investment income and interest income on loans decreased by $127 million, or 228%. The decrease was a result of less unrealized gains on Plan investments due to volatility experienced in the third quarter of 2022 and related to a general decline in equity markets.

The amount of benefits paid to participants increased by approximately $4 million, or 16%, during the year ended Dec. 31, 2023. The amount of benefits paid to participants decreased by approximately $3 million, or 10%, during the year ended Dec. 31, 2022.

General, administrative and other expenses reflected an expense of $0.4 million, for the year ended Dec. 31, 2023. For 2023, this was a decrease of $0.04 million. General, administrative and other expenses reflected an expense of $0.4 million for the year ended Dec. 31, 2022. For 2022, this was an increase of $0.04 million. A decrease in Fidelity recordkeeper fees contributed to the decrease for Dec. 31, 2023, and an increase in Fidelity recordkeeper fees contributed to the increase for Dec. 31, 2022.

Request for Information

This financial report is designed to provide a general overview of the finances of LCRA's 401(k) Plan for all parties with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Retirement Benefits Administrator, LCRA, 3700 Lake Austin Blvd., Austin, TX 78703.

LOWER COLORADO RIVER AUTHORITY 401(K) PLAN
STATEMENTS OF FIDUCIARY NET POSITION

(Dollars in thousands)

	Dec. 31, 2023	Dec. 31, 2022
Assets		
Investments at fair value	$ 430,354	$ 349,910
Loans to participants	8,031	7,020
Total assets	438,385	356,930
Liabilities		
Total liabilities	20	46
Net position restricted for retirement benefits	$ 438,365	$ 356,884

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

LOWER COLORADO RIVER AUTHORITY 401(K) PLAN
STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION

(Dollars in thousands)

	Years Ended Dec. 31, 2023	Years Ended Dec. 31, 2022
Additions		
Contributions:		
Participants	$ 21,078	$ 19,269
Employer	13,953	12,147
Rollovers	1,727	3,735
Total contributions	36,758	35,151
Investment income:		
Net appreciation (depreciation) on investments	57,349	(86,106)
Interest and dividends	13,104	14,479
Total investment income (loss)	70,453	(71,627)
Interest income on loans receivable from participants	432	328
Total additions (deductions)	107,643	(36,148)
Deductions		
Benefits paid to participants	25,803	22,241
General, administrative and other expenses	359	402
Total deductions	26,162	22,643
Net increase (decrease) in net position	81,481	(58,791)
Net position restricted for retirement benefits, beginning of period	356,884	415,675
Net position restricted for retirement benefits, end of period	$ 438,365	$ 356,884

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

1. Plan Description

The following description of the Plan provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General: The Plan is a single-employer defined contribution plan sponsored by LCRA and administered by the LCRA Retirement Benefits Board of Trustees (Board). The Board has seven members: two LCRA Board of Directors members, two employees from upper-management positions and three employees from positions other than upper management. The LCRA Board has sole authority to amend the Plan. LCRA employees are eligible to participate in the Plan immediately upon employment. As of Dec. 31, 2023, and Dec. 31, 2022, the following employees were eligible and actively participating in the Plan.

LCRA Participants	Dec. 31, 2023	Dec. 31, 2022
Eligible	2,352	2,263
Active	2,146	2,077

Contributions: Participants may elect to contribute from 1% of eligible compensation up to the maximum allowed annual contribution as prescribed in Internal Revenue Code Section 402(g)(4). Participants who do not submit the proper election as of the Participant's Deemed Election Date are deemed to have made an election to contribute 8% of eligible compensation. Participants who are 50 years old before the end of the Plan year are eligible to make catch-up contributions. Participants also may contribute amounts representing distributions from other qualified defined benefit or defined contribution plans. Eligible participants can enroll in the Student Loan 401(k) Contribution program, which recognizes certain student loan payments as employee contributions for purposes of calculating the employer match.

LCRA matches 25% of the first 4% of contributions for employees who were employed prior to Jan. 1, 2002, and did not elect to participate in the cash balance feature. LCRA matches 100% of the first 4% of contributions and 50% of the next 2% of contributions, as defined in the Plan, for employees who were employed prior to Jan. 1, 2002, and elected to participate in the cash balance feature of the LCRA Retirement Plan and Trust, as well as those cash balance participants employed after Jan. 1, 2002. For employees hired after May 1, 2012, LCRA matches 100% of the first 8% of contributions. Contributions are subject to certain limitations.

Participants can elect to contribute on a pretax basis, an after-tax basis or a combination of the two.

Participant accounts: Participants direct the investment of their contributions into various investment options offered by the Plan.

Each participant's account is credited with the participant's contribution and allocations of LCRA's contributions and Plan earnings and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined in the Plan agreement. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting: Participants are 100% vested in their voluntary contributions at the date of contribution; however, individual participants will be 100% vested in employer contributions only after reaching three years of service.

Notes receivable from participants: Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50% of their vested account balance. The loans are secured by the balance in the participant's account and bear interest, as determined by the Plan administrator. Principal and interest are paid through after-tax payroll deductions.

Notes receivable from participants are measured at their unpaid principal balance plus accrued, but unpaid, interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. If a participant ceases to make loan repayments and the Plan administrator deems the participant loan to be in default, the participant loan balance is reduced, and a benefit paid to participant is recorded.

Payment of benefits: On termination of service or age 59½, a participant may elect to receive a distribution up to the value of the participant's vested interest in his or her account. Any balance under $1,000 is automatically paid out as soon as administratively possible. Hardship withdrawals also are available for active employees subject to certain limitations.

Administrative expenses: Administrative expenses may be paid by either the Plan sponsor or the Plan, as provided by the Plan document. Loan administration fees are paid by the participant electing to take the loan.

Forfeitures: Participant forfeitures of nonvested balances may be used to reduce future employer contributions. During the year ended Dec. 31, 2023, employer contributions were reduced by $0.5 million and there were no unallocated forfeitures. During the year ended Dec. 31, 2022, employer contributions were reduced by $0.5 million and there were no unallocated forfeitures.

2. Summary of Significant Accounting Policies

Reporting entity: The Plan is sponsored by LCRA. The Plan does not purport to, and does not present, the financial position or changes in financial position of LCRA as of any date or for any period. Certain information regarding the Plan is included in the notes to LCRA's financial statements.

Use of estimates: The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes therein. Actual results could differ from those estimates.

Risk: The Plan invests in different types of investments, which are exposed 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. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the fair values of investments will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net position.

Basis of accounting: The financial statements of the Plan are reported using the economic resources measurement focus and are prepared on the accrual basis of accounting in conformity with U.S. GAAP. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. The Plan applies all applicable Governmental Accounting Standards Board (GASB) pronouncements and presents its financial statements in accordance with the GASB Codification of Government Accounting and Financial Reporting Standards.

Investment valuation and income recognition: GASB Statement No. 72, *Fair Value Measurement and Application* (Statement No. 72), addresses the accounting and reporting issues related to fair value measurements.

Fair value is the price that would be received to sell an asset in an orderly transaction between market participants. Investments are reported at fair value based upon quoted market prices, or when quoted market prices are not readily determinable, estimated fair values using observable inputs, including quoted prices for similar securities, interest rates and a fixed income pricing model that uses available market rates. The Plan values its fixed income securities using a fixed income pricing model provided by its investment custodian. Shares of registered investment companies (mutual funds) are reported at fair value based on the quoted market price per share of the fund. Fair values may have changed significantly after year end.

The Plan uses various methods to measure the fair value of investment on a recurring basis. Statement No. 72 establishes a hierarchy that prioritizes inputs to valuation methods. The three levels of inputs are:

> Level 1 – Unadjusted quoted prices in active markets for identical assets and liabilities that the Plan has the ability to access.
>
> Level 2 – Observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument in an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.
>
> Level 3 – Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available, representing the Plan's own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety. Investments measured at net asset value do not have significant terms or conditions for redemption or commitment for additional funding. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. Mutual funds are valued using net asset value. Equity securities are valued at market prices as reported for the last day of the Plan year (Level 1).

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold, as well as unrealized gains and losses on investments still held at year-end.

Payment of benefits: Benefits are recorded when paid.

3. Investments

The Plan's trustees have the following responsibilities:

- Operate the Plan in compliance with legal requirements and Plan documents for the exclusive benefit of the participants.
- Adopt an Investment Policy Statement that provides the appropriate investment options.
- Identify appropriate investment options allowing for adequate levels of asset allocation.
- Select qualified investment administrators.
- Select a custodian.
- Monitor investment results.
- Monitor administrators' compliance with the Investment Policy Statement and the fees charged for services.
- Take appropriate action if objectives are not being met or guidelines are not being followed.

Investment administrators have the following responsibilities:

- Develop and implement the investment strategy.
- Manage assets within guidelines, regulations and the investment strategy.
- Communicate to the Board, at least annually, the performance of the Plan's investments.

Trustees provide trustee services and provide for the education of participants regarding the importance of equities and asset allocation. The record keeper maintains account balance information on a participant, as well as on a total Plan basis. Participants determine personal risk level and select options appropriate for meeting their unique investment objectives.

The investment objective of the Plan is to provide a manageable group of mutual funds that offers the participants a quality product with the ability to properly diversify their investment holdings.

The fund manager and investment administrator are expected to manage the Plan's assets in a manner consistent with the investment objectives, guidelines and constraints outlined in the Plan's investment policy and in accordance with state and federal requirements. This includes discharging responsibilities with respect to the Plan consistent with the prudent expert standard as described above and all other fiduciary responsibility provisions and regulations. The fund manager and investment administrator shall at all times be registered in good standing as an investment adviser under the Investment Advisers Act of 1940 and shall acknowledge in writing that it is a fiduciary of the Plan. The Plan currently has no unfunded commitments due to investment managers; all of the current investment managers are fully funded.

The Board has determined that a wide range of alternative investment options will be available to participants.

A representative of the fund administrator and/or fund manager meets with the Board annually to review and explain the Plan's investment results. Written reports of interim performance are provided on a quarterly basis. Monthly statements of portfolio holdings and transactions are provided to the Board. The fund manager is available on a reasonable basis for telephone communication when needed. Any material event that affects the ownership of a fund manager firm or the management of this account must be reported immediately to the Board.

The Board monitors each fund's performance on a quarterly basis and evaluates each fund's and the Plan's success in achieving the investment objectives over a rolling three-year to five-year horizon.

Investments are valued at fair value. A comparison of original cost to fair value as of Dec. 31, 2023, and Dec. 31, 2022, is as follows:

LCRA 401(k) Plan, Fair Value of Investments
(Dollars in thousands)

	Dec. 31, 2023		Dec. 31, 2022	
	Fair Value/NAV	Cost	Fair Value/NAV	Cost
Common stock	$ 10,356	$ 7,657	$ 6,827	$ 7,522
Mutual funds	419,998	369,883	343,083	346,713
Total	$ 430,354	$ 377,540	$ 349,910	$ 354,235

Investments measured at fair value hierarchy levels as of Dec. 31, 2023, and Dec. 31, 2022, are as follows:

LCRA 401(k) Plan Investments, Fair Value
(Dollars in thousands)

	Dec. 31, 2023			
Investments	Level 1	Level 2	Level 3	Amount
Equity securities	$ 10,356	-	-	$ 10,356
Total equity securities	$ 10,356	-	-	$ 10,356
Investments measured at net asset value:				
Mutual funds				419,998
Total investments measured at net asset value				419,998
Total investments				$ 430,354
	Dec. 31, 2022			
Equity securities	$ 6,827	-	-	$ 6,827
Total equity securities	$ 6,827	-	-	$ 6,827
Investments measured at net asset value:				
Mutual funds				343,083
Total investments measured at net asset value				343,083
Total investments				$ 349,910

Investments measured at net present value as of Dec. 31, 2023, are as follows:

Investments Measured at Net Asset Value (NAV) as of Dec. 31, 2023
(Dollars in thousands)

Investments Measured at NAV	Equities	Fixed Income	Net Asset Value	Weighted Average Maturity	Credit Rating
Mutual funds (daily redemption; no redemption notice)					
Fidelity Contrafund K6 [1]	$ 58,914	$ 2,899	$ 61,813	N/A	N/A
American Funds 2035 Target Date Retirement Fund Class R-6 [4]	35,632	15,711	51,343	N/A	N/A
Fidelity 500 Index Institutional [1]	52,389	5	52,394	N/A	N/A
American Funds 2045 Target Date Retirement Fund Class R-6 [4]	39,413	6,792	46,205	N/A	N/A
American Funds 2025 Target Date Retirement Fund Class R-6 [4]	14,897	15,017	29,914	N/A	N/A
American Funds 2055 Target Date Retirement Fund Class R-6 [4]	19,849	2,940	22,789	N/A	N/A
Vanguard Equity-Income Fund Admiral Shares [1]	14,596	361	14,957	N/A	N/A
Fidelity Low-Priced Stock Fund K6 Fund [1]	12,279	377	12,656	N/A	N/A
American Funds 2015 Target Date Retirement Fund Class R-6 [4]	3,567	5,197	8,764	N/A	N/A
Fidelity US Bond Index [3]	-	11,807	11,807	8.5 years	AA
Fidelity Diversified International K6 Fund [2]	10,530	782	11,312	N/A	N/A
Fidelity Government Money Market Fund	-	14,617	14,617	27 days	N/A
Fidelity Extended Market Index Premium [1]	9,069	(6)	9,063	N/A	N/A
Fidelity Intermediate Bond Fund [3]	-	7,114	7,114	4.5 years	AA-
BrokerageLink [5]	8,418	-	8,418	N/A	N/A
Nuance Mid Cap Value Fund Z Class Shares [1]	5,758	163	5,921	N/A	N/A
Fidelity Total International Index [2]	6,438	15	6,453	N/A	N/A
American Funds 2040 Target Date Retirement Fund Class R-6 [4]	8,335	1,917	10,252	N/A	N/A
American Funds 2050 Target Date Retirement Fund Class R-6 [4]	9,504	1,509	11,013	N/A	N/A
American Funds 2030 Target Date Retirement Fund Class R-6 [4]	4,882	3,364	8,246	N/A	N/A
American Funds 2060 Target Date Retirement Fund Class R-6 [4]	10,303	1,526	11,829	N/A	N/A
American Funds 2020 Target Date Retirement Fund Class R-6 [4]	622	766	1,388	N/A	N/A
American Funds 2010 Target Date Retirement Fund Class R-6 [4]	362	571	933	N/A	N/A
Fidelity Small Cap Growth Index Fund [1]	796	1	797	N/A	N/A
Total investments measured at Net Asset Value (NAV)	$ 326,553	$ 93,445	$ 419,998		

[1] Domestic equity managers invest in U.S.-based companies utilizing bottom-up stock selection and quantitative screening. Some managers may be passively managed and seek to replicate performance of their respective indices. Active managers seek to outperform their respective indices over a long-term investment horizon.

[2] International equity managers invest in internationally based companies and seek either to replicate or outperform their respective indices over a long-term investment horizon.

[3] Fixed income managers invest in U.S.-related debt securities and pursue capital preservation in lieu of capital growth. These managers seek either to replicate or outperform their respective indices over a long-term investment horizon.

[4] Target date managers may invest in both equity and debt strategies and shift their asset allocation over time. As a fund approaches its intended retirement year (e.g., 2025), it will shift its asset allocation to debt securities to preserve capital.

[5] BrokerageLink® allows participants to directly invest. Market value shown includes the Fidelity fund and external fund.

Investments measured at net present value as of Dec. 31, 2022, are as follows:

Investments Measured at Net Asset Value (NAV) as of Dec. 31, 2022

(Dollars in thousands)

Investments Measured at NAV	Equities	Fixed Income	Net Asset Value	Weighted Average Maturity	Credit Rating
Mutual funds (daily redemption; no redemption notice)					
Fidelity Contrafund K6 [1]	$ 41,712	$ 2,639	$ 44,351	N/A	N/A
American Funds 2035 Target Date Retirement Fund Class R-6 [4]	29,555	12,787	42,342	N/A	N/A
Fidelity 500 Index Institutional [1]	44,103	(18)	44,085	N/A	N/A
American Funds 2045 Target Date Retirement Fund Class R-6 [4]	30,757	6,211	36,968	N/A	N/A
American Funds 2025 Target Date Retirement Fund Class R-6 [4]	13,261	13,474	26,735	N/A	N/A
American Funds 2055 Target Date Retirement Fund Class R-6 [4]	14,660	2,628	17,288	N/A	N/A
Vanguard Equity-Income Fund Admiral Shares [1]	15,431	265	15,696	N/A	N/A
Fidelity Low-Priced Stock Fund K6 Fund [1]	10,132	855	10,987	N/A	N/A
American Funds 2015 Target Date Retirement Fund Class R-6 [4]	3,992	5,697	9,689	N/A	N/A
Fidelity US Bond Index [3]	-	13,220	13,220	8.6 years	AA
Fidelity Diversified International K6 Fund [2]	8,106	418	8,524	N/A	N/A
Fidelity Government Money Market Fund	-	12,891	12,891	21 days	N/A
Fidelity Extended Market Index Premium [1]	5,822	1	5,823	N/A	N/A
Fidelity Intermediate Bond Fund [3]	-	6,771	6,771	3-10	BBB
BrokerageLink [5]	6,788	-	6,788	N/A	N/A
Nuance Mid Cap Value Fund Z Class Shares [1]	5,302	391	5,693	N/A	N/A
Fidelity Total International Index [2]	6,095	3	6,098	N/A	N/A
American Funds 2040 Target Date Retirement Fund Class R-6 [4]	5,250	1,312	6,562	N/A	N/A
American Funds 2050 Target Date Retirement Fund Class R-6 [4]	5,944	1,115	7,059	N/A	N/A
American Funds 2030 Target Date Retirement Fund Class R-6 [4]	3,221	2,247	5,468	N/A	N/A
American Funds 2060 Target Date Retirement Fund Class R-6 [4]	5,479	982	6,461	N/A	N/A
American Funds 2020 Target Date Retirement Fund Class R-6 [4]	489	610	1,099	N/A	N/A
American Funds 2010 Target Date Retirement Fund Class R-6 [4]	326	516	842	N/A	N/A
Fidelity Small Cap Growth Index Fund [1]	1,645	(2)	1,643	N/A	N/A
Total investments measured at Net Asset Value (NAV)	$ 258,070	$ 85,013	$ 343,083		

1 Domestic equity managers invest in U.S.-based companies utilizing bottom-up stock selection and quantitative screening. Some managers may be passively managed and seek to replicate performance of their respective indices. Active managers seek to outperform their respective indices over a long-term investment horizon.

2 International equity managers invest in internationally based companies and seek either to replicate or outperform their respective indices over a long-term investment horizon.

3 Fixed income managers invest in U.S.-related debt securities and pursue capital preservation in lieu of capital growth. These managers seek either to replicate or outperform their respective indices over a long-term investment horizon.

4 Target date managers may invest in both equity and debt strategies and shift their asset allocation over time. As a fund approaches its intended retirement year (e.g., 2025), it will shift its asset allocation to debt securities to preserve capital.

5 BrokerageLink® allows participants to directly invest. Market value shown includes the Fidelity fund and external fund.

Custodial credit risk: Custodial credit risk for investments is the risk that, in the event of a failure of a counterparty to a transaction, the Plan will not be able to recover the value of the investment or collateral securities in the possession of an outside party. The Plan has no formal investment policy regarding custodial credit risk, and it is exposed to custodial credit risk. For the year ended Dec. 31, 2023, the amount of equity securities was $10 million, and for the year ended Dec. 31, 2022, the amount of equity securities was $7 million.

Credit risk: Credit risk is the risk an issuer or other counterparty to an investment will not fulfill its obligation. The Plan has no formal investment policy regarding credit quality rating guidelines. These associated risks will vary according to each participant's investment elections.

See portfolio-level credit ratings relating to fixed income investments in the table on Page 14 for Dec. 31, 2023, and in the table on Page 15 for Dec. 31, 2022.

Interest rate risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of investments. The Plan has no formal investment policy for the management of interest rate risk. See investments by net asset value in the table on Page 14 for Dec. 31, 2023, and in the table on Page 15 for Dec. 31, 2022.

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 has no formal investment policy for the management of foreign currency risk. As of Dec. 31, 2023, and Dec. 31, 2022, the Plan had mutual funds that were exposed to foreign currency risk totaling $60 million and $49 million, respectively. For Dec. 31, 2023, the mutual funds that compose the foreign currency risk balances mentioned are the Fidelity Contrafund Class K, Fidelity Low-Priced Stock Fund Class K, Fidelity Diversified International Class K Fund, Fidelity Total International Index Fund, and Vanguard Equity-Income Fund Admiral Shares as well as all of the target date funds used in the plan. For Dec. 31, 2022, the mutual funds that compose the foreign currency risk balances mentioned are the same as Dec. 31, 2023. The amounts will not tie back to the sum of the individual funds as the U.S. investments have been removed for this exhibit.

Foreign Currency, Fair Value
(U.S. dollars in thousands)

Investments	Dec. 31, 2023	Dec. 31, 2022
Euro	$ 17,105	$ 12,606
Japan, Yen	7,479	6,143
Great Britain, Pound Sterling	8,168	6,476
Canada, Dollar	6,848	5,894
Switzerland, Franc	3,074	2,943
Hong Kong, Dollar	2,384	2,821
India, Rupee	3,167	2,792
Other	12,271	9,407
Total Investment Fair Value	$ 60,496	$ 49,082

4. Related-Party Transactions

Certain Plan investments are shares of mutual funds managed by Fidelity Investments. Fidelity Investments is the trustee, as defined by the Plan; therefore, these investments qualify as related-party transactions.

5. Plan Termination

Although it has not expressed any intent to do so, the Plan sponsor has the right under the Plan to discontinue its contributions at any time and to terminate the Plan. The event of complete discontinuance of contributions to the Plan by the employer does not constitute a formal termination of the Plan and does not preclude later contributions; however, the accounts of all participants will, as of the date of the discontinuance, become 100% vested and nonforfeitable.

6. Tax Status

The IRS has determined and informed LCRA that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code. The Board and the Plan’s tax counsel believe the Plan is designed, and currently is being operated, in compliance with the applicable requirements of the Internal Revenue Code, and therefore, believe the Plan is qualified and the related trust is tax-exempt.

The Plan is not subject to the provisions of the Employee Retirement Income Security Act of 1974.

7. Subsequent Events

The Plan has evaluated subsequent events through July 23, 2024, the date the financial statements were available to be issued, and there were no subsequent events to be disclosed.