

Form 5500-SF

Department of the Treasury Internal Revenue Service

Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation

Short Form Annual Return/Report of Small Employee Benefit Plan

This form is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA), and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

Complete all entries in accordance with the instructions to the Form 5500-SF.

OMB Nos. 1210-0110 1210-0089

2024

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

- A This return/report is for: [X] a single-employer plan [ ] a multiple-employer plan (not multiemployer) (Pension Plan filers checking this box must attach Schedule MEP. Other plans must attach a list of participating employer information in accordance with the form instructions.)
B This return/report is [ ] the first return/report [ ] the final return/report [ ] an amended return/report [ ] a short plan year return/report (less than 12 months)
C Check box if filing under: [ ] Form 5558 [ ] automatic extension [ ] DFVC program [ ] special extension (enter description)
D If the plan is a collectively-bargained plan, check here [ ]
E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here [ ]

Part II Basic Plan Information—enter all requested information

1a Name of plan R.E. SMITH AND VIVIAN L. SMITH EMPLOYEES RETIREMENT FUND
1b Three-digit plan number (PN) 001
1c Effective date of plan 12/31/1968
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) R.E. SMITH INTERESTS, INC. 1900 WEST LOOP SOUTH, SUITE 1050 HOUSTON, TX 77027-3207
2b Employer Identification Number (EIN) 74-2142457
2c Sponsor's telephone number 713-622-8611
2d Business code (see instructions) 541600
3a Plan administrator's name and address [ ] Same as Plan Sponsor. ADMINISTRATIVE COMMITTEE FOR R.E. SMITH INTERESTS, INC. 1900 WEST LOOP SOUTH, SUITE 1050 HOUSTON, TX 77027-3207
3b Administrator's EIN 74-6115755
3c Administrator's telephone number 713-622-8611
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report.
a Sponsor's name
c Plan Name
4b EIN
4d PN
5a Total number of participants at the beginning of the plan year 62
b Total number of participants at the end of the plan year 63
c(1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item)
c(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)
d(1) Total number of active participants at the beginning of the plan year 5
d(2) Total number of active participants at the end of the plan year 6
e Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested 0

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established. Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

Table with 4 columns: SIGN HERE, Signature of plan administrator, Date, and AMY MECKEL. Includes a second row for the employer/signer.

- 6a** Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.) .....  Yes  No
- b** Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.) .....  Yes  No
- If you answered "No" to either line 6a or line 6b, the plan cannot use Form 5500-SF and must instead use Form 5500.**
- c** If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? .....  Yes  No  Not determined
- If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year: 538858. (See instructions.)

<b>Part III Financial Information</b>			
<b>7</b>		<b>(a) Beginning of Year</b>	<b>(b) End of Year</b>
<b>a</b>	Total plan assets .....	3278116	3136980
<b>b</b>	Total plan liabilities .....	3964	3892
<b>c</b>	Net plan assets (subtract line 7b from line 7a) .....	3274152	3133088
<b>8</b>		<b>(a) Amount</b>	<b>(b) Total</b>
<b>a</b>	Contributions received or receivable from:		
	(1) Employers .....	279000	
	(2) Participants .....		
	(3) Others (including rollovers) .....		
<b>b</b>	Other income (loss) .....	143005	
<b>c</b>	Total income (add lines 8a(1), 8a(2), 8a(3), and 8b) .....		422005
<b>d</b>	Benefits paid (including direct rollovers and insurance premiums to provide benefits) .....	458086	
<b>e</b>	Certain deemed and/or corrective distributions (see instructions) .		
<b>f</b>	Administrative service providers (salaries, fees, commissions) .....	92683	
<b>g</b>	Other expenses .....	12300	
<b>h</b>	Total expenses (add lines 8d, 8e, 8f, and 8g) .....		563069
<b>i</b>	Net income (loss) (subtract line 8h from line 8c) .....		-141064
<b>j</b>	Transfers to (from) the plan (see instructions) .....		

<b>Part IV Plan Characteristics</b>	
<b>9a</b>	If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions: 1A
<b>b</b>	If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

<b>Part V Compliance Questions</b>				
<b>10</b>		<b>Yes</b>	<b>No</b>	<b>Amount</b>
<b>a</b>	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program) .....		X	
<b>b</b>	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.) .....		X	
<b>c</b>	Was the plan covered by a fidelity bond? .....	X		2000000
<b>d</b>	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? .....		X	
<b>e</b>	Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service, or other organization that provides some or all of the benefits under the plan? (See instructions.) .....		X	
<b>f</b>	Has the plan failed to provide any benefit when due under the plan? .....		X	
<b>g</b>	Did the plan have any participant loans? (If "Yes," enter amount as of year-end.) .....		X	
<b>h</b>	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) .....			
<b>i</b>	If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3 .....			

**Part VI Pension Funding Compliance**

**11** Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete Schedule SB (Form 5500) and lines 11a and b below.) If this is a defined contribution pension plan, leave line 11 blank and complete line 12 below.  Yes  No

**a** Enter the unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 ..... **11a** 0

**b PBGC missed contribution reporting requirements.** If the plan is covered by PBGC and the amount reported on line 11a is greater than \$0, has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:  
 Yes.  
 No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.  
 No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.  
 No. Other. Provide explanation \_\_\_\_\_

**12** Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 302 of ERISA? .....  Yes  No  
(If "Yes," complete line 12a or lines 12b, 12c, 12d, and 12e below, as applicable.) If this is a defined benefit pension plan, leave line 12 blank and complete line 11 above.

**a** If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions, and enter the date of the letter ruling granting the waiver. .... Month Day Year

**If you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13.**

**b** Enter the minimum required contribution for this plan year ..... **12b**

**c** Enter the amount contributed by the employer to the plan for this plan year ..... **12c**

**d** Subtract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign to the left of a negative amount) ..... **12d**

**e** Will the minimum funding amount reported on line 12d be met by the funding deadline?.....  Yes  No  N/A

**Part VII Plan Terminations and Transfers of Assets**

**13a** Has a resolution to terminate the plan been adopted in any plan year? .....  Yes  No

**a** If "Yes," enter the amount of any plan assets that reverted to the employer this year..... **13a**

**b** Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? .....  Yes  No

**c** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

13c(1) Name of plan(s):	13c(2) EIN(s)	13c(3) PN(s)

**Part VIII IRS Compliance Questions**

**14a** Does the plan satisfy the coverage and nondiscrimination tests of Code sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules?  Yes  No

**14b** If this is a Code section 401(k) plan, check all boxes that apply to indicate how the plan is intended to satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under Code sections 401(k)(3) and 401(m)(2).  
 Design-based safe harbor method  
 "Prior year" ADP test  
 "Current year" ADP test  
 N/A

**15** If the plan sponsor is an adopter of a pre-approved plan that received a favorable IRS Opinion Letter, enter the date of the Opinion Letter 01 / 01 / 2024 (MM/DD/YYYY) and the Opinion Letter serial number \_\_\_\_\_.

<b>SCHEDULE SB</b> <b>(Form 5500)</b>  <small>Department of the Treasury Internal Revenue Service</small>  <small>Department of Labor Employee Benefits Security Administration</small>  <small>Pension Benefit Guaranty Corporation</small>	<b>Single-Employer Defined Benefit Plan</b> <b>Actuarial Information</b>  This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).  <b>▶ File as an attachment to Form 5500 or 5500-SF.</b>	<small>OMB No. 1210-0110</small>  <b>2024</b>  <b>This Form is Open to Public Inspection</b>
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For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

▶ **Round off amounts to nearest dollar.**  
 ▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

<b>A</b> Name of plan <u>R.E. SMITH AND VIVIAN L. SMITH EMPLOYEES RETIREMENT FUND</u>	<b>B</b> Three-digit plan number (PN) ▶	<u>001</u>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>R.E. SMITH INTERESTS, INC.</u>	<b>D</b> Employer Identification Number (EIN) <u>74-2142457</u>	
<b>E</b> Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B	<b>F</b> Prior year plan size: <input checked="" type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input type="checkbox"/> More than 500	

**Part I Basic Information**

<b>1</b>	Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2024</u>		
<b>2</b>	Assets:		
	<b>a</b> Market value .....	<b>2a</b>	<u>3265570</u>
	<b>b</b> Actuarial value .....	<b>2b</b>	<u>3265570</u>
<b>3</b>	Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target
	<b>a</b> For retired participants and beneficiaries receiving payment .....	<u>45</u>	<u>1899342</u>
	<b>b</b> For terminated vested participants .....	<u>13</u>	<u>485787</u>
	<b>c</b> For active participants .....	<u>5</u>	<u>477089</u>
	<b>d</b> Total .....	<u>63</u>	<u>2862218</u>
<b>4</b>	If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input type="checkbox"/>		
	<b>a</b> Funding target disregarding prescribed at-risk assumptions .....	<b>4a</b>	
	<b>b</b> Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor .....	<b>4b</b>	
<b>5</b>	Effective interest rate .....	<b>5</b>	<u>5.09 %</u>
<b>6</b>	Target normal cost		
	<b>a</b> Present value of current plan year accruals .....	<b>6a</b>	<u>83346</u>
	<b>b</b> Expected plan-related expenses .....	<b>6b</b>	<u>108179</u>
	<b>c</b> Target normal cost .....	<b>6c</b>	<u>191525</u>

**Statement by Enrolled Actuary**  
 To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

<b>SIGN HERE</b>		
	Signature of actuary	<u>05/28/2025</u> Date
	<u>JAMES TUMLINSON, JR.</u> Type or print name of actuary	<u>23-05854</u> Most recent enrollment number
	<u>MILLIMAN, INC.</u> Firm name	<u>713-658-3009</u> Telephone number (including area code)
	<u>1415 LOUISIANA STREET, SUITE 500 HOUSTON, TX 77002</u> Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions



<b>Part V Assumptions Used to Determine Funding Target and Target Normal Cost</b>				
<b>21</b> Discount rate:				
<b>a</b> Segment rates:	1st segment: 4.75 %	2nd segment: 4.96 %	3rd segment: 5.59 %	<input type="checkbox"/> N/A, full yield curve used
<b>b</b> Applicable month (enter code) .....				<b>21b</b> 0
<b>22</b> Weighted average retirement age .....				<b>22</b> 60
<b>23</b> Mortality table(s) (see instructions)	<input type="checkbox"/> Prescribed - combined	<input checked="" type="checkbox"/> Prescribed - separate	<input type="checkbox"/> Substitute	

<b>Part VI Miscellaneous Items</b>				
<b>24</b> Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
<b>25</b> Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
<b>26</b> Demographic and benefit information				
<b>a</b> Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....				<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>b</b> Is the plan required to provide a projection of expected benefit payments? If "Yes," see instructions regarding required attachment ...				<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>27</b> If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.....				<b>27</b>

<b>Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years</b>				
<b>28</b> Unpaid minimum required contributions for all prior years .....				<b>28</b> 0
<b>29</b> Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....				<b>29</b> 0
<b>30</b> Remaining amount of unpaid minimum required contributions (line 28 minus line 29).....				<b>30</b> 0

<b>Part VIII Minimum Required Contribution For Current Year</b>				
<b>31</b> Target normal cost and excess assets (see instructions):				
<b>a</b> Target normal cost (line 6c) .....			<b>31a</b>	191525
<b>b</b> Excess assets, if applicable, but not greater than line 31a .....			<b>31b</b>	191525
<b>32</b> Amortization installments:	Outstanding Balance		Installment	
<b>a</b> Net shortfall amortization installment .....	0		0	
<b>b</b> Waiver amortization installment.....	0		0	
<b>33</b> If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount .....			<b>33</b>	
<b>34</b> Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33).....			<b>34</b>	0
	Carryover balance	Prefunding balance	Total balance	
<b>35</b> Balances elected for use to offset funding requirement .....	0	0	0	
<b>36</b> Additional cash requirement (line 34 minus line 35) .....			<b>36</b>	0
<b>37</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) .....			<b>37</b>	262221
<b>38</b> Present value of excess contributions for current year (see instructions)				
<b>a</b> Total (excess, if any, of line 37 over line 36)			<b>38a</b>	262221
<b>b</b> Portion included in line 38a attributable to use of prefunding and funding standard carryover balances.....			<b>38b</b>	0
<b>39</b> Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) .....			<b>39</b>	0
<b>40</b> Unpaid minimum required contributions for all years .....			<b>40</b>	0

<b>Part IX Pension Funding Relief Under the American Rescue Plan Act of 2021 (See Instructions)</b>				
<b>41</b> If an election was made to use the extended amortization rule for a plan year beginning on or before December 31, 2021, check the box to indicate the first plan year for which the rule applies. <input type="checkbox"/> 2019 <input type="checkbox"/> 2020 <input type="checkbox"/> 2021				

**R.E. Smith & Vivian L. Smith Employees Retirement Fund**  
**EIN: 74-2142457**  
**Plan: 001**

***Schedule SB, line 22 - Description of Weighted Average Retirement Age***

(a) Possible Retirement Age "r"	(b) Assumed Rate of Retirement at Age "r"	(c) Probability of Person Age 55 Still Working at "r"	(d) (b) x (c) = Probability of Person Age 50 Retiring at "r"	(e) (a) x (d) = Component of Weighted Average Retirement Age
50	0.0500	1.0000	0.0500	2.5000
51	0.0500	0.9500	0.0475	2.4225
52	0.0500	0.9025	0.0451	2.3465
53	0.0500	0.8574	0.0429	2.2720
54	0.0500	0.8145	0.0407	2.1992
55	0.0500	0.7738	0.0387	2.1279
56	0.0500	0.7351	0.0368	2.0583
57	0.0500	0.6983	0.0349	1.9903
58	0.0500	0.6634	0.0332	1.9239
59	0.0500	0.6302	0.0315	1.8592
60	0.0500	0.5987	0.0299	1.7962
61	0.0500	0.5688	0.0284	1.7348
62	0.0500	0.5404	0.0270	1.6751
63	0.2500	0.5133	0.1283	8.0851
64	0.2500	0.3850	0.0963	6.1601
65	1.0000	0.2888	0.2888	<u>18.7691</u>
Weighted Average Retirement Age:				59.9203
Rounded to Nearest Age:				60

## Appendix A – Summary of Actuarial Methods

The ultimate cost of a pension plan is the excess of actual benefits and administrative expenses paid over actual net investment return on plan assets during the plan's existence until the last payment has been made to the last participant. A plan's "actuarial cost method" determines the expected incidence of actuarial costs by allocating portions of the ultimate cost to each plan year. The cost method is thus a budgeting tool to help ensure that a plan will be adequately and systematically funded. Annual contributions are also affected by a plan's "asset valuation method" (as well as plan provisions, actuarial assumptions, and actual plan demographic and investment experience each year).

### Actuarial Cost Method

The actuarial cost method used for determining the Plan's ERISA funding requirements and the FASB ASC Topic 960 values is the Unit Credit method. Under this method, an accrued benefit is determined at each active participant's assumed retirement age based on compensation and service at both the beginning and the end of the current year. The Plan's Normal Cost is the sum of the present value of the excess of each active participant's accrued benefit at the end of the current year over that at the beginning of the current year. The Plan's accrued liability is the sum of (a) the present value of each active participant's accrued benefit at the beginning of the current year plus (b) the present value of each inactive participant's benefits. This method is prescribed for ERISA funding requirements by the Pension Protection Act of 2006.

### Asset Valuation Method

The Actuarial Value of Assets used for determining the Plan's ERISA funding requirements is equal to the Market Value of Assets. The Market Value of Assets is equal to the Fair Value of Assets as of the valuation date plus the discounted value of employer contributions made after the valuation date. These contributions are discounted to the valuation date using the Effective Interest Rate for the prior plan year.

### PBGC Variable-Rate Premium Method

The alternative method is used for the PBGC variable-rate premium calculation (adopted January 1, 2021).

### Amortization Method

For the Plan's ERISA funding requirements, incremental Funding Shortfall amounts are amortized over a fifteen-year period, and the related shortfall amortization payment is determined on the first valuation date following the plan year in which it arises based on the segment rates used for ERISA minimum funding purposes on that date, as prescribed under IRC Section 430.

### ASOP 56 Modeling

ASOP 56 provides guidance to actuaries in respect to the development and involvement of models used in their actuarial services. The signing actuary should have a limited ability either to obtain information about the model or to understand the underlying workings of the model. Certain disclaimers and disclosures are required whenever particular models or field experts are relied upon. The valuation results were developed using models intended for valuations that use standard actuarial techniques.

### Changes in Actuarial Methods Since Prior Valuation

None.

## Appendix B – Summary of Actuarial Assumptions

### ECONOMIC ASSUMPTIONS

#### Interest Rates

The current funding and PBGC interest rates are as follows. The funding interest rates are prescribed under IRS regulations based on the Plan Sponsor's interest rate election. The PBGC interest rates are based on the Plan Sponsor's elected method for determining the premium funding target.

	Minimum Funding	Maximum Deductible	PBGC Alternative Method (Lookback)
Segment 1 (0–5 years)	4.75%	4.37%	2.13%
Segment 2 (5–20 years)	4.96%	4.96%	3.62%
Segment 3 (20+ years)	5.59%	4.95%	3.93%
Effective Interest Rate	5.09%	4.90%	3.58%

**ERISA minimum funding:** 24-month average segment rates, using no lookback period, adjusted to reflect the applicable segment rate stabilization corridor.

**Maximum Deductible Contribution:** 24-month average segment rates, using no lookback period, but not adjusted to reflect segment rate stabilization.

**PBGC premium (using the Small Plan Lookback Rule):** 24-month average segment rates for the prior valuation date, using no lookback period, but not adjusted to reflect segment rate stabilization (alternative method). The alternative method (adopted January 1, 2021) is used for the PBGC variable-rate premium calculation.

**FASB ASC Topic 960:** 5.00% per year (adopted January 1, 2024). This is the assumed rate of return for the Plan's entire portfolio of assets, net of investment expenses and including assumed inflation rate of 2.31%. It is based on the Plan's investment policy, including target asset allocation, and Milliman's capital market expectations.

**For lump sum purposes:** Discount rate of 4.15% per year (based on the 30-year Treasury interest rate for December of the prior year).

#### Asset Returns

**ERISA minimum funding and Maximum Deductible Contribution:** 5.00% per year (adopted January 1, 2024). It is based on the Plan's investment policy, including target asset allocation, and Milliman's capital market expectations.

#### Compensation Increases

4.50% per year, with increases assumed to occur at beginning of year (adopted January 1, 2024). This assumption represents an estimate of future experience.

#### Inflation (CPI)

2.31% per year (adopted January 1, 2024). It is based on Milliman's capital market expectations.

## Postretirement Benefit Increases

None. (The Plan does not provide for automatic postretirement benefit increases.)

## Maximum Benefit and Annual Compensation Limitation Increases

**ERISA minimum funding and Maximum Deductible Contribution:** 0% per year as required by statute.

**FASB ASC Topic 960:** The assumed inflation assumption of 2.31% per year.

## Administrative Expenses

An allowance of \$108,179 for administrative expenses has been included in the Target Normal Cost, reflecting the actual administrative expenses paid from the Plan's trust during the previous year.

## DEMOGRAPHIC ASSUMPTIONS

Except where noted, demographic assumptions are based on the actuary's judgment and continued review of experience.

### Mortality

**ERISA minimum funding, Maximum Deductible Contribution, and PBGC premium:** Statutory table using IRS 2024 Generational Mortality Table adjusted to base year 2012, with projections to anticipate greater future longevity using IRS adjusted projection scale MP-2021, with separate rates for non-annuitants and annuitants.

**FASB ASC Topic 960:** Pri-2012 Amount-Weighted Mortality Table, projected using Scale MP-2021 on a generational basis, with sex-distinct employee rates before benefit commencement and healthy annuitant rates after benefit commencement. As a generational table, it reflects mortality improvements both before and after the measurement date.

### Retirement

Annual rates of retirement are shown in the following table for active participants who are eligible to retire. These rates were adopted January 1, 2016.

Age	Rate
50 – 62	5%
63 - 64	25
65 & Over	100

Terminated vested participants are assumed to retire at age 65.

### Termination

Annual rates of termination are assumed to be 10% for each age.

### Disability

Sample annual rates are shown in the following table.

Age	Rate
25	0.0640%
30	0.0825
35	0.1106
40	0.1651
45	0.2696
50	0.4544
55	0.7567
60	1.2202
64	1.7408

### Decrement Timing

Decrements are assumed to occur at the middle of the year, except that 100% retirement (see above) is assumed to occur at the beginning of the year.

### Form of Payment

Upon termination or retirement, active members are assumed to take their distribution in the form of a single lump sum, calculated using the December 30-year treasury interest rate from the prior year (4.15% for December 2023) and the 2024 Applicable Mortality Table.

### Marital Characteristics

Actual birth dates of beneficiaries are included in the census data, where relevant.

### Benefits Not Valued and Special Data Adjustments

None.

### Weighted Average Retirement Age

The weighted average retirement age for participants is 60. This equals the sum, over all retirement ages, of the retirement age multiplied by the probability of retiring at that age, as shown in the following table.

(a) Possible Retirement Age "r"	(b) Assumed Rate of Retirement at Age "r"	(c) Probability of Person Age 55 Still Working at "r"	(d) (b) x (c) = Probability of Person Age 55 Retiring at "r"	(e) (a) x (d) = Component of Weighted Average Retirement Age
50	0.0500	1.0000	0.0500	2.5000
51	0.0500	0.9500	0.0475	2.4225
52	0.0500	0.9025	0.0451	2.3465
53	0.0500	0.8574	0.0429	2.2720
54	0.0500	0.8145	0.0407	2.1992
55	0.0500	0.7738	0.0387	2.1279
56	0.0500	0.7351	0.0368	2.0583

57	0.0500	0.6983	0.0349	1.9903
58	0.0500	0.6634	0.0332	1.9239
59	0.0500	0.6302	0.0315	1.8592
60	0.0500	0.5987	0.0299	1.7962
61	0.0500	0.5688	0.0284	1.7348
62	0.0500	0.5404	0.0270	1.6751
63	0.2500	0.5133	0.1283	8.0851
64	0.2500	0.3850	0.0963	6.1601
65	1.0000	0.2888	0.2888	<u>18.7691</u>
Weighted Average Retirement Age:				59.9203
Rounded to Nearest Age:				60

## COVID-19 Pandemic

While it is possible that the COVID-19 pandemic could have a material impact on future costs, we have determined that there is not sufficient information at this time to reflect any changes in this year's disclosure calculations. We will continue to monitor this and if events occur that are both substantial and that can be predicted with reasonable certainty, then we will reflect these changes and expectations in future calculations.

The plan's assumptions are based on long-term expectations. Even if the plan is materially impacted in the short-term due to an event, we cannot determine if it will have an ongoing effect to warrant a change in assumptions.

Inactive participants are primarily impacted by the mortality assumption, which is based on Society of Actuaries' published mortality tables and projected scales. Unless there is a specific event that impacts the plans' populations differently than the rest of the United States, mortality due to any event will be incorporated in future mortality tables and projection scales published by the Society of Actuaries once the mortality data is received and analyzed by the Society of Actuaries.

## CHANGES IN ACTUARIAL ASSUMPTIONS SINCE PRIOR VALUATION

**Interest rates for ERISA minimum funding:** From 4.75%, 5.00%, and 5.74% per year to 4.75%, 4.96%, and 5.59% per year, respectively, as required by statute.

**Interest rates for Maximum Deductible Contribution:** From 2.13%, 3.62%, and 3.93% per year to 4.37%, 4.96%, and 4.95% per year, respectively, as required by statute.

**Interest rates for PBGC premium:** Effective January 1, 2024, the interest rates were updated to comply with PBGC requirements.

**Interest rates for FASB ASC Topic 960:** Effective January 1, 2024, from 4.75% to 5.00% per year based on Milliman's capital market assumptions as of the valuation date.

**Assumptions for Lump Sum Conversions:** The assumed interest rate was changed from 3.66% to 4.15% and the assumed mortality was changed from the 2023 Applicable Mortality Table to the 2024 Applicable Mortality Table, as required by statute. This only impacts the FASB ASC Topic 960 liability and is not considered an assumption change, but rather a part of (gain)/loss as the rate is expected to change each year.

**Compensation increases:** Effective January 1, 2024, from 4.00% to 4.50% per year, with increases assumed to occur at beginning of year, to align with current budget expectations.

**Mortality for ERISA minimum funding, Maximum Deductible Contribution, and PBGC premium:** From statutory tables for 2023 to statutory table for 2024.

**Administrative Expenses:** Effective January 1, 2024, the administrative expense load was updated to reflect actual administrative expenses paid from the Plan's trust during the previous year.

## Appendix C – Summary of Principal Plan Provisions

This summary of plan provisions is intended to only describe the essential features of the Plan. All eligibility requirements and benefit amounts shall be determined in strict accordance with the plan document itself.

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### Definitions

**Accrual Service:** A Participant is credited with one Year of Accrual Service for each Plan Year in which he completes 520 or more hours of service. Fractional years will be credited for completing more than 250, but less than 520 hours of service.

**Accrued Benefit:** Determined using the same formula which is used to compute such Participant's Normal Retirement Benefit, taking into account the Participant's Years of Accrual Service and Average Monthly Compensation through the date of determination.

**Actuarially Equivalent:** Equality in value such that the present value of the amount under any form of payment is essentially the same as the present value of the amount under the normal form of annuity payment for single participants. In general, for purposes other than determining lump-sum amounts, actuarially equivalent factors are based on the applicable mortality table specified by the IRS for the respective plan year and an interest rate of 6.0%. For purposes of determining lump-sum amounts, actuarially equivalent factors are based on the applicable mortality table in effect under IRC Section 417(e)(3) for the plan year of distribution and either the 30-year Treasury interest rate from December of the prior year (4.15% for December 2023) or the applicable segment interest rates from December of the prior year, whichever produces the greater benefit.

**Average Monthly Compensation:** The average of monthly Compensation in the five consecutive plan years for which such average is the highest. If a member has less than five full calendar years of employment with the Company, then the member's Average Monthly Compensation will be based on all of the member's employment with the Company.

**Compensation:** Includes any amounts which are treated as salary reduction contributions and used to purchase non-taxable benefits under Section 125 or 401(k) of the Internal Revenue Code. Annual Compensation may not exceed the inflation-adjusted limit specified by the IRS (\$345,000 for the 2024 plan year).

**Plan Effective Date:** December 31, 1968; restated effective January 1, 2007, and last amended effective January 1, 2024.

**Plan Year:** The 12-month period beginning January 1 and ending December 31.

**Vesting Service:** A full year is credited for each employment year in which 1,000 or more hours of service are credited. No partial years of Vesting Service are credited.

### Eligibility for Participation

Any employee of R.E. Smith Interests, Inc. who was a member in the Plan as of March 1, 1993 shall continue to be a member of the Plan. Prior to August 1, 1997, employees are eligible to participate on the January 1 or July 1 immediately following the attainment of age 21 and completion of two years of service. Beginning August 1, 1997, all employees are eligible for immediate participation in the Plan.

### Normal Retirement

**Normal Retirement Date:** The first day of the month coincident with or next following the attainment of age 65.

**Normal Retirement Benefit:** Monthly pension benefit commencing on the member's Normal Retirement Date payable in the Normal Benefit Form. The monthly benefit is the greater of:

- The member's Accrued Benefit at December 31, 1988 plus 2% of the member's Average Monthly Compensation multiplied by the number of years of Accrual Service earned between January 1, 1989 and December 31, 1993, plus 3% of the member's Average Monthly Compensation multiplied by the number of years of Accrual Service earned between January 1, 1994 and December 31, 2000, plus 2% of the member's Average Monthly Compensation multiplied by the number of years of Accrual Service earned after January 1, 2001, or
- 2% of the member's Average Monthly Compensation multiplied by the number of years of Accrual Service earned before December 31, 1993, plus 3% of the member's Average Monthly Compensation multiplied by the number of years of Accrual Service earned between January 1, 1994 and December 31, 2000, plus 2% of the member's Average Monthly Compensation multiplied by the number of years of Accrual Service earned after January 1, 2001 with Accrual Service limited to 30 years.

For members at R. E. Smith Interests as of December 31, 1982, the benefit at December 31, 1988 is the greater of the benefit under the Plan in effect on December 31, 1982 with pay frozen at 1982 but Accrual Service continuing through 1988, and the benefit under the Plan in effect on December 31, 1988.

In no event shall a member's normal retirement benefit be less than the sum of his or her Accrued Benefit as of December 31, 1993 and his or her Accrued Benefit determined under the benefit formula applicable for Plan Years beginning on or after January 1, 1994 and applied to the years of Accrual Service credited to such member for Plan Years beginning on or after January 1, 1994.

Effective August 1, 1991, all members receive an additional \$10 multiplied by the number of years of Accrual Service limited to 25 years. This additional benefit is not reduced when the annuity start date precedes the normal retirement date.

## Early Retirement

**Early Retirement Date:** The first day of the month coincident with or next following the attainment of age 50 and completion of 8 years of Vesting Service.

**Early Retirement Benefit:** The Accrued Benefit determined as of his Early Retirement Date reduced by 5/12% for each month by which commencement precedes attainment of age 55. Any employee who terminated or retires on or after January 1, 1996 may elect to receive his or her benefit in the form of a single lump sum.

## Deferred Retirement

**Deferred Retirement Date:** The first day of the month coincident with or next following the date of termination of service if it occurs after the Normal Retirement Date.

**Deferred Retirement Benefit:** The greater of (a) the Accrued Benefit determined as of the Deferred Retirement Date or (b) the Accrued Benefit determined as of the Normal Retirement Date and actuarially increased to the Deferred Retirement Date.

## Termination

**Termination Date:** The date of termination of service other than for reasons of retirement, disability, or death.

**Termination Benefit:** The Accrued Benefit, payable at the Normal Retirement Date, or payable as of the first day of any month coincident with or next following attainment of age 50 if at least 8 years of Vesting Service have been completed (reduced for commencement prior to Normal Retirement Date, as described above). Members hired before June 1, 2022 are 100% vested in their Accrued Benefit. Members hired on or after June 1, 2022 are vested according to the following schedule:

Full Years of Vesting Service	Vested Percentage
Less than 2 years	0%
2 years	20%
3 years	40%
4 years	66 $\frac{2}{3}$ %
5 years or more	100%

## Preretirement Death

**Preretirement Death Benefit Eligibility:** Surviving spouses of participants with a vested Accrued Benefit who die before commencement of payments.

**Preretirement Death Benefit:** One hundred percent (100%) of the member's Accrued Benefit, payable for life. If the ages of the member and his or her spouse are different, the spouse's benefit shall be adjusted such that it will be the actuarial equivalent of the single sum value of the spouse's benefit that would have been paid had the ages of the member and his or her spouse been the same.

## Disability Retirement

**Disability Retirement Date:** The first day of the month coincident with or next following the date of termination of employment due to total and permanent disability.

**Disability Retirement Benefit:** Equal to the accrued normal retirement benefit determined as of the date of total and permanent disability reduced by 5/12% for each month by which commencement precedes attainment of age 55, if the disabled had completed eight (8) or more years of Vesting Service. Otherwise, the benefit will be actuarially reduced to reflect payment prior to the member's normal retirement date.

The disability income will be payable during the duration of the member's lifetime or until recovery from disability, whichever occurs first.

## Forms of Payment

**Normal Forms:** Life annuity if single; actuarially equivalent joint and 100% survivor annuity if married.

**Optional Forms:** Lump-sum distribution (available at any age).

**Small Lump Sum:** Payable automatically if the actuarially equivalent present value of the vested Accrued Benefit is \$1,000 or less.

## Special Supplemental Active Benefit

Effective January 1, 1998, the member holding the office of President of the Company shall receive a supplemental monthly benefit equal to an additional Accrued Benefit of \$307.00 upon retirement or termination. This amount has increased by annual amendments. The amount increased to \$3,893.92 effective January 1, 2006 and \$4,180.07 effective January 1, 2007. Following an in-service payment to the President in 2007, this amount was reset to \$406.33 effective January 1, 2008. The amount increased to \$795.60 effective January 1,

2009, \$1,201.55 effective January 1, 2010, \$1,627.70 effective January 1, 2011, \$1,875.13 effective January 1, 2012, \$1,940.01 effective January 1, 2013, \$2,002.34 effective January 1, 2014, \$2,063.90 effective January 1, 2015, \$2,124.71 effective January 1, 2016, decreased to \$0 effective January 1, 2017, increased to \$250.48 effective January 1, 2022, \$327.59 effective January 1, 2023, and \$359.86 effective January 1, 2024.

### Supplemental Active Benefit

A member whose date of participation is prior to January 1, 1998 and who is not a “highly compensated employee” shall be entitled to a supplemental lump sum benefit upon involuntary termination of employment, as defined in the Plan, which is determined by such member’s aggregate years of employment as of December 31, 1997 and such member’s 1997 salary plus bonus according the following schedule:

Years of Employment	Benefit
0, 1, 2, or 3 years	3/12 of 1997 salary plus bonus
4, 5, 6, 7, or 8 years	6/12 of 1997 salary plus bonus
9 or more years	9/12 of 1997 salary plus bonus

If payment is in a form or at a time other than a lump sum as of the first day of the month following termination, such payment shall be the actuarial equivalent thereof.

### Changes in Principal Plan Provisions Since Prior Valuation

The following change was made to the plan provisions for the current Plan Year:

- An increase to the Special Supplemental Active Benefit from \$327.59 to \$359.86.

**R.E. Smith & Vivian L. Smith Employees Retirement Fund**  
**EIN: 74-2142457**  
**Plan: 001**  
**Schedule SB, line 26 - Schedule of Active Participant Data**

**Number of Participants by Age and Service Groups**

Age	Years of Credited Service										Total	
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40&Up		
0-24	-	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-	-	-	-	-
35-39	-	-	1	-	-	-	-	-	-	-	-	1
40-44	-	-	-	-	-	-	-	-	-	-	-	-
45-49	-	-	-	-	-	-	-	-	-	-	-	-
50-54	-	-	1	-	-	-	-	-	-	-	-	1
55-59	-	1	-	-	-	-	-	-	-	-	-	1
60-64	-	-	-	-	-	-	-	-	-	-	-	-
65-69	-	-	-	-	-	-	-	-	1	1	-	2
70&Up	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	1	2	-	-	-	-	-	1	1	-	5

<b>SCHEDULE SB</b> <b>(Form 5500)</b>  <small>Department of the Treasury Internal Revenue Service</small>  <small>Department of Labor Employee Benefits Security Administration</small>  <small>Pension Benefit Guaranty Corporation</small>	<b>Single-Employer Defined Benefit Plan</b> <b>Actuarial Information</b>  This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).  <b>▶ File as an attachment to Form 5500 or 5500-SF.</b>	<small>OMB No. 1210-0110</small>  <b>2024</b>  <b>This Form is Open to Public Inspection</b>
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For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

▶ **Round off amounts to nearest dollar.**  
 ▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

<b>A</b> Name of plan R.E. Smith and Vivian L. Smith Employees Retirement Fund	<b>B</b> Three-digit plan number (PN) ▶	001
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF R.E. Smith Interests, Inc.	<b>D</b> Employer Identification Number (EIN)  74-2142457	
<b>E</b> Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B		
<b>F</b> Prior year plan size: <input checked="" type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input type="checkbox"/> More than 500		

Part I	Basic Information		
<b>1</b>	Enter the valuation date:	Month <u>1</u> Day <u>1</u> Year <u>2024</u>	
<b>2</b>	Assets:		
	<b>a</b> Market value .....	<b>2a</b>	3,265,570
	<b>b</b> Actuarial value .....	<b>2b</b>	3,265,570
<b>3</b>	Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target
	<b>a</b> For retired participants and beneficiaries receiving payment.....	45	1,899,342
	<b>b</b> For terminated vested participants.....	13	485,787
	<b>c</b> For active participants .....	5	477,089
	<b>d</b> Total.....	63	2,862,218
<b>4</b>	If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input type="checkbox"/>		
	<b>a</b> Funding target disregarding prescribed at-risk assumptions .....	<b>4a</b>	
	<b>b</b> Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor.....	<b>4b</b>	
<b>5</b>	Effective interest rate .....	<b>5</b>	5.09 %
<b>6</b>	Target normal cost .....		
	<b>a</b> Present value of current plan year accruals.....	<b>6a</b>	83,346
	<b>b</b> Expected plan-related expenses .....	<b>6b</b>	108,179
	<b>c</b> Target normal cost .....	<b>6c</b>	191,525

**Statement by Enrolled Actuary**  
 To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

<b>SIGN HERE</b>	 Signature of actuary	<u>5/28/2025</u> Date
	<u>James Tumlinson, Jr.</u> Type or print name of actuary	<u>23-05854</u> Most recent enrollment number
	<u>Milliman, Inc.</u> Firm name	<u>(713) 658-3009</u> Telephone number (including area code)
	<u>1415 Louisiana Street, Suite 500</u> <u>Houston TX 77002</u> Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions

**For Paperwork Reduction Act Notice, see the Instructions for Form 5500 or 5500-SF.** **Schedule SB (Form 5500) 2024 v. 240311**



**Part V Assumptions Used to Determine Funding Target and Target Normal Cost**

**21** Discount rate:

**a** Segment rates: 

1st segment: 4.75 %	2nd segment: 4.96 %	3rd segment: 5.59 %
------------------------	------------------------	------------------------

 N/A, full yield curve used

**b** Applicable month (enter code) ..... **21b** 0

**22** Weighted average retirement age ..... **22** 60

**23** Mortality table(s) (see instructions)  Prescribed - combined  Prescribed - separate  Substitute

**Part VI Miscellaneous Items**

**24** Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment .....  Yes  No

**25** Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment .....  Yes  No

**26** Demographic and benefit information

**a** Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment .....  Yes  No

**b** Is the plan required to provide a projection of expected benefit payments? If "Yes," see instructions regarding required attachment ...  Yes  No

**27** If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment ..... **27**

**Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years**

**28** Unpaid minimum required contributions for all prior years ..... **28** 0

**29** Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a) ..... **29** 0

**30** Remaining amount of unpaid minimum required contributions (line 28 minus line 29) ..... **30** 0

**Part VIII Minimum Required Contribution For Current Year**

**31** Target normal cost and excess assets (see instructions):

**a** Target normal cost (line 6c) ..... **31a** 191,525

**b** Excess assets, if applicable, but not greater than line 31a ..... **31b** 191,525

**32** Amortization installments:

	Outstanding Balance	Installment
<b>a</b> Net shortfall amortization installment .....	0	0
<b>b</b> Waiver amortization installment .....	0	0

**33** If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_) and the waived amount ..... **33**

**34** Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33).... **34** 0

	Carryover balance	Prefunding balance	Total balance
<b>35</b> Balances elected for use to offset funding requirement .....	0	0	0
<b>36</b> Additional cash requirement (line 34 minus line 35) .....			<b>36</b> 0
<b>37</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) .....			<b>37</b> 262,221
<b>38</b> Present value of excess contributions for current year (see instructions)			
<b>a</b> Total (excess, if any, of line 37 over line 36) .....			<b>38a</b> 262,221
<b>b</b> Portion included in line 38a attributable to use of prefunding and funding standard carryover balances .....			<b>38b</b> 0
<b>39</b> Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) .....			<b>39</b> 0
<b>40</b> Unpaid minimum required contributions for all years .....			<b>40</b> 0

**Part IX Pension Funding Relief Under the American Rescue Plan Act of 2021 (See Instructions)**

**41** If an election was made to use the extended amortization rule for a plan year beginning on or before December 31, 2021, check the box to indicate the first plan year for which the rule applies.  2019  2020  2021