

**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

**2023**

**This Form is Open to Public Inspection**

**Part I Annual Report Identification Information**

For calendar plan year 2023 or fiscal plan year beginning 10/01/2023 and ending 09/30/2024

- A** This return/report is for:  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**

<b>1a</b> Name of plan HOUSTON ENDOWMENT INC. ET AL PENSION TRUST	<b>1b</b> Three-digit plan number (PN) ▶	001
	<b>1c</b> Effective date of plan	10/01/1948
<b>2a</b> 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) HOUSTON ENDOWMENT INC.  3683 WILLIA STREET HOUSTON, TX 77007	<b>2b</b> Employer Identification Number (EIN)	74-6013920
	<b>2c</b> Sponsor's telephone number	713-238-8100
	<b>2d</b> Business code (see instructions)	813000
<b>3a</b> Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor.	<b>3b</b> Administrator's EIN	
	<b>3c</b> Administrator's telephone number	
<b>4</b> 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. <b>a</b> Sponsor's name <b>c</b> Plan Name	<b>4b</b> EIN	
	<b>4d</b> PN	
<b>5a</b> Total number of participants at the beginning of the plan year .....	<b>5a</b>	67
<b>b</b> Total number of participants at the end of the plan year.....	<b>5b</b>	70
<b>c(1)</b> Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) .....	<b>5c(1)</b>	0
<b>c(2)</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) .....	<b>5c(2)</b>	0
<b>d(1)</b> Total number of active participants at the beginning of the plan year.....	<b>5d(1)</b>	34
<b>d(2)</b> Total number of active participants at the end of the plan year.....	<b>5d(2)</b>	33
<b>e</b> Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	<b>5e</b>	3

**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.

<b>SIGN HERE</b>	Filed with authorized/valid electronic signature.	07/03/2025	SHERRY FULTZ
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
<b>SIGN HERE</b>	Filed with authorized/valid electronic signature.	07/03/2025	SHERRY FULTZ
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor

- 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 535672. (See instructions.)

<b>Part III Financial Information</b>			
<b>7</b> Plan Assets and Liabilities		<b>(a) Beginning of Year</b>	<b>(b) End of Year</b>
<b>a</b> Total plan assets .....	<b>7a</b>	12477606	14942219
<b>b</b> Total plan liabilities .....	<b>7b</b>	0	0
<b>c</b> Net plan assets (subtract line 7b from line 7a) .....	<b>7c</b>	12477606	14942219
<b>8</b> Income, Expenses, and Transfers for this Plan Year		<b>(a) Amount</b>	<b>(b) Total</b>
<b>a</b> Contributions received or receivable from:			
<b>(1)</b> Employers .....	<b>8a(1)</b>	671772	
<b>(2)</b> Participants .....	<b>8a(2)</b>		
<b>(3)</b> Others (including rollovers) .....	<b>8a(3)</b>	0	
<b>b</b> Other income (loss) .....	<b>8b</b>	2519490	
<b>c</b> Total income (add lines 8a(1), 8a(2), 8a(3), and 8b) .....	<b>8c</b>		3191262
<b>d</b> Benefits paid (including direct rollovers and insurance premiums to provide benefits) .....	<b>8d</b>	698639	
<b>e</b> Certain deemed and/or corrective distributions (see instructions) .	<b>8e</b>	0	
<b>f</b> Administrative service providers (salaries, fees, commissions) .....	<b>8f</b>	28010	
<b>g</b> Other expenses .....	<b>8g</b>	0	
<b>h</b> Total expenses (add lines 8d, 8e, 8f, and 8g) .....	<b>8h</b>		726649
<b>i</b> Net income (loss) (subtract line 8h from line 8c) .....	<b>8i</b>		2464613
<b>j</b> Transfers to (from) the plan (see instructions) .....	<b>8j</b>	0	

<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: <u>1A</u>
<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> During the plan year:		<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) .....	<b>10a</b>		X	
<b>b</b> Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.) .....	<b>10b</b>		X	0
<b>c</b> Was the plan covered by a fidelity bond? .....	<b>10c</b>	X		3000000
<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? .....	<b>10d</b>		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.) .....	<b>10e</b>		X	
<b>f</b> Has the plan failed to provide any benefit when due under the plan? .....	<b>10f</b>		X	
<b>g</b> Did the plan have any participant loans? (If "Yes," enter amount as of year-end.) .....	<b>10g</b>		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>10h</b>			
<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 .....	<b>10i</b>			

**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.)

<b>13c(1)</b> Name of plan(s):	<b>13c(2)</b> EIN(s)	<b>13c(3)</b> 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 \_\_\_/\_\_\_/\_\_\_ (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>2023</b>  <b>This Form is Open to Public Inspection</b>
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For calendar plan year 2023 or fiscal plan year beginning 10/01/2023 and ending 09/30/2024

▶ **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>HOUSTON ENDOWMENT INC. ET AL PENSION TRUST</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>HOUSTON ENDOWMENT INC.</u>	<b>D</b> Employer Identification Number (EIN) <u>74-6013920</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>10</u> Day <u>01</u> Year <u>2023</u>		
<b>2</b>	Assets:		
	<b>a</b> Market value .....	<b>2a</b>	<u>12639123</u>
	<b>b</b> Actuarial value .....	<b>2b</b>	<u>12639123</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>13</u>	<u>6616752</u>
	<b>b</b> For terminated vested participants .....	<u>19</u>	<u>3953835</u>
	<b>c</b> For active participants .....	<u>34</u>	<u>2723554</u>
	<b>d</b> Total .....	<u>66</u>	<u>13294141</u>
<b>4</b>	If the plan is in at-risk status, check the box and complete lines (a) and (b) .....		
	<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>5.33 %</u>
<b>6</b>	Target normal cost		
	<b>a</b> Present value of current plan year accruals .....	<b>6a</b>	<u>550990</u>
	<b>b</b> Expected plan-related expenses .....	<b>6b</b>	<u>0</u>
	<b>c</b> Target normal cost .....	<b>6c</b>	<u>550990</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>04/21/2025</u>
	<u>ELIZABETH WELBORNE, FSA, EA</u>	Date
	Type or print name of actuary	<u>23-08703</u>
	<u>OCTOBER THREE CONSULTING LLC</u>	Most recent enrollment number
	Firm name	<u>810-252-9373</u>
	<u>6191 N. STATE HIGHWAY 161, STE 470</u>	Telephone number (including area code)
	<u>IRVING, TX 75038</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 II</b>		<b>Beginning of Year Carryover and Prefunding Balances</b>	
		(a) Carryover balance	(b) Prefunding balance
<b>7</b>	Balance at beginning of prior year after applicable adjustments (line 13 from prior year) .....	0	496219
<b>8</b>	Portion elected for use to offset prior year's funding requirement (line 35 from prior year) .....	0	11479
<b>9</b>	Amount remaining (line 7 minus line 8) .....	0	484740
<b>10</b>	Interest on line 9 using prior year's actual return of <u>7.90</u> % .....	0	38294
<b>11</b>	Prior year's excess contributions to be added to prefunding balance:		
	<b>a</b> Present value of excess contributions (line 38a from prior year) .....		0
	<b>b(1)</b> Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.48</u> % .....		0
	<b>b(2)</b> Interest on line 38b from prior year Schedule SB, using prior year's actual return .....		0
	<b>c</b> Total available at beginning of current plan year to add to prefunding balance .....		0
	<b>d</b> Portion of (c) to be added to prefunding balance .....		0
<b>12</b>	Other reductions in balances due to elections or deemed elections .....	0	0
<b>13</b>	Balance at beginning of current year (line 9 + line 10 + line 11d - line 12) .....	0	523034

<b>Part III</b>		<b>Funding Percentages</b>	
<b>14</b>	Funding target attainment percentage .....	<b>14</b>	89.86 %
<b>15</b>	Adjusted funding target attainment percentage .....	<b>15</b>	89.86 %
<b>16</b>	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement .....	<b>16</b>	90.00 %
<b>17</b>	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage .....	<b>17</b>	%

<b>Part IV</b>		<b>Contributions and Liquidity Shortfalls</b>			
<b>18</b> Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
10/01/2024	86772				
02/18/2025	585000				
			<b>Totals ▶</b>	<b>18(b)</b>	671772
				<b>18(c)</b>	

<b>19</b>	Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:	
	<b>a</b> Contributions allocated toward unpaid minimum required contributions from prior years. ....	<b>19a</b> 0
	<b>b</b> Contributions made to avoid restrictions adjusted to valuation date .....	<b>19b</b> 0
	<b>c</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date .....	<b>19c</b> 626826
<b>20</b>	Quarterly contributions and liquidity shortfalls:	
	<b>a</b> Did the plan have a "funding shortfall" for the prior year? .....	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	<b>b</b> If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? .....	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	<b>c</b> If line 20a is "Yes," see instructions and complete the following table as applicable:	
Liquidity shortfall as of end of quarter of this plan year		
(1) 1st	(2) 2nd	(3) 3rd
		(4) 4th

<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: 5.00 %	3rd segment: 5.74 %	<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> 65
<b>23</b> Mortality table(s) (see instructions)	<input checked="" type="checkbox"/> Prescribed - combined <input 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> 550990
<b>b</b> Excess assets, if applicable, but not greater than line 31a .....				<b>31b</b> 0
<b>32</b> Amortization installments:	Outstanding Balance		Installment	
<b>a</b> Net shortfall amortization installment .....	1366200		130461	
<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> 681451
	Carryover balance	Prefunding balance	Total balance	
<b>35</b> Balances elected for use to offset funding requirement .....	0	523034	523034	
<b>36</b> Additional cash requirement (line 34 minus line 35).....				<b>36</b> 158417
<b>37</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....				<b>37</b> 626826
<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> 468409
<b>b</b> Portion included in line 38a attributable to use of prefunding and funding standard carryover balances .....				<b>38b</b> 468409
<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				



# Houston Endowment Inc. et al Pension Trust

EIN / PN 74-6013920 / 001

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods

## Actuarial Assumptions and Methods

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### Plan Sponsor Elections

Yield curve election: The plan sponsor did not elect to use the full yield curve under IRC section 430(h)(2)(D)(ii).

Applicable month: The plan sponsor elected to base the segment rates on the rates published in the month containing the valuation date.

### Economic Assumptions

	Funding Target		PBGC Funding Target
	with stabilization	without stabilization	
First segment rate (years 0 to 4):	4.75%	3.82%	5.58%
Second segment rate (years 5 to 19):	5.00%	4.59%	5.66%
Third segment rate (years 20 and after):	5.74%	4.63%	5.56%
Effective interest rate (current year):	5.33%	4.57%	N/A

*The interest rates listed above are compounded annually.*



## Houston Endowment Inc. et al Pension Trust

EIN / PN 74-6013920 / 001

### Schedule SB, Part V - Statement of Actuarial Assumptions/Methods Actuarial Assumptions and Methods

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#### Demographic Assumptions

##### **WEIGHTED AVERAGE RETIREMENT AGE**

The weighted average retirement age is calculated with equal weighting for all participants; i.e., simple average. The weighted average retirement age is 65.

##### **RETIREMENT**

Retirement is assumed to occur at age 65 but no sooner than one year from the valuation date.

##### **WITHDRAWAL**

2003 SOA Pension Plan Turnover Study Small Plan Age Table where withdrawal rates at each age are multiplied by 1.45.

##### **DISABILITY**

None.

##### **RATIONALE FOR RETIREMENT AGE, WITHDRAWAL AND DISABILITY ASSUMPTIONS**

Due to the small size of the active population, no preretirement withdrawal or disability is assumed, and all participants are assumed to retire at the plan's Normal Retirement Age.

##### **MORTALITY AND MORTALITY IMPROVEMENT**

No preretirement mortality is assumed. The mortality follows the IRS 2023 Static Mortality Table with a combined table for annuitants and non-annuitants, as prescribed by Treasury regulation section 1.430(h)(3)-1.

##### **DECREMENT TIMING**

Decrements are assumed to occur as of the middle of the year.

#### Other Assumptions

##### **FORM OF PAYMENT**

Active and terminated vested participants are assumed to elect a life annuity with 120 guaranteed monthly payments.

##### **MAXIMUM EARNINGS**

The maximum compensation limit under IRC section 401(a)(17) is \$330,000 for 2023.

##### **MAXIMUM BENEFIT**

The maximum benefit payable under IRC section 415 is \$265,000 for 2023.



## Houston Endowment Inc. et al Pension Trust

EIN / PN 74-6013920 / 001

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods

### Actuarial Assumptions and Methods

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#### **EXPENSES**

No expenses are assumed to be paid from the trust.

#### Changes from Prior Year and Rationale for Changes

None.

#### Actuarial Methods

#### **VALUATION DATE**

The valuation date is October 1, 2023.

#### **ACTUARIAL VALUE OF ASSETS**

The actuarial value of assets is equal to the market value of assets.

#### **MINIMUM FUNDING METHOD**

The funding target and target normal cost for minimum funding calculations are determined using the traditional unit credit cost method as prescribed by Treasury regulation section 1.430(d)-1. The liability under the unit credit cost method is the value of the accrued pension benefit using service and pay as of the valuation date. The sum of the present value of the accrued benefits for all participants is the ERISA funding target. The normal cost is the present value of the benefits earned during the year. The target normal cost is the sum of the normal costs for all participants and the assumed administrative expenses.

#### Changes in Method from Prior Year and Rationale for Changes

None.

# Houston Endowment Inc. et al Pension Trust

EIN / PN 74-6013920 / 001

Schedule SB, Line 22 - Description of Weighted Average Retirement Age

## **DESCRIPTION OF WEIGHTED AVERAGE RETIREMENT AGE**

All participants are assumed to retire on the last day of the plan year in which they attain their assumed retirement ages. The weighted average retirement age for the population during the current year, rounded to the nearest whole number, is 65.

Assumed retirement age	Percent assumed to retire
55	0%
56	0%
57	0%
58	0%
59	0%
60	0%
61	0%
62	0%
63	0%
64	0%
65	100%

Houston Endowment Inc. et al Pension Trust  
 EIN / PN 74-6013920 / 001  
 Schedule SB, Line 26a - Schedule of Active Participant Data

Attained age	Completed years of credited service as of October 1, 2023										Total
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & over	
Under 25	-	1	-	-	-	-	-	-	-	-	1
25 to 29	-	2	1	-	-	-	-	-	-	-	3
30 to 34	-	4	1	-	-	-	-	-	-	-	5
35 to 39	-	7	1	-	-	-	-	-	-	-	8
40 to 44	-	4	1	-	-	-	-	-	-	-	5
45 to 49	-	1	1	1	1	-	-	-	-	-	4
50 to 54	-	1	-	-	-	-	-	-	-	-	1
55 to 59	-	2	2	1	-	-	-	-	-	-	5
60 to 64	-	-	1	-	-	-	-	-	-	-	1
65 to 69	-	-	-	1	-	-	-	-	-	-	1
70 & over	-	-	-	-	-	-	-	-	-	-	-
Total	-	22	8	3	1	-	-	-	-	-	34

# Houston Endowment Inc. et al Pension Trust

EIN / PN 74-6013920 / 001

## Schedule SB, Line 32 - Development of Shortfall Amortization Charge

Amortization charges	Present Value of	Years	Amortization
	<u>Future Installments</u>	<u>Remaining</u>	<u>Installments</u>
a. Shortfall amortization installments			
i. 2022	\$1,203,035.00	14	\$115,518.00
ii. 2023	<u>\$163,165.00</u>	15	<u>\$14,943.00</u>
iii. Total, not less than zero	\$1,366,200.00		\$130,461.00



## Houston Endowment Inc. et al Pension Trust

EIN / PN 74-6013920 / 001

Schedule SB, Part V - Summary of Plan Provisions

### Plan Provisions

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#### Effective Date

October 1, 1948. Last amended June 23, 2023.

#### Plan Year

October 1 to September 30.

#### Year of Service

A computation period of twelve consecutive months during which an employee works at least 1,000 hours.

Eligibility: The initial computation period begins on the date in which the employee is first credited with an hour of service. If the employee fails to work at least 1,000 hours, the computation period shifts to the Plan Year which includes the first anniversary of the employee's employment date.

Vesting: The initial computation period begins on the date of employment or anniversary thereof during which the employee works at least 1,000 hours.

Accrual: The initial computation period shall be the Plan Year. A Year of Service will be credited for Plan Years in which an employee works at least 1,000 hours. For the initial and final computation periods, Years of Service shall include fractional portions of a year calculated to the nearest month.

#### Eligibility

A Participant in the Plan on December 31, 2015, shall be eligible to participate in this Plan as of January 1, 2016. Thereafter an employee will become a Participant in the Plan as of the October 1st or April 1st coincident with or next following the attainment of age twenty and one-half (20 1/2) and completion of one of the following service requirements: (i) a total of six consecutive months in which he is credited with at least 500 Hours of Service, or (ii) a Year of Service.

#### Vesting

A participant who has worked at least one hour on or after October 1, 2008 shall be vested according the following schedule:

Years of Service	Percentage
Less than 2	0%
2	40%
3	60%
4	80%
5	100%



## Houston Endowment Inc. et al Pension Trust

EIN / PN 74-6013920 / 001

Schedule SB, Part V - Summary of Plan Provisions

### Plan Provisions

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#### Actuarial Equivalent

The form of benefit of equivalent value to another form of payment on the basis of the mortality table set forth in Revenue Ruling 2001-62 and interest of 7.5%. In no event will the value of a lump sum distribution be less than the present value determined using the table provided for in Code Section 417(e)(3)(B) and the interest rate provide for in Code Section 417(e)(3)(C) in effect for the month of August preceding the beginning of the Plan Year.

#### Normal Retirement Date

The first of the month coincident with or next following a participant's 65th birthday.

#### Normal Payment Form

Life annuity with 10 year certain period.

#### Optional Payment Form

With proper consent, a participant may elect a lump sum payment, life annuity, life annuity with 5, 10, 15 or 20 years certain, joint and 75% survivor annuity, joint and 100% survivor annuity, certain annuity made in monthly, quarterly, semiannual or annual cash installments with a period not to exceed the life expectancy of the participant, or a life annuity with larger payments made prior to the receipt of Social Security benefits so that, insofar as practical, a level monthly pension will be available to the participant.

#### Normal Retirement Benefit

##### Eligibility

First day of the month coincident with or next following the participants attains age 65.

##### Benefit

The sum of (i) and (ii):

- (i) 2% of Average Monthly Compensation multiplied by the total number of Years of Service, plus
  
- (ii) 0.55% of Average Monthly Compensation in excess of covered compensation multiplied by the total number of Years of Service (up to a maximum of 35 years)

#### Early Retirement Benefit

##### Eligibility

First day of the month (prior to Normal Retirement Date) coincident with or next following the date in which the participant attains age 55 and has completed at least 15 Years of Service.

##### Benefit

A reduced amount equal to the greater of (i) the Actuarial Equivalent of the Normal Retirement Benefit; or (ii) the Normal Retirement Benefit reduced by 1/15th for each of the first five years, 1/30th for each of the next five years, and by the Actuarial Equivalent for any additional years that the early retirement date precedes the Normal Retirement Date.



## Houston Endowment Inc. et al Pension Trust

EIN / PN 74-6013920 / 001

Schedule SB, Part V - Summary of Plan Provisions

### Plan Provisions

---

#### Late Retirement

##### Eligibility

First day of the month coincident with or next following the participant's actual retirement date after having reached Normal Retirement Date.

##### Benefit

The greater of the Actuarial Equivalent of the Normal Retirement Benefit and the accrued benefit.

#### Pre-retirement Death Benefit

##### Eligibility

Death prior to commencement of benefit.

##### Benefit

Actuarial equivalent of the participant's vested accrued benefit.

**SCHEDULE SB  
(Form 5500)**

Department of the Treasury  
Internal Revenue Service

Department of Labor  
Employee Benefits Security Administration  
Pension Benefit Guaranty Corporation

**Single-Employer Defined Benefit Plan  
Actuarial Information**

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).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

**2023**

**This Form is Open to Public Inspection**

For calendar plan year 2023 or fiscal plan year beginning 10/01/2023 and ending 09/30/2024

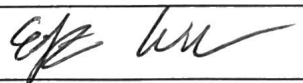
▶ **Round off amounts to nearest dollar.**

▶ **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 HOUSTON ENDOWMENT INC. ET AL PENSION TRUST		<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 HOUSTON ENDOWMENT INC.		<b>D</b> Employer Identification Number (EIN) 74-6013920	
<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>10</u> Day <u>01</u> Year <u>2023</u>	
<b>2</b>	Assets:		
	<b>a</b> Market value.....	<b>2a</b>	12,639,123
	<b>b</b> Actuarial value.....	<b>2b</b>	12,639,123
<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.....	13	6,616,752
	<b>b</b> For terminated vested participants.....	19	3,953,835
	<b>c</b> For active participants.....	34	2,723,554
	<b>d</b> Total.....	66	13,294,141
<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>	5.33%
<b>6</b>	Target normal cost		
	<b>a</b> Present value of current plan year accruals.....	<b>6a</b>	550,990
	<b>b</b> Expected plan-related expenses.....	<b>6b</b>	0
	<b>c</b> Target normal cost.....	<b>6c</b>	550,990

**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>		<u>4/21/2025</u>
	Signature of actuary	Date
	Elizabeth Welborne, FSA, EA	2308703
	Type or print name of actuary	Most recent enrollment number
	October Three Consulting LLC	810-252-9373
	Firm name	Telephone number (including area code)
	6191 N. State Highway 161, Ste 470	
	Irving TX 75038	
	Address of the firm	



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

**21** Discount rate:

**a** Segment rates: 

1st segment: 4.75 %	2nd segment: 5.00 %	3rd segment: 5.74 %	<input type="checkbox"/> N/A, full yield curve used
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**b** Applicable month (enter code)..... **21b** 0

**22** Weighted average retirement age..... **22** 65

**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** 550,990

**b** Excess assets, if applicable, but not greater than line 31a..... **31b** 0

**32** Amortization installments:

	Outstanding Balance	Installment
<b>a</b> Net shortfall amortization installment.....	1,366,200	130,461
<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** 681,451

	Carryover balance	Prefunding balance	Total balance
<b>35</b> Balances elected for use to offset funding requirement.....	0	523,034	523,034
<b>36</b> Additional cash requirement (line 34 minus line 35).....			<b>36</b> 158,417
<b>37</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....			<b>37</b> 626,826
<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> 468,409
<b>b</b> Portion included in line 38a attributable to use of prefunding and funding standard carryover balances.....			<b>38b</b> 468,409
<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