



Texas Connect 2024 Annual Report



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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of the Connect Investment Trust

Opinion

We have audited the accompanying financial statements of Connect Investment Trust, comprised of the Texas Connect (the "Pool"), which comprise the statement of net position, including the statement of investments, as of December 31, 2024, and the related statements of operations and changes in net position, and the financial highlights for the period August 15, 2024 (commencement of operation) through December 31, 2024, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Texas Connect as of December 31, 2024, and the results of its operations and changes in its net position for the period August 15, 2024 (commencement of operation) through December 31, 2024 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Texas Connect's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Cohen & Company, Ltd.

COHEN & COMPANY, LTD.

Cleveland, Ohio

March 17, 2025

MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS (UNAUDITED)

The following Management's Discussion and Analysis, also referred to as Management's Discussion of Fund Performance (the "MDFP"), presents an overview of the financial activities for Texas Connect (the "Pool"), a pool within Connect Investment Trust (the "Trust"), for the fiscal period ended December 31, 2024. This is to be read in conjunction with the Trust's financial statements following the MDFP.

FINANCIAL HIGHLIGHTS – DECEMBER 31, 2024

- The net position of the Trust at the close of fiscal period December 31, 2024, was approximately \$320.3 million and the net investment income for the period then ended totaled approximately \$3.54 million.
- The return, net of expenses including fee waivers, for the Pool was 1.91% from the commencement of the Pool on August 15, 2024, through December 31, 2024, compared to the S&P LGIP Index return of 1.85% during the same period of time.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

This overview is intended to serve as an introduction to the Trust's basic financial statements. The Trust's financial statements comprise the individual portfolio financial statements of the Pool and the corresponding notes to the financial statements. At the end of December 31, 2024, the sole Pool consisted of Texas Connect.

FINANCIAL STATEMENTS

The Trust operates as a fiduciary fund, specifically an investment trust fund, in conformity with accounting principles generally accepted in the United States of America, that require the Trust to prepare a series of financial statements. The statement of net position provides information about the assets and liabilities at a specific point in time, in this case December 31, 2024. The statement of changes in net position provides information about revenues and subscriptions and redemptions of shares recorded during the entire fiscal period from August 15, 2024 (the inception of the Trust) through December 31, 2024.

The accrual basis of accounting was used to prepare the Trust's financial statements. Revenues (or investment income) are recorded when earned, regardless of whether cash has been received. Investments are recorded at amortized cost. Information on the specific types of investments owned by the portfolio, as well as total shares sold and redeemed by the portfolio, is detailed in the statement of investments and notes to the financial statements.

TEXAS CONNECT

FINANCIAL HIGHLIGHTS Data for each share outstanding throughout the year

	Period August 15, 2024 Through December 31, 2024
Net asset value, beginning of year	\$ 1.00
Net investment income	0.0191
Distributions from net investment income	(0.0191)
Net asset value, end of year	<u>\$ 1.00</u>
Total Return	1.91%
Ratio/Supplemental Information	
Expenses as a percentage of average net assets after reductions (1)	0.008%
Expenses as a percentage of average net assets before reductions (1)	0.167%
Net investment income as a percentage of average net assets (1)	1.91%
Net position, end of year	\$ 320,290,307

(1) These percentages are annualized and should not be construed as representative of the yield or expenses related to future investment in Texas Connect.

See Accompanying Notes to Financial Statements

TEXAS CONNECT
STATEMENT OF INVESTMENTS DECEMBER 31, 2024

Principal Amount/ Shares	Security Name/Yield	Maturity Date	Amortized Cost (Note 3)
Commercial Paper — 69.1%			
\$ 1,000,000	Alinghi Funding Co., 4.67%	2/7/25	\$ 995,293
9,500,000	Anglesea Funding, 4.65% - 4.78%	1/3/25 - 2/11/25	9,472,288
3,631,000	ANZ New Zealand, 4.59% - 4.67%	2/28/25 - 12/1/25	3,565,414
13,600,000	Aquitaine, 4.77%	1/15/25	13,575,157
10,450,000	Australia and NZ Banking, 4.54% - 4.57%	4/14/25 - 5/15/25	10,449,370
8,500,000	Bank of America NA, 4.82% - 4.84%	1/17/25 - 8/11/25	8,502,660
4,000,000	Bank of Montreal, 4.64%	3/5/25	3,968,220
2,656,000	Barclays Bank, 4.70% - 4.84%	3/5/25 - 4/10/25	2,631,415
2,315,000	Bedford Row Funding, 4.64% - 4.65%	2/26/25 - 3/3/25	2,297,883
8,000,000	Britannia Funding Co., 4.70% - 4.78%	2/5/25 - 5/20/25	7,901,911
3,500,000	Cabot Trail Funding, 4.73%	2/5/25	3,484,211
800,000	Canadian Imperial Bank, 4.64%	11/12/25	769,200
482,000	Cisco Systems, Inc., 4.72%	3/24/25	476,950
3,000,000	Collateralized Commercial Paper V, 4.67%	4/25/25	3,000,055
8,000,000	Columbia Funding Co., 4.62% - 4.68%	4/2/25 - 4/11/25	7,904,867
7,400,000	Commonwealth Bank of Australia, 4.56% - 4.65%	4/10/25 - 10/3/25	7,399,977
1,355,000	Cooperatieve Rabobank, 4.64%	2/3/25	1,349,349
2,000,000	DCAT, LLC, 4.78%	1/13/25	1,996,867
1,620,000	Fairway Financial Co., 5.00%	1/16/25	1,616,679
3,600,000	Glencove Funding, 4.77%	2/6/25	3,583,152
6,000,000	Gotham Funding Corp., 4.71% - 4.77%	1/9/25 - 3/4/25	5,973,048
5,050,000	Groupe BPCE, 4.62% - 4.75%	1/16/25 - 10/3/25	4,922,436
7,500,000	Halkin Finance LLC, 4.40%	1/3/25	7,498,192
1,457,000	HSBC USA, Inc., 4.79%	2/14/25	1,457,200
7,703,000	ING US Funding, 4.67% - 4.76%	2/10/25 - 6/16/25	7,702,994
1,000,000	Liberty Street Fund, 4.66%	1/27/25	996,692
8,777,000	LMA-Americas, 4.66% - 4.96%	1/7/25 - 4/3/25	8,752,056
2,000,000	Longitude, 4.71%	2/18/25	1,987,707
1,990,000	LVMH Moet Hennessy Louis Vuitton, 4.57% - 4.77%	1/2/25 - 5/19/25	1,976,201
10,020,000	Mackinac Funding Co., 4.69% - 4.99%	1/7/25 - 4/15/25	9,986,384
4,500,000	Macquarie Bank, Ltd., 4.81% - 4.90%	2/11/25 - 11/4/25	4,489,060
7,000,000	Macquarie International, 4.61% - 4.70%	3/5/25 - 3/21/25	6,950,625
4,250,000	MUFG Bank, Ltd./NY, 4.67% - 4.95%	2/7/25 - 4/11/25	4,210,166
6,069,000	National Bank of Canada, 4.45% - 4.91%	2/25/25 - 7/29/25	5,981,509
4,350,000	National Australia Bank, 4.55% - 4.62%	2/21/25 - 3/17/25	4,350,243

Principal Amount/ Shares	Security Name/Yield	Maturity Date	Amortized Cost (Note 3)
\$ 3,735,000	Natixis NY Branch, 4.66% - 4.77%	2/3/25 - 3/21/25	\$ 3,714,791
6,500,000	Nordea Bank ABP, 4.57% - 4.64%	6/13/25 - 9/5/25	6,499,992
2,400,000	Pacific Life Global, 4.60%	10/30/25	2,312,017
3,260,000	Ridgefield Funding Co., 4.69% - 4.96%	2/3/25 - 2/27/25	3,237,597
1,000,000	Royal Bank of Canada, 4.46%	10/3/25	967,535
1,818,000	Salisbury Receivable, 4.69% - 4.99%	1/31/25 - 6/9/25	1,785,607
2,960,000	Skandinaviska Enskilda Banken, 4.66% - 4.73%	4/23/25 - 5/2/25	2,953,147
6,000,000	Svenska Handelsbanke, 4.67%	1/3/25	6,000,035
250,000	Swedbank AB, 4.76%	2/5/25	250,021
1,475,000	Thunder Bay, 4.55% - 4.64%	1/9/25 - 3/6/25	1,466,607
4,000,000	TorontoDominion Bank, 4.48% - 4.66%	3/31/25 - 10/2/25	3,967,500
6,995,000	Toyota Motor Credit, 4.70% - 5.09%	1/21/25 - 4/11/25	6,927,394
2,500,000	Victory Receivables, 4.60%	3/10/25	2,478,750
6,760,000	Westpac Bank Corp., 4.61% - 4.70%	1/31/25 - 8/29/25	6,744,683
Total Commercial Paper			\$ 221,481,107
Bank Deposits ⁽¹⁾ — 27.8%			
\$ 20,303,351	American State Bank, 4.50%	1/2/25	\$ 20,303,351
68,610,415	NexBank ICS, 4.48%	1/2/25	68,610,415
Total Bank Deposits			\$ 88,913,766
Money Market Funds ⁽²⁾ — 2.9%			
9,299,388	First American Government Obligations Fund - Class Z, 4.37%	1/2/25	\$ 9,299,388
Total Money Market Funds			\$ 9,299,388
Total Investments — 99.8%			\$ 319,694,261
Assets in excess of other Liabilities — 0.2%			\$ 596,046
Net Position — 100% --equivalent to \$1.00 per share for 320,290,307 outstanding shares of the Pool			\$ 320,290,307

(1) The rate shown represents the rate at December 31, 2024.

(2) The yield shown represents the 7-day yield at December 31, 2024.

See Accompanying Notes to Financial Statements

TEXAS CONNECT
STATEMENT OF NET POSITION DECEMBER 31, 2024

Assets	
Investments	
Commercial Paper	\$ 221,481,107
Money Market Funds	9,299,388
Bank Deposits	88,913,766
Total Investments	<u>319,694,261</u>
Interest Receivable	601,714
Total Assets	<u>\$ 320,295,975</u>
Liabilities	
Accrued Program Administrator Fees	\$ 5,668
Total Liabilities	<u>5,668</u>
Net Position	<u>\$ 320,290,307</u>
Capital Shares Outstanding	<u>320,290,307</u>
Participant Net Asset Value, Price Per Unit	<u>\$ 1.00</u>

See Accompanying Notes to Financial Statements

TEXAS CONNECT
STATEMENT OF OPERATIONS

	Period August 15, 2024 Through December 31, 2024
Investment Income	
Interest Income	\$ 3,543,013
Expenses	
Program Administrator Fees	119,639
Total Expenses Before Reductions	119,639
Expenses voluntarily waived by program administrator (See Note 2)	(113,971)
Net Expenses	5,668
Net Investment Income	\$ 3,537,345

See Accompanying Notes to Financial Statements

TEXAS CONNECT
STATEMENT OF CHANGES IN NET POSITION

	Period August 15, 2024 Through December 31, 2024
Change in Net Position	
Operations	
Net Investment Income	\$ 3,537,345
Distributions to Shareholders from	
Net Investment Income	(3,537,345)
Capital Share Transactions Net Increase (Decrease) - Note 5	<u>320,290,307</u>
Increase (Decrease) in Net Position	320,290,307
Net Position	
Beginning of Period	<u>—</u>
End of Period	<u><u>\$ 320,290,307</u></u>

See Accompanying Notes to Financial Statements

NOTE 1: NATURE OF ORGANIZATION

Organization and Purpose

Connect Investment Trust (the “Trust”), was organized as a Texas business trust on September 7, 2023. The Trust was designed to provide eligible units of local governments with an investment vehicle to pool their surplus funds and to reinvest such funds in one or more investment portfolios under the direction and daily supervision of an investment advisor. Currently, the Trust offers one investment pool in the state of Texas, which is named Texas Connect (the “Pool”). This annual report contains information pertaining to the Pool.

The Trust consists of one investment portfolio, a public funds investment pool established and created pursuant to Chapter 2256 of the Texas Government Code, as amended. The Pool commenced operations on August 15, 2024. Meeder Public Funds (the “Investment Advisor”) is the investment advisor for the Pool.

The Trust is not required to register (and has not registered) with the Securities & Exchange Commission (the “SEC”); however, the Pool is an external investment pool that has adopted operating procedures consistent with those required by Texas State Statutes and Public Funds Investment Act (“PFIA”).

The Trust is governed by a Board of Trustees consisting of three trustees, one of which is an independent trustee. An Advisory Board has been established composing of Participants and other persons who do not have a business relationship with the Trust but are qualified to advise the Trust. The Advisory Board provides advice to the Board and the Advisor about the Investment Policy and Investment Strategy of the Pool and about other matters as requested by the Board and the Advisor.

The Trust operates like a money market mutual fund with each share valued at \$1.00. The Trust is an investment company and follows the accounting and reporting guidance in Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 946.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Estimates

The financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”), which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues (income) and expenses during the reporting period. Actual results could differ from those estimates.

Limitations on Participant Contributions and Withdrawals

The Pool has no limitations or restrictions on participant withdrawals, does not charge a liquidity fee, and has not put in place a redemption gate. Each participant has the ability to withdraw 100 percent of its account balance any business day that the Investment Advisor is open for trading. The Pool will settle on the trading day (T+0).

Distributions to Participants

Net investment income for the Pool is declared daily and is paid to participants on a monthly basis. Unrealized and realized gains and losses, if any, for the Pool are typically retained by the Pool but may be distributed to participants periodically.

Securities Valuation

Securities, other than repurchase agreements and money market funds, are valued at amortized cost, which approximates fair value. Repurchase agreements are recorded at fair value, which is represented by their resell/repurchase amounts. Money market funds are valued at NAV.

Securities Transactions and Investment Income

Securities transactions are accounted for on a trade date basis. Realized gains and losses from securities transactions are recorded on a specific identification basis. Interest income is recognized on the accrual basis and includes amortization of premiums and accretion of discounts. Generally accepted accounting principles require the use of the effective interest method for amortization of premium and accretion of discount, which is included in interest income.

Distributions to Participants

Distributions from net investment income are declared and posted to participant accounts daily. The Trust's policy is to distribute net realized capital gains, if any, in a reasonable time frame after the gain is realized.

Fees and Expenses

Participants are charged an all-inclusive Program Administrator fee. The Program Administrator is Mutual Funds Service Company d/b/a Public Funds Administrators. The Program Administrator fee is outlined in the Trust Agreement and shall not exceed 0.17% of the average daily net assets of the Trust. The fee accrues daily and is deducted from the daily earnings accrual prior to distribution to Participants. The fee is paid monthly and may be waived or abated at any time in the sole discretion of the Program Administrator, except that any contractual waiver will require approval by the Board.

The Program Administrator fee covers the costs and expenses of Texas Connect including, but not limited to: Program administrator fees, investment adviser fees, banking charges, including outgoing wire fees, custodian fees, rating agency costs, valuation of the Pool's assets, auditor expenses, legal expenses, participant service functions, sales and marketing services, website maintenance, and Board of Trustee meeting charges.

The Program Administrator fee may not cover extraordinary fees incurred by the Trust. All Texas Connect quoted yields are net of fees. There are no hidden costs or additional reductions to Participants' accounts. The Program Administrator has discretion on the amount to charge and has voluntarily waived a portion of the fees of the Pool. The total fees waived during the period ended December 31, 2024 were \$113,971, or 0.16%, resulting in a net fee charged of 0.01%.

Income Taxes

The Trust is not subject to federal, state or local income taxes, and accordingly no tax provision has been made. The Trust files tax returns annually. The Trust is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months. The Trust's federal tax returns for the prior three fiscal years remain subject to examination by the Internal Revenue Service.

NOTE 3: INVESTMENTS AND CASH AND CASH EQUIVALENTS

The Board of Trustees adopted an investment policy which identifies various authorized investment instruments, issuer diversification, maturity constraints, investment ratings, and liquidity parameters. Authorized investments include shares of SEC registered investment companies established under the Investment Company Act of 1940, which include money market mutual funds (Treasury, Government Agency and Prime) and short-term bond funds. The portfolio is managed according to investment guidelines which describe the investments authorized within the portfolio.

The primary investment objectives for the Pool are preservation and safety of principal, maintenance of liquidity, and provision of current income. This is accomplished by structuring the portfolio with various objectives of diversification, maturity, liquidity, and credit quality. In buying and selling portfolio securities for the Pool, the Investment Manager will comply with the requirements imposed by any nationally recognized statistical rating organization ("NRSRO") that rates the Pool and/or its investments to ensure that it maintains the AAA rating (or the equivalent). Texas statutes specify investments meeting defined rating and risk criteria in which local government investment pools may invest as noted in Chapter 2256 (Investment Act), Texas Government Code. The Board of Trustees has further limited investment instruments for the Trust portfolio.

The following investment categories are authorized by this policy subject to the terms and limitations of the investment strategy, including the investments identified as permissible, for the Pool.

Government Securities. (Obligations, including letters of credit, of the United States or its agencies and instrumentalities; direct obligations of the State of Texas or its agencies and instrumentalities; other obligations, including bank deposits, the principal of which are unconditionally guaranteed or insured by or backed by the full faith and credit of the State of Texas or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit

Insurance Corporation (“FDIC”) or by the explicit full faith and credit of the United States; obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by an NRSRO no less than a single-A (A) rating or its equivalent; and bank deposits that are guaranteed or insured by the FDIC, including those that are arranged for redeposit in bank deposits at one or more federally insured depository institutions.)

- Policy Guidelines: Up to 100% of the Texas Connect assets may be invested in government securities.
- Maturity Limits: The maximum final stated maturity of a security is 397 days, except for floating or variable rate government obligations of the United States, its agencies, or instrumentalities. The final stated maturity of securities that are not obligations of the United States, its agencies, or instrumentalities, is the earlier of the contractual final maturity date or the next date on which full repayment of principal can be obtained through exercise of a demand feature.

Repurchase Agreements. A fully collateralized repurchase agreement or reverse repurchase agreement is an Authorized Investment if it: 1) Has a defined termination date; 2) Is secured by a combination of cash or obligations of the United States, its agencies, or its instrumentalities, including certain mortgage-backed securities; 3) Securities that are pledged to the investing entity are held in the investing entity’s name, and deposited at the time the investment is made with the entity or with a third party selected and approved by the entity; 4) Is placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in Texas. The term of a reverse repurchase agreement may not exceed 90 days after the date of delivery. Money received under a reverse repurchase agreement may be used to acquire additional Authorized Investments provided such investments mature not later than the expiration date stated in the reverse repurchase agreement.

- Policy Guidelines: Up to 100% of the Texas Connect assets may be invested in direct repurchase agreements. A term repurchase agreement refers to any repurchase agreement with more than seven (7) calendar days remaining to maturity or more than seven (7) calendar days to the next put option that allows Texas Connect to liquidate the position at par (principal plus accrued interest). Collateral must be equal to at least 102% of the total market value of the repurchase agreement, including accrued interest. All repurchase agreement transactions are governed by a Bond Market Association (BMA) or Securities Industry and Financial Markets Association (SIFMA) approved Master Repurchase Agreement and Master Reverse Repurchase Agreement.
- Maturity Limits: The maximum final maturity on repurchase agreements may not exceed 365 days. For purposes of calculating the weighted average maturity of the portfolio, the maturity date of a term repurchase agreement will be equal to the put option notice period.

Certificates of Deposit. Certificates of deposit or share certificates if the certificate is issued by a depository institution that has its main office or a branch office in Texas.

- Policy Guidelines: Up to 75% of Texas Connect assets may be invested in certificates of deposit. Certificates of deposit must be: 1) Guaranteed or insured by the FDIC or its successor or the National Credit Union Share Insurance Fund or its successor; 2) Secured by obligations of the United States, its agencies, or its instrumentalities, including mortgage-backed securities directly issued by a federal agency or instrumentality that have a market value of not less than the principal amount of the certificates, but excluding those mortgage-backed securities of the nature described in the prohibited investments section of this policy; or 3) Secured in any other manner and amount provided by law for deposits of the investing entity.
- Maturity Limits: The maximum final stated maturity of a security may not exceed 397 days.

Commercial Paper. Up to 100% of Texas Connect assets may be invested in commercial paper with a maximum maturity of 365 days which is rated not less than A-1 or P-1 or an equivalent rating by at least: 1) Two NRSROs; or 2) One NRSRO and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any state.

Money Market Mutual Funds.

- Policy Guidelines: Up to 75% of Texas Connect assets may be invested in money market mutual funds with no more than 10% concentration risk in each money market mutual fund. The fund must be rated triple-A (AAA) or equivalent by at least one of the NRSROs. The fund must be registered with and regulated by the U.S. Securities and Exchange Commission (“SEC”) and provide a prospectus and other information required by the Securities Exchange Act of 1934 or the Investment Company Act of 1940, each as amended.
- Maturity Limits: The fund must have a dollar-weighted average maturity of 120 days or less.

Fair Value Measurements

In accordance with FASB guidance, the Trust utilizes ASC 820 “Fair Value Measurement and Disclosure” to define fair value, establish a framework for measuring fair value and expand disclosure requirements regarding fair value measurements. The standard emphasizes that fair value is a market-based measurement that should be determined based on the assumptions that market participants would use in pricing an asset or liability. Various inputs are used in determining the value of the Trust’s portfolio investments defined pursuant to this standard.

These inputs are summarized into three broad levels:

- Level 1 – Quoted prices in active markets for identical securities.
- Level 2 – Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity. These may include quoted prices for similar securities, interest rates, prepayment speeds, credit risk and others. Debt securities are valued in accordance with the evaluated bid price supplied by the pricing service and are generally categorized as Level 2 in the hierarchy. Securities that are categorized as Level 2 in the hierarchy include, but are not limited to, repurchase agreements, U.S government agency securities, corporate securities and commercial paper.
- Level 3 – Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs may be used. Unobservable inputs are inputs that reflect the reporting entities own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances. There have been no significant changes in valuation techniques used in valuing any such positions held by the Trust since the beginning of the fiscal year. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The summary of inputs used as of December 31, 2024 to value the Trust’s investments in securities and other financial instruments is included in the “Valuation Inputs Summary” and “Level 3 Valuation Reconciliation of Assets” (if applicable) as noted below.

Investments by Fair Value Level	Fair Value at December 31, 2024		Level 1	Level 2	Level 3	Value at Amortized Cost
Commercial Paper	\$ 221,491,532	\$ —	\$ 221,491,532	\$ —	\$ —	\$ 221,481,107
Money Market Funds	9,299,388	9,299,388	—	—	—	9,299,388
Bank Deposits	88,913,766	88,913,766	—	—	—	88,913,766
Totals	\$ 319,704,686	\$ 98,213,154	\$ 221,491,532	\$ —	\$ —	\$ 319,694,261

Interest Rate Risk

There is interest rate risk associated with investing in Texas Connect. Interest rate risk is the risk that when interest rates rise, the prices of debt securities fall. Interest rate changes have a greater effect on the price of debt securities with longer maturities. However, market factors, such as demand for particular debt securities, may cause the price of certain securities to fall while the price of other securities rise or remain unchanged. Interest rate changes have a greater effect on the price of debt securities with longer maturities.

Credit Risk

There is credit risk associated with investing in Texas Connect. Credit risk is the risk that an issuer of a debt security fails to repay interest or principal in a timely manner. All debt securities in which the Pool invests are subject to the risk that the issuer of the debt security may not make principal or interest payments as they become due, or may default entirely on its obligations. The value and liquidity of an issuer’s debt securities will typically decline if the market perceives a deterioration in the creditworthiness of that issuer. If an issuer defaults, the Pool will lose money.

Liquidity Risk

Liquidity risk is the risk that an investment cannot be sold in a timely manner or at or near its fair value in order meet Participant redemptions.

Reinvestment Risk

Reinvestment risk is the risk that interest rates decline and the reinvestment of interest or principal payments occur at lower yields.

Stable Net Value Risks

Texas Connect will seek to stabilize the net asset value of the Pool at \$1.00 per share. This cannot, however, be guaranteed.

Counterparty Risk

Counterparty risk is the risk that the counterparty or a third party will not fulfill its obligation to the Trust.

Credit Quality Rating by Investment Type:

Based on market conditions, the Investment Advisor may be prevented from managing the investments in the portfolio in line with the stated guidelines. The Investment Advisor continually monitors the portfolio for liquidity, safety, and performance and, at its own discretion, may or may not replace investments with others the Investment Advisor deems more reasonable. The portfolio composition is reviewed quarterly with the Trust's Board of Trustees.

The portfolio was believed to be in compliance with the Pool's investment policy statement as of December 31, 2024.

Deposits

At December 31, 2024, the Pool had \$88,913,766 invested in bank deposits held in FDIC insured deposit accounts.

NOTE 4: INVESTMENT MANAGER AND ADMINISTRATOR AND RELATED PARTIES

The Trust entered into an investment management agreement with Meeder Public Funds to direct the investments of the portfolio in accordance with the investment policy statement. Fees for this service are paid directly to the Program Administrator based upon assets under management within the Pool. During the fiscal period ended December 31, 2024, the Program Administrator voluntarily waived \$113,971 of the expenses of the Pool. Please see the Fees and Expenses section of Note 2 for additional details.

Certain members of the Advisory Board are affiliated with local governments who have invested with the Trust. There was a total of \$143,816,646 in participant balances associated with these local governments as of December 31, 2024.

NOTE 5: SHARES OF BENEFICIAL INTEREST

The Agreement and Declaration of the Trust authorizes the Trustees to issue an unlimited number of shares of beneficial interest, no par value. Sales and redemptions of shares are made only on a valuation date at the net asset value used to report investments. No legally binding guarantees have been provided or obtained to support the value of the shares. As of December 31, 2024, there were 19 unique participant accounts in the Pool. The net asset value of the portfolio is \$1.00 per share and is calculated on a daily basis. Transactions for the period ended December 31, 2024 are as follows:

	Period Ended December 31, 2024
Shares Sold	326,902,961
Shares Issued for Distributions	3,537,346
	<u>330,440,307</u>
Shares Redeemed	(10,150,000)
Capital Shares Transactions Net Increase (Decrease)	<u><u>320,290,307</u></u>

NOTE 6: CONCENTRATIONS

As of December 31, 2024, the Pool has three unique participant accounts with balances totaling 64% of the customer deposits for the investment pool. The investment balances of the Pool could fluctuate significantly within the portfolio based on the investment holdings among these various customers. Additionally, market conditions and customer preferences in investment types may significantly impact the revenues of the portfolio at any given time.

NOTE 7: STANDARD & POOR'S RATING OF TEXAS CONNECT

Standard & Poor's has assigned an AAAM money market rating, its highest rating, to Texas Connect. By obtaining a AAAM rating, Texas Connect is considered to have a superior capacity to maintain principal (\$1.00 per share value) and limit exposure to loss. The rating is based on an analysis of Texas Connect's management, investment guidelines, portfolio holdings, and market price exposure.

NOTE 8: SUBSEQUENT EVENTS

Management evaluated subsequent events through the date these financial statements were issued and concluded no subsequent events required recognition or disclosure in these financial statements.

NOTE 9: GUARANTEES AND INDEMNIFICATIONS

In the normal course of business, the Pool enters into contracts with service providers that contain general indemnification clauses. The Pool's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Pool that have not yet occurred.

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SERVICE PROVIDERS

INVESTMENT ADVISOR

Meeder Public Funds, Inc.

PROGRAM ADMINISTRATOR

Mutual Funds Service Company d/b/a Public Funds Administrators

CUSTODIAN

U.S. Bank National Association

INDEPENDENT AUDITOR

Cohen & Co.

LEGAL COUNSEL

FinTech Law, LLC

For more information on current yields or assistance in opening a Texas Connect account, call toll free at 1-866-877-2368, or send an email to info@texas-connect.com.



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