INVESTMENT TRUST OF CALIFORNIA

(CalTRUST)

FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED
JUNE 30, 2026

INVESTMENT TRUST OF CALIFORNIA (CalTRUST)
FOR THE YEAR ENDED JUNE 30, 2026

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees and Audit Committee
Investment Trust of California (CalTRUST)
Folsom, California

Opinion

We have audited the accompanying financial statements of the Investment Trust of California (CalTRUST), as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise CalTRUST's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Liquidity Fund, the Short-Term Fund, and the Medium-Term Fund of CalTRUST as of June 30, 2026, and the respective changes in financial position for the year then ended 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 CalTRUST, 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 CalTRUST's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 auditing standards

BAKERSFIELD
4200 Truxtun Avenue, Suite 300
Bakersfield, CA 93309
661-324-4971

FRESNO
10 River Park Place East, Suite 208
Fresno, CA 93720
559-476-3592

STOCKTON
2423 West March Lane, Suite 202
Stockton, CA 95207
209-451-4833

REGISTERED with the Public Company Accounting Oversight Board and MEMBER of the American Institute of Certified Public Accountants

generally accepted in the United States of America 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 auditing standards generally accepted in the United States of America, 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 CalTRUST'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 CalTRUST's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Stockton, California
October 21, 2026

INVESTMENT TRUST OF CALIFORNIA (CalTRUST)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2026

The following discussion and analysis of the Investment Trust of California (CalTRUST) investment fund financial performance provides an overview of its financial activities for the year ended June 30, 2026. Please read it in conjunction with CalTRUST's financial statements, which begin on page 9. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests solely with management of CalTRUST. To the best of our knowledge and belief, the financial statements, as presented, are accurate in all material respects.

Overview of the Financial Statements

CalTRUST's financial statements are those of a separate annual financial report of a governmental external investment pool. Under Governmental Accounting Standards Board (GASB) pronouncements, the separate annual financial reports for governmental external investment pools include the management's discussion and analysis (MD&A), a statement of net position, statement of changes in net position, and notes to financial statements. These financial statements are prepared on the economic resources measurement focus and the accrual basis of accounting.

The MD&A serves as an introduction to the basic financial statements. The statement of net position reflects assets held and liabilities owed by each fund at CalTRUST's year-end (June 30, 2026). The statement of changes in net position reflects all of the additions to and deductions from the funds during the period. The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

Financial Summary

Liquidity Fund

The Liquidity Fund was created in June 2018 and began the fiscal year with a net position of $2.7 billion and closed the period on June 30, 2026, with a net position of $2.7 billion. The average market value for the Liquidity Fund during the period was $3.1 billion compared to prior period $2.1 billion. Net earnings distributed to participants in the Liquidity Fund during the period totaled $123.9 million compared to prior period $97.9 million. The total cost for the Liquidity Fund during the period was $3.4 million; including $1,007 thousand in investment advisory costs, $313 thousand in administrative costs, $388 thousand in fund accounting/transfer agent costs, $103 thousand in custody costs, and $1.6 million in operating costs. The total cost for the Liquidity Fund during the prior period was $2.3 million; including $706 thousand in investment advisory costs, $208 thousand in administrative costs, $283 thousand in fund accounting/transfer agent costs, $76 thousand in custody costs, and $1.0 million in operating costs. Administrative and operating costs cover expenses associated with general operations, travel, rating agencies, legal, and administrative support.

The Liquidity Fund's net position was essentially unchanged from the prior year, increasing $2.2 million, or 0.1%. The net increase from operations of $123.9 million was distributed to participants, and net share subscriptions of $2.2 million account for essentially the entire increase.

The Liquidity Fund portfolio provides liquidity on a daily basis and is designed to have a stable Net Asset Value (NAV). The Liquidity Fund is intended to resemble a 2a7 fund and complies with GASB Statement No. 79. The Liquidity Fund invests in all the sectors allowed by the California Government Code. The Liquidity Fund was created in response to California public agencies seeking additional stable NAV pooled investment options.

Short-Term Fund

The Short-Term Fund began the fiscal year with a net position of $1.1 billion and closed the period on June 30, 2026, with a net position of $838.2 million. The average market value for the Short-Term Fund during the period was approximately $896.8 million compared to prior period $1.1 billion. Net earnings distributed to participants in the Short-Term Fund during the period totaled $35.8 million compared to prior period $51.0 million. The total cost for the Short-Term Fund during the period was $1.2 million; including $497 thousand in investment advisory costs, $90 thousand in administrative costs, $159 thousand in fund accounting/transfer agent costs, $50 thousand in custody costs, and $449 thousand in operating costs. The total cost for the Short-Term Fund during the prior period was $1.5 million; including $569 thousand in investment advisory costs, $112 thousand in administrative costs, $187 thousand in fund accounting/transfer agent costs, $50 thousand in custody costs, and $559 thousand in operating costs. Administrative and operating costs cover expenses associated with general operations, travel, rating agencies, legal, and administrative support.

The Short-Term Fund experienced a decrease in net position during the year primarily due to net share redemption activity.

The Short-Term Fund portfolio provides liquidity on a next-day basis and is designed to have relatively low NAV volatility while providing returns higher than are available in money market funds. The duration is longer than the Liquidity Fund and is targeted closer to one year. The Short-Term Fund invests in all the sectors allowed by the California Government Code.

Medium-Term Fund

The Medium-Term Fund began the fiscal year with a net position of $1.4 billion and closed the period on June 30, 2026, with a net position of $1.4 billion. The average market value in the Medium-Term Fund during the period was $1.4 billion compared to prior period $1.3 billion. Net earnings distributed to participants in the Medium-Term Fund during the period totaled $54.7 million compared to prior period $52.4 million. The total costs for the Medium-Term Fund during the period were $1.9 million; including $827 thousand in investment advisory costs, $139 thousand in administrative costs, $214 thousand in fund accounting/transfer agent costs, $54 thousand in custody costs, and $696 thousand in operating costs. The total costs for the Medium-Term Fund during the prior period were $1.8 million; including $772 thousand in investment advisory costs, $126 thousand in administrative costs, $201 thousand in fund accounting/transfer agent costs, $52 thousand in custody costs, and $630 thousand in operating costs. Administrative and operating costs cover expenses associated with general operations, travel, rating agencies, legal, and administrative support.

The Medium-Term Fund experienced a slight increase in net position during the year, primarily due to net share subscription activity from participants.

The Medium-Term Fund is targeted toward local municipal assets with a longer time horizon than those in the Short-Term Fund. The fund offers next-day liquidity. The duration is longer than the short term portfolio and is targeted closer to two years. This provides the ability to achieve higher returns but does increase the interest rate risk to participants. The fund also takes advantage of all the sectors allowed by the California Government Code.

Detailed Analyses

CalTRUST's total net position across the three funds decreased $263.1 million, or 5.0%, from $5,276.0 million at June 30, 2025, to $5,012.9 million at June 30, 2026. The decrease is attributable entirely to the Short-Term Fund, where net share redemptions of $287.2 million more than offset modest increases in the Liquidity and Medium-Term Funds. For all funds combined, total investment income was $211.2 million and total expenses were $6.6 million, producing a net increase from operations of $204.7 million, and distributions to participants totaled $214.4 million.

The following tables indicate the net position (in thousands) of each fund of CalTRUST as of June 30, 2026 and 2025.

Liquidity Fund

	2026	2025
Total assets	$ 2,758,849	$ 2,755,922
Total liabilities	(10,214)	(9,504)
Net position	$ 2,748,635	$ 2,746,418

	2026	2025
Interest and dividend income	$ 127,262	$ 100,181
Net change in fair value of investments	29	7
Total investment income	127,291	100,188
Total expenses	(3,376)	(2,314)
Net increase from operations	123,915	97,874
Distributions to participants	(123,886)	(97,867)
Net share subscription transactions	2,188	810,679
Net increase in net position	2,217	810,686
Net position, beginning of year	2,746,418	1,935,732
Net position, end of year	$ 2,748,635	$ 2,746,418

Total assets increased $2.9 million and net position increased $2.2 million, or 0.1%. The fund earned $123.9 million from operations and distributed $123.9 million to participants. This is a marked change from the prior year, when $810.7 million of net share subscriptions drove an $810.7 million increase in net position. Year-end balances understate the fund's activity during the year. Interest income rose 27.0% to $127.3 million. Average market value rose approximately 47.6%, from $2.1 billion to $3.1 billion, so the increase in invested balances was partly offset by lower yields as short-term rates declined during the year. Total costs rose 45.9% to $3.4 million. Roughly half of the $1.1 million increase, $538 thousand, is in investment advisory, administrative, fund accounting and custody fees, which are assessed on average daily net position and on transaction activity rather than on the year-end balance; purchases and sales rose approximately 50% during the year. The other $524 thousand is in operating costs, which rose from $1.0 million to $1.6 million. Operating costs fund CalTRUST’s staff and general operations. They are recovered through the 0.06% operating fee described in Note 1 and are allocated among the funds on average daily net position, so a fund’s share changes with its relative size even though the underlying costs do not move with assets. That increase reflects the Executive Assistant position added during the year and the Liquidity Fund’s larger share of the allocation. Operating costs across all three funds rose 21.5% in total, while the Liquidity Fund’s share of them rose 50.3% as the Short-Term Fund contracted.

The composition of the portfolio shifted during the year while total investments were essentially unchanged, decreasing $1.1 million to $2,747.1 million. Commercial paper increased $97.5 million, corporate bonds increased $36.5 million and money market mutual funds increased $11.3 million, offset by decreases of $76.8 million in U.S. Treasury obligations, $62.0 million in repurchase agreements and $7.6 million in certificates of deposit. Total assets increased $2.9 million because the $1.1 million decrease in investments and a $0.9 million decrease in accrued interest income were more than offset by a $4.9 million receivable for investments sold at June 30, 2026, with no comparable balance at June 30, 2025. The entire fund matures in less than one year at June 30, 2026, compared to 99.58% at June 30, 2025.

Short-Term Fund

	2026	2025
Total assets	$ 857,302	$ 1,201,957
Total liabilities	(19,091)	(76,021)
Net position	$ 838,211	$ 1,125,936

	2026	2025
Interest and dividend income	$ 37,081	$ 52,433
Net change in fair value of investments	(536)	3,806
Total investment income	36,545	56,239
Total expenses	(1,245)	(1,477)
Net increase from operations	35,300	54,762
Distributions to participants	(35,834)	(50,955)
Net share redemption transactions	(287,191)	(53,292)
Net decrease in net position	(287,725)	(49,485)
Net position, beginning of year	1,125,936	1,175,421
Net position, end of year	$ 838,211	$ 1,125,936

Net position decreased $287.7 million, or 25.6%. Net share redemptions of $287.2 million account for essentially the entire decrease. Operations were close to neutral, with $35.3 million earned and $35.8 million distributed. Total assets decreased $344.7 million and total liabilities decreased $56.9 million, of which $55.4 million is a smaller balance of unsettled investment purchases at year-end rather than any change in the fund's obligations. The smaller average balance reduced interest income to $37.1 million from $52.4 million. The fund also recorded a $536 thousand decrease in the fair value of investments, against a $3.8 million increase in the prior year.

Medium-Term Fund

	2026	2025
Total assets	$ 1,442,534	$ 1,448,595
Total liabilities	(16,459)	(44,924)
Net position	$ 1,426,075	$ 1,403,671

Total Net Position	$ 5,012,921	$ 5,276,025

	2026	2025
Interest and dividend income	$ 56,588	$ 54,168
Net change in fair value of investments	(9,207)	23,690
Total investment income	47,381	77,858
Total expenses	(1,930)	(1,781)
Net increase from operations	45,451	76,077
Distributions to participants	(54,658)	(52,386)
Net share subscription transactions	31,611	371,141
Net increase in net position	22,404	394,832
Net position, beginning of year	1,403,671	1,008,839
Net position, end of year	$ 1,426,075	$ 1,403,671

Net position increased $22.4 million, or 1.6%, driven by $31.6 million of net share subscriptions partly offset by a $9.2 million decrease in the fair value of investments. Net investment income was distributed in full, so the fair value decrease is the whole of the difference between the $54.7 million distributed and the $45.5 million net increase from operations. The prior year recorded a $23.7 million increase in fair value, a year-over-year swing of $32.9 million.

Total assets decreased $6.1 million even though investments increased $17.3 million, because receivables for unsettled investment sales fell $23.2 million. Total liabilities decreased $28.5 million, of which $28.1 million is a smaller balance of unsettled investment purchases at year-end. Both are timing items at the balance sheet date and neither reflects a change in the fund's position. The portion of the fund maturing in less than one year rose to 14.40% from 6.95%, as agency securities and corporate bonds rolled toward maturity.

Significant Capital Asset and Long-Term Financing Activity

CalTRUST has no capital assets and engaged in no long-term financing activity during the year ended June 30, 2026. Accordingly, there is no activity to report in this section.

Currently Known Facts, Decisions, or Conditions

Fiscal Year 25-26 saw CalTRUST continue to evolve and grow as a strong small staff organization with an additional staff person hired for a new Executive Assistant position and another additional position approved by the Board of Trustees, effective for FY 26-27, for a new Relationship Manager position. During the year, CalTRUST hit a record high of assets of $6.27 billion in December. CalTRUST continues to grow with new shareholder accounts and agencies proactively reaching out to learn more about

CalTRUST and how they can utilize the funds. Notwithstanding this growth in participant accounts, total net position across the three funds decreased $263.1 million, or 5.0%, during the year, driven by net share redemptions in the Short-Term Fund.

CalTRUST daily operations are managed by the CalTRUST Chief Executive Officer who reports to the CalTRUST Board of Trustees. As of June 30, 2026, the CalTRUST Board of Trustees consisted of seven California public agency investment officers or treasurers including four county representatives, two city representatives, and one special district representative. CalTRUST's structure allows for as few as five Trustees and as many as 15 Trustees.

As the yield curve has continued to normalize and short-term rates have declined, public agencies in California have begun to increase utilization of the State Treasurer's Local Agency Investment Fund. At the same time, shareholders comfortable with floating net asset value funds may have greater interest in the CalTRUST Short-Term and Medium-Term fund options. Under these conditions, growth in the Liquidity Fund may moderate, while utilization of the Short-Term Fund may increase.

Request for Information

Any questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

CalTRUST
Attn: Laura Labanieh Kitson
50 Iron Point Circle, Suite 140
Folsom, CA 95630

BASIC FINANCIAL STATEMENTS

INVESTMENT TRUST OF CALIFORNIA (CalTRUST)
STATEMENT OF NET POSITION
JUNE 30, 2026
(In Thousands)

	Liquidity Fund	Short-Term Fund	Medium-Term Fund	Total
ASSETS				
Investments:				
U.S. Treasury obligations	$ 143,754	$ 508,250	$ 952,886	$ 1,604,890
U.S. Agency securities	-	8,512	53,708	62,220
Corporate bonds	60,000	103,451	231,806	395,257
Asset-backed securities	-	81,096	137,796	218,892
Money market mutual funds	100,855	145,491	44,053	290,399
Repurchase agreements	643,000	-	-	643,000
Municipal obligations	-	-	2,737	2,737
Certificates of deposit	727,000	-	-	727,000
Commercial paper	1,072,531	-	-	1,072,531
Total investments	2,747,140	846,800	1,422,986	5,016,926
Accrued interest income	6,812	7,812	14,859	29,483
Receivable for investments sold	4,897	2,690	4,689	12,276
Total assets	2,758,849	857,302	1,442,534	5,058,685
LIABILITIES				
Accounts payable	479	368	687	1,534
Income distribution payable	9,735	2,709	4,689	17,133
Payable for investments purchased	-	16,014	11,083	27,097
Total liabilities	10,214	19,091	16,459	45,764
NET POSITION				
Net position held for fund participants	$ 2,748,635	$ 838,211	$ 1,426,075	$ 5,012,921

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

INVESTMENT TRUST OF CALIFORNIA (CalTRUST)
STATEMENT OF CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2026
(In Thousands)

	Liquidity Fund	Short-Term Fund	Medium-Term Fund	Total
INVESTMENT INCOME				
Interest and dividend income	$ 127,262	$ 37,081	$ 56,588	$ 220,931
Net realized and unrealized gain (loss) on investments	29	(536)	(9,207)	(9,714)
Total investment income	127,291	36,545	47,381	211,217
EXPENSES				
Investment advisory fees	1,007	497	827	2,331
Administrative fees	313	90	139	542
Accounting fees	388	159	214	761
Custody fees	103	50	54	207
Other operating expenses	1,565	449	696	2,710
Total expenses	3,376	1,245	1,930	6,551
NET INCREASE FROM OPERATIONS	123,915	35,300	45,451	204,666
DISTRIBUTIONS TO FUND PARTICIPANTS				
Investment income, net	(123,886)	(35,834)	(54,658)	(214,378)
SHARE SUBSCRIPTION (REDEMPTION) TRANSACTIONS, NET	2,188	(287,191)	31,611	(253,392)
NET INCREASE (DECREASE) IN NET POSITION	2,217	(287,725)	22,404	(263,104)
NET POSITION, Beginning of Year	2,746,418	1,125,936	1,403,671	5,276,025
NET POSITION, End of Year	$ 2,748,635	$ 838,211	$ 1,426,075	$ 5,012,921

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

NOTE 1 – REPORTING ENTITY

Organized as a Joint Powers Authority (JPA), the Investment Trust of California (CalTRUST) is a local government investment pool established by public agencies in California for the purpose of pooling and investing local agency funds including operating reserves and bond proceeds. A Board of Trustees (the Trustees) supervises and administers the investment program of CalTRUST. The Trustees are comprised of experienced investment officers and policy-makers of the public agency members.

Any California local agency may join CalTRUST and invest in its funds, and in the case of counties, the funds of other local agencies that have invested with the County Treasurer's office. Funds from all participants are commingled in each of the investment funds. Participants receive units in CalTRUST and designated shares for the particular accounts in which they invest.

CalTRUST offers the option of three funds to provide member agencies with a convenient method of pooling funds: Liquidity, Short-Term, and Medium-Term investment funds. The investment funds seek to attain as high a level of current income that is consistent with the preservation of principal. The Liquidity Fund is subject to a maximum weighted average maturity of 60 days and a maximum weighted average life of 120 days. The Short-Term Fund seeks a target portfolio duration of 0 to 2 years and the Medium-Term Fund seeks a target portfolio duration of 1.5 to 3.5 years.

Administration and Investment Management

Pursuant to an Investment Advisory Agreement, State Street Investment Management (the Advisor) provides CalTRUST with a continuous program of supervision of each investment fund's assets, including the composition of its portfolio, and furnishes advice and recommendations with respect to investments, investment policies, and the purchase and sale of securities. As compensation for its services, the Advisor receives a fee at the annual rate as shown in the tables below of average daily net position.

	Up to $500 Million	Over $500 Million
Liquidity Fund	0.050%	0.030%

	Up to $500 Million	Over $500 Million; Up to $1 Billion	Over $1 Billion
Short-Term Fund	0.065%	0.050%	0.040%
Medium-Term Fund	0.075%	0.060%	0.040%

The Liquidity, Short-Term, and Medium-Term investment funds are subject to minimum annual fees of $100,000, $175,000, and $175,000, respectively. If the minimum annual fee is determined to be greater than the calculated fees per the tiered fee schedule noted above, CalTRUST will be responsible for the shortfall to the advisor.

NOTE 1 – REPORTING ENTITY (Continued)

Administration and Investment Management (Continued)

CalTRUST assesses 0.06% Operating Fees on the Liquidity, Short-Term, and Medium-Term Funds. All operating costs are paid from this fee including staff salaries and benefits. Payroll for all staff is managed through Paylocity. Benefits for staff, with the exception of the Chief Executive Officer, are administered through the Golden State Risk Management Authority. CalTRUST engages the CSAC Finance Corporation (CSAC FC) to provide limited administrative services, including usage of the CSAC FC office as the official place of business for CalTRUST, administration of all CalTRUST staff's payroll via Paylocity, administration of the Chief Executive Officer's benefits, sponsorship of CalTRUST webinars, and licensing the use of their name and logo to CalTRUST. CalTRUST reimburses CSAC FC for the Chief Executive Officer's salary and benefits monthly and compensates them at an annual rate of 0.01% of the fund's average daily net position for the Liquidity, Short-Term, and Medium-Term Funds for the additional services. This fee is paid from the 0.06% Operating Fee.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

Financial transactions are accounted for using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Investments

CalTRUST invests in fixed income securities eligible for investment pursuant to California Government Code Sections 53601, et seq. and 53635, et seq. Investment guidelines adopted by the Trustees may further restrict the types of investments held by CalTRUST. These guidelines and the Sections 53601 and 53635 authorize CalTRUST's investment advisor to invest in securities issued by the U.S. Government and its agencies, certain corporate bonds and notes, bankers' acceptances, certificates of deposit, commercial paper, asset-backed securities, municipal obligations, shares of money market mutual funds, and repurchase agreements, and leveraging within CalTRUST's portfolio is prohibited.

The funds are not registered under any federal or state securities law, nor are they registered under the Investment Company Act of 1940 (the Act). For that reason, the investment funds and CalTRUST are not subject to various protections of the Act, which apply to certain pooled vehicles such as money market funds and other mutual funds.

The Liquidity Fund measures its investments at amortized cost as permitted for a qualifying external investment pool under GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. To apply this measurement, the Liquidity Fund is required to meet the portfolio maturity, quality, diversification and liquidity criteria of that Statement, which include a dollar-weighted average maturity of 60 days or less, a weighted average life of 120 days or less, and a remaining maturity of 397 days or less for each security held. The Liquidity Fund met these criteria throughout the year ended June 30, 2026. Shares of the Liquidity Fund are issued and redeemed at a stable net asset value of $1.00 per share.

The Short-Term Fund and Medium-Term Fund measure their investments at fair value, which is determined daily for the Short-Term Fund and monthly for the Medium-Term Fund. Securities listed on an exchange or quoted on a national market system are valued at the last sales price as of 4:00 p.m. Eastern time on the day of valuation. Securities for which quoted prices in active markets are not available are valued using an independent pricing service, which applies matrix and evaluated pricing techniques based on benchmark yields, reported trades, broker/dealer quotations, issuer spreads and other observable market data for identical or comparable securities, or by following procedures approved by the Trustees. As of June 30, 2026, no securities were valued using procedures approved by the Trustees.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments (Continued)

Investment transactions are recorded on the trade date. For the Short-Term Fund and Medium-Term Fund, the calculation of realized gains and losses is independent of the calculation of the net change in the fair value of investments. Realized gains and losses on investments held in more than one fiscal year and sold in the current year are included as a change in the fair value of investments reported in the prior year(s) and the current year. Interest income is recorded on an accrual basis. Dividend income is recorded on the ex-dividend date. The net income of each fund is calculated daily and declared daily as a dividend.

Amounts that may be withdrawn from the Liquidity, Short-Term, and Medium-Term investment funds are based on the net asset value per share and the number of shares held by participants in each respective fund, which for the Short-Term Fund and Medium-Term Fund is different than the method used to report investments in these financial statements. For the Liquidity Fund, which measures its investments at amortized cost, the two are the same. The net asset value per share is computed by dividing the fair value of the fund's securities and other assets in the fund, less any liabilities, by the total outstanding shares of the fund. CalTRUST has not entered into any legally binding guarantees during the fiscal year ended June 30, 2026, to support participant equity in the investment funds.

Tax Matters

Pursuant to Section 115(1) of the Internal Revenue Code, federal gross income does not include income derived from the exercise of any essential government function that accrues to a state, or any political subdivision of a state.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts in the financial statement and accompanying notes. Actual results could differ from those estimates.

External Investment Pool

CalTRUST is an external investment pool as described in Governmental Accounting Standards Board (GASB) Statement No. 79, *Certain External Investment Pools and Pool Participants*. As described in Management's Discussion and Analysis, the Liquidity Fund provides liquidity on a daily basis, the Short-Term Fund on a next-day basis, and the Medium-Term Fund on a next-day basis. Notice must be given by the specified cut-off times on a particular business day, if notice is given past the specified fund cut-off time or on a non-business day, the transaction notice will be effective the next business day. There are no minimum or maximum transaction amounts, no additional notice periods, and no additional limitations on participant withdrawals. The Trustees have the authority to impose liquidity fees or redemption gates as provided in CalTRUST's governing documents. No liquidity fees or redemption gates were imposed during the year ending June 30, 2026, nor have any ever been previously imposed upon the CalTRUST funds. No participant was, or ever has been, required to participate in the CalTRUST funds involuntarily. Information about CalTRUST and each investment fund, including the net asset value per share, may be obtained at www.caltrust.org.

Change in Accounting Principle

Effective for the year ended June 30, 2026, CalTRUST changed the measurement of the Liquidity Fund's investments from fair value to amortized cost. GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, permits an external investment pool that meets the portfolio maturity, quality, diversification and liquidity criteria of that Statement to measure all of its investments at amortized cost. In prior years the Liquidity Fund measured its investments at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Because Statement No. 79 permits, but does not require, a qualifying pool to measure its investments at amortized cost, the change is a voluntary change in accounting principle under GASB Statement No. 100, *Accounting Changes and Error Corrections*.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Change in Accounting Principle (Continued)

Management believes amortized cost is the preferable measurement for the Liquidity Fund. The Fund is operated as a stable net asset value pool and issues and redeems shares at $1.00 per share. Measuring its investments at amortized cost reports those investments on the same basis on which participants transact with the Fund and on which the Fund is managed and monitored against the criteria of Statement No. 79.

The cumulative effect of the change on net position at July 1, 2025 was a decrease of approximately $33,000 (in dollars, not in thousands). Management determined that amount to be immaterial to the financial statements taken as a whole and, accordingly, beginning net position has not been restated. At June 30, 2026, measuring the Liquidity Fund's investments at amortized cost rather than fair value reduced reported investments by approximately $62,000 (in dollars, not in thousands).

New Accounting Pronouncement Implemented

Effective July 1, 2025, CalTRUST implemented GASB Statement No. 103, *Financial Reporting Model Improvements*. Statement No. 103 revises the requirements for Management's Discussion and Analysis, including the presentation of information in five sections and the requirement that the analyses explain the reasons for changes in balances rather than only the amounts of those changes. Implementation of Statement No. 103 changed the presentation of Management's Discussion and Analysis and had no effect on CalTRUST's net position or changes in net position as previously reported.

NOTE 3 – INVESTMENTS

As of June 30, 2026, the investments held by all funds consisted of the following (in thousands). The Liquidity Fund's investments are reported at amortized cost and the Short-Term Fund's and Medium-Term Fund's investments are reported at fair value, as described in Note 2:

	Liquidity Fund	Short-Term Fund	Medium-Term Fund	Total
Investments	$ 2,747,140	$ 846,800	$ 1,422,986	$ 5,016,926
Total investments	$ 2,747,140	$ 846,800	$ 1,422,986	$ 5,016,926

Investments Authorized by the CalTRUST's Investment Policy

The following table identifies the investment types authorized by CalTRUST's investment policy. This table also identifies certain provisions of the investment policy that address interest rate risk, credit risk, and concentration of credit risk. The Liquidity Fund is subject to a maximum weighted average maturity of 60 days and a maximum weighted average life of 120 days. The Short-Term Fund and Medium-Term Fund seek target portfolio durations of 0 to 2 years and 1.5 to 3.5 years, respectively. The maximum percentage of portfolio and maximum investment in one issuer limitations in the table below are applied at the time of purchase.

NOTE 3 – INVESTMENTS (Continued)

Investments Authorized by the CalTRUST's Investment Policy (Continued)

Liquidity, Short-Term, and Medium-Term Investment Funds

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds or Notes	5 Years	None	10%
U.S. Treasury Obligations	5 Years	None	None
U.S. Agency Securities	5 Years	None	None
Registered State Warrants or Treasury Notes	5 Years	None	10%
Bankers' Acceptances	180 Days	40%	10%
Commercial Paper	397 Days	40%	10%
Negotiable Certificates of Deposit	5 Years	30%	10%
Repurchase Agreements	1 Year	None	10%
Medium-Term Notes	5 Years	30%	10%
Money Market Funds	None	20%	20%
Mutual Funds	None	20%	10%
Mortgage Pass-Through, Asset-Backed, and Other Pay-Through Securities	5 Years	20%	10%
USD Senior Unsecured Unsubordinated Obligations	5 Years	30%	10%

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and CalTRUST's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under stated law. The market value of the pledged securities in the collateral pool must be equal to at least 110% of the total amount deposited by the public agencies. All of CalTRUST's investments, other than repurchase agreements, are registered in CalTRUST's name and held by CalTRUST's custodian. At June 30, 2026, the Liquidity Fund held $643.0 million of tri-party repurchase agreements. CalTRUST's investment policy permits repurchase agreement collateral to be delivered to the counterparty bank's customer book-entry account and requires collateral with a market value of at least 102% of the funds invested, revalued no less frequently than quarterly and restored to at least 102% by the next business day if the market value falls below that level. Because the collateral underlying these agreements is held by the tri-party agent in the counterparty's name rather than in CalTRUST's name, the $643.0 million invested in repurchase agreements at June 30, 2026 was exposed to custodial credit risk.

Concentration of Credit Risk

As of June 30, 2026, CalTRUST held the following investments in any one issuer that represented 5% or more of that fund's total investments. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded from this requirement.

NOTE 3 – INVESTMENTS (Continued)

Concentration of Credit Risk (Continued)

Liquidity Fund

Approximately 8.77%, or $241.0 million, is invested in repurchase agreements with JP Morgan Securities; approximately 6.44%, or $177.0 million, in repurchase agreements with BNP Paribas Securities; and approximately 5.46%, or $150.0 million, in repurchase agreements with Goldman Sachs. Each of these agreements matured on July 1, 2026 and was collateralized at not less than 102% of the amount invested, as described under Custodial Credit Risk above. Approximately 7.43%, or $204.1 million, is invested in commercial paper issued by compartments of Verto Capital; no single compartment represented more than 3.79% of the Fund's investments at June 30, 2026.

Short-Term Fund

The Short-Term Fund held no investment in a single issuer subject to this disclosure that represented 5% or more of total investments as of June 30, 2026.

Medium-Term Fund

The Medium-Term Fund held no investment in a single issuer subject to this disclosure that represented 5% or more of total investments as of June 30, 2026.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. It is CalTRUST's policy to purchase investments with ratings required in accordance with California Government Code. California Government Code Section 53601 requires commercial paper to be rated at least A-1, medium-term notes to be rated at least A, and asset-backed securities to be rated at least AA by a nationally recognized statistical rating organization at the time of purchase. The ratings presented below are those assigned by Standard & Poor's. Asset-backed securities with a fair value of $26.5 million held by the Short-Term Fund and $32.3 million held by the Medium-Term Fund are not rated by Standard & Poor's and are rated Aaa by Moody's Investors Service. Corporate bonds with a fair value of $15.9 million held by the Medium-Term Fund are rated BBB+ by Standard & Poor's and A3 by Moody's Investors Service. Commercial paper with an amortized cost of $1,072.5 million held by the Liquidity Fund is rated A-1 or A-1+ by Standard & Poor's. Of that amount, $963.3 million is also rated P-1 by Moody's Investors Service; the remaining $109.2 million is not rated by Moody's Investors Service, and the Standard & Poor's rating is the only short-term rating assigned to those notes. For $99.9 million of the commercial paper held, the Standard & Poor's rating shown is the rating assigned to the issuance program rather than to the individual note. Certificates of deposit with an amortized cost of $727.0 million held by the Liquidity Fund are rated as follows: $438.5 million carry a short-term rating of A-1 or A-1+ from Standard & Poor's; for the remaining $288.5 million, no short-term rating is assigned and the rating shown is the issuer's long-term rating of AA- or higher. Corporate bonds with an amortized cost of $60.0 million held by the Liquidity Fund are rated A+ on a long-term basis by Standard & Poor's and carry a short-term rating of A-1 or higher.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. As a means of limiting its exposure to fair value losses arising from rising interest rates, CalTRUST manages its exposure to interest rate risk by purchasing a combination of shorter and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. As of June 30, 2026, 100%, 54.14%, and 14.40% of the Liquidity Fund, Short-Term Fund, and Medium-Term Fund, respectively, had investments that mature in less than a year.

NOTE 3 – INVESTMENTS (Continued)

Interest Rate Risk (Continued)

As of June 30, 2026, CalTRUST's investments and credit ratings are as follows (in thousands):

		Maturity					
	Credit Rating S&P	Under 30 Days	31-180 Days	181-365 Days	1-5 Years	Over 5 Years	Total
Liquidity Fund							
Corporate bonds	A+	$ -	$ 25,000	$ 35,000	$ -	$ -	$ 60,000
U.S. Treasury obligations	Not Rated	-	143,754	-	-	-	143,754
Repurchase agreements	Not Rated	635,000	8,000	-	-	-	643,000
Certificates of deposit	Not rated to A-1+	78,500	416,500	232,000	-	-	727,000
Commercial paper	Not rated to A-1+	295,358	777,173	-	-	-	1,072,531
Money market mutual funds	Not Rated	100,855	-	-	-	-	100,855
Total investments		$ 1,109,713	$ 1,370,427	$ 267,000	$ -	$ -	$ 2,747,140

		Maturity					
	Credit Rating S&P	Under 30 Days	31-180 Days	181-365 Days	1-5 Years	Over 5 Years	Total
Short-Term Fund							
U.S. agency securities	AA+	$ -	$ -	$ 8,512	$ -	$ -	$ 8,512
Corporate bonds	A- to A+	-	13,501	25,079	64,871	-	103,451
Asset-backed securities	Not Rated and AAA	-	-	1,679	79,417	-	81,096
U.S. Treasury obligations	Not Rated	97,418	44,321	122,414	244,097		508,250
Money market mutual funds	Not Rated	145,491	-	-	-	-	145,491
Total investments		$ 242,909	$ 57,822	$ 157,684	$ 388,385	$ -	$ 846,800

		Maturity					
	Credit Rating S&P	Under 30 Days	31-180 Days	181-365 Days	1-5 Years	Over 5 Years	Total
Medium-Term Fund							
U.S. agency securities	AA+	$ -	$ 5,898	$ 47,810	$ -	$ -	$ 53,708
Corporate bonds	BBB+ to AA+	5,002	11,033	91,100	124,671	-	231,806
Municipal obligations	AA	-	-	-	2,737	-	2,737
Asset-backed securities	Not Rated and AAA	-			137,796	-	137,796
U.S. Treasury obligations	Not Rated	-	-	-	952,886	-	952,886
Money market mutual funds	Not Rated	44,053				-	44,053
Total investments		$ 49,055	$ 16,931	$ 138,910	$ 1,218,090	$ -	$ 1,422,986

As of June 30, 2026, investments are summarized as follows (in thousands):

	Amortized Cost	Interest Rate Range	Maturity Range
Liquidity Fund			
Corporate bonds	$ 60,000	4.160% to 4.530%	12/09/2026-02/12/2027
Certificates of deposit	727,000	0.000% to 4.600%	07/01/2026-06/03/2027
U.S. treasury obligations	143,754	0.000%	08/20/2026-11/19/2026
Repurchase agreements	643,000	3.640% to 3.970%	07/01/2026-08/05/2026
Money market mutual funds	100,855	3.560%	07/01/2026
Commercial paper	1,072,531	0.000% to 4.660%	07/01/2026-12/18/2026
Total investments	$ 2,747,140		

	Amortized Cost	Fair Value	Interest Rate Range	Maturity Range
Short-Term Fund				
U.S. agency securities	$ 8,523	$ 8,512	4.375%	03/08/2027
Corporate bonds	103,619	103,451	2.475% to 5.850%	09/30/2026-08/15/2028
Asset-backed securities	81,230	81,096	3.700% to 5.670%	06/15/2027-03/15/2029
U.S. treasury obligations	509,957	508,250	3.875% to 4.500%	07/31/2026-03/31/2028
Money market mutual funds	145,491	145,491	3.560%	07/01/2026
Total investments	$ 848,820	$ 846,800		

NOTE 3 – INVESTMENTS (Continued)

Interest Rate Risk (Continued)

Medium-Term Fund	Amortized Cost	Fair Value	Interest Rate Range	Maturity Range
U.S. agency securities	$ 53,555	$ 53,708	0.600% to 4.750%	12/30/2026-04/21/2027
Corporate bonds	231,658	231,806	1.125% to 5.600%	07/31/2026-12/11/2030
Municipal obligations	2,737	2,737	1.897%	05/15/2030
Asset-backed securities	137,613	137,796	3.960% to 6.460%	11/15/2027-05/15/2031
U.S. treasury obligations	960,894	952,886	3.750% to 4.625%	08/31/2028-01/31/2031
Money market mutual funds	44,053	44,053	3.560%	07/01/2026
Total investments	$ 1,430,510	$ 1,422,986		

Fair Value Measurement

The Governmental Accounting Standards Board (GASB) issued Statement No. 72, *Fair Value Measurement and Application,* which establishes a hierarchy of valuation techniques used to measure fair value of investments. The hierarchy has three levels of inputs:

Level 1: Investments reflect prices quoted in active markets;
Level 2: Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active; and
Level 3: Investments reflect prices based upon significant unobservable inputs.

CalTRUST has the following recurring fair value measurements as of June 30, 2026 (in thousands):

		Fair Value Measurements Using		
Investments by Fair Value Level	June 30, 2026	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S. Treasury obligations	$ 1,461,136	$ 1,461,136	$ -	$ -
U.S. Agency securities	62,220	-	62,220	-
Corporate bonds	335,257	-	335,257	-
Asset-backed securities	218,892	-	218,892	-
Municipal obligations	2,737	-	2,737	-
Total Investments Measured at Fair Value	$ 2,080,242	$ 1,461,136	$ 619,106	$ -
Investments not subject to the fair value hierarchy				
Liquidity Fund investments measured at amortized cost	$ 2,747,140			
Money market mutual funds measured at net asset value	189,544			
Total Investments	$ 5,016,926			

CalTRUST does not value any of its investments using Level 3 input. Investments measured at fair value of $2.08 billion differ from total investments of $5.02 billion reported on the statement of net position by $2.94 billion. The difference consists of the Liquidity Fund's investments of $2.75 billion, which are measured at amortized cost as described in Note 2, and money market mutual funds of $189.5 million held by the Short-Term and Medium-Term Funds, which are measured at net asset value per share and are not classified within the fair value hierarchy.

NOTE 4 – PURCHASES AND SALES OF INVESTMENTS

Purchases and sales of investments for each fund are shown below for the year ended June 30, 2026 (in thousands).

	Purchases	Sales
Liquidity Fund	$ 220,240,651	$ 220,283,487
Short-Term Fund	1,233,973	1,572,740
Medium-Term Fund	1,028,660	995,291
	$ 222,503,284	$ 222,851,518

Purchases and sales in the Liquidity Fund consist largely of overnight repurchase agreements, which are entered into and settled each business day. Of the $220.2 billion of Liquidity Fund purchases during the year, $209.1 billion, or 94.9%, represents repurchase agreements and $7.2 billion represents commercial paper. The gross amounts reflect the frequency with which these short-term positions are rolled rather than the size of the portfolio, which totaled $2.7 billion at June 30, 2026.

NOTE 5 – INSURANCE

CalTRUST's investment advisor, State Street Investment Management, and its affiliates maintain professional liability and crime/financial institution bond coverage, under which CalTRUST is named as certificate holder, as follows:

- Errors & Omissions / Professional Liability $75,000,000 limit, carried through Federated Underwriting Company, for the period March 1, 2026 through March 1, 2027.

- Crime / Financial Institution Bond $75,000,000 total limit provided by various carriers, with Lloyd's of London as primary carrier at a $25,000,000 primary limit, for the period March 1, 2026 through March 1, 2027.

CalTRUST is named as a certificate holder under these policies. CalTRUST is not a named insured or an additional insured, and the coverage described above is maintained by and for the benefit of the Advisor and its affiliates.

CalTRUST's investments are held in custody by US Bank. US Bank maintains professional liability, crime, and cyber liability coverage, under which CalTRUST is named as a certificate holder, as follows:

- Errors & Omissions $10,000,000 aggregate limit and Financial Institution Bond (Crime) $10,000,000 aggregate limit, both carried through Indian Harbor Insurance Company, for the period November 15, 2025 through November 15, 2026.

- Cyber Liability $10,000,000 aggregate limit and $10,000,000 each cyber incident, carried through ACE American Insurance Company, for the period November 15, 2025 through November 15, 2026.

CalTRUST is not a named insured or an additional insured, and the coverage described above is maintained by and for the benefit of the custodian.

NOTE 6 – SUBSEQUENT EVENTS

CalTRUST has evaluated subsequent events through October 21, 2026, the date of the independent auditor’s report. Management has determined that there are no subsequent events to be disclosed.