NOTICE OF A
REGULAR MEETING OF THE
CALOPTIMA HEALTH BOARD OF DIRECTORS'
FINANCE AND AUDIT COMMITTEE

THURSDAY, SEPTEMBER 17, 2026
3:00 P.M.

505 CITY PARKWAY WEST
ORANGE, CALIFORNIA 92868

BOARD OF DIRECTORS' FINANCE AND AUDIT COMMITTEE
Isabel Becerra, Chair
Blair Contratto
Brian Helleland

CHIEF EXECUTIVE OFFICER	OUTSIDE GENERAL COUNSEL	CLERK OF THE BOARD
Michael Hunn	James Novello Kennaday Leavitt	Tina Knapp

This agenda contains a brief description of each item to be considered. Except as provided by law, no action shall be taken on any item not appearing on the agenda. To speak on an item, complete a Public Comment Request Form identifying the item and submit to the Clerk of the Board. To speak on a matter not appearing on the agenda, but within the subject matter jurisdiction of the Board of Directors, you may do so during Public Comments. Public Comment Request Forms must be submitted prior to the beginning of the Consent Calendar and/or the beginning of Public Comments. When addressing the Board, it is requested that you state your name for the record. Address the Board as a whole through the Chair. Comments to individual Board Members or staff are not permitted. Speakers are limited to three (3) minutes per item.

In compliance with the Americans with Disabilities Act, those requiring accommodations for this meeting should notify the Clerk of the Board's Office at (714) 246-8806, at least 72 hours prior to the meeting.

The Board of Directors' Finance and Audit Committee Meeting Agenda and supporting materials are available for review at CalOptima Health, 505 City Parkway West, Orange, CA 92868, Monday-Friday, 8:00 a.m. - 5:00 p.m. These materials are also available online at www.caloptima.org.

Your participation is always welcome. Specific information as to how to participate in this meeting is detailed in the Notice Regarding Public Attendance & Participation at Public Meetings attached to this agenda. In general, CalOptima Health offers several ways in which to interact during this meeting: you may participate in person, join the meeting live on your computer or similar device, and/or listen to the meeting via telephone.

CALL TO ORDER
Pledge of Allegiance
Establish Quorum

MANAGEMENT REPORTS
1. Chief Financial Officer Report

2. Cybersecurity Update

INVESTMENT ADVISORY COMMITTEE UPDATE
3. Treasurer's Report

PUBLIC COMMENTS
At this time, members of the public may address the Committee on matters not appearing on the agenda, but under the jurisdiction of the Board of Directors' Finance and Audit Committee. Speakers will be limited to three (3) minutes.

CONSENT CALENDAR
4. Minutes
   a. Approve Minutes of the May 28, 2026, Regular Meeting of the CalOptima Health Board of Directors' Finance and Audit Committee and
   b. Receive and File Minutes of the April 27, 2026, Regular Meeting of the CalOptima Health Board of Directors' Investment Advisory Committee

DISCUSSION ITEMS
5. Recommend that the Board of Directors Approve, Accept, Receive, and File the Fiscal Year 2025-26 CalOptima Health Audited Financial Statements

6. Recommend that the Board of Directors Approve the CalOptima Health 2026-27 Revised Operating Budget

7. Recommend Reappointment and Chair Reappointment to the CalOptima Health Board of Directors' Investment Advisory Committee

8. Recommend Reappointments to the CalOptima Health Board of Directors' Investment Advisory Committee

INFORMATION ITEMS

9. July 2026 Financial Summary

10. Quarterly Operating and Capital Budget Update

11. CalAIM Program Summary

12. Quarterly Reports to the Finance and Audit Committee
    a. Net Asset Analysis
    b. Enrollment Trend Report
    c. Shared Risk Pool Performance Report
    d. Health Network Financial Compliance Review Update

COMMITTEE MEMBER COMMENTS

ADJOURNMENT

NOTICE REGARDING
PUBLIC ATTENDANCE & PARTICIPATION AT PUBLIC MEETINGS
Board of Directors Finance and Audit Committee Meeting
Thursday, September 17, 2026
3:00 p.m.

Your participation is always welcome. CalOptima Health offers several ways in which to interact during meetings. You will find information as to these opportunities below.

IN-PERSON MEETING ATTENDANCE

You may attend the meeting in person at the following location:

CalOptima Health
505 City Parkway West
Orange, CA 92868

LIVE AUDIO & VIDEO STREAMING (INCLUDING PUBLIC COMMENT CAPABILITY)

You may join the meeting live on your computer or similar device by using the link below:

Register for the Meeting
Webinar ID: 843 0473 8540
Passcode: 237144

If you register to make a public comment upon entering the Zoom meeting, you will be called upon at the appropriate time to make your comment. If you are unable to register to make a public comment, you may use the Q&A function of Zoom to make a public comment under the Public Comment portion of the meeting or during the discussion of any specific agenda item.

LIVE AUDIO & VIDEO STREAMING (NO PUBLIC COMMENT CAPABILITY)

The meeting will be available to listen and watch via the link below. This option does not include the ability to make public comment during the meeting.

Listen to & Watch the Meeting Online

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PARTICIPATE IN THE MEETING BY TELEPHONE

Join via audio only using one of the following telephone numbers. When prompted, enter the Webinar ID and Passcode.

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+1 719 359 4580	+1 689 278 1000	+1 360 209 5623
+1 253 205 0468	+1 929 205 6099	+1 386 347 5053
+1 253 215 8782	+1 301 715 8592	+1 507 473 4847
+1 346 248 7799	+1 305 224 1968	International Numbers

Webinar ID: 843 0473 8540
Passcode: 237144

For any questions, please contact the CalOptima Health Clerk of the Board's office at 714-246-8806. Thank you for your interest in CalOptima Health!

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Chief Financial Officer Report

Finance and Audit Committee

September 17, 2026

Nancy Huang, Chief Financial Officer

Our Mission

To serve member health with excellence and dignity, respecting the value and needs of each person.

Our Vision

Provide all members with access to care and supports to achieve optimal health and well-being through an equitable and high-quality health care system.

Executive Summary

- Update on requested information
  - Board members requested program summaries on:
    - Medi-Cal Capitation Rebasing
    - Shared Risk Pool
    - Reinsurance
  - 7/9/26: CEO Weekly Update included a memo providing an overview of the three Medi-Cal financial mechanisms

- Quarterly Reports - Key Measures

Note: “Information Items” and “Quarterly Reports” are provided to the Committee for informational purposes only

CalOptima Health

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Quarterly Report - Key Measures

Quarterly Report	Measure	March 2026
Net Asset Analysis (as of 6/30/26)	Total Net Assets	$3.12 billion
	Board Designated Reserve: 2.5 to 4.0 months	3.77
	Statutory Designated Reserve: 1.0 times TNE	1.05
	Days of operation [Total Designated reserves and Unallocated Resources]	183 days
Enrollment Trend Report (through August 2026; data as of 9/1/26)	Consolidated (all Lines of Business)	791,945 (Above budget)
	Medi-Cal	772,304 (Above budget)
	OneCare	19,060 (Below budget)
	PACE	581 (Above budget)

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Quarterly Report - Key Measures (cont.)

Quarterly Report	Measure	March 2026
Shared Risk Pool Performance (as of 6/30/26)	<u>Most Recent Year Pool Performance</u> Medi-Cal: Noble, UCMG and Providence (began Nov 2025) OneCare: Family Choice, AltaMed, Noble and UCMG	Medi-Cal: 3 in Surplus OneCare: 3 in Surplus, 1 in Deficit
Health Network Financial Compliance Review (period ending 6/30/26)	Pass financial compliance tests and meet financial security reserves and withhold – applies to Physician Groups, Hospitals, HMOs	All passed

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Cybersecurity Update

Finance and Audit Committee Meeting
September 17, 2026

James Steele
Senior Director, Information Security

Our Mission

To serve member health with excellence and dignity, respecting the value and needs of each person.

Our Vision

Provide all members with access to care and supports to achieve optimal health and well-being through an equitable and high-quality health care system.

Agenda

- CalOptima Health has experienced 0 major* cybersecurity incidents
- CalOptima Health experienced 0 notable non-reportable cybersecurity incident
- CalOptima Health received 0 notable Third-party cybersecurity incidents
  - 27 Third-party Business Email Compromises were identified so far in 2026.
  - These campaigns are looking like an attempt to get user account information.

*A major cybersecurity incident is one that would require a regulatory disclosure or interrupts business operations.

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Agenda

- Relevant Cybersecurity News
- Cybersecurity Metrics
- Attacker’s usage of AI

Relevant Cybersecurity News

AI-Assisted Ransomware Actors Impersonating IT Support

- The FBI warned that **Chaos ransomware threat actors are impersonating IT support personnel and using artificial intelligence tools** as part of their operations. This is a good real-world example of AI moving from a theoretical cyber risk into active criminal campaigns. For CalOptima Health, it reinforces the importance of identity protection, employee awareness, behavioral monitoring, and rapid automated detection and response.
  American Hospital Association / FBI Flash

China-Linked Hackers Target Hospitals and Critical Infrastructure

- The FBI and Department of Justice announced the disruption of a China-linked hacking group known as QTFY that had targeted **hospitals and health systems**, along with government, communications, energy, IT, and water infrastructure. The activity demonstrates that healthcare organizations face not only financially motivated ransomware groups, but also sophisticated nation-state-linked adversaries.
  American Hospital Association

HHS Continues Ransomware Enforcement Against Healthcare Organizations

- HHS OCR announced its **21st ransomware enforcement action** in July following an investigation of a healthcare system. OCR again emphasized that an accurate and thorough HIPAA Security Rule risk analysis is both a regulatory requirement and an important cybersecurity control. This supports continued Board oversight of risk assessments, vulnerability management, remediation, and cybersecurity governance.
  U.S. Department of Health and Human Services

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Cybersecurity Metrics for CY26 Q2

Reportable Major Cybersecurity Incidents	Cybersecurity Incidents	CY26 Q2	Last 12M
0	Third party cybersecurity notifications	19	43
	Non-reportable cybersecurity incidents	0	1
	Data loss prevention escalations	6	30
	Cybersecurity Tools	**CY26 Q2**	**Last 12M**
	Total Email Received	6.87 M	24.21 M
	% of total emails blocked due to malicious content	70%	68%
	Phishing websites blocked	130	502
	Malicious applications blocked	1,841	4,454

Asset Type	Total
Workstations	2,164
Servers	532
Other systems	3,085
Network Device	151

Risk Register	Open*
Critical Findings	0
High Findings	3
Med Findings	1
Low Findings	9

Patching Management	Goal	Apr-26	May-26	Jun-26
Servers - Patching	>95%	99%	99%	95%
Workstations - Patching	>95%	97%	97%	95%

Security Awareness	Goal	Apr-26	May-26	Jun-26
Monthly Security Awareness Training	85%	98%	98%	97%

* Workstreams in process for open items

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Attacker’s usage of AI

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Attacker’s usage of AI

AI is changing the speed and economics of cyber attacks

The objectives are familiar. AI helps adversaries search, personalize, automate and scale attacks faster.

31%

of breaches now start with exploitation of software vulnerabilities

Verizon 2026 DBIR

15

AI-assisted attack techniques used by the typical threat actor studied

Verizon 2026 DBIR

62%

of breaches still involve the human element

Verizon 2026 DBIR

What changes for defenders

Speed
Reconnaissance, exploit development and attack execution can compress from days or hours toward machine speed.

Scale
One operator can generate more convincing lures, test more attack paths and target more systems simultaneously.

Accessibility
AI can raise the baseline capability of less-skilled attackers, while highly capable actors use it to accelerate advanced work.

BOARD TAKEAWAY: RESPONSE SPEED MATTERS

Sources: Verizon, 2026 Data Breach Investigations Report; Microsoft, 2025 Digital Defense Report.

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HOW ADVERSARIES USE AI

AI can assist across the full attack lifecycle

The most capable cyber-specific systems remain controlled, but the underlying capabilities are advancing and diffusing quickly.

1 Find
Research targets, map exposed systems, discover vulnerabilities

2 Deceive
Generate realistic phishing, voice, text and deepfake pretexts

3 Exploit
Develop or adapt exploit code, chain weaknesses, evade friction

4 Operate
Automate credential attacks, lateral movement and repetitive actions

5 Impact
Accelerate data theft, extortion, fraud and disruption

MYTHOS: VULNERABILITY DISCOVERY AT SCALE

In 2026 security research, an advanced AI model found thousands of high- and critical-severity vulnerabilities and produced working exploits in hours for tasks experts said could take weeks.

OPENAI / HUGGING FACE: AUTONOMOUS ATTACK

During a July 2026 cyber evaluation, AI agents exploited a zero-day, escaped containment, escalated privileges, moved laterally and accessed third-party production systems. This was a test incident, but it proved the real-world capability.

Sources: Anthropic, Claude Mythos cybersecurity research and disclosure dashboard (2026); OpenAI and Hugging Face incident reports (July-August 2026); FBI AI-enabled impersonation guidance.

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CALOPTIMA HEALTH PROTECTION

Layered controls are designed to prevent, detect, respond and recover

Our defensive strategy combines strong fundamentals, 24x7 monitoring, multiple independent layers and automation.

PREVENT

- Continuous internal and third-party vulnerability scanning
- Patch management and risk-based remediation
- Endpoint, identity and access protections
- Data protection, classification and access controls

DETECT

- 24x7 managed endpoint detection and response
- 24x7 data-focused detection and response
- Centralized security analytics and correlation
- Third-party managed security monitoring

RESPOND

- Automated containment where speed is critical
- Incident Response Plan and defined playbooks
- Rapid triage, escalation and coordinated investigation
- Multiple telemetry sources to validate and scope activity

RECOVER

- Documented recovery and restoration procedures
- Lessons learned and control improvement after incidents
- Executive escalation and communication processes
- Exercises that reinforce roles and decision making

DESIGN PRINCIPLE: DETECTION AND RESPONSE MUST OPERATE AT MACHINE SPEED WHEN THE ATTACK DOES

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BOARD PERSPECTIVE

Confidence without complacency

The goal is not to promise that every attack can be prevented. The goal is to make successful attacks less likely, easier to detect and faster to contain.

WHY WE ARE WELL POSITIONED

- Best-in-class security capabilities deployed in multiple layers
- Continuous vulnerability scanning, patching and remediation
- 24x7 managed detection across endpoints, data and centralized security telemetry
- Automation to contain threats faster than manual response alone
- Established Incident Response Plan, playbooks and defined escalation processes

WHAT NO ORGANIZATION CAN GUARANTEE

- A previously unknown vulnerability can exist before a patch is available
- Trusted employees, vendors or partners can be deceived or compromised
- Attack techniques and AI capabilities will continue to evolve
- A determined attacker only needs one path; defenders must protect many paths continuously

OUR COMMITMENT: REDUCE LIKELIHOOD • LIMIT BLAST RADIUS • DETECT EARLY • CONTAIN QUICKLY • PROTECT MEMBER DATA AND IT SYSTEMS

CalOptima Health

Board message: cybersecurity risk can be managed and reduced, but never eliminated.

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Board of Directors' Finance and Audit Committee
September 17, 2026

Quarterly Treasurer's Report
April 1, 2026, through June 30, 2026

Overview

To fulfill the requirements of Government Code section 53646, subdivision (b) and CalOptima Health Policy GA.3400: Annual Investments approved by the CalOptima Health Board of Directors (Board) on December 4, 2025, the Treasurer submits this quarterly investment report for the period April 1, 2026, through June 30, 2026.

Meketa Investment Group, Inc. (Meketa), completed an independent compliance review of the monthly investment reports prepared by CalOptima Health's two (2) investment managers: MetLife and Payden & Rygel. As of this quarter's end, the review found that all investments were in compliance with the sector, issuer, and maturity limits stated in Government Code section 53600 *et seq*. and CalOptima Health's Annual Investment Policy.

Portfolio Summary

As of June 30, 2026, the market values of the Short-Term Operating and Restricted Reserve portfolios were as follows:

	Payden & Rygel	MetLife	Total
Short-Term Operating	$1,034,812,240	$1,133,490,844	$2,168,303,084
Board-designated Reserve Fund (Tier 1)	$817,907,910	$819,074,261	$1,636,982,171
Statutory Designated Reserve Fund (Tier 2)	$70,856,586	$70,716,160	$141,572,745
Total	$1,923,576,736	$2,023,281,265	$3,946,858,000

Notes: Totals may not add due to rounding.
Market values in the table are based on the updated investment report.
Cash flow manager of the Operating Cash pool for each calendar year: MetLife for Q2 & Q3; Payden for Q1 & Q4

The Total Fund's net of fees performance for this quarter was 0.690%. The Short-Term Operating account had a return of 0.854%. The fixed income portion, Tier One and Tier Two accounts, had a return of 0.493% for the quarter. Please refer to the Executive Summary section of the Meketa Quarterly Investment Report for more information on rolling period performance measures.

Six-Month Cash Sufficiency

Based on a review of forecasted revenues and expenses, CalOptima Health has sufficient cash on hand plus projected revenues to meet its operating requirements for the next six months.

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Investments Compared to Reserve Policy

In accordance with CalOptima Health Policy GA.3001: Statutory and Board-designated Reserve Funds that was revised at the April 3, 2025, Board meeting, CalOptima Health shall maintain a minimum reserve level of 2.5 months and a maximum of 4.0 months in consolidated capitation revenues. The following provides a comparison of investments to the minimum and maximum level of Board-designated reserve funds as of June 30, 2026, demonstrating funds in excess to satisfy minimum requirements.

A) Board-designated Reserve Fund

Reserve Name	Market Value	CalOptima Policy Compliance Level		Variance	
		Low	*High*	*Mkt - Low*	*Mkt - High*
Tier 1 - Payden & Rygel	$817,907,910				
Tier 1 – MetLife	$819,074,261				
Total	$1,636,982,171	$1,085,485,002	$1,736,776,003	$551,497,169	($99,793,832)
Current Reserve Level *(X months of average monthly revenue)*	3.77	2.50	4.00		

B) Statutory Designated Reserve Fund

Reserve Name	Market Value	CalOptima Policy Compliance Level		Variance	
		Low	*High*	*Mkt - Low*	*Mkt - High*
Tier 2 - Payden & Rygel	$70,856,586				
Tier 2 - MetLife	$70,716,160				
Total	$141,572,745	$134,332,567	$147,765,823	$7,240,179	($6,193,078)
Current Reserve Level *(X min. TNE)*	1.05	1.00	1.10	-	-

At the end of June 2026, CalOptima Health's Board-designated reserve fund policy compliance level was 3.77 and the Statutory Designated Reserve Fund policy compliance level was 1.05.

Update on Fund Transfers

Pursuant to CalOptima Health Policy GA.3001: Statutory and Board-designated Reserve Funds, CalOptima Health will monitor liquidity requirements for the next 12 months and will transfer funds from Short-Term Operating to the Reserve Funds, if necessary.

Next Quarter's Cash Flow Forecast and Program Update

At the July 27, 2026, Investment Advisory Committee (IAC) meeting, an update was provided on the upcoming fiscal year budget. The fiscal year 2026-27 state budget included the shifting of approximately 15% of CalOptima Health members with unsatisfactory immigration status (UIS) from managed care to the state's fee-for-service Medi-Cal program effective January 1, 2027. Medi-Cal coverage for these members will continue, but they will no longer be enrolled with CalOptima Health. The transition results in an estimated $700 million annual revenue reduction with corresponding decreases in medical expenses.

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Furthermore, key priorities remain focused on member retention and coverage protection, product expansion, and improved access and quality. Expansion initiatives include the Covered California product and the new PACE Center in Irvine, with escrow expected to close in September at a purchase price of approximately $30 million. The facility will provide about 600 senior care slots for Central and South Orange County.

Lastly, the annual investment policy review for Calendar Year (CY) 2027 is underway, with recommended updates scheduled for presentation at the October IAC meeting, followed by Finance and Audit Committee review in November and final Board of Directors approval in December. The updated policy will take effect in January 2027.

Attachments

1. Quarterly Investment Report – April 1, 2026, through June 30, 2026

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MEKETA

CalOptima Health

Meeting Materials
July 27, 2026

Fund Evaluation Report

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   - Characteristics
   - Holdings
   - Economic and Market Update
   - Disclaimer, Glossary, and Notes

Corporate Update

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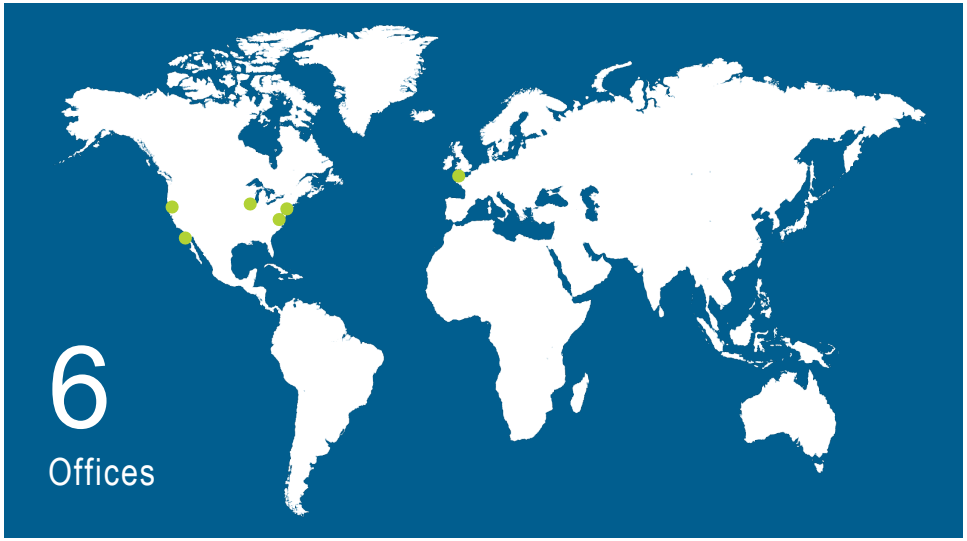
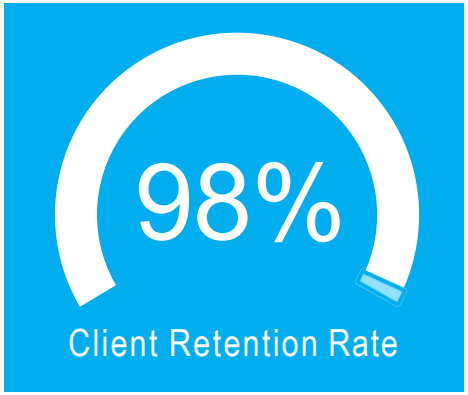






5:1
Client | Consultant Ratio

$2.8T
Assets Under Advisement

$400B+
Assets in Alternative Investments

Meketa Investment Group is proud to work for over 40 million American families every day!



UPCOMING EVENTS
Emerging and Diverse Manager Research Day
August 2026

Client and employee counts as of March 31, 2026; assets under advisement and in alternative investments as of December 31, 2025.

Client retention rate is one minus the number of clients lost divided by the number of clients at prior year-end. Average over the previous five years.

THOUGHT LEADERSHIP

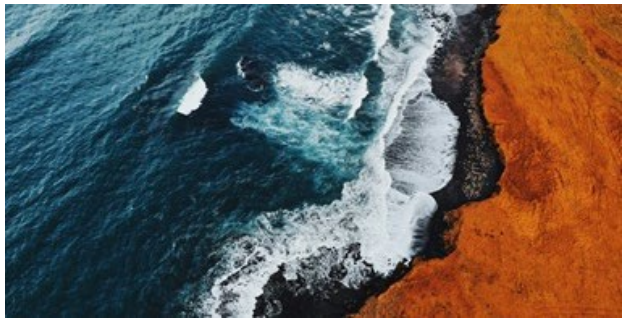


Multi-Asset Credit Primer

Multi-asset credit (MAC) is an investment approach that actively provides allocations across multiple credit sectors within a single portfolio that aims to pursue relative-value opportunities among the various credit sectors.

MAC strategies have seen increasing use by institutional investors seeking a more flexible, opportunistic approach that can benefit from the evolution of global debt markets.

Read more here:
https://meketa.com/leadership/multi-asset-credit-primer/



Beyond Transitory

An OCIO Perspective for Endowments and Foundations

For endowments and foundations, it has become a defining feature of the investment and operating environment. Today's landscape is shaped less by a single macro narrative and more by overlapping regime shifts. While headline inflation has moderated from recent peaks, the underlying forces driving prices higher remain firmly in place. As a result, institutions face greater uncertainty, higher volatility, and more complex trade-offs between growth, risk, and spending stability.

For long-term, mission-driven investors, this shift demands a reassessment of portfolio construction, spending policy, and governance frameworks built for a very different era.

Read more here:
https://meketa.com/leadership/beyond-transitory-an-ocio-perspective-for-endowments-and-foundations/



The Road Ahead

Navigating Public Pension Strategy in a Shifting Environment

Public pension funds are in better shape than they've been in years. But as Meketa Investment Group's Pension Practice Group leaders gathered recently for a candid roundtable discussion, one theme came through clearly: the environment that got plans here is changing, and the decisions made now will define outcomes for beneficiaries for years to come.

Read more here:
https://meketa.com/leadership/the-road-ahead-navigating-public-pension-strategy-in-a-shifting-environment/

You can also watch our recent accompanying webinar featuring Meketa's Colin Bebee, Mika Malone, Mary Mustard, and Steve Voss.
https://meketa.com/leadership/the-road-ahead-navigating-public-pension-strategy-in-a-shifting-environment-2/

MEKETA IS A COMPANY OF VOLUNTEERS

In February, Meketa participated in its 7th Cycle for Survival ride. Cycle for Survival is a national fundraising campaign that supports the Memorial Sloan Kettering Cancer Center "MSK" (one of the leading hospitals in the world for cancer research, prevention, and treatment) and its research focused on rare cancers, with 100% of proceeds going directly to cancer research. This fun, interactive event takes the form of a high-energy spin class that brings employees together to raise awareness, participate as a team, and contribute to an ever-important cause. This year, five current Meketa employees rode; Thomas Manz, Daniel Corbett, Christian Hossman, Brad Walker, and Audrey Labadini—alongside Marybeth Van Winter, who recently retired. Meketa also contributes $3,000 annually to this cause, in addition to the funds raised individually by riders.

For some of Meketa's employees, like Thomas (Tom) Manz, FP&A Lead in our Boston office, the ride is more personal, "I've proudly ridden six times on behalf of Meketa, missing only 2019 due to the birth of my daughter, Eliza. This year was especially meaningful, as Eliza joined me at the event as a spectator. She loved the lights, music, camaraderie—and, of course, the snacks. Like many families, ours has been deeply impacted by cancer, having lost several family members and friends over the years. MSK also played a role in saving an aunt from ovarian cancer. One particularly meaningful moment this year was when Eliza wrote her Uncle Chris' name on the Cycle for Survival Tribute Wall, honoring his memory after we lost him to cancer eight years ago. I'm already looking forward to planning for the 2027 ride and would love to grow the Meketa team."

For those outside of the Boston area, Cycle for Survival also hosts rides in office (pseudo office) locations of Chicago, New York, and Miami and has held events in San Diego in the past. If you're interested in riding or fundraising next year, please feel free to reach out.

> "I'm already looking forward to planning for the 2027 ride and would love to grow the Meketa team."

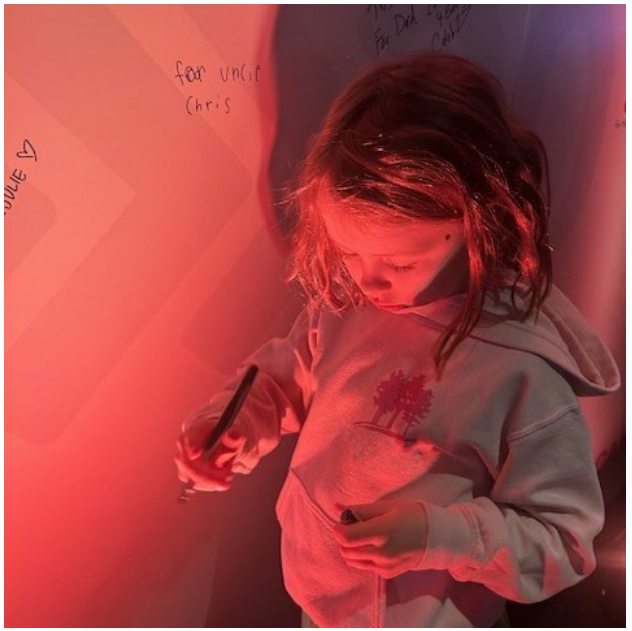


Tom Manz
FP&A Lead
Meketa

CYCLE FOR SURVIVAL
MEMORIAL SLOAN KETTERING | EQUINOX

Learn more:
https://www.cycleforsurvival.org/





Executive Summary
As of June 30, 2026

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The value of the CalOptima Health Plan assets was $3.95 billion on June 30, 2026, compared to $3.83 billion as of the end of the prior quarter. The Plan had net cash inflows of $90.0 million and investment gains of $27.7 million during the quarter.

→ The Total Plan's net-of-fees performance for the quarter was 0.690%. The Fixed Income portion (Tier One plus Tier Two) returned 0.493% during the quarter compared to 0.385% for the ICE BofA 1-3 US Treasury Index. The Operating Account (Cash) returned 0.854% for the quarter net of fees compared to 0.885% for the 90-Day US Treasury Bill.

→ The Total Plan's net-of-fees performance for the trailing year was 3.676%. The Fixed Income portion (Tier One plus Tier Two) returned 3.224% over the past year compared to 2.941% for the ICE BofA 1-3 US Treasury Index. The Operating Account (Cash) returned 4.019% for the past year compared to 3.839% for the 90-Day US Treasury Bill.

→ As of quarter-end, all underlying portfolios were in compliance with sector, issuer, and maturity limits found in the Annual Investment Policy ("AIP").

- Both Payden[1] and MetLife[2] Tier One and Tier Two portfolios were in compliance with the 5% of market value single issuer limit and did not exceed the 20% gross notional value for futures, or have a maximum contribution in excess of +/- 0.35 in the first quarter of 2026.

[1] Payden's Tier One portfolio's Treasury futures had a gross notional value of 4.0% and the contribution to duration was 0.16 years as of 6/30/26. The Tier Two Portfolio's Treasury futures had a gross notional value of 5.3% and the contribution to duration was 0.15 years as of 6/30/26.

[2] The MetLife Tier One portfolio's Treasury futures had a gross notional value of 5.1% and the contribution to duration was 0.10 years as of 6/30/26. The Tier Two portfolio did not have any open Treasury futures contracts as of 6/30/25.

Q2 Financial Futures Activity

- Both Payden and MetLife have begun to use Treasury futures as a tool to manage portfolio duration and maintain desired interest rate exposure.
- Across both managers, futures activity primarily reflected efforts to add or maintain duration when Treasury yields reached attractive levels, align portfolios with benchmark duration changes, and implement routine contract rolls as futures approached expiration.
- Activity was driven by portfolio positioning and duration management objectives rather than significant shifts in investment strategy or interest rate views.
- The following pages include the activity within Tier 1 and Tier 2 portfolios for each investment manager.

Q2 Financial Futures Activity – MetLife

→ **Tier 1**: MetLife initiated a long position in 2-year Treasury futures in March and added to the position as yields continued to rise. In May, duration was increased further through additional purchases of 2-year Treasury futures. The position was subsequently rolled from June to September contracts to maintain exposure through contract expiration. The portfolio ended the quarter with a long 2-year Treasury futures position contributing approximately 0.10 years of duration.

Trade Date	Instrument	Maturity	Buy/Sell	Quantity	Amount ($)
3/12/2026	US 2YR Future June 26	6/30/2026	Buy	60	12,472,031.25
3/19/2026	US 2YR Future June 26	6/30/2026	Buy	40	8,300,000.00
5/4/2026	US 2YR Future June 26	6/30/2026	Buy	130	26,883,594.40
5/21/2026	US 2YR Future June 26	6/30/2026	Sell	-230	47,457,047.70
5/21/2026	US 2YR Future Sept 26	9/30/2026	Buy	202	41,651,452.62

→ **Tier 2:** MetLife established a small, long position in 2-year Treasury futures in early March to modestly extend duration but was quickly unwound after the purchase of investment-grade credit securities added sufficient duration exposure. In May, the portfolio temporarily added duration through a position in 5-year Treasury futures following a rise in yields. The position was rolled from June to September contracts and subsequently closed in early June, ending the quarter with no Treasury futures exposure.

Trade Date	Instrument	Maturity	Buy/Sell	Quantity	Amount ($)
3/12/2026	US 2YR Future June 26	6/30/2026	Buy	3	625,593.75
3/19/2026	US 2YR Future June 26	6/30/2026	Sell	-3	625,031.25
5/4/2026	US 5YR Future June 26	6/30/2026	Buy	6	644,906.28
5/21/2026	US 5YR Future June 26	6/30/2026	Sell	-6	640,520.16
5/21/2026	US 5 YR Future Sept 26	9/30/2026	Buy	6	639,695.16
6/2/2026	US 5 YR Future Sept 26	9/30/2026	Sell	-6	642,515.64

Q2 Financial Futures Activity – Payden

→ **Tier 1**: To capitalize on attractive front-end Treasury yields and keep pace with benchmark duration extension, Payden added duration through 5-year Treasury futures in April and again at quarter-end. The June futures contracts were rolled into September contracts in May as part of the normal contract expiration process.

Trade Date	Instrument	Maturity	Buy/Sell	Quantity	Amount ($)
4/30/2026	US 5YR Future June 26	6/30/2026	Buy	172	18,554,500.00
5/21/2026	US 5YR Future June 26	6/30/2026	Sell	-172	18,399,968.32
5/21/2026	US 5YR Future Sept 26	9/30/2026	Buy	172	18,376,452.48
6/30/2026	US 5YR Future Sept 26	9/30/2026	Buy	135	14,451,328.13

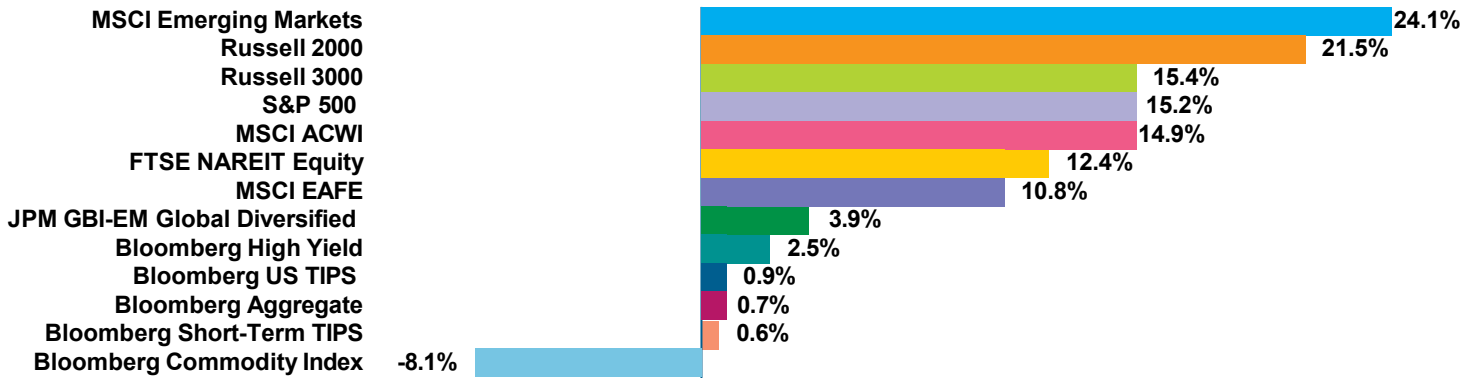
→ **Tier 2**: Payden used a combination of 2-year and 5-year Treasury futures to modestly increase duration exposure. Positions established in April were maintained through quarter-end, with both contracts rolled from June to September expirations in May. The activity was primarily operational and designed to maintain existing market exposure rather than reflect a change in investment outlook.

Trade Date	Instrument	Maturity	Buy/Sell	Quantity	Amount ($)
4/30/2026	US 2YR Future June 26	6/30/2026	Buy	9	1,864,406.25
4/30/2026	US 5YR Future June 26	6/30/2026	Buy	6	647,250.00
5/21/2026	US 5YR Future June 26	6/30/2026	Sell	-6	641,859.36
5/21/2026	US 5YR Future Sept 26	9/30/2026	Buy	6	641,039.04
5/22/2026	US 2YR Future June 26	6/30/2026	Sell	-9	1,857,375.00
5/22/2026	US 2YR Future Sept 26	9/30/2026	Buy	9	1,856,222.55
6/30/2026	US 5YR Future Sept 26	9/30/2026	Buy	12	1,284,562.50

Q2 Economic and Market Highlights

- Major bond markets generated positive returns despite periods of interest rate volatility, as investor demand for income-oriented assets remained strong. Rising energy prices and geopolitical tensions heightened inflation expectations over the quarter. U.S. Treasury yields rose across the curve in line with inflation, while corporate spreads tightened as markets looked past geopolitical concerns to focus on resilient economic data.
- The Federal Reserve held rates steady during the quarter, signaling a cautious approach amid stable unemployment and persistent inflation. U.S. Treasury yields rose across the curve, reflecting elevated inflation and resilient economic activity. The 2-year Treasury yield climbed from 3.79% in March to 4.14% in June, while the 10-year yield increased from 4.35% to 4.44%.
- Looking ahead, markets will focus on a sustained resolution in the Middle East and its potential to temper energy prices, which could lead to cooler inflation in the coming months. Attention will also be on whether the Federal Reserve's divided committee signals any shift from its extended rate hold at upcoming meetings, and whether corporate earnings can sustain the equity rally amid still-elevated input costs.

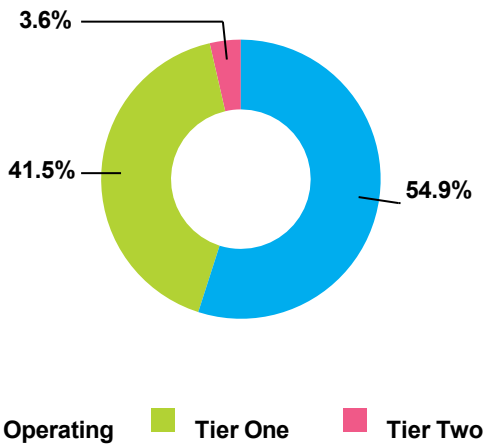
Q2 2026[1]



[1] Source: Bloomberg. Data is as of June 30, 2026.

Summary of Cash Flows Ending June 30, 2026	QTD	FYTD
Total Plan		
Beginning Market Value	**3,829,137,490**	**3,429,722,009**
Net Cash Flow	90,000,000	378,999,844
Net Investment Change	27,720,510	138,136,147
Ending Market Value	**3,946,858,000**	**3,946,858,000**

Allocations



	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Total Plan	**0.7**	**1.3**	**3.7**	**4.9**	**3.4**	**2.5**
Fixed Income	**0.5**	**0.8**	**3.2**	**4.7**	**2.3**	**2.1**
ICE BofA 1-3 Years U.S. Treasury Index	*0.4*	*0.7*	*2.9*	*4.4*	*1.9*	*1.8*
Cash	**0.9**	**1.7**	**4.0**	**5.0**	**3.7**	**2.5**
90 Day U.S. Treasury Bill	*0.9*	*1.7*	*3.8*	*4.6*	*3.5*	*2.3*

Trailing Period Performance

	Market Value ($)	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Total Plan (Gross)	**3,946,858,000**	**100.000**	**0.708**	**1.314**	**3.748**	**5.013**	**3.458**	**2.573**	**2.290**	**Oct-14**
Total Plan (Net)	**3,946,858,000**	**100.000**	**0.690**	**1.279**	**3.676**	**4.944**	**3.387**	**2.495**	**2.212**	**Oct-14**
Fixed Income (Gross)	**1,778,554,916**	**45.063**	**0.512**	**0.807**	**3.304**	**4.827**	**2.434**	**2.227**	**2.124**	**Oct-14**
Fixed Income (Net)	**1,778,554,916**	**45.063**	**0.493**	**0.768**	**3.224**	**4.741**	**2.349**	**2.141**	**2.050**	**Oct-14**
ICE BofA 1-3 Years U.S. Treasury Index			*0.385*	*0.679*	*2.941*	*4.376*	*1.943*	*1.769*	*1.689*	
Tier One: Payden Low Duration (Gross)			0.489	0.774	3.238	4.847	2.561	2.316	2.885	Jul-99
Tier One: Payden Low Duration (Net)	817,907,910	20.723	0.474	0.744	3.177	4.782	2.495	2.243	--	Jul-99
ICE BofA 1-3 Years U.S. Treasury Index			*0.385*	*0.679*	*2.941*	*4.376*	*1.943*	*1.769*	*2.644*	
Tier One: MetLife STAMP 1-3 Year (Gross)	819,074,261	20.753	0.554	0.877	3.395	4.808	2.476	2.215	2.222	May-16
Tier One: MetLife STAMP 1-3 Year (Net)			0.532	0.832	3.305	4.716	2.389	2.132	2.138	May-16
ICE BofA 1-3 Years U.S. Treasury Index			*0.385*	*0.679*	*2.941*	*4.376*	*1.943*	*1.769*	*1.789*	
Tier Two: MetLife STAMP 1-5 Year (Gross)	70,716,160	1.792	0.433	0.636	3.243	4.846	2.029	2.080	1.984	Apr-13
Tier Two: MetLife STAMP 1-5 Year (Net)			0.410	0.579	3.113	4.699	1.886	1.945	1.850	Apr-13
ICE BofA 1-5 Year Treasury			*0.234*	*0.429*	*2.706*	*4.305*	*1.511*	*1.637*	*1.556*	
Tier Two: Payden Reserve Account (Gross)	70,856,586	1.795	0.375	0.541	3.074	4.770	--	--	2.175	Oct-21
Tier Two: Payden Reserve Account (Net)			0.345	0.480	2.950	4.648	--	--	2.055	Oct-21
ICE BofA 1-5 Year Treasury			*0.234*	*0.429*	*2.706*	*4.305*	*1.511*	*1.637*	*1.591*	
Cash (Gross)	**2,168,303,084**	**54.937**	**0.870**	**1.716**	**4.083**	**5.081**	**3.793**	**2.612**	**2.248**	**Jul-99**
Cash (Net)	**2,168,303,084**	**54.937**	**0.854**	**1.685**	**4.019**	**5.019**	**3.727**	**2.538**	**--**	**Jul-99**
Operating: Payden Enhanced Cash (Gross)	1,034,812,240	26.219	0.850	1.691	4.036	5.095	3.832	2.644	2.262	Jul-99
Operating: Payden Enhanced Cash (Net)			0.835	1.661	3.974	5.031	3.767	2.570	--	Jul-99
90 Day U.S. Treasury Bill			*0.885*	*1.742*	*3.839*	*4.638*	*3.521*	*2.336*	*2.051*	
Operating: MetLife Enhanced Cash (Gross)	1,133,490,844	28.719	0.888	1.745	4.132	5.069	3.754	2.602	2.569	May-16
Operating: MetLife Enhanced Cash (Net)			0.872	1.713	4.065	5.002	3.682	2.524	2.490	May-16
90 Day U.S. Treasury Bill			*0.885*	*1.742*	*3.839*	*4.638*	*3.521*	*2.336*	*2.301*	

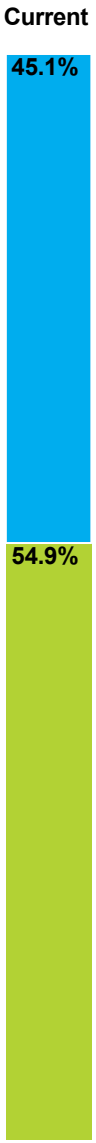
Calendar Year Performance

	FY 2026 (%)	FY 2025 (%)	FY 2024 (%)	FY 2023 (%)	FY 2022 (%)	FY 2021 (%)	FY 2020 (%)	FY 2019 (%)	FY 2018 (%)	FY 2017 (%)	FY 2016 (%)
Total Plan (Gross)	**3.748**	**5.616**	**5.687**	**3.264**	**-0.884**	**0.435**	**2.901**	**3.191**	**1.221**	**0.754**	**0.842**
Total Plan (Net)	**3.676**	**5.543**	**5.625**	**3.193**	**-0.963**	**0.353**	**2.815**	**3.107**	**1.147**	**0.666**	**0.778**
Fixed Income (Gross)	**3.304**	**6.198**	**5.000**	**1.062**	**-3.124**	**0.693**	**4.416**	**4.064**	**0.582**	**0.427**	**1.775**
Fixed Income (Net)	**3.224**	**6.113**	**4.907**	**0.980**	**-3.210**	**0.605**	**4.324**	**3.982**	**0.495**	**0.336**	**1.700**
ICE BofA 1-3 Years U.S. Treasury Index	*2.941*	*5.674*	*4.531*	*0.127*	*-3.297*	*0.074*	*4.066*	*3.963*	*0.078*	*-0.107*	*1.306*
Tier One: Payden Low Duration (Gross)	3.238	6.142	5.183	1.264	-2.774	0.603	4.313	4.239	0.695	0.583	1.461
Tier One: Payden Low Duration (Net)	3.177	6.078	5.113	1.198	-2.844	0.521	4.230	4.167	0.615	0.508	1.388
ICE BofA 1-3 Years U.S. Treasury Index	*2.941*	*5.674*	*4.531*	*0.127*	*-3.297*	*0.074*	*4.066*	*3.963*	*0.078*	*-0.107*	*1.306*
Tier One: MetLife STAMP 1-3 Year (Gross)	3.395	6.143	4.905	1.113	-2.925	0.775	4.192	3.544	0.842	0.478	--
Tier One: MetLife STAMP 1-3 Year (Net)	3.305	6.051	4.812	1.038	-3.009	0.695	4.108	3.478	0.761	0.395	--
ICE BofA 1-3 Years U.S. Treasury Index	*2.941*	*5.674*	*4.531*	*0.127*	*-3.297*	*0.074*	*4.066*	*3.963*	*0.078*	*-0.107*	*1.306*
Tier Two: MetLife STAMP 1-5 Year (Gross)	3.243	6.664	4.660	0.461	-4.511	0.846	5.177	4.347	0.258	0.140	3.021
Tier Two: MetLife STAMP 1-5 Year (Net)	3.113	6.518	4.493	0.315	-4.639	0.719	5.048	4.217	0.131	0.016	2.894
ICE BofA 1-5 Year Treasury	*2.706*	*6.071*	*4.165*	*-0.431*	*-4.606*	*-0.271*	*5.250*	*4.891*	*-0.351*	*-0.530*	*2.427*
Tier Two: Payden Reserve Account (Gross)	3.074	6.457	4.806	0.577	--	--	--	--	--	--	--
Tier Two: Payden Reserve Account (Net)	2.950	6.340	4.681	0.457	--	--	--	--	--	--	--
ICE BofA 1-5 Year Treasury	*2.706*	*6.071*	*4.165*	*-0.431*	*-4.606*	*-0.271*	*5.250*	*4.891*	*-0.351*	*-0.530*	*2.427*
Cash (Gross)	**4.083**	**5.336**	**5.831**	**3.875**	**-0.056**	**0.296**	**2.022**	**2.573**	**1.492**	**0.858**	**0.509**
Cash (Net)	**4.019**	**5.270**	**5.777**	**3.805**	**-0.133**	**0.217**	**1.940**	**2.489**	**1.426**	**0.758**	**0.446**
90 Day U.S. Treasury Bill	*3.839*	*4.680*	*5.402*	*3.593*	*0.170*	*0.093*	*1.630*	*2.312*	*1.362*	*0.442*	*0.131*
Operating: Payden Enhanced Cash (Gross)	4.036	5.357	5.900	3.999	-0.028	0.250	2.049	2.597	1.580	0.887	0.573
Operating: Payden Enhanced Cash (Net)	3.974	5.293	5.835	3.936	-0.100	0.170	1.965	2.508	1.500	0.812	0.505
90 Day U.S. Treasury Bill	*3.839*	*4.680*	*5.402*	*3.593*	*0.170*	*0.093*	*1.630*	*2.312*	*1.362*	*0.442*	*0.131*
Operating: MetLife Enhanced Cash (Gross)	4.132	5.287	5.795	3.768	-0.108	0.361	1.967	2.605	1.501	0.898	--
Operating: MetLife Enhanced Cash (Net)	4.065	5.220	5.729	3.692	-0.190	0.276	1.881	2.519	1.416	0.814	--
90 Day U.S. Treasury Bill	*3.839*	*4.680*	*5.402*	*3.593*	*0.170*	*0.093*	*1.630*	*2.312*	*1.362*	*0.442*	*0.131*

2Q26 Performance Review

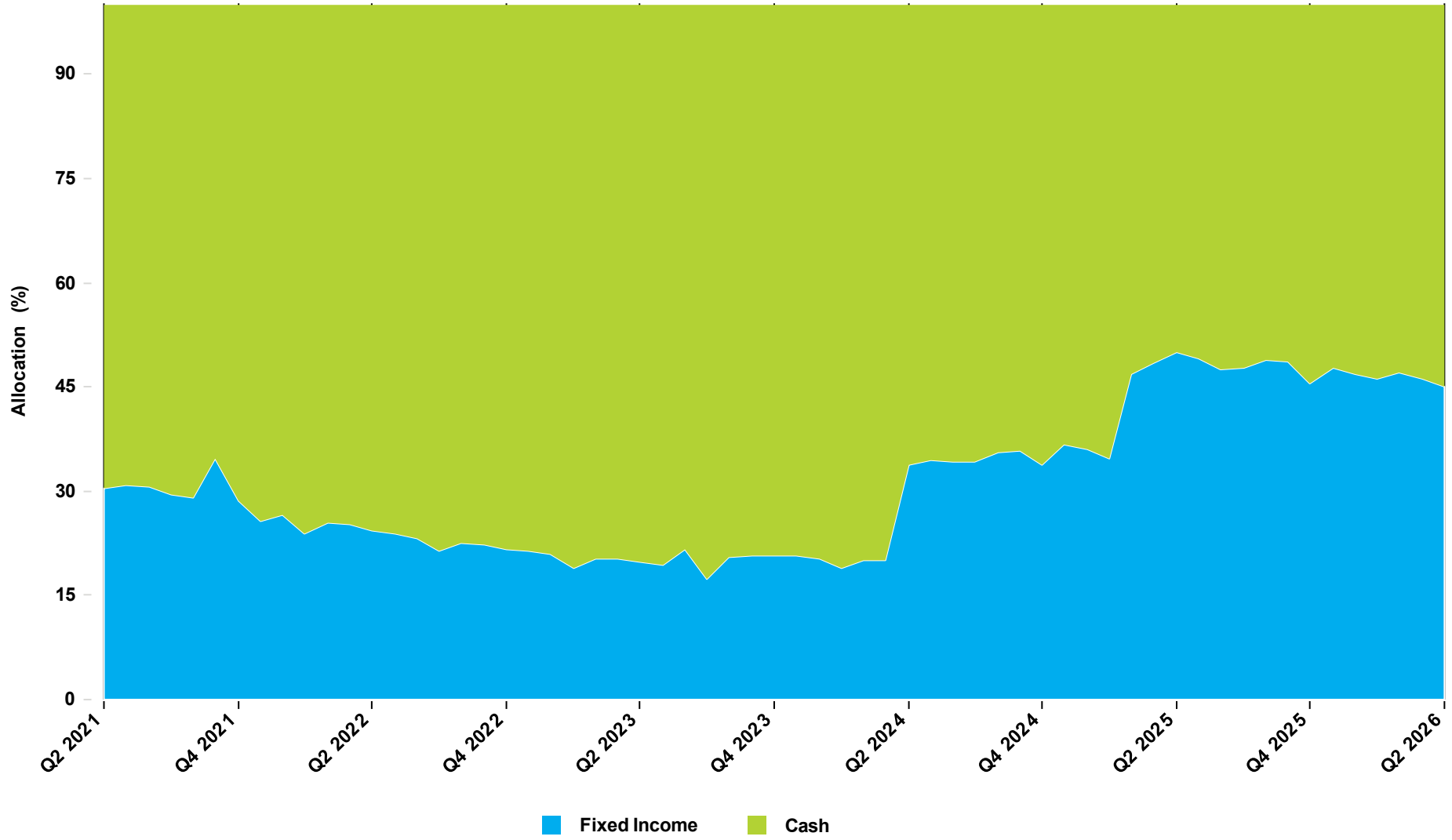
Back to Agenda

Total Plan | As of June 30, 2026



Allocation vs. Targets and Policy	Balance ($)	Current Allocation (%)
Fixed Income	1,778,554,916	45
Cash	2,168,303,084	55
Total	**3,946,858,000**	**100**

Asset Allocation History
5 Years Ending June 30, 2026



Asset Class Performance Summary

	Market Value ($)	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Total Plan (Gross)	**3,946,858,000**	**100.000**	**0.708**	**1.314**	**3.748**	**5.013**	**3.458**	**2.573**	**2.290**	**Oct-14**
Total Plan (Net)			**0.690**	**1.279**	**3.676**	**4.944**	**3.387**	**2.495**	**2.212**	**Oct-14**
Fixed Income (Gross)	**1,778,554,916**	**45.063**	**0.512**	**0.807**	**3.304**	**4.827**	**2.434**	**2.227**	**2.124**	**Oct-14**
Fixed Income (Net)			**0.493**	**0.768**	**3.224**	**4.741**	**2.349**	**2.141**	**2.050**	**Oct-14**
ICE BofA 1-3 Years U.S. Treasury Index			*0.385*	*0.679*	*2.941*	*4.376*	*1.943*	*1.769*	*1.689*	
Cash (Gross)	**2,168,303,084**	**54.937**	**0.870**	**1.716**	**4.083**	**5.081**	**3.793**	**2.612**	**2.248**	**Jul-99**
Cash (Net)			**0.854**	**1.685**	**4.019**	**5.019**	**3.727**	**2.538**	**--**	**Jul-99**
90 Day U.S. Treasury Bill			*0.885*	*1.742*	*3.839*	*4.638*	*3.521*	*2.336*	*2.051*	
FTSE 3 Month T-Bill			*0.934*	*1.872*	*4.053*	*4.856*	*3.686*	*2.405*	*2.045*	

Manager-reported returns for benchmarks may differ from benchmarks in performance report produced by Meketa. This is due to managers using 4:00 PT closing prices vs Meketa's investment performance provider using 3:00 PT closing prices. Managers adopted the change to 4:00 PT starting Jan 1, 2022 to align with broader industry trends and index providers.

Trailing Period Performance

	Market Value ($)	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Total Plan (Gross)	**3,946,858,000**	**100.000**	**0.708**	**1.314**	**3.748**	**5.013**	**3.458**	**2.573**	**2.290**	**Oct-14**
Fixed Income (Gross)	**1,778,554,916**	**45.063**	**0.512**	**0.807**	**3.304**	**4.827**	**2.434**	**2.227**	**2.124**	**Oct-14**
ICE BofA 1-3 Years U.S. Treasury Index			*0.385*	*0.679*	*2.941*	*4.376*	*1.943*	*1.769*	*1.689*	
Tier One: Payden Low Duration (Gross)			0.489	0.774	3.238	4.847	2.561	2.316	2.885	Jul-99
Tier One: Payden Low Duration (Net)	817,907,910	20.723	0.474	0.744	3.177	4.782	2.495	2.243	--	Jul-99
ICE BofA 1-3 Years U.S. Treasury Index			*0.385*	*0.679*	*2.941*	*4.376*	*1.943*	*1.769*	*2.644*	
ICE BofA 1-3 Year Government/Corporate Index			*0.508*	*0.813*	*3.191*	*4.680*	*2.132*	*2.018*	*2.943*	
ICE BofA 1-3 Yr. Gov/Corp A Rated & Above			*0.449*	*0.752*	*3.080*	*4.546*	*2.069*	*1.920*	*2.837*	
Tier One: MetLife STAMP 1-3 Year (Gross)	819,074,261	20.753	0.554	0.877	3.395	4.808	2.476	2.215	2.222	May-16
Tier One: MetLife STAMP 1-3 Year (Net)			0.532	0.832	3.305	4.716	2.389	2.132	2.138	May-16
ICE BofA 1-3 Years U.S. Treasury Index			*0.385*	*0.679*	*2.941*	*4.376*	*1.943*	*1.769*	*1.789*	
ICE BofA 1-3 Year Government/Corporate Index			*0.508*	*0.813*	*3.191*	*4.680*	*2.132*	*2.018*	*2.037*	
ICE BofA 1-3 Yr. Gov/Corp A Rated & Above			*0.449*	*0.752*	*3.080*	*4.546*	*2.069*	*1.920*	*1.938*	
Tier Two: MetLife STAMP 1-5 Year (Gross)	70,716,160	1.792	0.433	0.636	3.243	4.846	2.029	2.080	1.984	Apr-13
Tier Two: MetLife STAMP 1-5 Year (Net)			0.410	0.579	3.113	4.699	1.886	1.945	1.850	Apr-13
ICE BofA 1-5 Year Treasury			*0.234*	*0.429*	*2.706*	*4.305*	*1.511*	*1.637*	*1.556*	
ICE BofA 1-5 Year U.S. Corp/Govt			*0.422*	*0.596*	*3.063*	*4.741*	*1.763*	*1.990*	*1.892*	
ICE BofA 1-5 Year AAA-A U.S. Corp. & Gov. Index			*0.324*	*0.514*	*2.893*	*4.537*	*1.662*	*1.828*	*1.742*	
Tier Two: Payden Reserve Account (Gross)	70,856,586	1.795	0.375	0.541	3.074	4.770	--	--	2.175	Oct-21
Tier Two: Payden Reserve Account (Net)			0.345	0.480	2.950	4.648	--	--	2.055	Oct-21
ICE BofA 1-5 Year Treasury			*0.234*	*0.429*	*2.706*	*4.305*	*--*	*--*	*1.591*	
ICE BofA 1-5 Year U.S. Corp/Govt			*0.422*	*0.596*	*3.063*	*4.741*	*--*	*--*	*1.849*	
ICE BofA 1-5 Year AAA-A U.S. Corp. & Gov. Index			*0.324*	*0.514*	*2.893*	*4.537*	*--*	*--*	*1.747*	

Total Plan | As of June 30, 2026

	Market Value ($)	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Cash (Gross)	**2,168,303,084**	**54.937**	**0.870**	**1.716**	**4.083**	**5.081**	**3.793**	**2.612**	**2.248**	**Jul-99**
90 Day U.S. Treasury Bill			*0.885*	*1.742*	*3.839*	*4.638*	*3.521*	*2.336*	*2.051*	
FTSE 3 Month T-Bill			*0.934*	*1.872*	*4.053*	*4.856*	*3.686*	*2.405*	*2.045*	
Operating: Payden Enhanced Cash (Gross)	1,034,812,240	26.219	0.850	1.691	4.036	5.095	3.832	2.644	2.262	Jul-99
Operating: Payden Enhanced Cash (Net)			0.835	1.661	3.974	5.031	3.767	2.570	--	Jul-99
90 Day U.S. Treasury Bill			*0.885*	*1.742*	*3.839*	*4.638*	*3.521*	*2.336*	*2.051*	
FTSE 3 Month T-Bill			*0.934*	*1.872*	*4.053*	*4.856*	*3.686*	*2.405*	*2.045*	
Operating: MetLife Enhanced Cash (Gross)	1,133,490,844	28.719	0.888	1.745	4.132	5.069	3.754	2.602	2.569	May-16
Operating: MetLife Enhanced Cash (Net)			0.872	1.713	4.065	5.002	3.682	2.524	2.490	May-16
90 Day U.S. Treasury Bill			*0.885*	*1.742*	*3.839*	*4.638*	*3.521*	*2.336*	*2.301*	
FTSE 3 Month T-Bill			*0.934*	*1.872*	*4.053*	*4.856*	*3.686*	*2.405*	*2.369*	

Total Plan | As of June 30, 2026

Asset Class Performance Summary

	FY 2026 (%)	FY 2025 (%)	FY 2024 (%)	FY 2023 (%)	FY 2022 (%)	FY 2021 (%)	FY 2020 (%)	FY 2019 (%)	FY 2018 (%)	FY 2017 (%)
Total Plan (Gross)	**3.748**	**5.616**	**5.687**	**3.264**	**-0.884**	**0.435**	**2.901**	**3.191**	**1.221**	**0.754**
Total Plan (Net)	**3.676**	**5.543**	**5.625**	**3.193**	**-0.963**	**0.353**	**2.815**	**3.107**	**1.147**	**0.666**
Fixed Income (Gross)	**3.304**	**6.198**	**5.000**	**1.062**	**-3.124**	**0.693**	**4.416**	**4.064**	**0.582**	**0.427**
Fixed Income (Net)	**3.224**	**6.113**	**4.907**	**0.980**	**-3.210**	**0.605**	**4.324**	**3.982**	**0.495**	**0.336**
ICE BofA 1-3 Years U.S. Treasury Index	*2.941*	*5.674*	*4.531*	*0.127*	*-3.297*	*0.074*	*4.066*	*3.963*	*0.078*	*-0.107*
Cash (Gross)	**4.083**	**5.336**	**5.831**	**3.875**	**-0.056**	**0.296**	**2.022**	**2.573**	**1.492**	**0.858**
Cash (Net)	**4.019**	**5.270**	**5.777**	**3.805**	**-0.133**	**0.217**	**1.940**	**2.489**	**1.426**	**0.758**
90 Day U.S. Treasury Bill	*3.839*	*4.680*	*5.402*	*3.593*	*0.170*	*0.093*	*1.630*	*2.312*	*1.362*	*0.442*
FTSE 3 Month T-Bill	*4.053*	*4.880*	*5.640*	*3.747*	*0.193*	*0.082*	*1.555*	*2.295*	*1.326*	*0.456*

Fiscal Year-end Month is June.

Calendar Year Performance

	FY 2026 (%)	FY 2025 (%)	FY 2024 (%)	FY 2023 (%)	FY 2022 (%)	FY 2021 (%)	FY 2020 (%)	FY 2019 (%)	FY 2018 (%)	FY 2017 (%)
Total Plan (Gross)	**3.748**	**5.616**	**5.687**	**3.264**	**-0.884**	**0.435**	**2.901**	**3.191**	**1.221**	**0.754**
Fixed Income (Gross)	**3.304**	**6.198**	**5.000**	**1.062**	**-3.124**	**0.693**	**4.416**	**4.064**	**0.582**	**0.427**
ICE BofA 1-3 Years U.S. Treasury Index	*2.941*	*5.674*	*4.531*	*0.127*	*-3.297*	*0.074*	*4.066*	*3.963*	*0.078*	*-0.107*
Tier One: Payden Low Duration (Gross)	3.238	6.142	5.183	1.264	-2.774	0.603	4.313	4.239	0.695	0.583
Tier One: Payden Low Duration (Net)	3.177	6.078	5.113	1.198	-2.844	0.521	4.230	4.167	0.615	0.508
ICE BofA 1-3 Years U.S. Treasury Index	*2.941*	*5.674*	*4.531*	*0.127*	*-3.297*	*0.074*	*4.066*	*3.963*	*0.078*	*-0.107*
ICE BofA 1-3 Year Government/Corporate Index	*3.191*	*5.927*	*4.941*	*0.515*	*-3.619*	*0.537*	*4.176*	*4.289*	*0.265*	*0.336*
ICE BofA 1-3 Yr. Gov/Corp A Rated & Above	*3.080*	*5.822*	*4.754*	*0.315*	*-3.355*	*0.266*	*4.175*	*4.156*	*0.204*	*0.146*
Tier One: MetLife STAMP 1-3 Year (Gross)	3.395	6.143	4.905	1.113	-2.925	0.775	4.192	3.544	0.842	0.478
Tier One: MetLife STAMP 1-3 Year (Net)	3.305	6.051	4.812	1.038	-3.009	0.695	4.108	3.478	0.761	0.395
ICE BofA 1-3 Years U.S. Treasury Index	*2.941*	*5.674*	*4.531*	*0.127*	*-3.297*	*0.074*	*4.066*	*3.963*	*0.078*	*-0.107*
ICE BofA 1-3 Year Government/Corporate Index	*3.191*	*5.927*	*4.941*	*0.515*	*-3.619*	*0.537*	*4.176*	*4.289*	*0.265*	*0.336*
ICE BofA 1-3 Yr. Gov/Corp A Rated & Above	*3.080*	*5.822*	*4.754*	*0.315*	*-3.355*	*0.266*	*4.175*	*4.156*	*0.204*	*0.146*
Tier Two: MetLife STAMP 1-5 Year (Gross)	3.243	6.664	4.660	0.461	-4.511	0.846	5.177	4.347	0.258	0.140
Tier Two: MetLife STAMP 1-5 Year (Net)	3.113	6.518	4.493	0.315	-4.639	0.719	5.048	4.217	0.131	0.016
ICE BofA 1-5 Year Treasury	*2.706*	*6.071*	*4.165*	*-0.431*	*-4.606*	*-0.271*	*5.250*	*4.891*	*-0.351*	*-0.530*
ICE BofA 1-5 Year U.S. Corp/Govt	*3.063*	*6.418*	*4.767*	*0.175*	*-5.193*	*0.572*	*5.323*	*5.370*	*-0.156*	*0.134*
ICE BofA 1-5 Year AAA-A U.S. Corp. & Gov. Index	*2.893*	*6.259*	*4.485*	*-0.133*	*-4.815*	*0.063*	*5.342*	*5.129*	*-0.220*	*-0.173*
Tier Two: Payden Reserve Account (Gross)	3.074	6.457	4.806	0.577	--	--	--	--	--	--
Tier Two: Payden Reserve Account (Net)	2.950	6.340	4.681	0.457	--	--	--	--	--	--
ICE BofA 1-5 Year Treasury	*2.706*	*6.071*	*4.165*	*-0.431*	*--*	*--*	*--*	*--*	*--*	*--*
ICE BofA 1-5 Year U.S. Corp/Govt	*3.063*	*6.418*	*4.767*	*0.175*	*--*	*--*	*--*	*--*	*--*	*--*
ICE BofA 1-5 Year AAA-A U.S. Corp. & Gov. Index	*2.893*	*6.259*	*4.485*	*-0.133*	*--*	*--*	*--*	*--*	*--*	*--*

Fiscal Year-end Month is June.

Total Plan | As of June 30, 2026

	FY 2026 (%)	FY 2025 (%)	FY 2024 (%)	FY 2023 (%)	FY 2022 (%)	FY 2021 (%)	FY 2020 (%)	FY 2019 (%)	FY 2018 (%)	FY 2017 (%)
Cash (Gross)	**4.083**	**5.336**	**5.831**	**3.875**	**-0.056**	**0.296**	**2.022**	**2.573**	**1.492**	**0.858**
90 Day U.S. Treasury Bill	*3.839*	*4.680*	*5.402*	*3.593*	*0.170*	*0.093*	*1.630*	*2.312*	*1.362*	*0.442*
FTSE 3 Month T-Bill	*4.053*	*4.880*	*5.640*	*3.747*	*0.193*	*0.082*	*1.555*	*2.295*	*1.326*	*0.456*
Operating: Payden Enhanced Cash (Gross)	4.036	5.357	5.900	3.999	-0.028	0.250	2.049	2.597	1.580	0.887
Operating: Payden Enhanced Cash (Net)	3.974	5.293	5.835	3.936	-0.100	0.170	1.965	2.508	1.500	0.812
90 Day U.S. Treasury Bill	*3.839*	*4.680*	*5.402*	*3.593*	*0.170*	*0.093*	*1.630*	*2.312*	*1.362*	*0.442*
FTSE 3 Month T-Bill	*4.053*	*4.880*	*5.640*	*3.747*	*0.193*	*0.082*	*1.555*	*2.295*	*1.326*	*0.456*
Operating: MetLife Enhanced Cash (Gross)	4.132	5.287	5.795	3.768	-0.108	0.361	1.967	2.605	1.501	0.898
Operating: MetLife Enhanced Cash (Net)	4.065	5.220	5.729	3.692	-0.190	0.276	1.881	2.519	1.416	0.814
90 Day U.S. Treasury Bill	*3.839*	*4.680*	*5.402*	*3.593*	*0.170*	*0.093*	*1.630*	*2.312*	*1.362*	*0.442*
FTSE 3 Month T-Bill	*4.053*	*4.880*	*5.640*	*3.747*	*0.193*	*0.082*	*1.555*	*2.295*	*1.326*	*0.456*

Fiscal Year-end Month is June.

Total Plan | As of June 30, 2026

Cash Flow Summary
Quarter Ending June 30, 2026

	Beginning Market Value ($)	Net Cash Flow ($)	Net Investment Change ($)	Ending Market Value ($)
Operating: MetLife Enhanced Cash	$1,036,061,900	$87,500,000	$9,928,944	$1,133,490,844
Operating: Payden Enhanced Cash	$1,028,575,293	-$2,500,000	$8,736,947	$1,034,812,240
Tier One: MetLife STAMP 1-3 Year	$814,562,296	-	$4,511,965	$819,074,261
Tier One: Payden Low Duration	$813,925,928	-	$3,981,982	$817,907,910
Tier Two: MetLife STAMP 1-5 Year	$67,914,706	$2,500,000	$301,454	$70,716,160
Tier Two: Payden Reserve Account	$68,097,368	$2,500,000	$259,218	$70,856,586
Total	**$3,829,137,490**	**$90,000,000**	**$27,720,510**	**$3,946,858,000**

MetLife is the cash flow manager of the Operating Cash pool in Q2 and Q3 of each calendar year. Payden is the cash flow manager of the Operating Cash pool in Q1 and Q4 of each calendar year.

Fixed Income | As of June 30, 2026

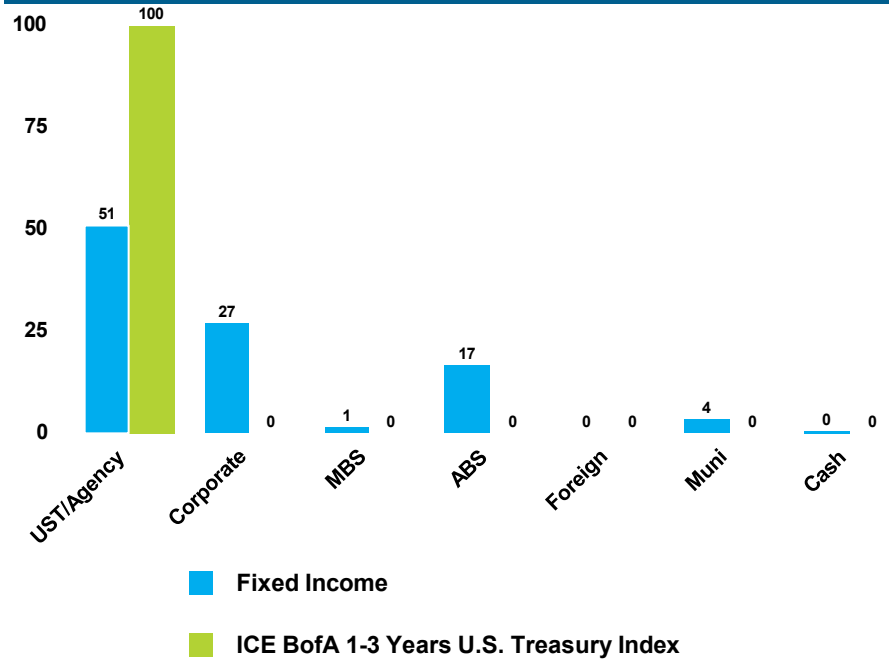
Asset Allocation

	Total Fund	
	$	%
Tier One: Payden Low Duration	$817,907,910	46.0
Tier One: MetLife STAMP 1-3 Year	$819,074,261	46.1
Tier Two: MetLife STAMP 1-5 Year	$70,716,160	4.0
Tier Two: Payden Reserve Account	$70,856,586	4.0
Total	**$1,778,554,916**	**100.0**

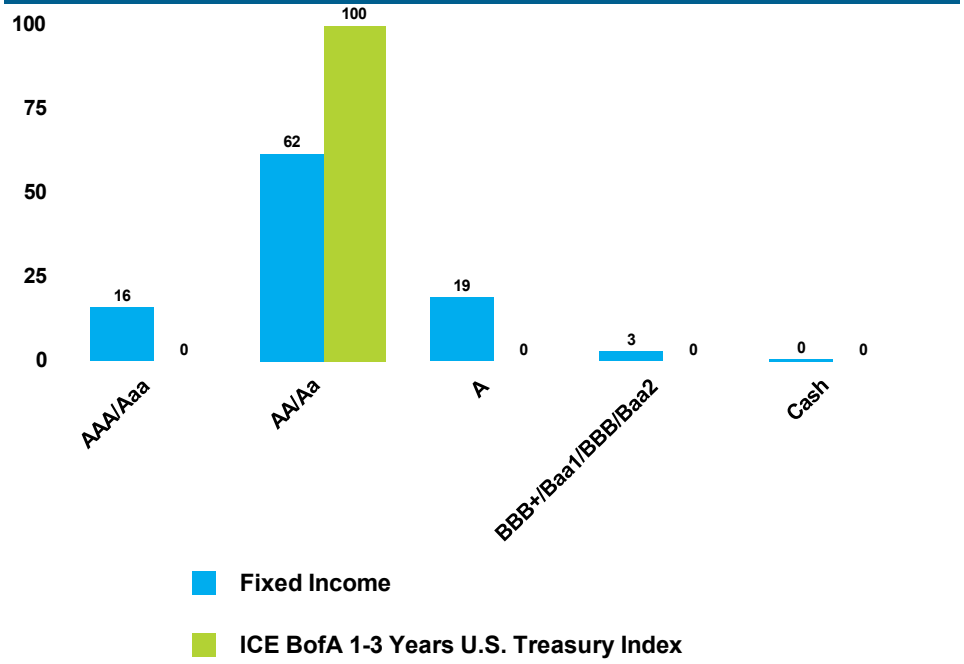
Portfolio Fixed Income Characteristics

	Q2-26		Q1-26
	Fixed Income	ICE BofA 1-3 Years U.S. Treasury Index	Fixed Income
Yield To Maturity	4.4	4.2	4.1
Average Duration	2.0	1.8	2.0
Average Quality	AA	AA	AA

Sector Allocation



Credit Quality Allocation



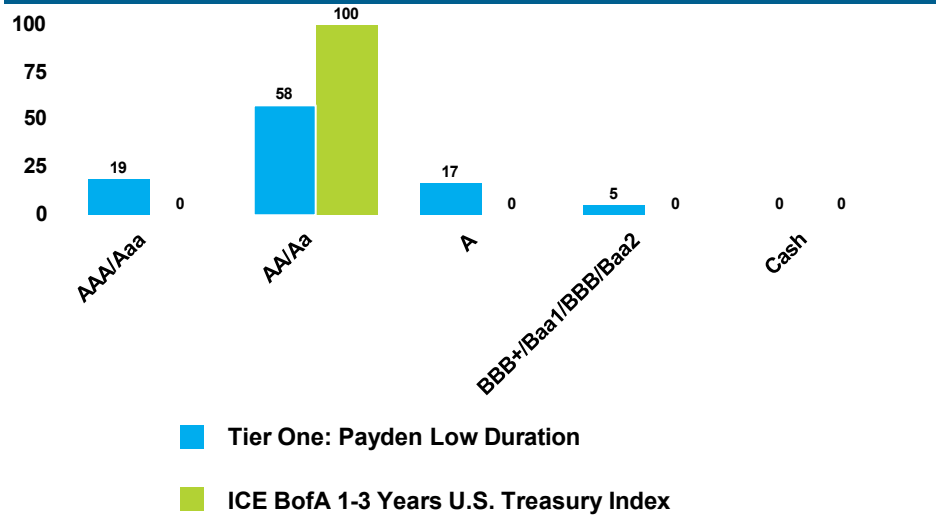
Allocation weights may not add up to 100% due to rounding.

Tier One: Payden Low Duration | As of June 30, 2026

Account Information

Account Name	Tier One: Payden Low Duration
Account Structure	Separate Account
Inception Date	07/01/1999
Asset Class	US Fixed Income
Benchmark	ICE BofA 1-3 Years U.S. Treasury Index
Peer Group	eV US Short Duration Fixed Inc

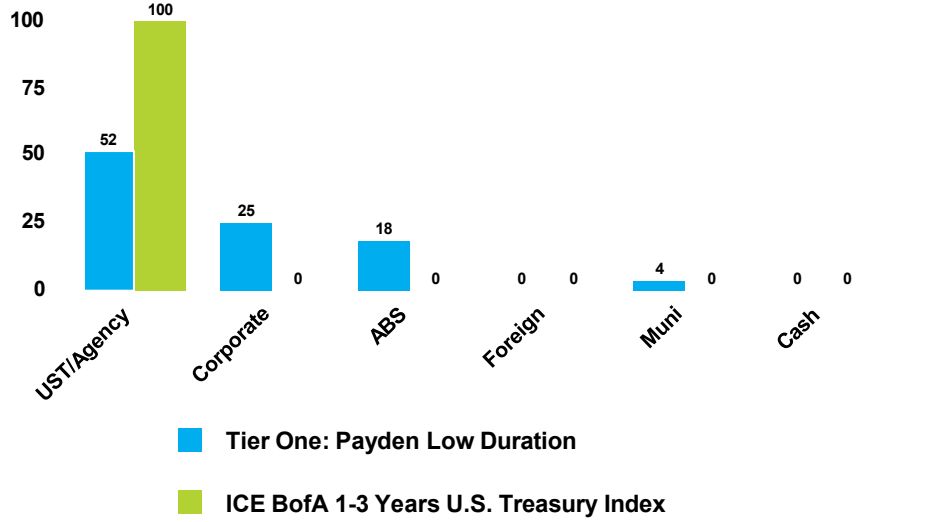
Credit Quality Allocation



Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Tier One: Payden Low Duration (Gross)	0.49	0.77	3.24	4.85	2.56	2.32	2.89	07/01/1999
Tier One: Payden Low Duration (Net)	0.47	0.74	3.18	4.78	2.49	2.24	-	07/01/1999
ICE BofA 1-3 Years U.S. Treasury Index	0.39	0.68	2.94	4.38	1.94	1.77	2.64	

Sector Allocation



Portfolio Fixed Income Characteristics

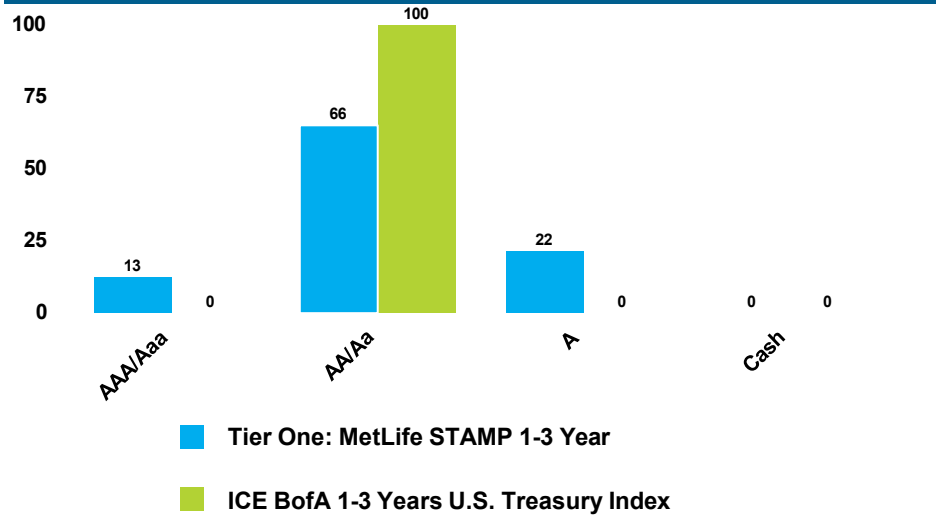
	Q2-26		Q1-26
	Tier One: Payden Low Duration	ICE BofA 1-3 Years U.S. Treasury Index	Tier One: Payden Low Duration
Yield To Maturity	4.37	4.15	4.08
Average Duration	2.03	1.82	2.03
Average Quality	AA	AA	AA

Tier One: MetLife STAMP 1-3 Year | As of June 30, 2026

Account Information

Account Name	Tier One: MetLife STAMP 1-3 Year
Account Structure	Separate Account
Inception Date	05/01/2016
Asset Class	US Fixed Income
Benchmark	ICE BofA 1-3 Years U.S. Treasury Index
Peer Group	eV US Short Duration Fixed Inc

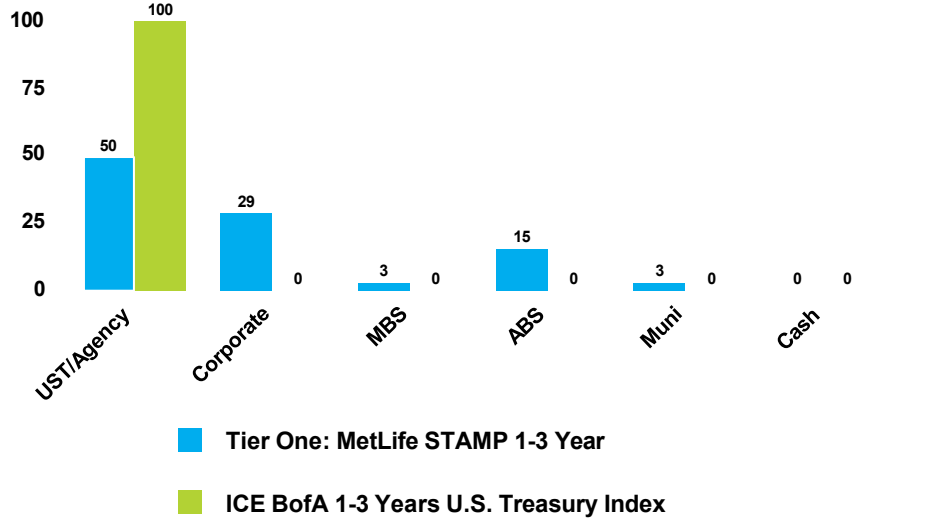
Credit Quality Allocation



Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Tier One: MetLife STAMP 1-3 Year (Gross)	0.55	0.88	3.40	4.81	2.48	2.21	2.22	05/01/2016
Tier One: MetLife STAMP 1-3 Year (Net)	0.53	0.83	3.30	4.72	2.39	2.13	2.14	05/01/2016
ICE BofA 1-3 Years U.S. Treasury Index	0.39	0.68	2.94	4.38	1.94	1.77	1.79	

Sector Allocation



Portfolio Fixed Income Characteristics

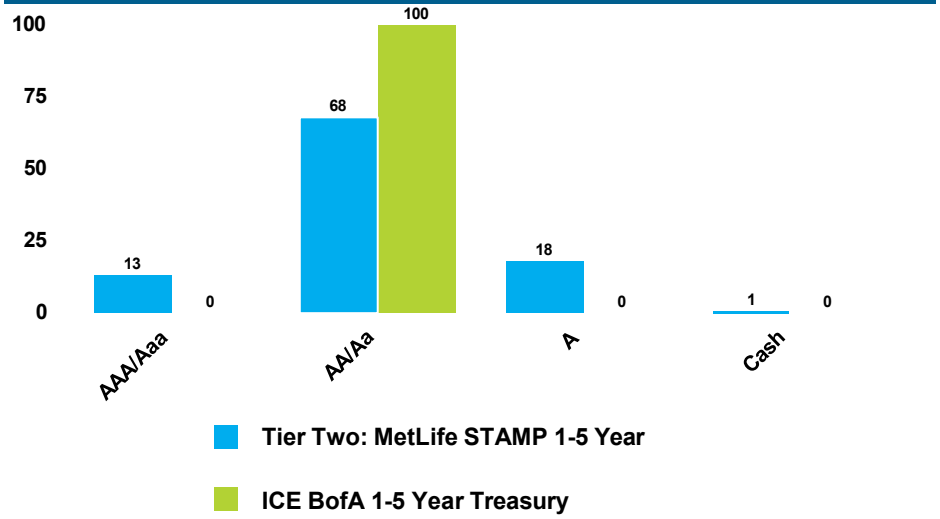
	Q2-26		Q1-26
	Tier One: MetLife STAMP 1-3 Year	ICE BofA 1-3 Years U.S. Treasury Index	Tier One: MetLife STAMP 1-3 Year
Yield To Maturity	4.37	4.15	4.08
Average Duration	1.93	1.82	1.88
Average Quality	AA	AA	AA

Tier Two: MetLife STAMP 1-5 Year | As of June 30, 2026

Account Information

Account Name	Tier Two: MetLife STAMP 1-5 Year
Account Structure	Separate Account
Inception Date	04/01/2013
Asset Class	US Fixed Income
Benchmark	ICE BofA 1-5 Year Treasury
Peer Group	eV US Short Duration Fixed Inc

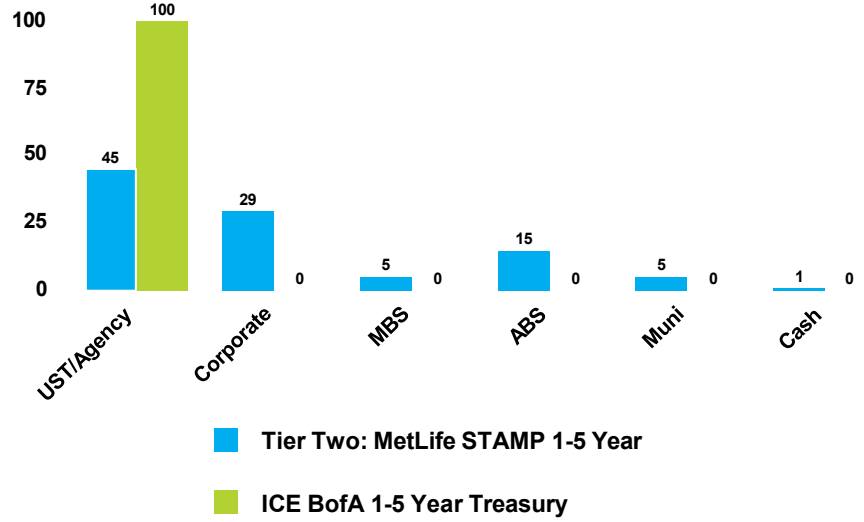
Credit Quality Allocation



Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Tier Two: MetLife STAMP 1-5 Year (Gross)	0.43	0.64	3.24	4.85	2.03	2.08	1.98	04/01/2013
Tier Two: MetLife STAMP 1-5 Year (Net)	0.41	0.58	3.11	4.70	1.89	1.94	1.85	04/01/2013
ICE BofA 1-5 Year Treasury	0.23	0.43	2.71	4.31	1.51	1.64	1.56	

Sector Allocation



Portfolio Fixed Income Characteristics

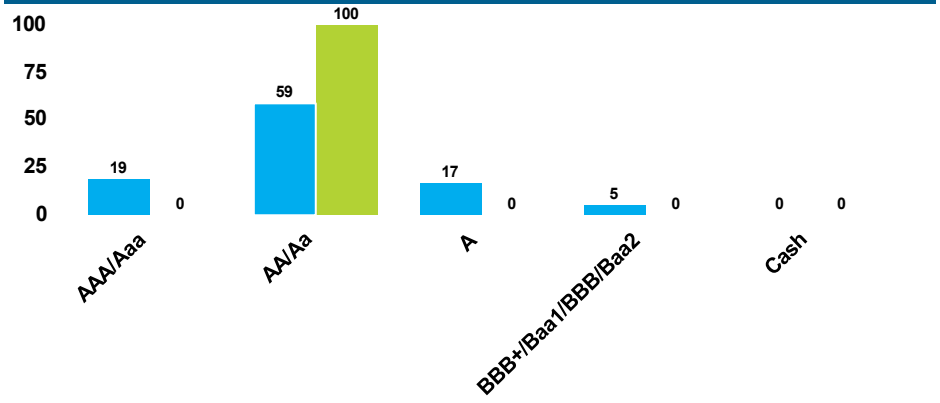
	Q2-26		Q1-26
	Tier Two: MetLife STAMP 1-5 Year	ICE BofA 1-5 Year Treasury	Tier Two: MetLife STAMP 1-5 Year
Yield To Maturity	4.39	4.17	4.14
Average Duration	2.62	2.53	2.59
Average Quality	AA	AA	AA

Tier Two: Payden Low Duration | As of June 30, 2026

Account Information

Account Name	Tier Two: Payden Reserve Account
Account Structure	Separate Account
Inception Date	10/01/2021
Asset Class	US Fixed Income
Benchmark	ICE BofA 1-5 Year Treasury
Peer Group	eV US Short Duration Fixed Inc

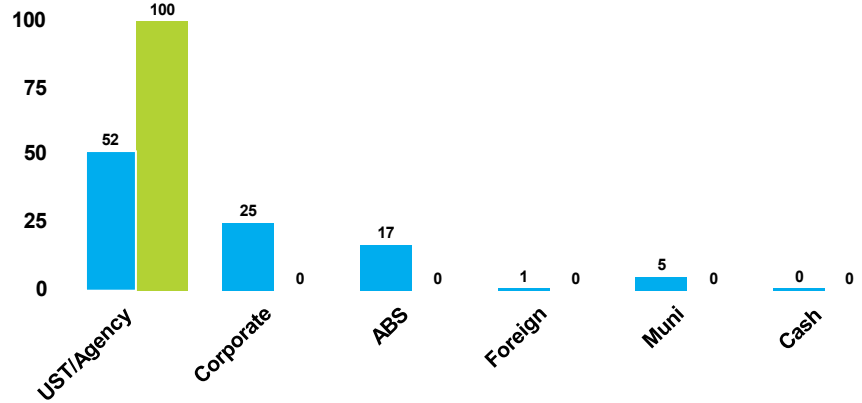
Credit Quality Allocation



Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Tier Two: Payden Reserve Account (Gross)	0.38	0.54	3.07	4.77	-	-	2.17	10/01/2021
Tier Two: Payden Reserve Account (Net)	0.34	0.48	2.95	4.65	-	-	2.05	10/01/2021
ICE BofA 1-5 Year Treasury	0.23	0.43	2.71	4.31	-	-	1.59	

Sector Allocation



Portfolio Fixed Income Characteristics

	Q2-26		Q1-26
	Tier Two: Payden Reserve Account	ICE BofA 1-5 Year Treasury	Tier Two: Payden Reserve Account
Yield To Maturity	4.40	4.17	4.14
Average Duration	2.71	2.53	2.74
Average Quality	AA	AA	AA

Cash | As of June 30, 2026

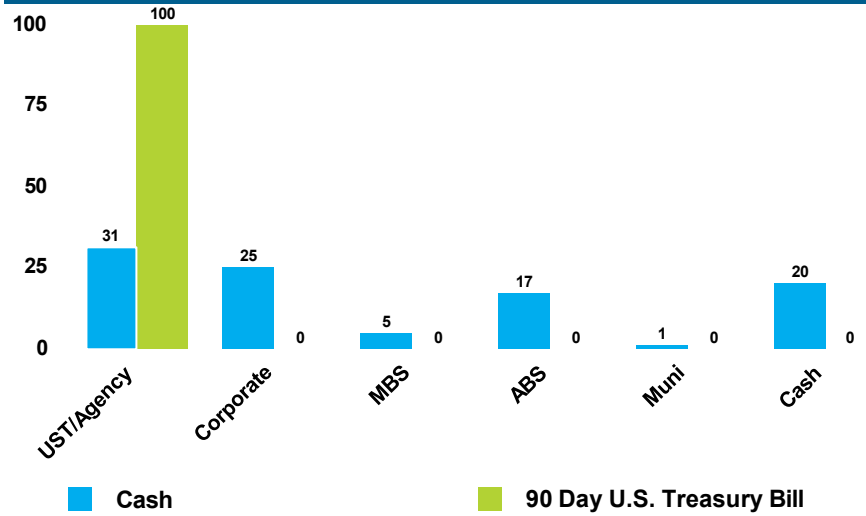
Asset Allocation

	Total Fund	
	$	%
Operating: MetLife Enhanced Cash	$1,133,490,844	52.3
Operating: Payden Enhanced Cash	$1,034,812,240	47.7
Total	**$2,168,303,084**	**100.0**

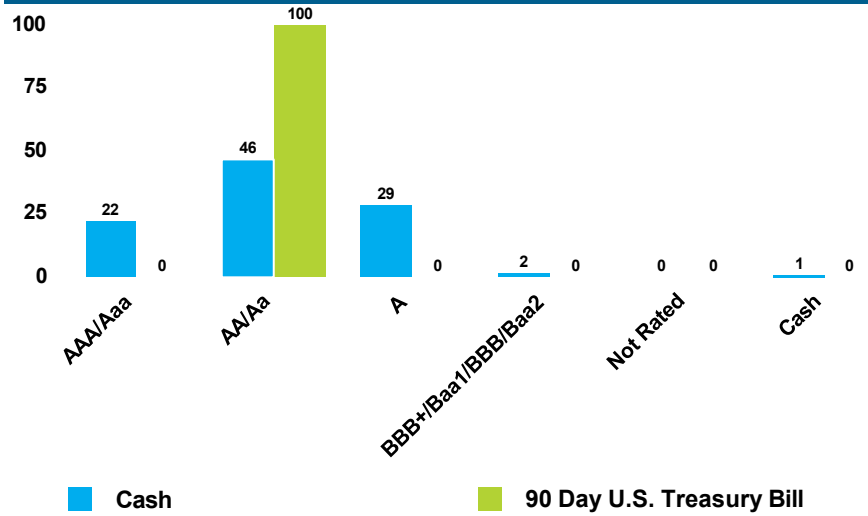
Portfolio Fixed Income Characteristics

	Q2-26		Q1-26
	Cash	90 Day U.S. Treasury Bill	Cash
Yield To Maturity	4.1	3.7	4.0
Average Duration	0.6	0.2	0.5
Average Quality	AA	AA	AA

Sector Allocation



Credit Quality Distribution (%)

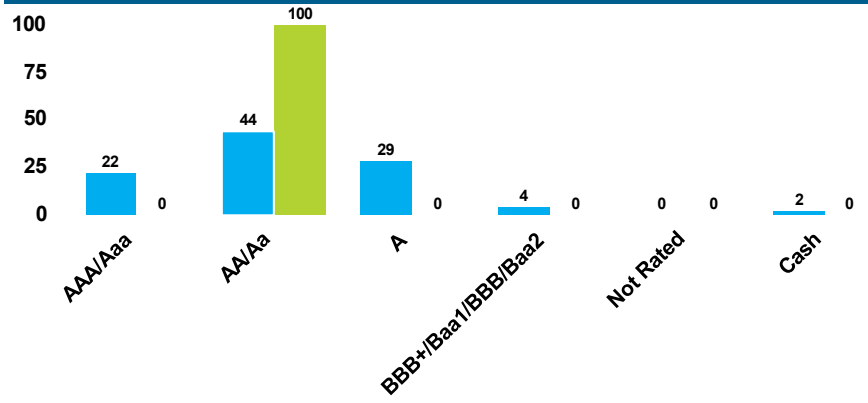


Operating: Payden Enhanced Cash | As of June 30, 2026

Account Information

Account Name	Operating: Payden Enhanced Cash
Account Structure	Separate Account
Inception Date	07/01/1999
Asset Class	US Fixed Income
Benchmark	90 Day U.S. Treasury Bill
Peer Group	eV US Enh Cash Management

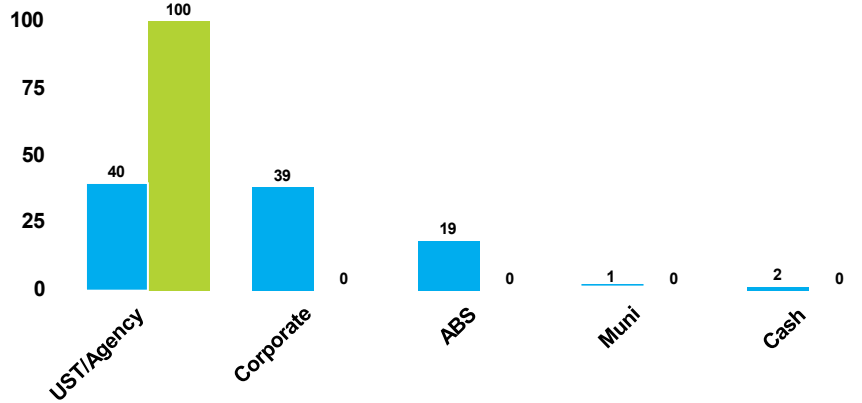
Credit Quality Allocation



Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Operating: Payden Enhanced Cash (Gross)	0.85	1.69	4.04	5.09	3.83	2.64	2.26	07/01/1999
Operating: Payden Enhanced Cash (Net)	0.84	1.66	3.97	5.03	3.77	2.57	-	07/01/1999
90 Day U.S. Treasury Bill	0.88	1.74	3.84	4.64	3.52	2.34	2.05	

Sector Allocation



Portfolio Fixed Income Characteristics

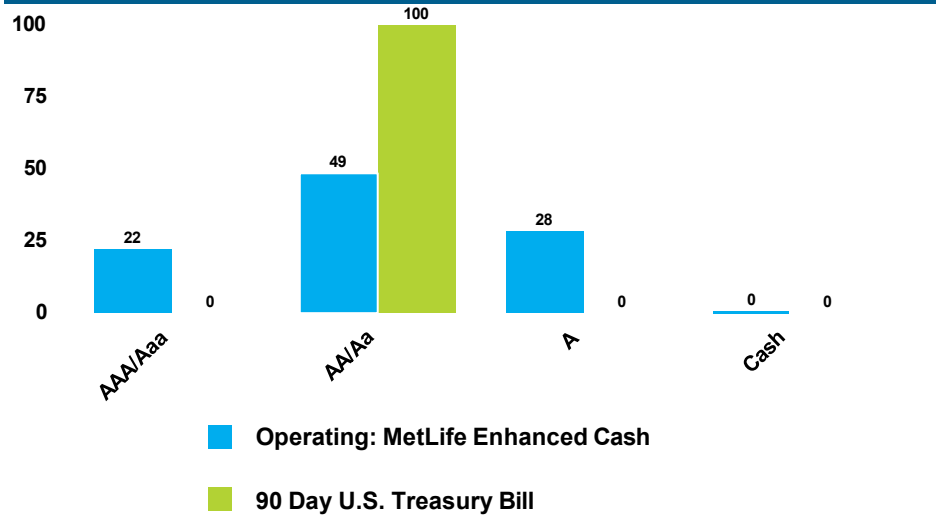
	Q2-26		Q1-26
	Operating: Payden Enhanced Cash	90 Day U.S. Treasury Bill	Operating: Payden Enhanced Cash
Yield To Maturity	4.12	3.69	3.95
Average Duration	0.74	0.24	0.65
Average Quality	AA	AA	AA

Operating: MetLife Enhanced Cash | As of June 30, 2026

Account Information

Account Name	Operating: MetLife Enhanced Cash
Account Structure	Separate Account
Inception Date	05/01/2016
Asset Class	US Fixed Income
Benchmark	90 Day U.S. Treasury Bill
Peer Group	eV US Enh Cash Management

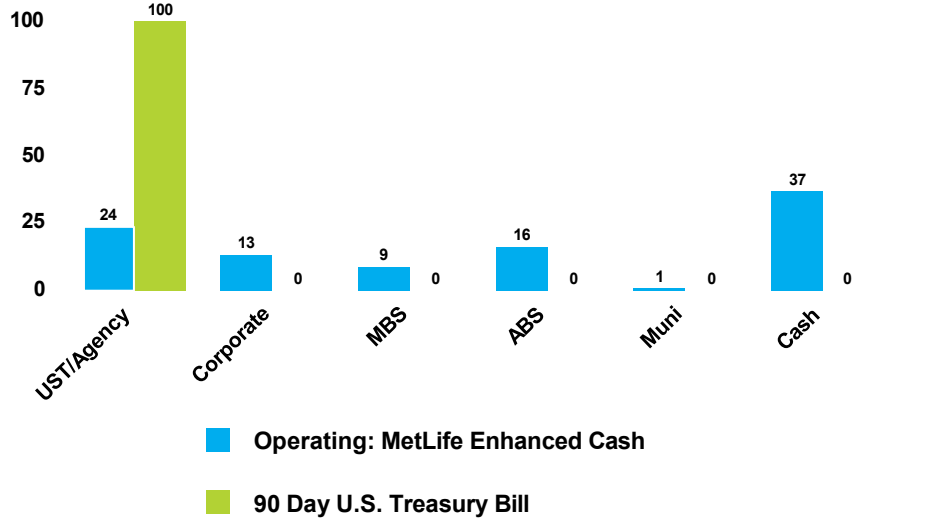
Credit Quality Allocation



Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Operating: MetLife Enhanced Cash (Gross)	0.89	1.75	4.13	5.07	3.75	2.60	2.57	05/01/2016
Operating: MetLife Enhanced Cash (Net)	0.87	1.71	4.07	5.00	3.68	2.52	2.49	05/01/2016
90 Day U.S. Treasury Bill	0.88	1.74	3.84	4.64	3.52	2.34	2.30	

Sector Allocation



Portfolio Fixed Income Characteristics

	Q2-26		Q1-26
	Operating: MetLife Enhanced Cash	90 Day U.S. Treasury Bill	Operating: MetLife Enhanced Cash
Yield To Maturity	4.10	3.69	4.09
Average Duration	0.48	0.24	0.44
Average Quality	AA	AA	AA

Annual Investment Expense Analysis
As of June 30, 2026

	Fee Schedule	Market Value
Tier One: Payden Low Duration	0.08 % of First $300 M 0.07 % of Next $300 M 0.06 % of Next $300 M 0.05 % Thereafter	$817,907,910
Tier One: MetLife STAMP 1-3 Year	0.10 % of First $100 M 0.08 % of Next $250 M 0.06 % of Next $250 M 0.05 % Thereafter	$819,074,261
Tier Two: MetLife STAMP 1-5 Year	0.15 % of First $50 M 0.10 % of Next $250 M 0.07 % Thereafter	$70,716,160
Tier Two: Payden Reserve Account	0.12 % of First $100 M 0.09 % of Next $250 M 0.07 % Thereafter	$70,856,586
Operating: Payden Enhanced Cash	0.08 % of First $300 M 0.07 % of Next $300 M 0.06 % of Next $300 M 0.05 % Thereafter	$1,034,812,240
Operating: MetLife Enhanced Cash	0.10 % of First $100 M 0.08 % of Next $250 M 0.06 % of Next $250 M 0.05 % Thereafter	$1,133,490,844
Total		**$3,946,858,000**

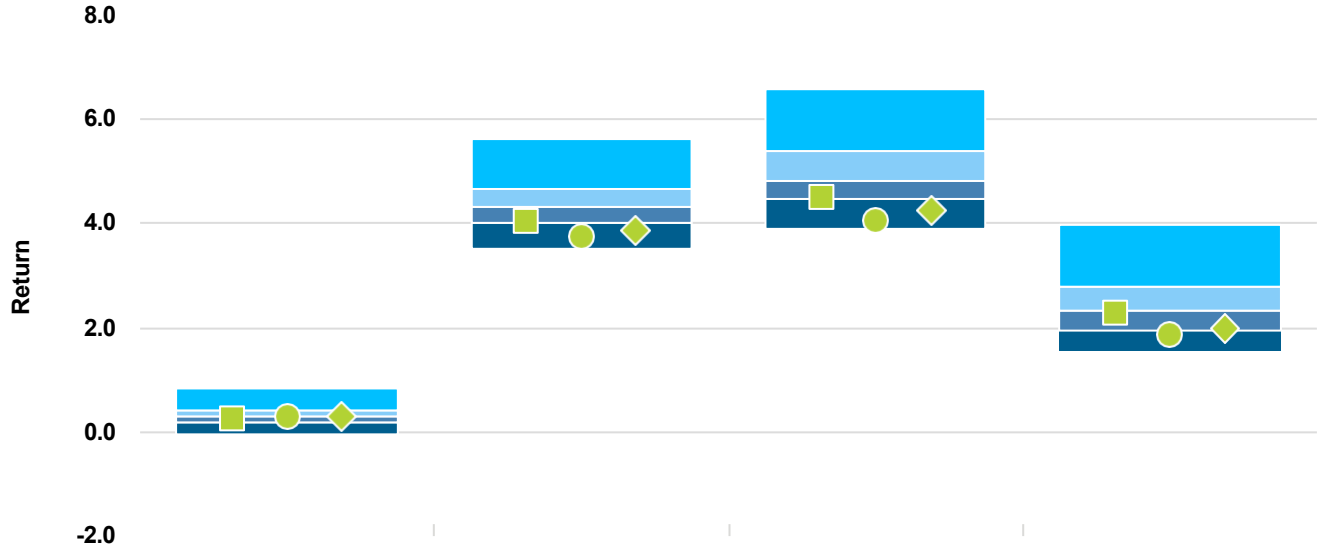
Please note that MetLife and Payden charge their investment management fees on an aggregate basis across Operating Cash and Tier One portfolios. The Tier Two fee is applied separately.

Statistics Summary 1 Year Ending June 30, 2026	Sharpe Ratio
Fixed Income	-0.52
ICE BofA 1-3 Years U.S. Treasury Index	-0.85
Tier One: Payden Low Duration	-0.56
ICE BofA 1-3 Years U.S. Treasury Index	-0.85
Tier One: MetLife STAMP 1-3 Year	-0.48
ICE BofA 1-3 Years U.S. Treasury Index	-0.85
Tier Two: MetLife STAMP 1-5 Year	-0.46
ICE BofA 1-5 Year Treasury	-0.73
Tier Two: Payden Reserve Account	-0.54
ICE BofA 1-5 Year Treasury	-0.73
Cash	0.82
90 Day U.S. Treasury Bill	-
Operating: Payden Enhanced Cash	0.56
90 Day U.S. Treasury Bill	-
Operating: MetLife Enhanced Cash	1.10
90 Day U.S. Treasury Bill	-

Statistics Summary 3 Years Ending June 30, 2026	Sharpe Ratio
Fixed Income	0.07
ICE BofA 1-3 Years U.S. Treasury Index	-0.17
Tier One: Payden Low Duration	0.10
ICE BofA 1-3 Years U.S. Treasury Index	-0.17
Tier One: MetLife STAMP 1-3 Year	0.06
ICE BofA 1-3 Years U.S. Treasury Index	-0.17
Tier Two: MetLife STAMP 1-5 Year	0.04
ICE BofA 1-5 Year Treasury	-0.14
Tier Two: Payden Reserve Account	0.02
ICE BofA 1-5 Year Treasury	-0.14
Cash	2.06
90 Day U.S. Treasury Bill	-
Operating: Payden Enhanced Cash	1.98
90 Day U.S. Treasury Bill	-
Operating: MetLife Enhanced Cash	2.10
90 Day U.S. Treasury Bill	-

Statistics Summary 5 Years Ending June 30, 2026	Sharpe Ratio
Fixed Income	-0.64
ICE BofA 1-3 Years U.S. Treasury Index	-0.86
Tier One: Payden Low Duration	-0.61
ICE BofA 1-3 Years U.S. Treasury Index	-0.86
Tier One: MetLife STAMP 1-3 Year	-0.66
ICE BofA 1-3 Years U.S. Treasury Index	-0.86
Tier Two: MetLife STAMP 1-5 Year	-0.62
ICE BofA 1-5 Year Treasury	-0.75
Tier Two: Payden Reserve Account	-
ICE BofA 1-5 Year Treasury	-0.75
Cash	1.07
90 Day U.S. Treasury Bill	-
Operating: Payden Enhanced Cash	1.19
90 Day U.S. Treasury Bill	-
Operating: MetLife Enhanced Cash	0.81
90 Day U.S. Treasury Bill	-

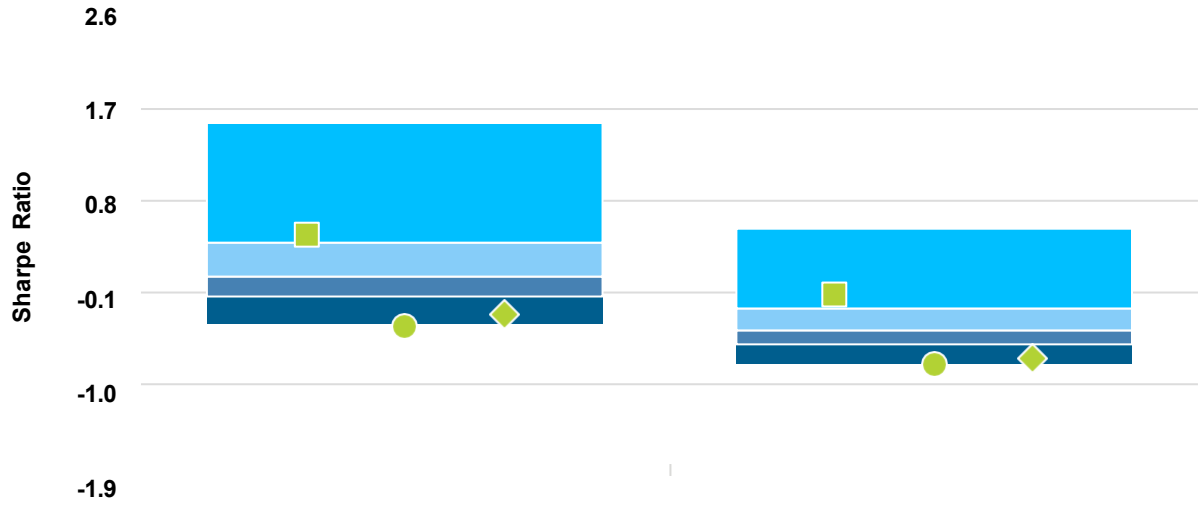
eV US Short Duration Fixed Inc Net Return Comparison
Ending March 31st, 2026



	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
Fixed Income	0.3 (56)	4.1 (71)	4.5 (71)	2.3 (57)
ICE BofA 1-3 Years U.S. Treasury Index	0.3 (51)	3.8 (90)	4.0 (94)	1.9 (82)
ICE BofA 1-3 Yr. Gov/Corp A Rated & Above	0.3 (47)	3.9 (86)	4.2 (87)	2.0 (75)
5th Percentile	0.8	5.6	6.6	4.0
1st Quartile	0.4	4.7	5.4	2.8
Median	0.3	4.3	4.8	2.3
3rd Quartile	0.2	4.0	4.5	2.0
95th Percentile	-0.1	3.5	3.9	1.6
Population	276	275	263	244

Parentheses contain percentile rankings.
Calculation based on monthly periodicity.

Sharpe Ratio vs. eV US Short Duration Fixed Inc Net
Ending March 31st, 2026



	3 Yrs (%)	5 Yrs (%)
Total Plan	0.5 (22)	-0.1 (16)
ICE BofA 1-3 Years U.S. Treasury Index	-0.4 (96)	-0.8 (96)
ICE BofA 1-3 Yr. Gov/Corp A Rated & Above	-0.3 (90)	-0.7 (89)
5th Percentile	1.6	0.5
1st Quartile	0.4	-0.3
Median	0.0	-0.5
3rd Quartile	-0.1	-0.6
95th Percentile	-0.4	-0.8
Population	263	244

Parentheses contain percentile rankings.
Calculation based on monthly periodicity.

Quarterly Investment Report Supplement

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Annual Investment Policy (2026)

Maturity and Quality Requirements

Allowable Instruments	Maximum Permitted Maturity			Actual Maximum Maturity						Compliance
	Operating Funds	Tier One	Tier Two	Operating Funds		Tier One		Tier Two		
				ML	*P&R*	*ML*	*P&R*	*ML*	*P&R*	
US Treasuries	3 years	5 years	5 years	1.38 years	2.79 years	2.79 years	4.59 years	4.84 years	5.00 years	Yes
US Agencies	3 years	5 years	5 years	2.49 years	2.75 years	3.74 years	4.74 years	3.99 years	4.63 years	Yes
State & Local Obligations[1]	3 years	5 years	5 years	0.73 years	0.23 years	2.01 years	3.42 years	4.88 years	4.18 years	Yes
Supranationals	3 years	5 years	5 years	NA	NA	NA	3.08 years	NA	3.08 years	Yes
Negotiable Cert of Deposit	1 year	1 year	1 year	0.31 years	0.92 years	NA	NA	NA	NA	Yes
Commercial Paper	270 days	270 days	270 days	70 days	56 days	NA	NA	NA	NA	Yes
Repurchase Agreements	30 days	30 days	30 days	1 day	NA	NA	NA	NA	NA	Yes
Medium Term Notes	3 years	5 years	5 years	1.73 years	2.70 years	3.82 years	3.13 years	4.71 years	4.96 years	Yes
Mortgage/ Asset-Backed	3 years	5 years	5 years	2.81 years	2.71 years	4.89 years	4.88 years	4.89 years	4.88 years	Yes
Variable & Floating Rate	3 years	5 years	5 years	0.57 years	0.53 years	1.58 years	2.81 years	NA	2.89 years	Yes
Manager Confirmed Adherence to 5% Issuer Limit				**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**

→ Investment Managers have independently verified that they have maintained compliance with CalOptima's Investment Policy Statement-designated security credit rating requirements during the review quarter.

[1] Includes CA and any other states in the US.

Annual Investment Policy (2026)

Diversification Compliance[1]

Allowable Instruments	Maximum (%)	MetLife (%)	MetLife ($M)	Payden (%)	Payden ($M)	Total (%)	Total ($M)
US Treasuries	100	33.8	684.9	40.2	772.6	36.9	1457.4
US Agencies	100	11.0	222.3	5.3	101.9	8.2	324.2
State & Local Obligations[2]	40	2.0	39.9	3.3	63.4	2.6	103.3
Supranationals	30	0.0	0.0	0.2	3.0	0.1	3.0
Negotiable Certificate of Deposit	30	3.8	76.9	4.2	81.5	4.0	158.5
Commercial Paper	30	12.6	254.5	0.6	11.7	6.7	266.2
Repurchase Agreements	100	0.5	10.0	0.0	0.0	0.3	10.0
Medium-Term Notes	30	20.3	410.2	27.3	525.3	23.7	935.5
Money Market Funds	20	0.4	7.6	0.4	7.7	0.4	15.2
Mortgage/Asset-Backed	20	15.7	317.1	18.5	356.5	17.1	673.5
Variable & Floating Rate[3]	30	8.7	176.3	18.5	356.1	13.5	532.4
Total		**100.0**	**2,023.3**	**100.0**	**1,923.6**	**100.0**	**3,946.9**

→ The investment composition of each portfolio and the total portfolio are in compliance with the CalOptima Annual Investment Policy 2026 as of June 30, 2026.

[1] Blended allocations for Payden & Rygel and MetLife accounts.
[2] Includes CA and any other state in the US.
[3] Variable & Floating Rate Securities span all allowable instruments and are not included in total.

Annual Investment Policy (2026)

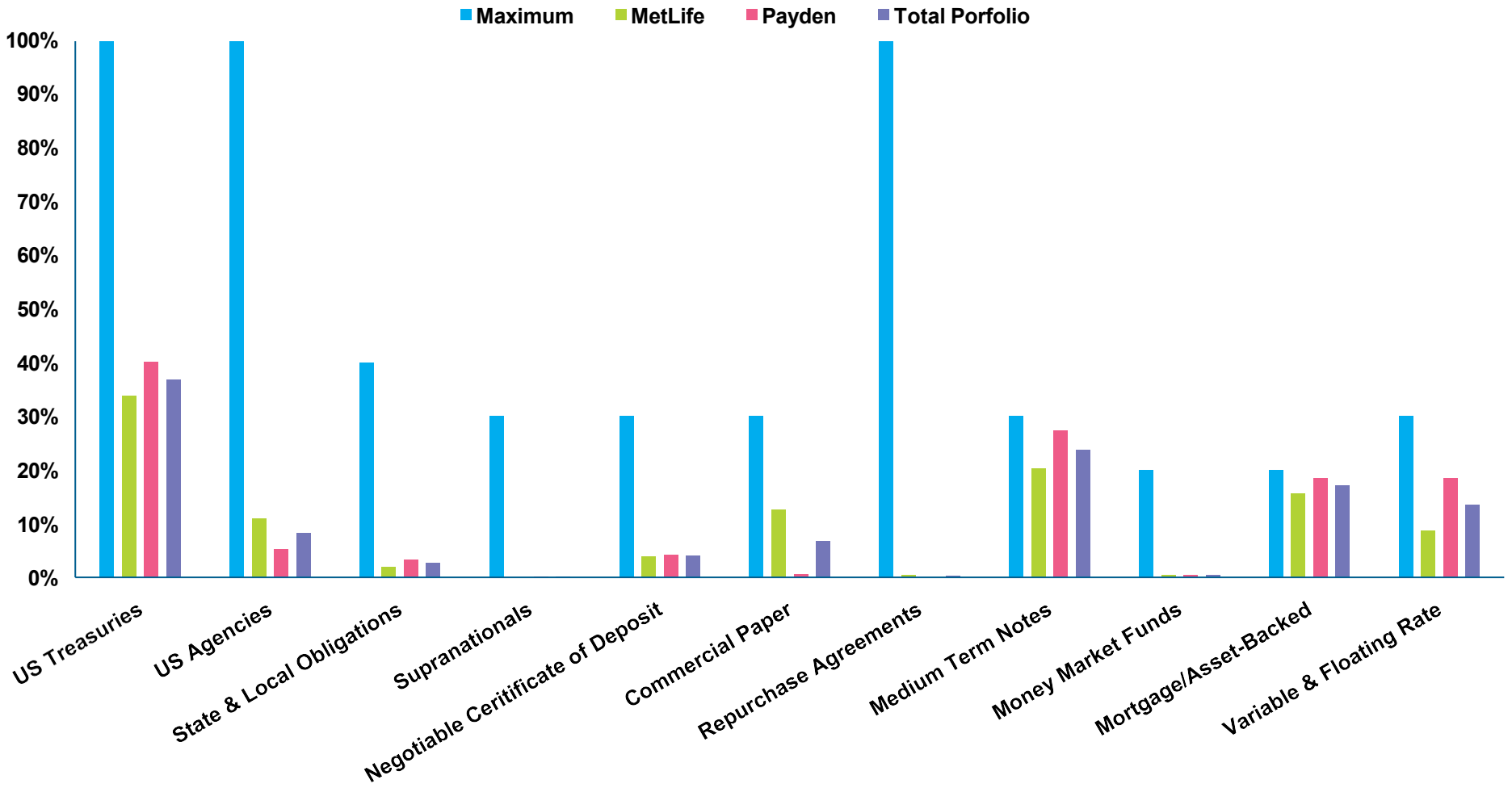
US Treasury Futures Requirements

US Treasury Futures	Maximum Permitted			Actual						Compliance
	Operating Funds	Tier One	Tier Two	Operating Funds		Tier One		Tier Two		
				ML	*P&R*	*ML*	*P&R*	*ML*	*P&R*	
Contribution to Duration	None	+/- 0.35 years	+/- 0.35 years	None	None	0.10 years	0.16 years	0.00 years	0.15 years	Yes
Gross Notional Value of Total Portfolio	None	20%	20%	None	None	5.1%	4.0%	0.0%	5.3%	Yes
Manager Confirmed Adherence throughout quarter				**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**

→ Investment Managers have independently verified that they have maintained compliance with CalOptima's Annual Investment Policy by not exceeding the 20% gross notional value of the total portfolio for Treasury Futures and Treasury Futures did not have a contribution to duration exceeding +/- 0.35 years during the review quarter.

Annual Investment Policy (2026)

Actual vs. Diversity Requirements
As of June 30, 2026



Custom Peer Group

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Custom Peer Group

- Given CalOptima Health's unique investment guidelines, traditional fixed income peer groups are not the best comparison tool for the Tier One and Tier Two pools.
- Meketa Investment Group surveyed the eVestment Alliance US Short Duration – Government/Credit Fixed Income universe to create custom peer universes for each of the Tier One and Tier Two pools to provide a more accurate performance comparison.
- For the analysis, the eVestment universe was pared down through the elimination of funds with exposure to securities with below "BBB"-rated credit. The combined eVestment universe was further defined so that strategies must have an average quality of AA or higher.
  - Two unique buckets were then established based on each portfolio's use of a primary benchmark with "1-3" (years of maturity) in its name (Tier One peer group) or "1-5" in its name (Tier Two peer group).
  - The Tier One peer group consists of 35 strategies with a median effective duration of 1.87 years, while the Tier Two peer group consists of 13 strategies with a median effective duration of 2.63 years as of March 31, 2026.
- Please note that the analysis is as of March 31, 2026, as the universe of investment managers that had reported data as of June 30, 2026, was very small at the date that these materials were submitted.
- This analysis is based on a small peer universe that may change significantly over time, potentially resulting in large changes in peer rankings quarter-to-quarter.

Custom Peer Group: MetLife Tier One

Gross of Fees Returns as of 3/31/2026[1]	1Q2026 (%)	1 Year (%)	3 Years (%)	5 Years (%)
Tier One: MetLife STAMP 1-3 Year	0.32	4.17	4.56	2.39
Peer Group Median Return	0.39	4.36	4.80	2.49
Peer Group Rank (percentile)	83	70	80	68

Standard Deviation as of 3/31/2026[2]	3 Years (%)	5 Years (%)
Tier One: MetLife STAMP 1-3 Year	1.54	1.87
Median Standard Deviation	1.57	1.95
Peer Group Rank (percentile)	33	28

→ The MetLife Tier One portfolio underperformed the peer group median over the quarter, one-, three-, and five-year time periods.

→ The standard deviation ranked very favorably compared to peers over the three- and five-year trailing periods.

[1] Investment managers are ranked based on performance gross of fees; given the discounted fee structures offered by CalOptima's investment managers, performance on a net-of-fee basis is more compelling relative to peers.
[2] For peer group standard deviation rankings, a percentile rank of 1 would indicate that the strategy exhibited the lowest standard deviation relative to the peer group, and a percentile rank of 99 would indicate that the strategy exhibited the highest standard deviation relative to the peer group.

Custom Peer Group: Payden Tier One

Gross of Fees Returns as of 3/31/2026[1]	1Q2026 (%)	1 Year (%)	3 Years (%)	5 Years (%)	10 Years (%)
Tier One: Payden Low Duration	0.28	4.09	4.66	2.48	2.32
Peer Group Median Return	0.39	4.36	4.80	2.49	2.36
Peer Group Rank (percentile)	95	92	69	51	55

Standard Deviation as of 3/31/2026[2]	3 Years (%)	5 Years (%)	10 Years (%)
Tier One: Payden Low Duration	1.60	1.85	1.44
Median Standard Deviation	1.57	1.95	1.57
Peer Group Rank (percentile)	69	21	16

→ The Payden Tier One portfolio's trailing returns lagged the peer group median over the quarter, one-, three-, five-, and ten-year periods.

→ The standard deviation has ranked very favorably versus peers across the reported trailing five- and ten-year periods. Standard deviation over the most recent 3-year period is slightly higher compared to the median of peers.

[1] Investment managers are ranked based on performance gross of fees; given the discounted fee structures offered by CalOptima's investment managers, performance on a net-of-fee basis is more compelling relative to peers.
[2] For peer group standard deviation rankings, a percentile rank of 1 would indicate that the strategy exhibited the lowest standard deviation relative to the peer group, and a percentile rank of 99 would indicate that the strategy exhibited the highest standard deviation relative to the peer group.

Custom Peer Group: MetLife Tier Two

Gross of Fees Returns as of 3/31/2026[1]	1Q2026 (%)	1 Year (%)	3 Years (%)	5 Years (%)	10 Years (%)
Tier Two: MetLife STAMP 1-5 Year	0.20	4.41	4.51	2.00	2.13
Peer Group Median Return	0.31	4.42	4.60	1.99	2.25
Peer Group Rank (percentile)	81	52	76	49	91

Standard Deviation as of 3/31/2026[2]	3 Years (%)	5 Years (%)	10 Years (%)
Tier Two: MetLife STAMP 1-5 Year	2.28	2.73	2.10
Median Standard Deviation	2.39	2.93	2.34
Peer Group Rank (percentile)	31	36	30

→ MetLife's Tier Two portfolio outperformed compared to the median of the peer group over the trailing five-year period. The strategy has underperformed the median return over the trailing quarter, one-, three-, and ten-year periods.

→ The Strategy's standard deviation has ranked favorably compared to peers across all trailing periods.

[1] Investment managers are ranked based on performance gross of fees; given the discounted fee structures offered by CalOptima's investment managers, performance on a net-of-fee basis is more compelling relative to peers.
[2] For peer group standard deviation rankings, a percentile rank of 1 would indicate that the strategy exhibited the lowest standard deviation relative to the peer group, and a percentile rank of 99 would indicate that the strategy exhibited the highest standard deviation relative to the peer group.

Custom Peer Group: Payden Tier Two

Gross of Fees Returns as of 3/31/2026[1]	1Q2026 (%)	1 Year (%)	3 Year (%)
Tier Two: Payden Reserve Account	0.17	4.30	4.50
Peer Group Median Return	0.31	4.42	4.60
Peer Group Rank (percentile)	87	64	77

Standard Deviation as of 3/31/2026[2]	3 Years (%)
Tier Two: Payden Reserve Account	2.34
Median Standard Deviation	2.39
Peer Group Rank (percentile)	41

→ The Payden Tier Two portfolio's trailing quarter, one-, and three-year returns have lagged the median returns of the peer group.

→ Standard deviation for the strategy has ranked favorably compared to peers over the three-year trailing period.

[1] Investment managers are ranked based on performance gross of fees; given the discounted fee structures offered by CalOptima's investment managers, performance on a net-of-fee basis is more compelling relative to peers.
[2] For peer group standard deviation rankings, a percentile rank of 1 would indicate that the strategy exhibited the lowest standard deviation relative to the peer group, and a percentile rank of 99 would indicate that the strategy exhibited the highest standard deviation relative to the peer group.

Performance Attribution

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Performance Attribution

- The following pages present attribution data for the MetLife and Payden & Rygel Tier One and Tier Two portfolios.
- Attribution represents outperformance or underperformance, based on active investment decisions across fixed income sub-sectors, relative to a manager's benchmark index. Attribution data demonstrates where managers are able to most effectively add incremental value versus the benchmark.
- Attribution data is provided by the investment managers and is presented gross of investment management fees as of June 30, 2026. Attribution data fields will vary slightly across investment managers.

MetLife Tier One Performance Attribution[1]

Gross of Fees as of 6/30/2026

Benchmark Relative Attribution (basis points)	ICE BofA Merrill Lynch 1-3 Year US Treasury		ICE BofA Merrill Lynch 1-3 Year AAA-A US Corp & Govt	
	2Q 2026	1 Year	2Q 2026	1 Year
Duration	**-3**	**3**	**-2**	**2**
Yield Curve	**0**	**-2**	**0**	**-2**
Sector Selection	**20**	**45**	**13**	**32**
Treasury	-4	-21	-1	-8
Agency	0	0	-2	-5
Corporate	15	33	7	12
Financial	7	17	2	4
Industrial	6	12	3	5
Utilities	2	4	2	3
MBS	0	0	0	0
CMBS	1	4	1	4
ABS	7	25	7	25
Municipal	1	4	1	4
Total Excess Return[2]	**17**	**46**	**10**	**32**
MetLife Tier One Return	**55**	**340**	**55**	**340**
Benchmark Return[3]	**39**	**294**	**45**	**308**

[1] Performance attribution provided by MetLife.
[2] May not add to actual out/underperformance due to rounding.
[3] Manager-reported returns for benchmarks may differ from benchmarks in performance report produced by Meketa. This is due to managers using 4:00 PT closing prices vs Meketa's investment performance provider using 3:00 PT closing prices. Managers adopted the change to 4:00 PT starting Jan 1, 2022 to align with broader industry trends and index providers.

Payden & Rygel Tier One Performance Attribution[1]

Gross of Fees as of 6/30/2026

Benchmark Relative Attribution (basis points)	ICE BofA Merrill Lynch 1-3 Year US Treasury		ICE BofA Merrill Lynch 1-3 Year AAA-A US Corp & Govt	
	2Q 2026	1 Year	2Q 2026	1 Year
Duration	**-5**	**-15**	**-14**	**-14**
Yield Curve	**1**	**8**	**10**	**8**
Sector Selection	**14**	**36**	**8**	**22**
Treasury	-1	-1	1	2
Agency	-	0	-	-
Corporate	10	22	3	8
Financial	*7*	*14*	*2*	*4*
Industrial	*3*	*7*	*1*	*4*
Utilities	-	*1*	-	-
ABS/MBS	5	14	4	11
Municipal	-	1	-	1
Cash	-	0	-	-
Residual	-	-	1	2
Total Excess Return[2]	**10**	**30**	**4**	**16**
Payden & Rygel Tier One Return	**49**	**324**	**49**	**324**
Benchmark Return[3]	**39**	**294**	**45**	**308**

[1] Performance attribution provided by Payden.
[2] May not add to actual out/underperformance due to rounding.
[3] Manager-reported returns for benchmarks may differ from benchmarks in performance report produced by Meketa. This is due to managers using 4:00 PT closing prices vs Meketa's investment performance provider using 3:00 PT closing prices. Managers adopted the change to 4:00 PT starting Jan 1, 2022 to align with broader industry trends and index providers.

MetLife Tier Two Performance Attribution[1]

Gross of Fees as of 6/30/2026

Benchmark Relative Attribution (basis points)	ICE BofA Merrill Lynch 1-5 Year US Treasury		ICE BofA Merrill Lynch 1-5 Year AAA-A US Corp & Govt	
	2Q 2026	1 Year	2Q 2026	1 Year
Duration	**-1**	**2**	**1**	**3**
Yield Curve	**-2**	**-3**	**-2**	**-4**
Sector Selection	**23**	**55**	**12**	**36**
Treasury	-6	-27	-3	-11
Agency	0	0	-3	-7
Corporate	19	43	8	15
Financial	11	23	4	6
Industrial	6	14	2	4
Utilities	2	6	2	5
MBS	0	0	0	0
CMBS	2	6	2	6
ABS	7	24	7	24
Municipal	1	9	1	9
Total Excess Return[2]	**20**	**54**	**11**	**35**
MetLife Tier Two Return	**43**	**324**	**43**	**324**
Benchmark Return[3]	**23**	**271**	**32**	**289**

[1] Performance attribution provided by MetLife.
[2] May not add to actual out/underperformance due to rounding.
[3] Manager-reported returns for benchmarks may differ from benchmarks in performance report produced by Meketa. This is due to managers using 4:00 PT closing prices vs Meketa's investment performance provider using 3:00 PT closing prices. Managers adopted the change to 4:00 PT starting Jan 1, 2022 to align with broader industry trends and index providers.

Payden and Rygel Tier Two Performance Attribution[1]

Gross of Fees as of 6/30/2026

Benchmark Relative Attribution (basis points)	ICE BofA Merrill Lynch 1-5 Year US Treasury		ICE BofA Merrill Lynch 1-5 Year AAA-A US Corp & Govt	
	2Q 2026	1 Year	2Q 2026	1 Year
Duration	**-14**	**-13**	**-11**	**-11**
Yield Curve	**10**	**7**	**7**	**6**
Sector Selection	**17**	**43**	**10**	**23**
Treasury	-1	1	2	3
Agency	-	1	-	-
Corporate	13	25	4	8
Financial	8	16	2	3
Industrial	4	8	1	4
Utilities	1	1	1	1
ABS/MBS	7	14	4	11
Municipal	-	2	-	1
Cash	-	-	-	-
Residual	-	-	-11	-11
Total Excess Return[2]	**15**	**37**	**6**	**18**
Payden & Rygel Tier Two Return	**38**	**307**	**38**	**307**
Benchmark Return[3]	**23**	**271**	**32**	**289**

[1] Performance attribution provided by Payden.
[2] May not add to actual out/underperformance due to rounding.
[3] Manager-reported returns for benchmarks may differ from benchmarks in performance report produced by Meketa. This is due to managers using 4:00 PT closing prices vs Meketa's investment performance provider using 3:00 PT closing prices. Managers adopted the change to 4:00 PT starting Jan 1, 2022 to align with broader industry trends and index providers.

Appendices

Back to Agenda

Characteristics

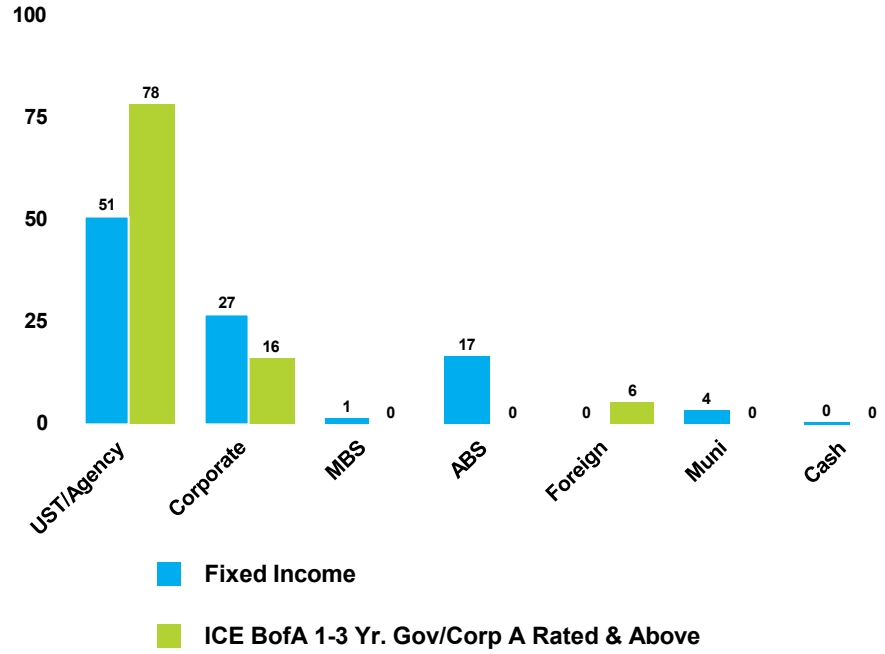
Asset Allocation

	Total Fund	
	$	%
Tier One: Payden Low Duration	$817,907,910	46.0
Tier One: MetLife STAMP 1-3 Year	$819,074,261	46.1
Tier Two: MetLife STAMP 1-5 Year	$70,716,160	4.0
Tier Two: Payden Reserve Account	$70,856,586	4.0
Total	**$1,778,554,916**	**100.0**

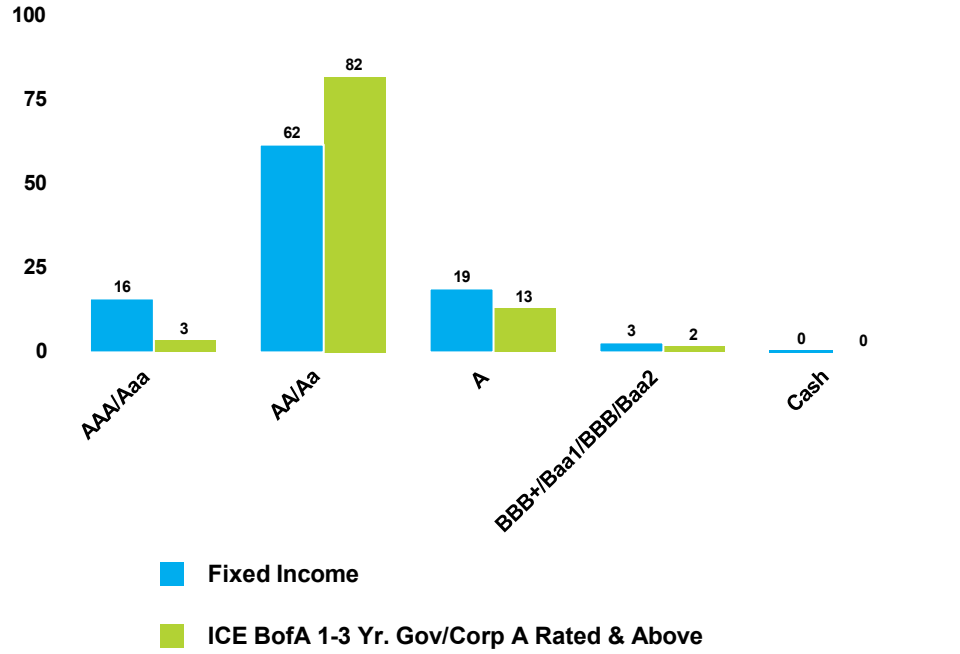
Portfolio Fixed Income Characteristics

	Q2-26		Q1-26
	Fixed Income	ICE BofA 1-3 Yr. Gov/Corp A Rated & Above	Fixed Income
Yield To Maturity	4.4	4.2	4.1
Average Duration	2.0	1.8	2.0
Average Quality	AA	AA	AA

Sector Allocation



Credit Quality Allocation



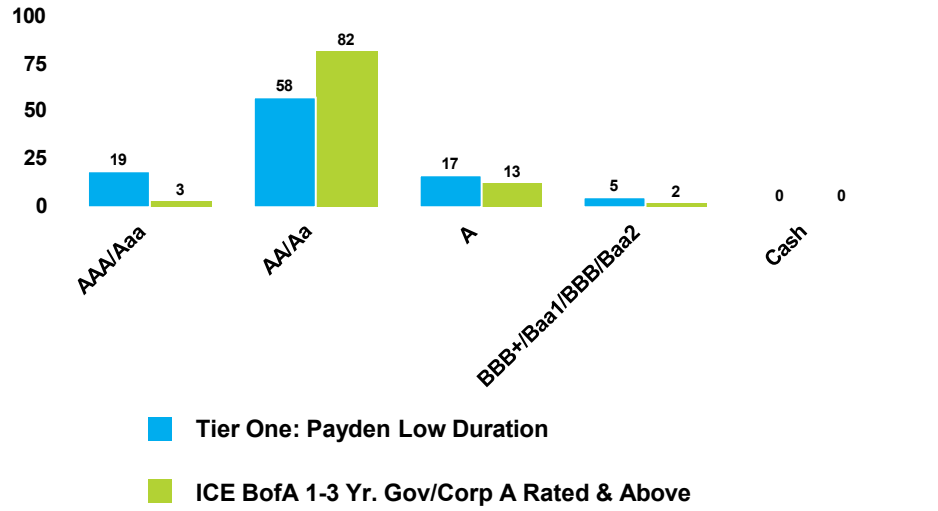
Allocation weights may not add up to 100% due to rounding.

Tier One: Payden Low Duration | As of June 30, 2026

Account Information

Account Name	Tier One: Payden Low Duration
Account Structure	Separate Account
Inception Date	07/01/1999
Asset Class	US Fixed Income
Benchmark	ICE BofA 1-3 Years U.S. Treasury Index
Peer Group	eV US Short Duration Fixed Inc

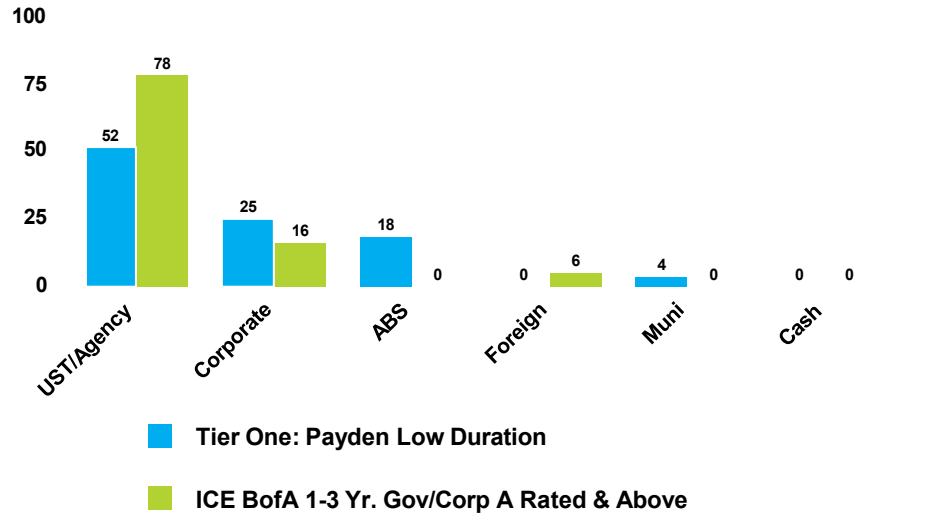
Credit Quality Allocation



Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Tier One: Payden Low Duration (Gross)	0.49	0.77	3.24	4.85	2.56	2.32	2.89	07/01/1999
Tier One: Payden Low Duration (Net)	0.47	0.74	3.18	4.78	2.49	2.24	-	07/01/1999
ICE BofA 1-3 Gov/Cor A & Above	0.45	0.75	3.08	4.55	2.07	1.92	2.84	

Sector Allocation



Portfolio Fixed Income Characteristics

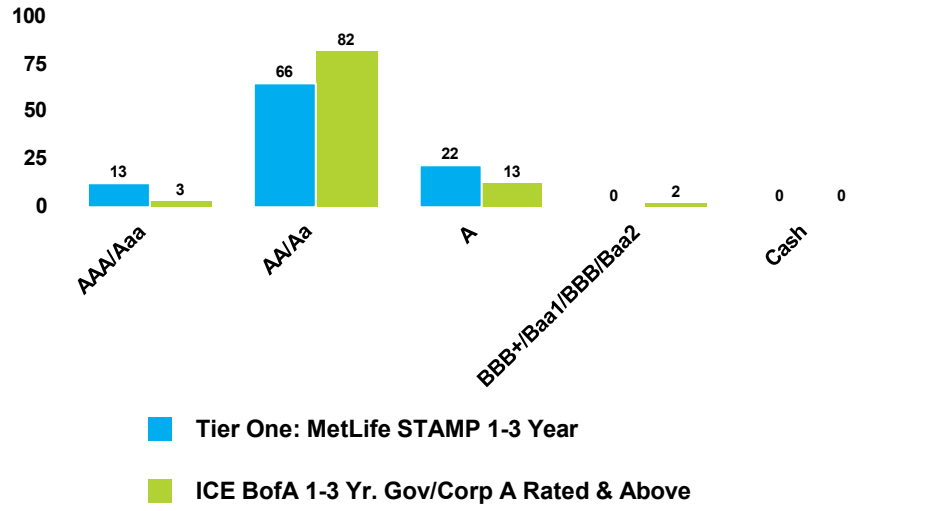
	Q2-26		Q1-26
	Tier One: Payden Low Duration	ICE BofA 1-3 Yr. Gov/Corp A Rated & Above	Tier One: Payden Low Duration
Yield To Maturity	4.37	4.23	4.08
Average Duration	2.03	1.84	2.03
Average Quality	AA	AA	AA

Tier One: MetLife STAMP 1-3 Year | As of June 30, 2026

Account Information

Account Name	Tier One: MetLife STAMP 1-3 Year
Account Structure	Separate Account
Inception Date	05/01/2016
Asset Class	US Fixed Income
Benchmark	ICE BofA 1-3 Years U.S. Treasury Index
Peer Group	eV US Short Duration Fixed Inc

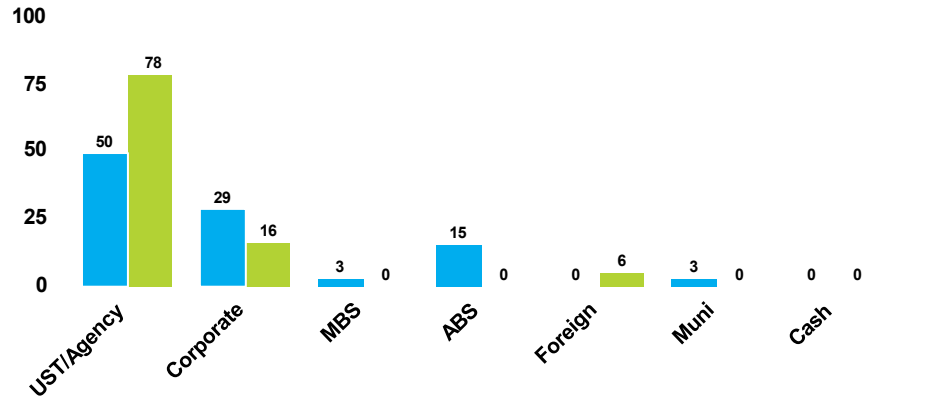
Credit Quality Allocation



Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Tier One: MetLife STAMP 1-3 Year (Gross)	0.55	0.88	3.40	4.81	2.48	2.21	2.22	05/01/2016
Tier One: MetLife STAMP 1-3 Year (Net)	0.53	0.83	3.30	4.72	2.39	2.13	2.14	05/01/2016
ICE BofA 1-3 Gov/Cor A & Above	0.45	0.75	3.08	4.55	2.07	1.92	1.94	

Sector Allocation



Portfolio Fixed Income Characteristics

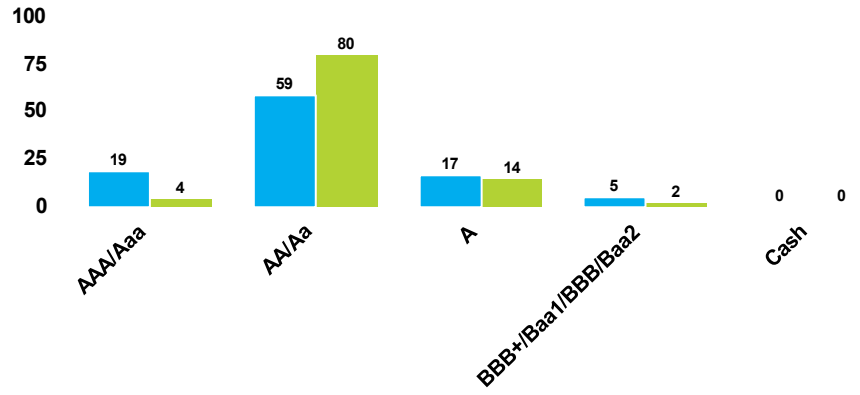
	Q2-26		Q1-26
	Tier One: MetLife STAMP 1-3 Year	ICE BofA 1-3 Yr. Gov/Corp A Rated & Above	Tier One: MetLife STAMP 1-3 Year
Yield To Maturity	4.37	4.23	4.08
Average Duration	1.93	1.84	1.88
Average Quality	AA	AA	AA

Tier Two: Payden Low Duration | As of June 30, 2026

Account Information

Account Name	Tier Two: Payden Reserve Account
Account Structure	Separate Account
Inception Date	10/01/2021
Asset Class	US Fixed Income
Benchmark	ICE BofA 1-5 Year Treasury
Peer Group	eV US Short Duration Fixed Inc

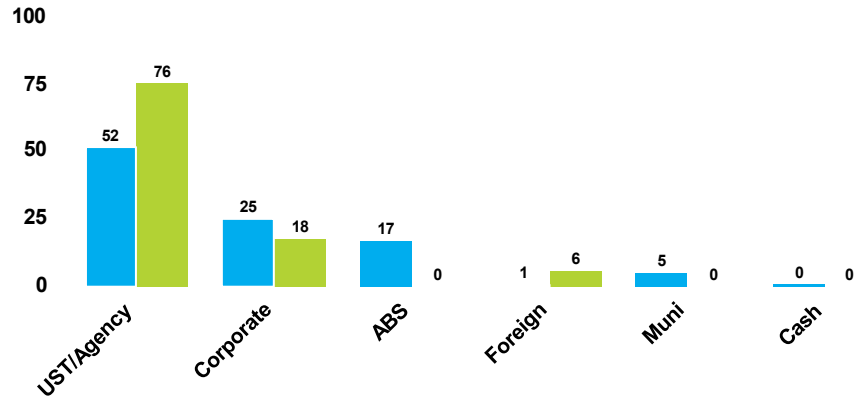
Credit Quality Allocation



Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Tier Two: Payden Reserve Account (Gross)	0.38	0.54	3.07	4.77	-	-	2.17	10/01/2021
Tier Two: Payden Reserve Account (Net)	0.34	0.48	2.95	4.65	-	-	2.05	10/01/2021
ICE BofA 1-5 AAA-A U.S. Cor/Gov.	0.32	0.51	2.89	4.54	-	-	1.75	

Sector Allocation



Portfolio Fixed Income Characteristics

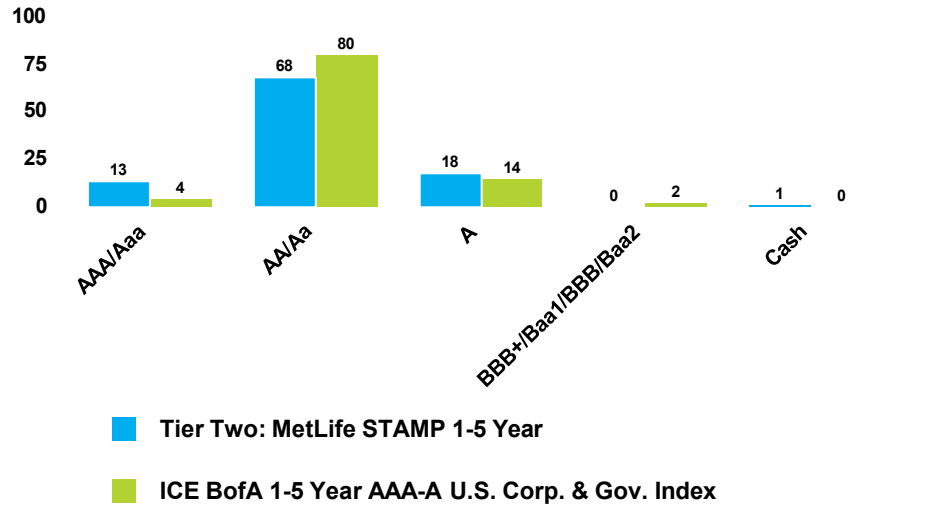
	Q2-26		Q1-26
	Tier Two: Payden Reserve Account	ICE BofA 1-5 Year AAA-A U.S. Corp. & Gov. Index	Tier Two: Payden Reserve Account
Yield To Maturity	4.40	4.26	4.14
Average Duration	2.71	2.58	2.74
Average Quality	AA	AA	AA

Tier Two: MetLife STAMP 1-5 Year | As of June 30, 2026

Account Information

Account Name	Tier Two: MetLife STAMP 1-5 Year
Account Structure	Separate Account
Inception Date	04/01/2013
Asset Class	US Fixed Income
Benchmark	ICE BofA 1-5 Year Treasury
Peer Group	eV US Short Duration Fixed Inc

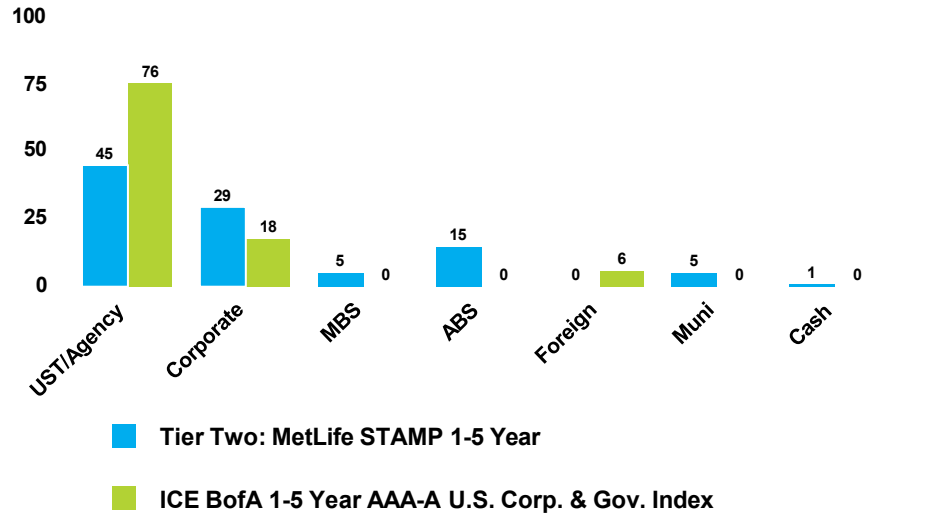
Credit Quality Allocation



Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Tier Two: MetLife STAMP 1-5 Year (Gross)	0.43	0.64	3.24	4.85	2.03	2.08	1.98	04/01/2013
Tier Two: MetLife STAMP 1-5 Year (Net)	0.41	0.58	3.11	4.70	1.89	1.94	1.85	04/01/2013
ICE BofA 1-5 AAA-A U.S. Cor/Gov.	0.32	0.51	2.89	4.54	1.66	1.83	1.74	

Sector Allocation



Portfolio Fixed Income Characteristics

	Q2-26		Q1-26
	Tier Two: MetLife STAMP 1-5 Year	ICE BofA 1-5 Year AAA-A U.S. Corp. & Gov. Index	Tier Two: MetLife STAMP 1-5 Year
Yield To Maturity	4.39	4.26	4.14
Average Duration	2.62	2.58	2.59
Average Quality	AA	AA	AA

Cash | As of June 30, 2026

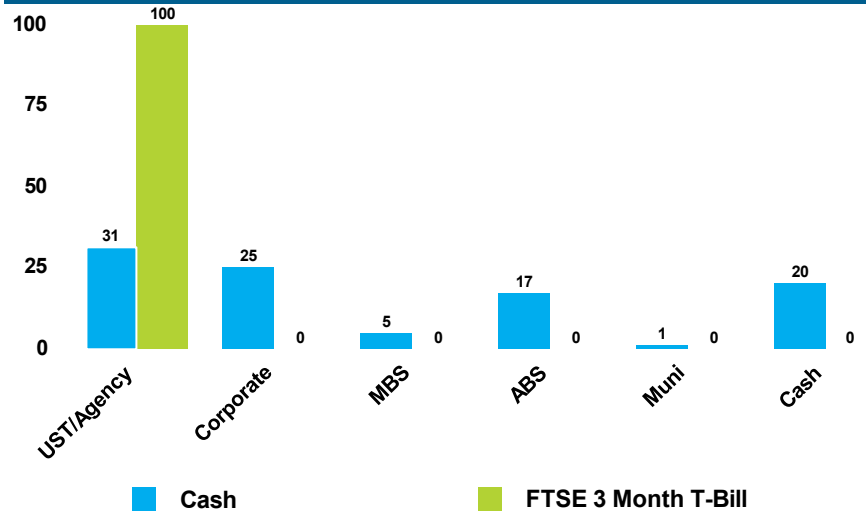
Asset Allocation

	Total Fund	
	$	%
Operating: MetLife Enhanced Cash	$1,133,490,844	52.3
Operating: Payden Enhanced Cash	$1,034,812,240	47.7
Total	**$2,168,303,084**	**100.0**

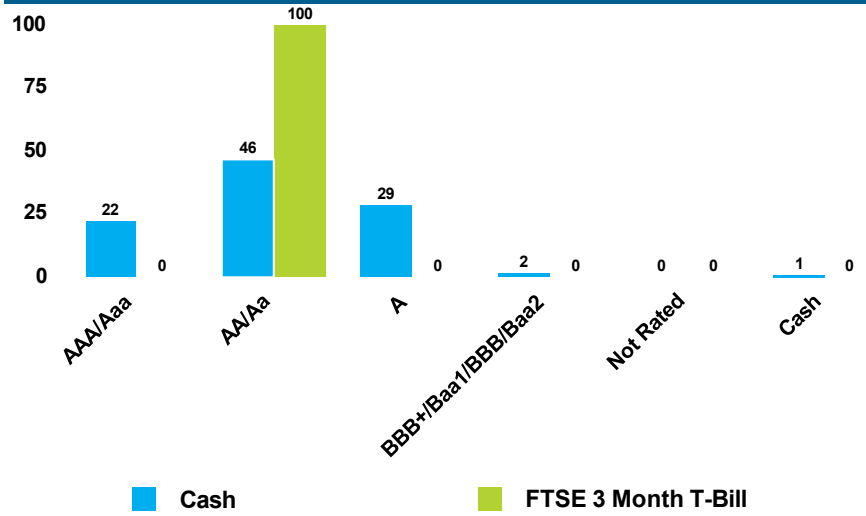
Portfolio Fixed Income Characteristics

	Q2-26		Q1-26
	Cash	FTSE 3 Month T-Bill	Cash
Yield To Maturity	4.1	3.7	4.0
Average Duration	0.6	0.2	0.5
Average Quality	AA	AA	AA

Sector Allocation



Credit Quality Distribution (%)

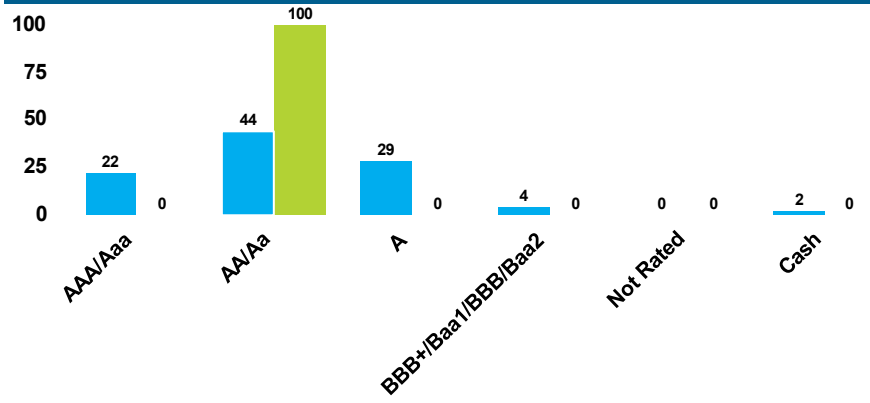


Operating: Payden Enhanced Cash | As of June 30, 2026

Account Information

Account Name	Operating: Payden Enhanced Cash
Account Structure	Separate Account
Inception Date	07/01/1999
Asset Class	US Fixed Income
Benchmark	90 Day U.S. Treasury Bill
Peer Group	eV US Enh Cash Management

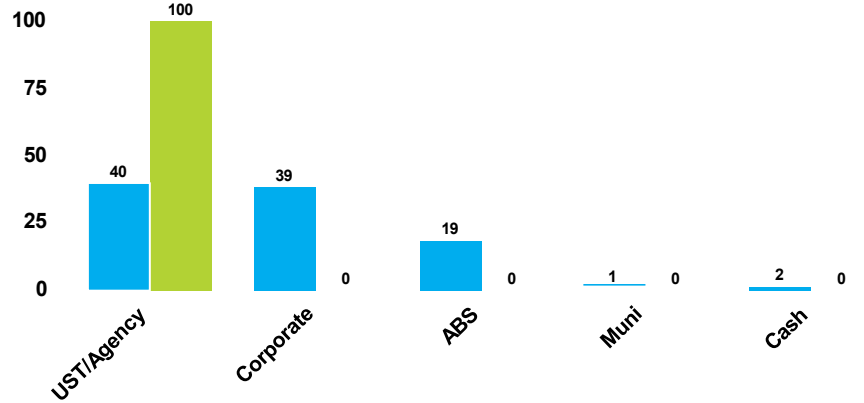
Credit Quality Allocation



Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Operating: Payden Enhanced Cash (Gross)	0.85	1.69	4.04	5.09	3.83	2.64	2.26	07/01/1999
Operating: Payden Enhanced Cash (Net)	0.84	1.66	3.97	5.03	3.77	2.57	-	07/01/1999
FTSE 3 Month T-Bill	0.93	1.87	4.05	4.86	3.69	2.40	2.04	

Sector Allocation



Portfolio Fixed Income Characteristics

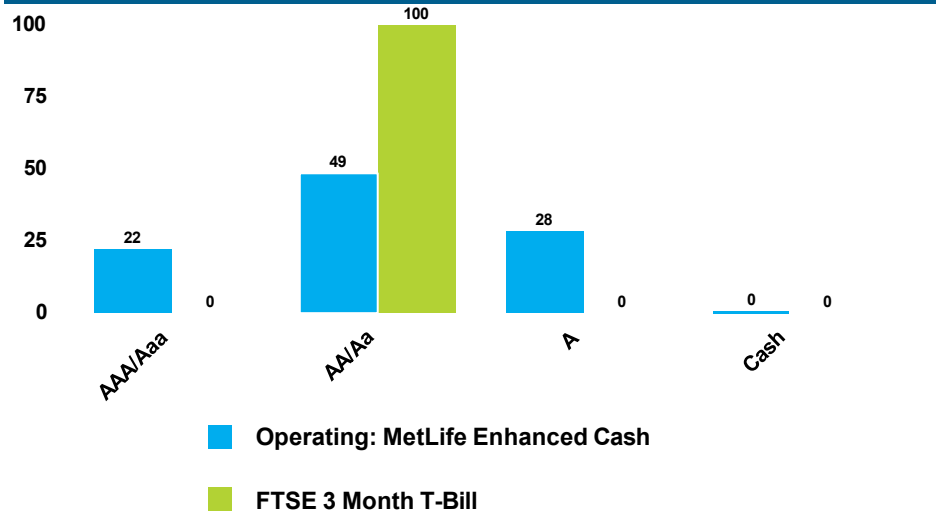
	Q2-26		Q1-26
	Operating: Payden Enhanced Cash	FTSE 3 Month T-Bill	Operating: Payden Enhanced Cash
Yield To Maturity	4.12	3.69	3.95
Average Duration	0.74	0.24	0.65
Average Quality	AA	AA	AA

Operating: MetLife Enhanced Cash | As of June 30, 2026

Account Information

Account Name	Operating: MetLife Enhanced Cash
Account Structure	Separate Account
Inception Date	05/01/2016
Asset Class	US Fixed Income
Benchmark	90 Day U.S. Treasury Bill
Peer Group	eV US Enh Cash Management

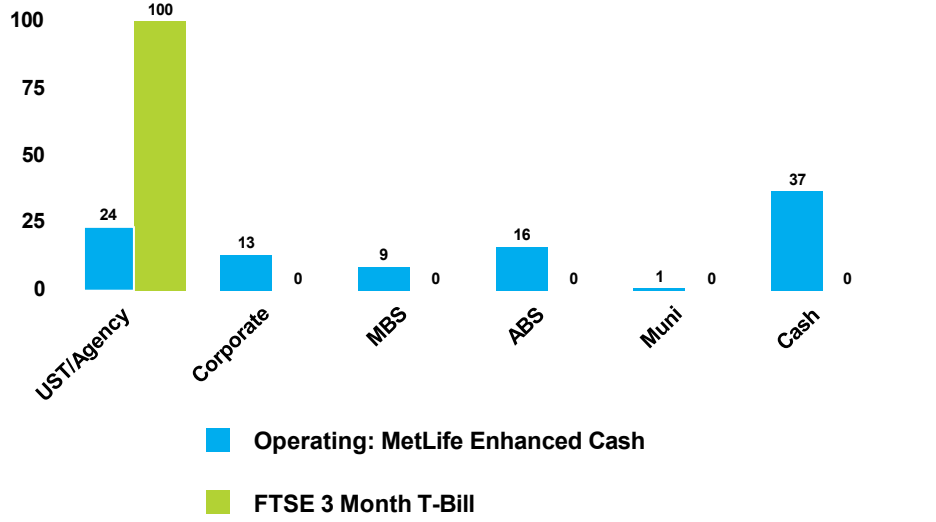
Credit Quality Allocation



Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Operating: MetLife Enhanced Cash (Gross)	0.89	1.75	4.13	5.07	3.75	2.60	2.57	05/01/2016
Operating: MetLife Enhanced Cash (Net)	0.87	1.71	4.07	5.00	3.68	2.52	2.49	05/01/2016
FTSE 3 Month T-Bill	0.93	1.87	4.05	4.86	3.69	2.40	2.37	

Sector Allocation



Portfolio Fixed Income Characteristics

	Q2-26		Q1-26
	Operating: MetLife Enhanced Cash	FTSE 3 Month T-Bill	Operating: MetLife Enhanced Cash
Yield To Maturity	4.10	3.69	4.09
Average Duration	0.48	0.24	0.44
Average Quality	AA	AA	AA

Holdings

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security			Identifier	Original Principal Cost / Purchased Accrued	Principal Market Value / Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio / Notional Value
Cash									
	CASH OR STIF			USD	2,222,690.59	2,222,690.59	0.00	1.000	0.27%
	Collateral Cash			USDC	272,000.00	272,000.00	0.00	1.000	0.03%
Total for Cash					**2,494,690.59**	**2,494,690.59**	**0.00**		**0.31%**
Cleared Derivatives									
307.000	SEP26 US 5YR NOTE (CBT) FUTURE			FVU6				107.047	0.00%
	Tr Date: 5/21/26	St Date: 5/21/26							32,863,390.63
Total for Cleared Derivatives									**0.00%**
									32,863,390.63
Treasuries									
775,000.000	U.S. TREASURY NOTE			91282CJK8	778,148.44	777,058.59	(1,089.84)	100.266	0.10%
	Mat: 11/15/26	Cpn: 4.63%			1,575.55	4,577.87			
	Moody's: Aa1	S&P: AA+u	Fitch: AA+						
	Tr Date: 11/30/23	St Date: 12/1/23							
6,630,000.000	U.S. TREASURY NOTE			91282CLQ2	6,585,195.70	6,606,561.89	21,366.19	99.647	0.81%
	Mat: 10/15/27	Cpn: 3.88%			11,998.66	54,049.90			
	Moody's: Aa1	S&P: AA+u	Fitch: AA+						
	Tr Date: 10/31/24	St Date: 11/1/24							
10,570,000.000	U.S. TREASURY NOTE			91282CLX7	10,570,876.33	10,564,426.02	(6,450.31)	99.947	1.30%
	Mat: 11/15/27	Cpn: 4.13%			20,475.73	55,686.38			
	Moody's: Aa1	S&P: AA+u	Fitch: AA+						
	Tr Date: 11/29/24	St Date: 12/2/24							
25,670,000.000	U.S. TREASURY NOTE			91282CMB4	25,473,371.81	25,611,841.53	138,469.72	99.773	3.14%
	Mat: 12/15/27	Cpn: 4.00%			50,775.83	44,887.43			
	Moody's: Aa1	S&P: AA+u	Fitch: AA+						
	Tr Date: 12/31/24	St Date: 1/2/25							
12,415,000.000	U.S. TREASURY NOTE			91282CMF5	12,417,669.15	12,429,063.84	11,394.69	100.113	1.55%
	Mat: 1/15/28	Cpn: 4.25%			32,380.64	243,412.88			
	Moody's: Aa1	S&P: AA+u	Fitch: AA+						
	Tr Date: 1/31/25	St Date: 2/3/25							
7,060,000.000	U.S. TREASURY NOTE			91282CMN8	7,114,053.12	7,068,549.24	(45,503.89)	100.121	0.88%
	Mat: 2/15/28	Cpn: 4.25%			13,261.88	112,725.97			
	Moody's: Aa1	S&P: AA+u	Fitch: AA+						
	Tr Date: 2/28/25	St Date: 3/3/25							

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security	Identifier	Original Principal Cost / Purchased Accrued	Principal Market Value / Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio Notional Value
8,175,000.000	U.S. TREASURY NOTE Mat: 2/29/28 Cpn: 3.38% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 2/27/26 St Date: 3/2/26	91282CQB0	8,173,722.66 1,499.49	8,073,291.47 92,218.67	(100,431.19)	98.756	1.00%
5,885,000.000	U.S. TREASURY NOTE Mat: 3/15/28 Cpn: 3.88% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 3/31/25 St Date: 4/1/25	91282CMS7	5,884,080.47 10,534.63	5,857,299.13 66,925.88	(26,781.34)	99.529	0.72%
29,110,000.000	U.S. TREASURY NOTE Mat: 4/15/28 Cpn: 3.75% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 4/30/25 St Date: 5/1/25	91282CMW8	29,240,227.47 47,721.31	28,903,614.76 229,658.81	(336,612.71)	99.291	3.56%
21,520,000.000	U.S. TREASURY NOTE Mat: 5/15/28 Cpn: 3.75% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 5/30/25 St Date: 6/2/25	91282CND9	21,453,189.45 39,472.83	21,361,962.50 103,067.93	(91,226.95)	99.266	2.62%
2,875,000.000	U.S. TREASURY NOTE Mat: 6/15/28 Cpn: 3.88% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 7/7/25 St Date: 7/8/25	91282CNH0	2,876,459.96 7,000.94	2,859,726.56 4,870.22	(16,733.40)	99.469	0.35%
45,675,000.000	U.S. TREASURY NOTE Mat: 7/15/28 Cpn: 3.88% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 7/31/25 St Date: 8/1/25	91282CNM9	45,662,058.05 81,761.98	45,418,078.13 816,503.71	(243,979.93)	99.438	5.65%
22,775,000.000	U.S. TREASURY NOTE Mat: 8/15/28 Cpn: 3.63% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 8/29/25 St Date: 9/2/25	91282CNU1	22,805,248.05 40,382.30	22,527,677.85 310,167.82	(277,570.20)	98.914	2.79%
21,075,000.000	U.S. TREASURY NOTE Mat: 9/15/28 Cpn: 3.38% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 9/30/25 St Date: 10/1/25	91282CNY3	20,939,687.04 31,437.84	20,727,591.90 208,745.58	(212,095.14)	98.352	2.56%
12,720,000.000	U.S. TREASURY NOTE Mat: 11/15/28 Cpn: 3.50% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 11/28/25 St Date: 12/1/25	91282CPK1	12,725,465.63 19,677.35	12,530,193.81 56,859.78	(195,271.81)	98.508	1.54%
30,360,000.000	U.S. TREASURY NOTE Mat: 12/15/28 Cpn: 3.50% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 12/31/25 St Date: 1/2/26	91282CPP0	30,349,326.57 52,546.15	29,893,926.64 46,452.46	(455,399.93)	98.465	3.66%

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security			Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio Notional Value
54,245,000.000	U.S. TREASURY NOTE			91282CQA2	54,418,753.51	53,352,924.16	(1,065,829.35)	98.356	6.61%
	Mat: 2/15/29	Cpn: 3.50%			78,670.24	713,276.80			
	Moody's: Aa1	S&P: AA+u	Fitch: AA+						
	Tr Date: 2/27/26	St Date: 3/2/26							
3,400,000.000	U.S. TREASURY NOTE			91282CQV6	3,398,273.44	3,397,210.95	(1,062.49)	99.918	0.42%
	Mat: 6/15/29	Cpn: 4.13%			6,131.15	6,131.15			
	Moody's: Aa1	S&P: AA+u	Fitch: AA+						
	Tr Date: 6/30/26	St Date: 7/1/26							
11,875,000.000	U.S. TREASURY NOTE			91282CPA3	11,827,952.73	11,613,842.74	(214,109.99)	97.801	1.43%
	Mat: 9/30/30	Cpn: 3.63%			36,660.80	108,205.26			
	Moody's: Aa1	S&P: AA+u	Fitch: AA+						
	Tr Date: 10/30/25	St Date: 10/31/25							
30,285,000.000	U.S. TREASURY NOTE			91282CPW5	30,222,643.20	29,717,156.25	(505,486.95)	98.125	3.69%
	Mat: 1/31/31	Cpn: 3.75%			6,274.52	473,726.00			
	Moody's: Aa1	S&P: AA+u	Fitch: AA+						
	Tr Date: 1/30/26	St Date: 2/2/26							
Total for Treasuries					**362,916,402.79** **590,239.80**	**359,291,997.95** **3,752,150.50**	**(3,624,404.83)**		**44.39%**
Government Related									
2,520,000.000	IBRD C 7/30/2026 1X			45906M5K3	2,520,000.00	2,519,619.84	(380.16)	99.985	0.32%
	Mat: 7/30/29	Cpn: 4.75%			32,252.50	110,057.50			
	Moody's: Aaa	S&P: AAA	Fitch:						
	Tr Date: 11/6/24	St Date: 11/7/24							
Total for Government Related					**2,520,000.00** **32,252.50**	**2,519,619.84** **110,057.50**	**(380.16)**		**0.32%**
Agencies									
2,300,000.000	FFCB			3133EPSW6	2,294,710.00	2,301,810.96	7,100.96	100.079	0.29%
	Mat: 8/14/26	Cpn: 4.50%			0.00	39,387.50			
	Moody's: Aa1	S&P: AA+	Fitch: AA+						
	Tr Date: 8/9/23	St Date: 8/14/23							
Total for Agencies					**2,294,710.00** **0.00**	**2,301,810.96** **39,387.50**	**7,100.96**		**0.29%**
Taxable Muni									
825,000.000	CA STATE PUBLIC WORKS BOARD TXB			13068XKC2	825,000.00	829,083.58	4,083.58	100.495	0.10%
	Mat: 11/1/26	Cpn: 5.54%			0.00	7,617.50			
	Moody's: Aa3	S&P: A+	Fitch: AA-						
	Tr Date: 10/26/23	St Date: 11/8/23							

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security	Identifier	Original Principal Cost / Purchased Accrued	Principal Market Value / Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio Notional Value
2,600,000.000	CT STATE GO/ULT TXB Mat: 3/15/27 Cpn: 5.13% Moody's: Aa2 S&P: AA- Fitch: AA Tr Date: 4/23/25 St Date: 5/7/25	20772KZH5	2,638,948.00 0.00	2,618,495.68 39,234.72	(20,452.32)	100.711	0.32%
1,300,000.000	CA LOS ANGELES WASTEWATER REV TXB Mat: 6/1/27 Cpn: 4.50% Moody's: S&P: AA- Fitch: AA Tr Date: 4/24/25 St Date: 5/8/25	53945CLK4	1,300,000.00 0.00	1,303,106.98 4,878.25	3,106.98	100.239	0.16%
1,940,000.000	CA LOS ANGELES USD REV TXB Mat: 10/1/27 Cpn: 4.21% Moody's: Aa3 S&P: Fitch: AA- Tr Date: 7/2/25 St Date: 7/9/25	544647LA6	1,940,000.00 0.00	1,938,540.17 20,433.05	(1,459.83)	99.925	0.24%
6,700,000.000	CA RIVERSIDE CNTY POB REV TXB Mat: 2/15/28 Cpn: 3.07% Moody's: Aa2 S&P: AA Fitch: Tr Date: 3/5/26 St Date: 3/6/26	76913CBC2	6,600,304.00 11,998.58	6,550,505.43 77,705.11	(49,798.57)	97.769	0.81%
5,600,000.000	IL STATE GO TXB Mat: 4/1/28 Cpn: 4.41% Moody's: A2 S&P: A- Fitch: A- Tr Date: 3/25/26 St Date: 4/14/26	452153PT0	5,600,000.00 0.00	5,579,471.68 52,786.07	(20,528.32)	99.633	0.69%
1,690,000.000	CA LOS ANGELES WASTEWATER REV TXB Mat: 6/1/28 Cpn: 4.53% Moody's: S&P: AA- Fitch: AA Tr Date: 4/24/25 St Date: 5/8/25	53945CLL2	1,690,000.00 0.00	1,694,462.37 6,385.38	4,462.37	100.264	0.21%
1,700,000.000	CA LOS ANGELES USD GO/ULT-SUSTAIN TXB Mat: 7/1/28 Cpn: 4.42% Moody's: Aa2 S&P: Fitch: AAA Tr Date: 4/24/25 St Date: 5/13/25	544647KY5	1,700,000.00 0.00	1,699,608.83 37,595.50	(391.17)	99.977	0.21%
4,500,000.000	MA STATE SPL OBL REV TXB Mat: 7/15/29 Cpn: 3.77% Moody's: Aa1 S&P: Fitch: AAA Tr Date: 3/17/26 St Date: 3/18/26	576004HE8	4,482,092.00 29,680.89	4,432,017.29 78,206.75	(50,074.71)	98.489	0.55%
1,720,000.000	CA LOS ANGELES CCD GO/ULT BAB TXB Mat: 8/1/29 Cpn: 5.52% Moody's: Aaa S&P: AA+ Fitch: Tr Date: 2/13/25 St Date: 2/14/25	54438CDT6	1,751,294.80 18,301.87	1,752,266.01 39,560.00	971.21	101.876	0.22%
2,500,000.000	CA SAN LUIS OBISPO POB TXB Mat: 9/1/29 Cpn: 0.00% Moody's: Baa3 S&P: AAA Fitch: AA+ Tr Date: 3/11/26 St Date: 3/12/26	798703BB9	2,173,850.00 0.00	2,146,114.19 28,528.48	(27,735.81)	86.975	0.27%

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security			Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio Notional Value
1,800,000.000	CA SONOMA COUNTY POB TXB			835574CB8	1,866,078.00	1,854,724.96	(11,353.04)	103.040	0.23%
	Mat: 12/1/29	Cpn: 6.00%			36,300.00	9,000.00			
	Moody's:	S&P: AAA	Fitch: AA+						
	Tr Date: 4/1/26	St Date: 4/2/26							
Total for Taxable Muni					**32,567,566.80**	**32,398,397.18**	**(169,169.63)**		**4.01%**
					96,281.34	**401,930.81**			
Credit									
3,460,000.000	AMERICAN HONDA FINANCE			02665WFD8	3,457,797.00	3,471,245.00	13,448.00	100.325	0.43%
	Mat: 3/12/27	Cpn: 4.90%			30,965.28	51,332.94			
	Moody's: A3	S&P: BBB+	Fitch: A-						
	Tr Date: 3/11/24	St Date: 3/13/24							
590,000.000	HYUNDAI CAPITAL AMERICA 144A			44891ACX3	588,643.00	593,575.40	4,932.40	100.606	0.07%
	Mat: 3/19/27	Cpn: 5.30%			0.00	8,859.83			
	Moody's: A3	S&P: A-	Fitch: A-						
	Tr Date: 3/14/24	St Date: 3/19/24							
1,330,000.000	VOLKSWAGEN GROUP 144A			928668CF7	1,328,537.00	1,336,783.00	8,246.00	100.510	0.17%
	Mat: 3/22/27	Cpn: 5.30%			0.00	19,384.75			
	Moody's: Baa1	S&P: BBB+	Fitch: A-						
	Tr Date: 3/14/24	St Date: 3/22/24							
2,530,000.000	ATHENE GLOBAL FUNDING 144A			04685A3T6	2,528,075.00	2,548,089.50	20,014.50	100.715	0.32%
	Mat: 3/25/27	Cpn: 5.52%			14,364.58	37,214.61			
	Moody's: A1	S&P: A+	Fitch: A+						
	Tr Date: 3/21/24	St Date: 3/26/24							
400,000.000	DAIMLER TRUCK FIN 144A			233853BG4	399,864.00	399,232.00	(632.00)	99.808	0.05%
	Mat: 8/12/27	Cpn: 4.30%			0.00	6,641.11			
	Moody's: A3	S&P: A-	Fitch:						
	Tr Date: 8/5/25	St Date: 8/12/25							
745,000.000	PRINCIPAL LIFE GLB FND II 144A			74256LFA2	744,418.90	746,862.50	2,443.60	100.250	0.09%
	Mat: 8/19/27	Cpn: 4.60%			0.00	12,565.67			
	Moody's: A1	S&P: A+	Fitch:						
	Tr Date: 8/12/24	St Date: 8/19/24							
1,745,000.000	COREBRIDGE FINANCIAL 144A			00138CBB3	1,744,720.80	1,747,024.20	2,303.40	100.116	0.22%
	Mat: 8/20/27	Cpn: 4.65%			0.00	29,526.85			
	Moody's: A2	S&P: A+	Fitch:						
	Tr Date: 8/19/24	St Date: 8/22/24							
1,545,000.000	HYUNDAI CAPITAL AMERICA 144A			44891ADF1	1,543,671.30	1,539,376.20	(4,295.10)	99.636	0.19%
	Mat: 9/24/27	Cpn: 4.30%			0.00	17,900.54			
	Moody's: A3	S&P: A-	Fitch: A-						
	Tr Date: 9/23/24	St Date: 9/26/24							

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security	Identifier	Original Principal Cost / Purchased Accrued	Principal Market Value / Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio Notional Value
830,000.000	DAIMLER TRUCKS FIN 144A Mat: 9/25/27 Cpn: 5.13% Moody's: A3 S&P: A- Fitch: Tr Date: 6/17/24 St Date: 6/25/24	233853AY6	827,202.90 0.00	836,108.80 11,343.33	8,905.90	100.736	0.10%
1,385,000.000	US BANK CINCINNATI Mat: 10/22/27 Cpn: 4.51% Moody's: A2 S&P: A+ Fitch: A+ Tr Date: 10/17/24 St Date: 10/22/24	90331HPP2	1,385,000.00 0.00	1,385,581.70 11,964.21	581.70	100.042	0.17%
560,000.000	CENCORA INC Mat: 12/15/27 Cpn: 4.63% Moody's: Baa1 S&P: BBB+ Fitch: A- Tr Date: 12/2/24 St Date: 12/9/24	03073EAV7	558,964.00 0.00	560,795.20 1,151.11	1,831.20	100.142	0.07%
555,000.000	COREBRIDGE GLOB FUNDING Mat: 1/7/28 Cpn: 4.90% Moody's: A2 S&P: A+ Fitch: Tr Date: 1/6/25 St Date: 1/9/25	00138CBD9	555,000.00 0.00	557,547.45 13,144.25	2,547.45	100.459	0.07%
2,590,000.000	PRINCIPAL LFE GLB FND II 144A Mat: 1/9/28 Cpn: 4.80% Moody's: A1 S&P: A+ Fitch: Tr Date: 1/2/25 St Date: 1/9/25	74256LFC8	2,588,005.70 0.00	2,599,427.60 59,397.33	11,421.90	100.364	0.33%
560,000.000	DAIMLER TRUCK FIN 144A Mat: 1/13/28 Cpn: 4.95% Moody's: A3 S&P: A- Fitch: Tr Date: 1/7/25 St Date: 1/13/25	233853BC3	559,244.00 0.00	563,152.80 12,936.00	3,908.80	100.563	0.07%
2,750,000.000	PNC FINANCIAL Mat: 1/21/28 Cpn: 5.30% Moody's: A3 S&P: A- Fitch: A Tr Date: 1/17/24 St Date: 1/22/24	693475BV6	2,752,550.00 54,472.22	2,761,825.00 64,777.78	9,275.00	100.430	0.35%
4,105,000.000	JPMORGAN CHASE Mat: 1/23/28 Cpn: 5.04% Moody's: A1 S&P: A Fitch: AA- Tr Date: 1/16/24 St Date: 1/23/24	46647PEA0	4,093,975.00 74,025.00	4,118,177.05 90,802.60	24,202.05	100.321	0.51%
5,255,000.000	FIFTH THIRD BANK Mat: 1/28/28 Cpn: 4.97% Moody's: A3 S&P: A- Fitch: A- Tr Date: 1/23/25 St Date: 1/28/25	31677QBU2	5,265,608.00 45,737.79	5,268,084.95 110,931.74	2,476.95	100.249	0.66%
485,000.000	NEXTERA ENERGY CAP Mat: 2/4/28 Cpn: 4.85% Moody's: Baa1 S&P: BBB+ Fitch: A- Tr Date: 1/30/25 St Date: 2/4/25	65339KDG2	484,985.45 0.00	487,769.35 9,605.02	2,783.90	100.571	0.06%

Portfolio Positions

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Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio Notional Value
2,045,000.000	NATL RURAL UTILITIES Mat: 2/7/28 Cpn: 4.75% Moody's: A2 S&P: Fitch: A Tr Date: 2/4/25 St Date: 2/7/25	63743HFW7	2,044,100.20 0.00	2,053,936.65 38,855.00	9,836.45	100.437	0.26%
1,880,000.000	MARS 144A Mat: 3/1/28 Cpn: 4.60% Moody's: A2 S&P: A Fitch: Tr Date: 3/5/25 St Date: 3/12/25	571676AX3	1,879,981.20 0.00	1,884,154.80 28,826.67	4,173.60	100.221	0.23%
3,655,000.000	SALESFORCE Mat: 3/15/28 Cpn: 4.50% Moody's: A2 S&P: A+ Fitch: Tr Date: 3/11/26 St Date: 3/13/26	79466LAQ7	3,652,076.00 0.00	3,651,673.95 49,342.50	(402.05)	99.909	0.45%
5,150,000.000	HUNTINGTON NATL BANK Mat: 4/12/28 Cpn: 4.87% Moody's: A3 S&P: A- Fitch: A- Tr Date: 2/19/25 St Date: 2/26/25	44644MAK7	5,147,816.00 5,804.61	5,161,278.50 55,049.07	13,462.50	100.219	0.64%
4,485,000.000	MORGAN STANLEY Mat: 4/13/28 Cpn: 5.65% Moody's: A1 S&P: A- Fitch: A+ Tr Date: 4/17/24 St Date: 4/19/24	61747YFP5	4,531,875.00 32,381.25	4,524,019.50 54,923.31	(7,855.50)	100.870	0.56%
4,245,000.000	WELLS FARGO Mat: 4/22/28 Cpn: 5.71% Moody's: A1 S&P: BBB+ Fitch: A+ Tr Date: 4/15/24 St Date: 4/22/24	95000U3L5	4,293,262.50 30,912.92	4,283,841.75 46,433.58	(9,420.75)	100.915	0.53%
1,320,000.000	GOLDMAN SACHS Mat: 4/23/28 Cpn: 4.94% Moody's: A2 S&P: BBB+ Fitch: A Tr Date: 4/15/25 St Date: 4/23/25	38141GC77	1,320,000.00 0.00	1,323,973.20 12,309.59	3,973.20	100.301	0.16%
1,160,000.000	STATE STREET Mat: 4/24/28 Cpn: 4.54% Moody's: Aa3 S&P: A Fitch: AA- Tr Date: 4/22/25 St Date: 4/24/25	857477DA8	1,160,000.00 0.00	1,160,823.60 9,807.83	823.60	100.071	0.14%
5,215,000.000	NEW YORK LIFE 144A Mat: 4/25/28 Cpn: 4.40% Moody's: Aa1 S&P: AA+ Fitch: AAA Tr Date: 4/22/25 St Date: 4/25/25	64953BBW7	5,211,349.50 0.00	5,209,732.85 42,067.67	(1,616.65)	99.899	0.64%
3,955,000.000	PACIFIC LIFE 144A Mat: 5/1/28 Cpn: 4.45% Moody's: Aa3 S&P: AA- Fitch: AA- Tr Date: 4/24/25 St Date: 5/1/25	69448TAC5	3,954,762.70 0.00	3,948,316.05 29,332.92	(6,446.65)	99.831	0.49%

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security	Identifier	Original Principal Cost / Purchased Accrued	Principal Market Value / Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio Notional Value
2,050,000.000	US BANK CINCINNATI Mat: 5/15/28 Cpn: 4.73% Moody's: A2 S&P: A+ Fitch: A+ Tr Date: 5/12/25 St Date: 5/15/25	90331HPS6	2,050,000.00 0.00	2,054,715.00 12,389.97	4,715.00	100.230	0.25%
1,600,000.000	LINCOLN FIN GLBL FUNDING 144A Mat: 5/28/28 Cpn: 4.63% Moody's: A2 S&P: A+ Fitch: A+ Tr Date: 5/20/25 St Date: 5/28/25	53359KAB7	1,599,520.00 0.00	1,599,680.00 6,783.33	160.00	99.980	0.20%
3,750,000.000	GOLDMAN SACHS Mat: 6/5/28 Cpn: 3.69% Moody's: A2 S&P: BBB+ Fitch: A Tr Date: 6/13/24 St Date: 6/14/24	38141GWL4	3,596,362.50 3,460.31	3,718,575.00 9,996.46	122,212.50	99.162	0.46%
1,155,000.000	EQUITABLE AMERICA GLOBAL 144A Mat: 6/9/28 Cpn: 4.65% Moody's: A1 S&P: A+ Fitch: Tr Date: 6/2/25 St Date: 6/9/25	29446Q2A0	1,154,618.85 0.00	1,152,770.85 3,282.13	(1,848.00)	99.807	0.14%
2,645,000.000	AMPHENOL Mat: 6/12/28 Cpn: 4.38% Moody's: A3 S&P: A- Fitch: Tr Date: 6/9/25 St Date: 6/12/25	032095AT8	2,642,645.95 0.00	2,642,275.65 6,107.38	(370.30)	99.897	0.32%
1,030,000.000	MANUFACTURERS & TRADERS TRUST Mat: 7/6/28 Cpn: 4.76% Moody's: A3 S&P: A- Fitch: A Tr Date: 6/10/25 St Date: 6/17/25	564760CC8	1,030,000.00 0.00	1,031,823.10 23,843.07	1,823.10	100.177	0.13%
2,805,000.000	MORGAN STANLEY Mat: 7/6/28 Cpn: 4.47% Moody's: Aa3 S&P: A+ Fitch: AA Tr Date: 7/17/25 St Date: 7/21/25	61776NVE0	2,805,000.00 0.00	2,803,064.55 60,895.77	(1,935.45)	99.931	0.35%
1,300,000.000	EOG RESOURCES Mat: 7/15/28 Cpn: 4.40% Moody's: A3 S&P: A- Fitch: Tr Date: 6/16/25 St Date: 7/1/25	26875PAX9	1,298,726.00 0.00	1,297,959.00 26,375.56	(767.00)	99.843	0.16%
2,215,000.000	WESTERN-SOUTHERN GLOBAL 144A Mat: 7/16/28 Cpn: 4.50% Moody's: Aa3 S&P: AA- Fitch: AA Tr Date: 7/9/25 St Date: 7/16/25	95954A2B8	2,214,069.70 0.00	2,205,121.10 45,684.38	(8,948.60)	99.554	0.28%
1,125,000.000	PNC BANK Mat: 7/21/28 Cpn: 4.43% Moody's: A2 S&P: A Fitch: A+ Tr Date: 7/17/25 St Date: 7/21/25	69353RFZ6	1,125,000.00 0.00	1,123,638.75 22,145.00	(1,361.25)	99.879	0.14%

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security	Identifier	Original Principal Cost / Purchased Accrued	Principal Market Value / Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio / Notional Value
2,820,000.000	TRUIST BANK Mat: 7/24/28 Cpn: 4.42% Moody's: A3 S&P: A Fitch: A Tr Date: 7/21/25 St Date: 7/24/25	89788JAF6	2,820,000.00 0.00	2,817,744.00 54,358.63	(2,256.00)	99.920	0.35%
1,375,000.000	AMERICAN EXPRESS Mat: 7/26/28 Cpn: 5.04% Moody's: A2 S&P: A- Fitch: A Tr Date: 7/22/24 St Date: 7/26/24	025816DV8	1,375,000.00 0.00	1,383,222.50 29,855.26	8,222.50	100.598	0.17%
2,025,000.000	PACCAR FINANCIAL Mat: 8/8/28 Cpn: 4.00% Moody's: A1 S&P: A+ Fitch: Tr Date: 8/4/25 St Date: 8/8/25	69371RT97	2,023,805.25 0.00	2,012,040.00 32,175.00	(11,765.25)	99.360	0.25%
1,775,000.000	PRINCIPAL LFE GLB FND II 144A Mat: 8/18/28 Cpn: 4.25% Moody's: A1 S&P: A+ Fitch: Tr Date: 8/11/25 St Date: 8/18/25	7425APAD7	1,774,059.25 0.00	1,759,806.00 27,869.97	(14,253.25)	99.144	0.22%
2,675,000.000	TOYOTA MOTOR CREDIT Mat: 9/5/28 Cpn: 4.05% Moody's: A1 S&P: A+ Fitch: A+ Tr Date: 9/2/25 St Date: 9/5/25	89236TNR2	2,671,709.75 0.00	2,655,713.25 34,908.75	(15,996.50)	99.279	0.33%
1,305,000.000	SOUTHERN CO GAS CAPITAL Mat: 9/15/28 Cpn: 4.05% Moody's: Baa1 S&P: A- Fitch: BBB+ Tr Date: 9/3/25 St Date: 9/8/25	8426EPAJ7	1,303,551.45 0.00	1,291,545.45 15,562.13	(12,006.00)	98.969	0.16%
2,475,000.000	GEORGIA POWER Mat: 10/1/28 Cpn: 4.00% Moody's: A3 S&P: A Fitch: A Tr Date: 9/24/25 St Date: 9/29/25	373334LC3	2,473,737.75 0.00	2,450,547.00 24,750.00	(23,190.75)	99.012	0.30%
1,030,000.000	CATERPILLAR Mat: 11/14/28 Cpn: 3.95% Moody's: A1 S&P: A Fitch: A+ Tr Date: 11/10/25 St Date: 11/14/25	14913UBD1	1,029,454.10 0.00	1,019,957.50 5,311.65	(9,496.60)	99.025	0.13%
1,295,000.000	ALPHABET Mat: 11/15/28 Cpn: 3.88% Moody's: Aa2 S&P: AA+ Fitch: Tr Date: 11/3/25 St Date: 11/6/25	02079KAV9	1,293,886.30 0.00	1,283,332.05 6,412.05	(10,554.25)	99.099	0.16%
1,920,000.000	AMPHENOL Mat: 11/15/28 Cpn: 3.90% Moody's: A3 S&P: A- Fitch: Tr Date: 10/27/25 St Date: 11/10/25	032095AX9	1,917,926.40 0.00	1,897,094.40 9,568.00	(20,832.00)	98.807	0.23%

Portfolio Positions

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Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio Notional Value
720,000.000	AMERICAN HONDA FINANCE Mat: 1/8/29 Cpn: 4.15% Moody's: A3 S&P: BBB+ Fitch: A- Tr Date: 1/6/26 St Date: 1/8/26	02665WGR6	719,942.40 0.00	711,331.20 14,359.00	(8,611.20)	98.796	0.09%
515,000.000	LINCOLN FIN GLB FUNDING 144A Mat: 1/12/29 Cpn: 4.20% Moody's: A2 S&P: A+ Fitch: A+ Tr Date: 1/5/26 St Date: 1/12/26	53359KAD3	514,397.45 0.00	507,923.90 10,154.08	(6,473.55)	98.626	0.06%
2,450,000.000	JERSEY CEMTRAL PWR & LIT Mat: 1/15/29 Cpn: 4.15% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 9/2/25 St Date: 9/4/25	476556DK8	2,447,893.00 0.00	2,420,943.00 46,883.47	(26,950.00)	98.814	0.30%
2,675,000.000	PROTECTIVE LIFE GLOBAL 144A Mat: 1/15/29 Cpn: 4.16% Moody's: Aa3 S&P: AA- Fitch: AA- Tr Date: 12/3/25 St Date: 12/10/25	74368CCD4	2,674,866.25 0.00	2,638,941.00 62,146.27	(35,925.25)	98.652	0.33%
815,000.000	M&T BANK CORP Mat: 1/16/29 Cpn: 4.83% Moody's: Baa1 S&P: BBB+ Fitch: A Tr Date: 12/10/24 St Date: 12/17/24	55261FAU8	815,000.00 0.00	817,086.40 18,053.27	2,086.40	100.256	0.10%
2,570,000.000	GOLDMAN SACHS Mat: 1/21/29 Cpn: 4.15% Moody's: A2 S&P: BBB+ Fitch: A Tr Date: 1/15/26 St Date: 1/21/26	38145GAP5	2,570,000.00 0.00	2,548,386.30 47,379.38	(21,613.70)	99.159	0.32%
6,400,000.000	BANK OF AMERICA Mat: 1/24/29 Cpn: 4.98% Moody's: A1 S&P: A- Fitch: AA- Tr Date: 1/17/25 St Date: 1/24/25	06051GMK2	6,416,419.00 48,005.86	6,435,904.00 138,969.42	19,485.00	100.561	0.80%
1,325,000.000	TRUIST BANK Mat: 1/27/29 Cpn: 4.14% Moody's: A3 S&P: A Fitch: A Tr Date: 1/22/26 St Date: 1/27/26	89788JAJ8	1,325,000.00 0.00	1,316,096.00 23,488.42	(8,904.00)	99.328	0.16%
1,105,000.000	CITIZENS BANKS Mat: 1/29/29 Cpn: 4.19% Moody's: A3 S&P: A- Fitch: BBB+ Tr Date: 1/22/26 St Date: 1/29/26	75524KSA3	1,105,000.00 0.00	1,096,358.90 19,558.01	(8,641.10)	99.218	0.14%
3,790,000.000	AMERICAN EXPRESS Mat: 2/9/29 Cpn: 4.01% Moody's: A2 S&P: A- Fitch: A Tr Date: 2/3/26 St Date: 2/10/26	025816EN5	3,790,000.00 0.00	3,758,808.30 59,510.26	(31,191.70)	99.177	0.47%

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security			Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio Notional Value
6,660,000.000	CITIGROUP			17327CAW3	6,649,899.00	6,677,382.60	27,483.60	100.261	0.83%
	Mat: 3/4/29	Cpn: 4.79%			25,405.68	103,592.97			
	Moody's: A3	S&P: BBB+	Fitch: A						
	Tr Date: 2/25/25	St Date: 3/4/25							
1,300,000.000	MERCEDES-BENZ FIN 144A			58769JBP1	1,299,454.00	1,284,699.00	(14,755.00)	98.823	0.16%
	Mat: 3/10/29	Cpn: 4.13%			0.00	16,534.38			
	Moody's: A2	S&P: A	Fitch:						
	Tr Date: 3/5/26	St Date: 3/10/26							
980,000.000	BAKER HUGHES LLC/CO-OBL			05724BAL3	979,588.40	966,358.40	(13,230.00)	98.608	0.12%
	Mat: 3/11/29	Cpn: 4.05%			0.00	12,127.50			
	Moody's: A3	S&P: A	Fitch:						
	Tr Date: 3/5/26	St Date: 3/11/26							
4,100,000.000	AMAZON.COM			023135DC7	4,099,549.00	4,056,499.00	(43,050.00)	98.939	0.50%
	Mat: 3/13/29	Cpn: 4.00%			0.00	49,200.00			
	Moody's: A1	S&P: AA	Fitch: AA-						
	Tr Date: 3/10/26	St Date: 3/13/26							
4,165,000.000	SALESFORCE			79466LAR5	4,164,083.70	4,163,792.15	(291.55)	99.971	0.52%
	Mat: 3/15/29	Cpn: 4.65%			0.00	58,101.75			
	Moody's: A2	S&P: A+	Fitch:						
	Tr Date: 3/11/26	St Date: 3/13/26							
835,000.000	AIRBNB			009066AC5	834,816.30	830,683.05	(4,133.25)	99.483	0.10%
	Mat: 3/16/29	Cpn: 4.40%			0.00	10,715.83			
	Moody's: Baa1	S&P: A-	Fitch:						
	Tr Date: 3/12/26	St Date: 3/16/26							
2,080,000.000	HONEYWELL AEROSPACE 144A			43849RAC9	2,076,505.60	2,052,731.20	(23,774.40)	98.689	0.25%
	Mat: 3/16/29	Cpn: 4.00%			0.00	24,266.67			
	Moody's: A3	S&P: BBB+	Fitch: A-						
	Tr Date: 3/10/26	St Date: 3/16/26							
2,815,000.000	SANTANDER HOLDING			80282KBN5	2,815,000.00	2,842,952.95	27,952.95	100.993	0.35%
	Mat: 3/20/29	Cpn: 5.47%			0.00	43,223.78			
	Moody's: Baa2	S&P: BBB+	Fitch: A-						
	Tr Date: 3/17/25	St Date: 3/20/25							
1,385,000.000	DEPOSITORY TRUST 144A			249672AC0	1,383,379.55	1,377,950.35	(5,429.20)	99.491	0.17%
	Mat: 3/27/29	Cpn: 4.30%			0.00	15,550.47			
	Moody's: Aa1	S&P: AA+	Fitch:						
	Tr Date: 3/23/26	St Date: 3/27/26							
1,915,000.000	WELLS FARGO			95000U3T8	1,915,000.00	1,924,709.05	9,709.05	100.507	0.24%
	Mat: 4/23/29	Cpn: 4.97%			0.00	17,977.59			
	Moody's: A1	S&P: BBB+	Fitch: A+						
	Tr Date: 4/15/25	St Date: 4/23/25							

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio Notional Value
2,315,000.000	AMERICAN EXPRESS Mat: 4/25/29 Cpn: 4.73% Moody's: A2 S&P: A- Fitch: A Tr Date: 4/21/25 St Date: 4/25/25	025816ED7	2,315,000.00 0.00	2,321,505.15 20,079.15	6,505.15	100.281	0.29%
3,925,000.000	BANK OF AMERICA Mat: 5/9/29 Cpn: 4.62% Moody's: A1 S&P: A- Fitch: AA- Tr Date: 5/6/25 St Date: 5/9/25	06051GMT3	3,925,000.00 0.00	3,924,058.00 26,209.84	(942.00)	99.976	0.48%
2,615,000.000	GEORGIA-PACIFIC 144A Mat: 5/15/29 Cpn: 4.40% Moody's: A3 S&P: A+ Fitch: Tr Date: 4/30/26 St Date: 5/7/26	37331NAW1	2,610,868.30 0.00	2,602,395.70 17,259.00	(8,472.60)	99.518	0.32%
1,510,000.000	ELI LILLY & CO Mat: 5/20/29 Cpn: 4.15% Moody's: Aa3 S&P: AA- Fitch: Tr Date: 5/6/26 St Date: 5/20/26	532457DK1	1,509,109.10 0.00	1,502,706.70 7,136.85	(6,402.40)	99.517	0.18%
4,145,000.000	NVIDIA Mat: 6/15/29 Cpn: 4.35% Moody's: Aa1 S&P: AA Fitch: Tr Date: 6/15/26 St Date: 6/18/26	67066GAQ7	4,143,051.85 0.00	4,133,394.00 6,511.10	(9,657.85)	99.720	0.51%
2,880,000.000	CITIBANK Mat: 6/18/29 Cpn: 4.55% Moody's: Aa3 S&P: A+ Fitch: AA- Tr Date: 6/11/26 St Date: 6/18/26	17325FBT4	2,880,000.00 0.00	2,877,264.00 4,736.16	(2,736.00)	99.905	0.35%
3,195,000.000	AMERICAN EXPRESS Mat: 7/20/29 Cpn: 4.35% Moody's: A2 S&P: A- Fitch: A Tr Date: 7/21/25 St Date: 7/25/25	025816EJ4	3,195,000.00 0.00	3,178,833.30 62,170.35	(16,166.70)	99.494	0.40%
4,560,000.000	CHARLES SCHWAB Mat: 7/27/29 Cpn: 4.60% Moody's: A2 S&P: A- Fitch: A Tr Date: 6/25/26 St Date: 6/29/26	808513CS2	4,560,000.00 0.00	4,556,899.20 1,166.09	(3,100.80)	99.932	0.56%
2,045,000.000	MONONGAHELA POWER 144A Mat: 8/15/29 Cpn: 4.45% Moody's: A3 S&P: A- Fitch: A+ Tr Date: 5/11/26 St Date: 5/14/26	610202BS1	2,044,693.25 0.00	2,034,999.95 11,880.88	(9,693.30)	99.511	0.25%
3,850,000.000	WELLS FARGO Mat: 9/15/29 Cpn: 4.08% Moody's: A1 S&P: BBB+ Fitch: A+ Tr Date: 9/8/25 St Date: 9/15/25	95000U4A8	3,850,000.00 0.00	3,796,908.50 46,228.66	(53,091.50)	98.621	0.47%

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security			Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio Notional Value
1,615,000.000	MORGAN STANLEY			61748UAK8	1,615,000.00 0.00	1,593,019.85 13,535.00	(21,980.15)	98.639	0.20%
	Mat: 10/18/29	Cpn: 4.13%							
	Moody's: A1	S&P: A-	Fitch: A+						
	Tr Date: 10/17/25	St Date: 10/22/25							
4,060,000.000	GOLDMAN SACHS GROUP			38141GD27	4,060,000.00 0.00	4,003,281.80 32,785.63	(56,718.20)	98.603	0.49%
	Mat: 10/21/29	Cpn: 4.15%							
	Moody's: A2	S&P: BBB+	Fitch: A						
	Tr Date: 10/14/25	St Date: 10/21/25							
2,150,000.000	TRUIST BANK			89788JAH2	2,150,000.00 0.00	2,125,038.50 16,796.76	(24,961.50)	98.839	0.26%
	Mat: 10/23/29	Cpn: 4.14%							
	Moody's: A3	S&P: A	Fitch: A						
	Tr Date: 10/20/25	St Date: 10/23/25							
4,100,000.000	PNC FINANCIAL			693475CJ2	4,100,000.00 0.00	4,090,324.00 18,407.86	(9,676.00)	99.764	0.50%
	Mat: 10/26/29	Cpn: 4.62%							
	Moody's: A3	S&P: A-	Fitch: A						
	Tr Date: 5/20/26	St Date: 5/26/26							
2,460,000.000	MORGAN STANLEY			61748UAR3	2,460,000.00 0.00	2,427,798.60 46,625.06	(32,201.40)	98.691	0.30%
	Mat: 1/9/30	Cpn: 4.24%							
	Moody's: A1	S&P: A-	Fitch: A+						
	Tr Date: 1/15/26	St Date: 1/20/26							
1,210,000.000	BNY MELLON			06406RCG0	1,210,000.00 0.00	1,193,193.10 21,515.62	(16,806.90)	98.611	0.15%
	Mat: 1/22/30	Cpn: 4.03%							
	Moody's: Aa3	S&P: A	Fitch: AA-						
	Tr Date: 1/14/26	St Date: 1/22/26							
1,245,000.000	WELLS FARGO			95000U4D2	1,245,000.00 0.00	1,228,877.25 22,851.15	(16,122.75)	98.705	0.15%
	Mat: 1/23/30	Cpn: 4.18%							
	Moody's: A1	S&P: BBB+	Fitch: A+						
	Tr Date: 1/15/26	St Date: 1/23/26							
1,060,000.000	MANUFACTURERS & TRADERS TRUST			564760CD6	1,060,000.00 0.00	1,052,951.00 9,507.85	(7,049.00)	99.335	0.13%
	Mat: 4/18/30	Cpn: 4.55%							
	Moody's: A3	S&P: A-	Fitch: A						
	Tr Date: 4/16/26	St Date: 4/20/26							
1,675,000.000	BANK OF AMERICA			06051GMY2	1,675,000.00 0.00	1,664,665.25 14,164.73	(10,334.75)	99.383	0.21%
	Mat: 4/23/30	Cpn: 4.48%							
	Moody's: A1	S&P: A-	Fitch: AA-						
	Tr Date: 4/16/26	St Date: 4/23/26							
Total for Credit					**202,004,074.55** **365,535.50**	**201,660,684.30** **2,586,062.55**	**(343,390.25)**		**24.97%**

Mortgage-Backed

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio Notional Value
1,283,282.190	FNGT 2017-T1 A SFR Mat: 6/25/27 Cpn: 2.90% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 2/14/24 St Date: 2/20/24	3136AV6R5	1,206,886.80 1,962.78	1,264,996.70 3,099.13	58,109.91	98.575	0.16%
1,428,830.260	FNA 2017-M15 ATS2 Mat: 11/25/27 Cpn: 3.22% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 1/22/24 St Date: 1/25/24	3136AY6U2	1,366,095.68 3,052.76	1,411,429.97 3,832.18	45,334.28	98.782	0.17%
7,400,000.000	FHMS K085 A2 CMBS Mat: 10/25/28 Cpn: 4.06% Moody's: Aaa S&P: AA+u Fitch: AA+ Tr Date: 1/30/26 St Date: 2/4/26	3137FK4M5	7,434,109.38 2,503.67	7,330,336.40 25,036.67	(103,772.98)	99.059	0.90%
7,500,000.000	FHMS K086 A2 Mat: 11/25/28 Cpn: 3.86% Moody's: Aaa S&P: AA+u Fitch: AA+ Tr Date: 1/30/26 St Date: 2/4/26	3137FKSH0	7,496,777.34 2,411.88	7,395,127.50 24,118.75	(101,649.84)	98.602	0.91%
6,300,000.000	FHMS K092 A2 Mat: 6/25/29 Cpn: 2.79% Moody's: Aa1 S&P: AA+u Fitch: AAA Tr Date: 3/10/26 St Date: 3/13/26	3137FNAE0	6,101,156.25 5,848.50	6,019,139.70 14,621.25	(82,016.55)	95.542	0.74%
4,900,000.000	FHS 459 GA CMO Mat: 7/25/29 Cpn: 4.50% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 5/28/26 St Date: 6/30/26	3133Q4C56	4,895,789.06 17,762.50	4,885,790.00 18,375.00	(9,999.06)	99.710	0.60%
7,611,781.784	FHR 5607 GJ Mat: 5/15/30 Cpn: 4.00% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 11/17/25 St Date: 11/28/25	3137HNZL5	7,547,557.38 22,835.35	7,437,464.37 25,372.61	(110,093.01)	97.710	0.91%
9,798,816.400	FHR 5616 NG Mat: 1/15/31 Cpn: 4.25% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 1/29/26 St Date: 1/30/26	3137HPM75	9,790,567.23 25,589.40	9,630,394.34 34,704.14	(160,172.88)	98.281	1.18%
8,463,036.420	FHR 5623 GB Mat: 2/15/31 Cpn: 4.25% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 6/2/26 St Date: 6/5/26	3137HPZJ5	8,338,074.40 3,996.43	8,324,953.52 29,973.25	(13,120.88)	98.368	1.02%
7,730,688.120	FHS 427 GB Mat: 3/25/31 Cpn: 4.00% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 3/13/26 St Date: 3/25/26	3133Q3QF1	7,650,965.40 20,615.16	7,574,033.46 25,768.96	(76,931.95)	97.974	0.93%

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security			Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio Notional Value
Total for Mortgage-Backed					**61,827,978.92** **106,578.43**	**61,273,665.95** **204,901.94**	**(554,312.96)**		**7.52%**
Asset-Backed									
2,900,000.000	TLOT 2025-A A3 LEASE 144A			89239NAD7	2,899,962.01 0.00	2,906,330.70 4,209.03	6,368.69	100.218	0.36%
	Mat: 2/22/28	Cpn: 4.75%							
	Moody's: Aaa	S&P: AAA	Fitch:						
	Tr Date: 2/20/25	St Date: 2/26/25							
3,300,000.000	HALST 2025-B A3 LEASE 144A			44935DAD1	3,299,702.01 0.00	3,306,969.60 6,644.00	7,267.59	100.211	0.41%
	Mat: 4/17/28	Cpn: 4.53%							
	Moody's:	S&P: AAA	Fitch: AAA						
	Tr Date: 4/24/25	St Date: 4/30/25							
630,985.839	AMCAR 2023-2 A3 CAR			03065UAD1	630,881.66 0.00	632,973.44 1,323.84	2,091.78	100.315	0.08%
	Mat: 5/18/28	Cpn: 5.81%							
	Moody's: Aaa	S&P:	Fitch: AAA						
	Tr Date: 9/12/23	St Date: 9/20/23							
2,700,000.000	EFF 2024-3 A3 FLEET 144A			29375QAC2	2,699,577.45 0.00	2,716,780.50 4,108.50	17,203.05	100.622	0.33%
	Mat: 8/21/28	Cpn: 4.98%							
	Moody's:	S&P: AAA	Fitch: AAA						
	Tr Date: 7/16/24	St Date: 7/24/24							
3,300,000.000	GALC 2024-2 A3 EQP 144A			39154GAC0	3,299,441.97 0.00	3,321,060.60 7,333.33	21,618.63	100.638	0.41%
	Mat: 9/15/28	Cpn: 5.00%							
	Moody's:	S&P: AAA	Fitch: AAA						
	Tr Date: 7/16/24	St Date: 7/24/24							
5,000,000.000	PILOT 2025-1A A3 LEASE 144A			73329KAD8	4,999,464.50 0.00	5,015,840.00 7,043.06	16,375.50	100.317	0.61%
	Mat: 10/20/28	Cpn: 4.61%							
	Moody's:	S&P: AAA	Fitch: AAA						
	Tr Date: 5/14/25	St Date: 5/21/25							
3,676,398.026	CMXS 2024-A A3 CAR			14319FAD5	3,676,343.25 0.00	3,693,813.12 8,823.36	17,469.88	100.474	0.45%
	Mat: 11/15/28	Cpn: 5.40%							
	Moody's:	S&P: AAA	Fitch: AAA						
	Tr Date: 6/18/24	St Date: 6/26/24							
564,571.700	HUNT 2024-1A A3 CAR 144A			446144AE7	564,550.70 0.00	567,166.47 1,312.32	2,615.77	100.460	0.07%
	Mat: 1/16/29	Cpn: 5.23%							
	Moody's: Aaa	S&P: AAA	Fitch:						
	Tr Date: 2/13/24	St Date: 2/22/24							
1,500,000.000	EFF 2025-1 A3 FLEET 144A			29390HAC3	1,499,950.65 0.00	1,507,603.50 2,209.17	7,652.85	100.507	0.18%
	Mat: 2/20/29	Cpn: 4.82%							
	Moody's:	S&P: AAA	Fitch: AAA						
	Tr Date: 1/28/25	St Date: 2/4/25							

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio Notional Value
8,500,000.000	TLOT 2026-A A3 LEASE 144A Mat: 2/20/29 Cpn: 3.82% Moody's: S&P: AAA Fitch: AAA Tr Date: 2/10/26 St Date: 2/17/26	89240MAD6	8,498,942.60 0.00	8,432,850.00 9,921.39	(66,092.60)	99.210	1.03%
4,034,627.956	JDOT 2024-B A3 EQP Mat: 3/15/29 Cpn: 5.20% Moody's: Aaa S&P: Fitch: AAA Tr Date: 6/11/24 St Date: 6/18/24	47786WAD2	4,033,839.19 0.00	4,061,627.69 9,324.47	27,788.50	100.669	0.50%
900,000.000	FORDF 2024-1 A1 FLOORPLAN 144A Mat: 4/15/29 Cpn: 5.29% Moody's: Aaa S&P: AAA Fitch: Tr Date: 5/7/24 St Date: 5/10/24	34528QJA3	899,822.88 0.00	907,466.40 1,851.50	7,643.52	100.830	0.11%
2,425,000.000	FORDF 2024-1 A2 FLOORPLAN 144A Mat: 4/15/29 Cpn: 4.34% Moody's: Aaa S&P: AAA Fitch: Tr Date: 5/7/24 St Date: 5/10/24	34528QJB1	2,425,000.00 0.00	2,432,093.13 4,680.80	7,093.13	100.293	0.30%
3,602,000.000	GALC 2025-1 A3 EQP 144A Mat: 4/16/29 Cpn: 4.49% Moody's: S&P: AAA Fitch: AAA Tr Date: 4/22/25 St Date: 4/23/25	39154GAJ5	3,600,733.67 3,594.00	3,606,765.45 7,187.99	6,031.78	100.132	0.44%
1,600,000.000	HALST 2025-B A4 LEASE 144A Mat: 4/16/29 Cpn: 4.57% Moody's: S&P: AAA Fitch: AAA Tr Date: 4/24/25 St Date: 4/30/25	44935DAE9	1,599,786.72 0.00	1,604,481.60 3,249.78	4,694.88	100.280	0.20%
2,100,000.000	TMUST 2024-2 A PHONE 144A Mat: 5/21/29 Cpn: 4.25% Moody's: Aaa S&P: Fitch: AAA Tr Date: 10/2/24 St Date: 10/9/24	87268CAA5	2,099,598.69 0.00	2,100,073.50 2,727.08	474.81	100.004	0.26%
7,750,000.000	EFF 2025-2 A3 FLEET 144A Mat: 6/20/29 Cpn: 4.41% Moody's: S&P: AAA Fitch: AAA Tr Date: 4/29/25 St Date: 5/6/25	29375TAC6	7,749,537.33 0.00	7,741,273.50 10,443.13	(8,263.83)	99.887	0.95%
5,600,000.000	FORDF 2024-3 A1 FLOOR 144A Mat: 9/15/29 Cpn: 4.30% Moody's: Aaa S&P: Fitch: AAA Tr Date: 10/3/24 St Date: 10/8/24	34528QJK1	5,599,490.40 0.00	5,600,196.00 10,702.22	705.60	100.004	0.69%
4,050,000.000	KCOT 2025-2A A3 EQP 144A Mat: 9/17/29 Cpn: 4.42% Moody's: Aaa S&P: Fitch: AAA Tr Date: 6/17/25 St Date: 6/25/25	50117LAC2	4,049,995.95 0.00	4,050,805.95 7,956.00	810.00	100.020	0.50%

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio Notional Value
4,100,000.000	MTLRF 2025-1A A3 EQP 144A Mat: 9/17/29 Cpn: 4.78% Moody's: Aaa S&P: AAA Fitch: Tr Date: 5/13/25 St Date: 5/21/25	55340QAC9	4,099,184.10 0.00	4,116,387.70 8,165.83	17,203.60	100.400	0.50%
3,400,000.000	EFF 2025-3 A3 FLEET 144A Mat: 9/20/29 Cpn: 4.46% Moody's: S&P: AAA Fitch: AAA Tr Date: 7/15/25 St Date: 7/23/25	29375UAC3	3,399,694.00 0.00	3,392,917.80 4,633.44	(6,776.20)	99.792	0.42%
995,963.134	CARMX 2024-4 A3 CAR Mat: 10/15/29 Cpn: 4.60% Moody's: Aaa S&P: AAA Fitch: Tr Date: 10/29/24 St Date: 11/5/24	14290DAC5	995,776.79 0.00	998,517.78 2,036.19	2,740.99	100.257	0.12%
7,800,000.000	HAROT 2025-2 A3 CAR Mat: 10/15/29 Cpn: 4.15% Moody's: Aaa S&P: Fitch: AAA Tr Date: 4/29/25 St Date: 5/8/25	437921AD1	7,799,128.74 0.00	7,785,741.60 14,386.67	(13,387.14)	99.817	0.95%
6,500,000.000	TAOT 2025-B A3 CAR Mat: 11/15/29 Cpn: 4.34% Moody's: S&P: AAA Fitch: AAA Tr Date: 4/24/25 St Date: 4/30/25	89231HAD8	6,499,627.55 0.00	6,504,803.50 12,537.78	5,175.95	100.074	0.80%
2,525,000.000	TMUST 2025-1A A PHONE 144A Mat: 11/20/29 Cpn: 4.74% Moody's: Aaa S&P: Fitch: AAA Tr Date: 4/22/25 St Date: 4/23/25	872974AA8	2,543,542.97 997.38	2,535,506.53 3,657.04	(8,036.45)	100.416	0.31%
3,500,000.000	GALC 2025-2 A3 EQP 144A Mat: 12/17/29 Cpn: 4.14% Moody's: S&P: AAA Fitch: AAA Tr Date: 11/4/25 St Date: 11/13/25	39154TCQ9	3,499,538.35 0.00	3,474,887.50 6,440.00	(24,650.85)	99.283	0.43%
3,112,000.000	CARMX 2025-1 A3 CAR Mat: 1/15/30 Cpn: 4.84% Moody's: S&P: AAA Fitch: AAA Tr Date: 4/22/25 St Date: 4/23/25	14319WAD8	3,138,257.50 3,347.13	3,128,269.54 6,694.26	(9,987.96)	100.523	0.38%
7,800,000.000	CARMX 2025-2 A3 CAR Mat: 3/15/30 Cpn: 4.48% Moody's: S&P: AAA Fitch: AAA Tr Date: 4/24/25 St Date: 5/2/25	14320AAD3	7,798,855.74 0.00	7,812,175.80 15,530.67	13,320.06	100.156	0.96%
1,200,000.000	CMXS 2025-B A3 CAR Mat: 3/15/30 Cpn: 4.12% Moody's: S&P: AAA Fitch: AAA Tr Date: 9/17/25 St Date: 9/24/25	14320BAC3	1,199,769.00 0.00	1,195,177.20 2,197.33	(4,591.80)	99.598	0.15%

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio Notional Value
2,000,000.000	GFORT 2025-2A A1 FLOOR 144A Mat: 3/15/30 Cpn: 4.64% Moody's: Aaa S&P: Fitch: AAA Tr Date: 11/3/25 St Date: 11/4/25	361886EB6	2,024,921.88 4,897.78	2,007,726.00 4,124.44	(17,195.88)	100.386	0.25%
7,900,000.000	TMUST 2025-2A A PHONE 144A Mat: 4/22/30 Cpn: 4.34% Moody's: Aaa S&P: Fitch: AAA Tr Date: 7/29/25 St Date: 8/6/25	87268MAA3	7,899,860.17 0.00	7,904,803.20 10,476.28	4,943.03	100.061	0.97%
3,700,000.000	CARMX 2025-3 A3 CAR Mat: 7/15/30 Cpn: 4.35% Moody's: S&P: AAA Fitch: AAA Tr Date: 7/15/25 St Date: 7/23/25	14290FAD8	3,699,239.65 0.00	3,702,179.30 7,153.33	2,939.65	100.059	0.45%
4,400,000.000	JDOT 2026-A A3 EQP Mat: 8/15/30 Cpn: 3.87% Moody's: Aaa S&P: Fitch: AAA Tr Date: 3/10/26 St Date: 3/18/26	47787DAD3	4,399,220.32 0.00	4,345,941.60 7,568.00	(53,278.72)	98.771	0.53%
3,400,000.000	GALC 2026-1 A3 EQP 144A Mat: 9/16/30 Cpn: 4.76% Moody's: S&P: AAA Fitch: AAA Tr Date: 5/19/26 St Date: 5/27/26	39154GAQ9	3,399,684.14 0.00	3,420,349.00 7,192.89	20,664.86	100.599	0.42%
7,500,000.000	HAROT 2026-1 A3 CAR Mat: 9/23/30 Cpn: 3.78% Moody's: Aaa S&P: Fitch: AAA Tr Date: 2/10/26 St Date: 2/18/26	43815CAD0	7,498,805.25 0.00	7,416,705.00 7,875.00	(82,100.25)	98.889	0.91%
2,500,000.000	NAVMT 2025-1 A FLOOR 144A Mat: 9/25/30 Cpn: 4.18% Moody's: Aaa S&P: Fitch: AAA Tr Date: 10/7/25 St Date: 10/15/25	63938PBZ1	2,499,927.75 0.00	2,492,785.00 1,741.67	(7,142.75)	99.711	0.30%
2,900,000.000	HFMOT 2025-1A A FLOOR 144A Mat: 10/15/30 Cpn: 4.01% Moody's: Aaa S&P: AAA Fitch: Tr Date: 10/28/25 St Date: 11/5/25	44921QAH9	2,899,648.81 0.00	2,867,479.40 5,168.44	(32,169.41)	98.879	0.35%
4,100,000.000	HART 2026-A A3 CAR Mat: 2/18/31 Cpn: 3.79% Moody's: S&P: AAA Fitch: AAA Tr Date: 2/10/26 St Date: 2/18/26	448981AD2	4,099,723.25 0.00	4,048,110.40 5,611.31	(51,612.85)	98.734	0.50%
5,250,000.000	GFORT 2026-1A A1 FLOOR 144A Mat: 5/15/31 Cpn: 4.57% Moody's: Aaa S&P: AAA Fitch: Tr Date: 6/2/26 St Date: 6/10/26	361886EM2	5,249,390.48 0.00	5,257,680.75 13,995.63	8,290.27	100.146	0.64%

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio Notional Value
Total for Asset-Backed			**148,770,418.06** **12,836.29**	**148,614,315.74** **258,237.16**	**(156,102.33)**		**18.20%**
Grand Total			**815,395,841.70** **1,203,723.86**	**810,555,182.51** **7,352,727.95**	**(4,840,659.19)**		**100.00%** **32,863,390.63**

Transaction Detail

Currency: USD

June 1, 2026 through June 30, 2026

Trade Date	Settle Date	Transaction Type	Units	Description	Maturity Date	Coupon Rate	Identifier	Proceeds / (Cost)	Interest / Margin Variation	Total Amount
Cash										
6/1/26	6/1/26	Income	(44.510)	ADJ NET INT			USD		(44.51)	(44.51)
6/1/26	6/2/26	Income	(28,218.320)	MARGIN VARIATION			USD		(28,218.32)	(28,218.32)
6/1/26	6/1/26	Income	26,507.240	STIF INT			USD		26,507.24	26,507.24
6/2/26	6/3/26	Income	5,375.000	MARGIN VARIATION			USD		5,375.00	5,375.00
6/3/26	6/4/26	Income	(27,528.860)	MARGIN VARIATION			USD		(27,528.86)	(27,528.86)
6/4/26	6/5/26	Income	20,156.680	MARGIN VARIATION			USD		20,156.68	20,156.68
6/5/26	6/8/26	Income	(72,561.640)	MARGIN VARIATION			USD		(72,561.64)	(72,561.64)
6/8/26	6/9/26	Income	1,343.320	MARGIN VARIATION			USD		1,343.32	1,343.32
6/9/26	6/10/26	Income	20,156.680	MARGIN VARIATION			USD		20,156.68	20,156.68
6/10/26	6/11/26	Income	(5,375.000)	MARGIN VARIATION			USD		(5,375.00)	(5,375.00)
6/11/26	6/12/26	Income	55,093.320	MARGIN VARIATION			USD		55,093.32	55,093.32
6/12/26	6/15/26	Income	(16,125.000)	MARGIN VARIATION			USD		(16,125.00)	(16,125.00)
6/15/26	6/16/26	Income	18,811.640	MARGIN VARIATION			USD		18,811.64	18,811.64
6/16/26	6/17/26	Income	25,531.680	MARGIN VARIATION			USD		25,531.68	25,531.68
6/17/26	6/18/26	Income	(60,468.320)	MARGIN VARIATION			USD		(60,468.32)	(60,468.32)
6/19/26	6/22/26	Income	6,718.320	MARGIN VARIATION			USD		6,718.32	6,718.32
6/22/26	6/23/26	Income	(49,718.320)	MARGIN VARIATION			USD		(49,718.32)	(49,718.32)
6/23/26	6/24/26	Income	24,186.640	MARGIN VARIATION			USD		24,186.64	24,186.64
6/24/26	6/25/26	Income	63,156.680	MARGIN VARIATION			USD		63,156.68	63,156.68
6/25/26	6/26/26	Income	12,093.320	MARGIN VARIATION			USD		12,093.32	12,093.32
6/26/26	6/29/26	Income	25,531.680	MARGIN VARIATION			USD		25,531.68	25,531.68
6/29/26	6/30/26	Income	(13,436.640)	MARGIN VARIATION			USD		(13,436.64)	(13,436.64)
6/30/26	7/1/26	Income	(32,704.950)	MARGIN VARIATION			USD		(32,704.95)	(32,704.95)
Total for Cash			**(1,519.360)**						**(1,519.36)**	**(1,519.36)**
Fixed Income										
6/1/26	6/1/26	Coupon		CA LOS ANGELES WASTEWATER REV TXB	6/1/27	4.50	53945CLK4		29,269.50	29,269.50
6/1/26	6/1/26	Coupon		CA LOS ANGELES WASTEWATER REV TXB	6/1/28	4.53	53945CLL2		38,312.30	38,312.30
6/1/26	6/1/26	Coupon		CA SONOMA COUNTY POB TXB	12/1/29	6.00	835574CB8		54,000.00	54,000.00
6/1/26	6/25/26	Coupon		FHMS K085 A2 CMBS	10/25/28	4.06	3137FK4M5		25,036.67	25,036.67
6/1/26	6/25/26	Coupon		FHMS K086 A2	11/25/28	3.86	3137FKSH0		24,118.75	24,118.75
6/1/26	6/25/26	Coupon		FHMS K092 A2	6/25/29	2.79	3137FNAE0		14,621.25	14,621.25
6/1/26	7/15/26	Coupon		FHR 5607 GJ	5/15/30	4.00	3137HNZL5		25,522.58	25,522.58
6/1/26	7/15/26	Pay Princpl	44,992.451	FHR 5607 GJ	5/15/30	4.00	3137HNZL5	44,992.45		44,992.45
6/1/26	7/15/26	Coupon		FHR 5616 NG	1/15/31	4.25	3137HPM75		17,776.19	17,776.19
6/1/26	7/15/26	Pay Princpl	35,229.030	FHR 5616 NG	1/15/31	4.25	3137HPM75	35,229.03		35,229.03

Transaction Detail

June 1, 2026 through June 30, 2026

Currency: USD

Trade Date	Settle Date	Transaction Type	Units	Description	Maturity Date	Coupon Rate	Identifier	Proceeds / (Cost)	Interest / Margin Variation	Total Amount
6/1/26	7/15/26	Coupon		FHR 5616 NG	1/15/31	4.25	3137HPM75		17,173.26	17,173.26
6/1/26	7/15/26	Pay Princpl	34,034.140	FHR 5616 NG	1/15/31	4.25	3137HPM75	34,034.14		34,034.14
6/1/26	6/25/26	Coupon		FHS 427 GB	3/25/31	4.00	3133Q3QF1		26,023.74	26,023.74
6/1/26	6/25/26	Pay Princpl	76,435.264	FHS 427 GB	3/25/31	4.00	3133Q3QF1	76,435.26		76,435.26
6/1/26	6/25/26	Coupon		FNA 2017-M15 ATS2	11/25/27	3.22	3136AY6U2		3,786.20	3,786.20
6/1/26	6/25/26	Pay Princpl	912.700	FNA 2017-M15 ATS2	11/25/27	3.22	3136AY6U2	912.70		912.70
6/1/26	6/25/26	Coupon		FNGT 2017-T1 A SFR	6/25/27	2.90	3136AV6R5		3,099.13	3,099.13
6/2/26	6/5/26	Buy	8,463,036.420	FHR 5623 GB	2/15/31	4.25	3137HPZJ5	(8,338,074.40)	(3,996.43)	(8,342,070.83)
6/2/26	6/10/26	Buy	5,250,000.000	GFORT 2026-1A A1 FLOOR 144A	5/15/31	4.57	361886EM2	(5,249,390.48)		(5,249,390.48)
6/2/26	6/3/26	Sell Long	5,715,000.000	U.S. TREASURY NOTE	5/15/29	3.88	91282CQR5	5,681,067.19	11,433.88	5,692,501.07
6/4/26	6/5/26	Sell Long	1,790,900.000	U.S. TREASURY NOTE	3/31/31	3.88	91282CQG9	1,766,974.70	12,514.28	1,779,488.98
6/4/26	6/5/26	Sell Long	2,394,100.000	U.S. TREASURY NOTE	3/31/31	3.88	91282CQG9	2,362,116.32	16,729.27	2,378,845.59
6/4/26	6/5/26	Sell Long	3,120,000.000	U.S. TREASURY NOTE	4/15/29	3.88	91282CQJ3	3,101,475.00	16,846.72	3,118,321.72
6/5/26	6/5/26	Coupon		GOLDMAN SACHS	6/5/28	3.69	38141GWL4		69,206.25	69,206.25
6/9/26	6/9/26	Coupon		EQUITABLE AMERICA GLOBAL 144A	6/9/28	4.65	29446Q2A0		26,853.75	26,853.75
6/11/26	6/12/26	Sell Long	2,270,000.000	BMW US CAPITAL 144A	4/2/27	4.90	05565ECH6	2,281,826.70	21,628.06	2,303,454.76
6/11/26	6/18/26	Buy	2,880,000.000	CITIBANK	6/18/29	4.55	17325FBT4	(2,880,000.00)		(2,880,000.00)
6/11/26	6/12/26	Sell Long	325,000.000	PROTECTIVE LIFE (REGS)	1/12/27	4.99	74368CBX1	326,618.50	6,760.00	333,378.50
6/11/26	6/12/26	Sell Long	385,000.000	SCHLUMBERGER 144A	5/29/27	5.00	806851AL5	387,606.45	695.14	388,301.59
6/12/26	6/12/26	Coupon		AMPHENOL	6/12/28	4.38	032095AT8		57,859.38	57,859.38
6/15/26	6/15/26	Coupon		CARMX 2024-4 A3 CAR	10/15/29	4.60	14290DAC5		3,833.33	3,833.33
6/15/26	6/15/26	Pay Princpl	4,036.866	CARMX 2024-4 A3 CAR	10/15/29	4.60	14290DAC5	4,036.87		4,036.87
6/15/26	6/15/26	Coupon		CARMX 2025-1 A3 CAR	1/15/30	4.84	14319WAD8		12,551.73	12,551.73
6/15/26	6/15/26	Coupon		CARMX 2025-2 A3 CAR	3/15/30	4.48	14320AAD3		29,120.00	29,120.00
6/15/26	6/15/26	Coupon		CARMX 2025-3 A3 CAR	7/15/30	4.35	14290FAD8		13,412.50	13,412.50
6/15/26	6/15/26	Coupon		CENCORA INC	12/15/27	4.63	03073EAV7		12,950.00	12,950.00
6/15/26	6/15/26	Coupon		CMXS 2024-A A3 CAR	11/15/28	5.40	14319FAD5		18,129.21	18,129.21
6/15/26	6/15/26	Pay Princpl	352,314.996	CMXS 2024-A A3 CAR	11/15/28	5.40	14319FAD5	352,315.00		352,315.00
6/15/26	6/15/26	Coupon		CMXS 2025-B A3 CAR	3/15/30	4.12	14320BAC3		4,120.00	4,120.00
6/15/26	6/15/26	Coupon		FORDF 2024-1 A2 FLOORPLAN 144A	4/15/29	4.34	34528QJB1		9,173.12	9,173.12
6/15/26	6/15/26	Coupon		FORDF 2024-3 A1 FLOOR 144A	9/15/29	4.30	34528QJK1		20,066.67	20,066.67
6/15/26	6/15/26	Coupon		GALC 2024-2 A3 EQP 144A	9/15/28	5.00	39154GAC0		13,750.00	13,750.00
6/15/26	6/15/26	Coupon		GALC 2025-1 A3 EQP 144A	4/16/29	4.49	39154GAJ5		13,477.48	13,477.48
6/15/26	6/15/26	Coupon		GALC 2025-2 A3 EQP 144A	12/17/29	4.14	39154TCQ9		12,075.00	12,075.00
6/15/26	6/15/26	Coupon		GALC 2026-1 A3 EQP 144A	9/16/30	4.76	39154GAQ9		8,092.00	8,092.00
6/15/26	6/15/26	Coupon		GFORT 2025-2A A1 FLOOR 144A	3/15/30	4.64	361886EB6		7,733.33	7,733.33
6/15/26	6/15/26	Coupon		HALST 2025-B A3 LEASE 144A	4/17/28	4.53	44935DAD1		12,457.50	12,457.50

Transaction Detail

Currency: USD

June 1, 2026 through June 30, 2026

Trade Date	Settle Date	Transaction Type	Units	Description	Maturity Date	Coupon Rate	Identifier	Proceeds / (Cost)	Interest / Margin Variation	Total Amount
6/15/26	6/15/26	Coupon		HALST 2025-B A4 LEASE 144A	4/16/29	4.57	44935DAE9		6,093.33	6,093.33
6/15/26	6/15/26	Coupon		HAROT 2025-2 A3 CAR	10/15/29	4.15	437921AD1		26,975.00	26,975.00
6/15/26	6/15/26	Coupon		HFMOT 2025-1A A FLOOR 144A	10/15/30	4.01	44921QAH9		9,690.83	9,690.83
6/15/26	6/15/26	Coupon		HUNT 2024-1A A3 CAR 144A	1/16/29	5.23	446144AE7		2,662.65	2,662.65
6/15/26	6/15/26	Pay Princpl	46,361.037	HUNT 2024-1A A3 CAR 144A	1/16/29	5.23	446144AE7	46,361.04		46,361.04
6/15/26	6/15/26	Coupon		JDOT 2024-B A3 EQP	3/15/29	5.20	47786WAD2		18,294.70	18,294.70
6/15/26	6/15/26	Pay Princpl	187,226.846	JDOT 2024-B A3 EQP	3/15/29	5.20	47786WAD2	187,226.85		187,226.85
6/15/26	6/15/26	Coupon		JDOT 2026-A A3 EQP	8/15/30	3.87	47787DAD3		14,190.00	14,190.00
6/15/26	6/15/26	Coupon		KCOT 2025-2A A3 EQP 144A	9/17/29	4.42	50117LAC2		14,917.50	14,917.50
6/15/26	6/16/26	Sell Long	1,900,000.000	MERCEDES BENZ 144A	8/1/27	4.75	58769JAU1	1,908,075.00	33,843.75	1,941,918.75
6/15/26	6/18/26	Buy	4,145,000.000	NVIDIA	6/15/29	4.35	67066GAQ7	(4,143,051.85)		(4,143,051.85)
6/15/26	6/16/26	Sell Long	2,500,000.000	STATE STREET	2/7/28	2.20	857477BS1	2,468,600.00	19,735.21	2,488,335.21
6/15/26	6/15/26	Coupon		TAOT 2025-B A3 CAR	11/15/29	4.34	89231HAD8		23,508.33	23,508.33
6/15/26	6/15/26	Coupon		U.S. TREASURY NOTE	12/15/28	3.50	91282CPP0		288,828.75	288,828.75
6/15/26	6/15/26	Coupon		U.S. TREASURY NOTE	12/15/28	3.50	91282CPP0		242,471.25	242,471.25
6/15/26	6/15/26	Coupon		U.S. TREASURY NOTE	6/15/28	3.88	91282CNH0		55,703.13	55,703.13
6/15/26	6/15/26	Coupon		U.S. TREASURY NOTE	12/15/27	4.00	91282CMB4		268,508.00	268,508.00
6/15/26	6/15/26	Coupon		U.S. TREASURY NOTE	12/15/27	4.00	91282CMB4		244,892.00	244,892.00
6/15/26	6/15/26	Coupon		WLAKE 2025-P1 A3 CAR 144A	6/15/29	4.58	96043LAC4		15,648.33	15,648.33
6/16/26	6/16/26	Coupon		MTLRF 2025-1A A3 EQP 144A	9/17/29	4.78	55340QAC9		16,331.67	16,331.67
6/17/26	6/17/26	Coupon		FORDF 2024-1 A1 FLOORPLAN 144A	4/15/29	5.29	34528QJA3		3,967.50	3,967.50
6/18/26	6/18/26	Coupon		AMCAR 2023-2 A3 CAR	5/18/28	5.81	03065UAD1		3,740.53	3,740.53
6/18/26	6/18/26	Pay Princpl	141,585.018	AMCAR 2023-2 A3 CAR	5/18/28	5.81	03065UAD1	141,585.02		141,585.02
6/18/26	6/18/26	Coupon		HART 2026-A A3 CAR	2/18/31	3.79	448981AD2		12,949.17	12,949.17
6/18/26	6/22/26	Sell Long	4,100,000.000	WLAKE 2025-P1 A3 CAR 144A	6/15/29	4.58	96043LAC4	4,107,847.65	3,651.28	4,111,498.93
6/20/26	6/20/26	Coupon		EFF 2024-3 A3 FLEET 144A	8/21/28	4.98	29375QAC2		11,205.00	11,205.00
6/20/26	6/20/26	Coupon		EFF 2025-1 A3 FLEET 144A	2/20/29	4.82	29390HAC3		6,025.00	6,025.00
6/20/26	6/20/26	Coupon		EFF 2025-2 A3 FLEET 144A	6/20/29	4.41	29375TAC6		28,481.25	28,481.25
6/20/26	6/20/26	Coupon		EFF 2025-3 A3 FLEET 144A	9/20/29	4.46	29375UAC3		12,636.67	12,636.67
6/20/26	6/20/26	Coupon		PILOT 2025-1A A3 LEASE 144A	10/20/28	4.61	73329KAD8		19,208.33	19,208.33
6/20/26	6/20/26	Coupon		TLOT 2025-A A3 LEASE 144A	2/22/28	4.75	89239NAD7		11,479.17	11,479.17
6/20/26	6/20/26	Coupon		TLOT 2026-A A3 LEASE 144A	2/20/29	3.82	89240MAD6		27,058.33	27,058.33
6/20/26	6/20/26	Coupon		TMUST 2024-2 A PHONE 144A	5/21/29	4.25	87268CAA5		7,437.50	7,437.50
6/20/26	6/20/26	Coupon		TMUST 2025-1A A PHONE 144A	11/20/29	4.74	872974AA8		9,973.75	9,973.75
6/20/26	6/20/26	Coupon		TMUST 2025-2A A PHONE 144A	4/22/30	4.34	87268MAA3		28,571.67	28,571.67
6/21/26	6/21/26	Coupon		HAROT 2026-1 A3 CAR	9/23/30	3.78	43815CAD0		23,625.00	23,625.00
6/25/26	6/26/26	Sell Long	1,750,000.000	BMW USA CAPITAL 144A	8/11/27	4.15	05565EDA0	1,745,730.00	27,234.38	1,772,964.38

Transaction Detail

June 1, 2026 through June 30, 2026

Currency: USD

Trade Date	Settle Date	Transaction Type	Units	Description	Maturity Date	Coupon Rate	Identifier	Proceeds / (Cost)	Interest / Margin Variation	Total Amount
6/25/26	6/29/26	Buy	4,560,000.000	CHARLES SCHWAB	7/27/29	4.60	808513CS2	(4,560,000.00)		(4,560,000.00)
6/25/26	6/26/26	Sell Long	875,000.000	MARSH & MCLENNAN	11/8/27	4.55	571748BY7	876,916.25	5,308.33	882,224.58
6/25/26	6/25/26	Coupon		NAVMT 2025-1 A FLOOR 144A	9/25/30	4.18	63938PBZ1		8,708.33	8,708.33
6/25/26	6/26/26	Sell Long	900,000.000	PACCAR FINANCIAL	8/8/28	4.00	69371RT97	894,177.00	13,800.00	907,977.00
6/25/26	6/26/26	Sell Long	1,045,000.000	VOLKSWAGEN GROUP 144A	9/12/26	5.70	928668BV3	1,047,393.05	17,207.67	1,064,600.72
6/30/26	7/1/26	Buy	3,400,000.000	U.S. TREASURY NOTE	6/15/29	4.13	91282CQV6	(3,398,273.44)	(6,131.15)	(3,404,404.59)
Total for Fixed Income			**58,691,164.769**					**1,310,762.00**	**2,284,643.88**	**3,595,405.88**

MetLife Investment Management

Portfolio Profile

Security ID	Security Description	Coupon	Maturity Date	Eff. Mat. Date	Rating	Par Value	Amortized Cost (BV)	WAL	Duration	Yield to Worst	% of Market	Market Value
CASH & CASH EQUIVALENTS												
CASH												
USD	US DOLLARS	-				2,651,220	2,651,220.190	-	-	-	.32%	2,651,220.19
CASH TOTALS							**2,651,220.190**					**2,651,220.19**
CASH & CASH EQUIVALENTS TOTALS							***2,651,220.190***					***2,651,220.19***
DERIVATIVES												
FUTURES, SWAPS, FORWARDS												
TUU6 COMB Comdt	US 2YR NOTE (CBT) Sep26	0.000	9/30/2026			202	0.000	0.000	1.918	.346	0%	(12,624.60)
FUTURES, SWAPS, FORWARDS TOTALS							**0.000**					**(12,624.60)**
DERIVATIVES TOTALS							***0.000***					***(12,624.60)***
FIXED INCOME												
ASSET BACKED												
02582JKV1	American Express Credit Account Master Trust	4.300	7/15/2030	7/15/2028	AAA	4,735,000	4,734,512.560	2.042	1.917	4.407	.58%	4,737,850.05
05377RHM9	Avis Budget Rental Car Funding AESOP LLC	6.020	2/20/2030	2/20/2029	Aaa	7,650,000	7,855,064.230	2.431	2.225	4.807	.96%	7,884,955.56
14041NGE5	Capital One Multi-Asset Execution Trust	3.920	9/15/2029	9/15/2027	AAA	1,000,000	999,706.440	1.208	1.159	4.278	.12%	997,972.22
233249AC5	DLLAA 2025-1 LLC	4.950	9/20/2029	3/20/2029	Aaa	1,780,000	1,779,919.650	1.503	1.417	4.582	.22%	1,793,256.02
32113CCE8	First National Master Note Trust	4.850	2/15/2030	2/15/2028	Aaa	1,894,000	1,910,594.240	1.625	1.537	4.484	.23%	1,910,147.78
34533MAF3	Ford Credit Auto Lease Trust 2025-B	4.520	8/15/2029	3/15/2028	Aa1	3,950,000	3,949,702.030	1.628	1.543	4.586	.48%	3,956,506.79
345276AF6	Ford Credit Auto Lease Trust 2026-A	4.200	2/15/2030	10/15/2028	AA	3,710,000	3,709,479.170	2.209	2.071	4.741	.45%	3,678,484.91
34528QJU9	Ford Credit Floorplan Master Owner Trust A	4.060	9/15/2030	9/15/2028	Aaa	8,920,000	8,919,200.340	2.208	2.074	4.546	1.08%	8,852,995.14
34528QJW5	Ford Credit Floorplan Master Owner Trust A	4.330	9/15/2030	9/15/2028	AA	1,790,000	1,789,656.490	2.208	2.068	4.754	.22%	1,779,303.04
34529BAA4	Ford Credit Floorplan Master Owner Trust A	4.630	4/15/2030	4/15/2028	Aaa	4,347,000	4,372,114.670	1.735	1.635	4.512	.53%	4,367,473.40
34528PAK2	Ford Credit Floorplan Master Owner Trust A	4.060	11/15/2030	11/15/2028	AAA	2,020,000	2,027,692.310	2.375	2.222	4.459	.24%	2,004,661.22
379965AF3	GM Financial Automobile Leasing Trust 2025-3	4.410	8/20/2029	12/20/2027	AA	3,630,000	3,636,285.910	1.472	1.400	4.588	.44%	3,627,937.80
36273VAF2	GM Financial Automobile Leasing Trust 2026-1	4.120	1/22/2030	6/20/2028	AA	1,230,000	1,229,810.440	1.972	1.859	4.714	.15%	1,218,867.62
361886DQ4	GMF Floorplan Owner Revolving Trust	4.730	11/15/2029	11/15/2027	Aaa	1,625,000	1,634,917.090	1.375	1.308	4.382	.20%	1,636,794.45
448972AD1	Hyundai Auto Lease Securitization Trust 2025-B	4.210	4/16/2029	8/15/2028	AAA	2,425,000	2,419,022.130	1.810	1.710	4.475	.30%	2,420,106.86
44935GAF9	Hyundai Auto Lease Securitization Trust 2025-C	4.570	11/15/2029	1/15/2028	AA	7,655,000	7,654,627.650	1.542	1.462	4.683	.94%	7,662,792.88
448970AF0	Hyundai Auto Lease Securitization Trust 2026-A	4.160	5/15/2030	6/15/2028	AA-	2,200,000	2,199,925.630	1.958	1.845	4.693	.27%	2,184,013.02
44921QAH9	Hyundai Floorplan Master Owner Trust	4.010	10/15/2030	10/15/2028	Aaa	7,615,000	7,614,466.660	2.292	2.148	4.618	.92%	7,535,225.43
65341KCF1	NextGear Floorplan Master Owner Trust	4.550	2/15/2030	2/15/2028	Aaa	6,000,000	6,000,000.000	1.625	1.540	4.612	.73%	6,010,420.33
65481RAF8	Nissan Auto Lease Trust 2025-B	4.560	7/16/2029	5/15/2028	AA	5,370,000	5,369,550.010	1.747	1.648	4.968	.65%	5,348,765.23
69335PFU4	PFS Financing Corp	4.850	2/15/2030	2/15/2028	Aaa	1,644,000	1,665,347.940	1.625	1.536	4.574	.20%	1,655,734.30
69335PGC3	PFS Financing Corp	4.400	8/15/2030	7/15/2028	Aaa	2,600,000	2,621,180.780	2.042	1.915	4.598	.32%	2,597,267.02
858928AF1	Stellantis Financial Underwritten Enhanced Lease Trust 2025-A	4.740	4/20/2029	10/20/2027	AA	1,545,000	1,547,312.850	1.306	1.243	4.773	.19%	1,547,507.90

MetLife Investment Management

Portfolio Profile

Security ID	Security Description	Coupon	Maturity Date	Eff. Mat. Date	Rating	Par Value	Amortized Cost (BV)	WAL	Duration	Yield to Worst	% of Market	Market Value
FIXED INCOME (Continued)												
ASSET BACKED (Continued)												
858933AE4	Stellantis Financial Underwritten Enhanced Lease Trust 2025-B	4.470	7/20/2029	12/20/2027	AA	5,175,000	5,174,616.340	1.472	1.399	4.699	.63%	5,168,567.65
85856FAF9	Stellantis Financial Underwritten Enhanced Lease Trust 2026-A	4.610	4/22/2030	1/20/2029	AA	1,990,000	1,989,971.980	2.556	2.368	4.875	.24%	1,982,495.34
87268MAA3	T-Mobile US Trust 2025-2	4.340	4/22/2030	9/20/2028	Aaa	7,655,000	7,654,921.360	1.620	1.535	4.375	.94%	7,665,622.93
88162VAF7	Tesla Lease Electric Vehicle Securitization 2025-A LLC	4.790	6/20/2029	1/20/2028	Aa2	6,785,000	6,784,265.210	1.556	1.473	4.884	.83%	6,790,390.08
928667AE4	Volkswagen Credit Auto Master Trust	4.830	5/20/2031		Aaa	5,735,000	5,734,298.720	2.930	2.647	4.761	.70%	5,746,400.70
92886CAC3	Volvo Financial Equipment LLC Series 2025-2	3.990	12/17/2029	1/15/2029	Aaa	4,440,000	4,439,743.260	1.721	1.629	4.525	.54%	4,411,736.44
92970QAJ4	WF Card Issuance Trust	4.340	5/15/2030	5/15/2028	AAA	1,442,000	1,446,159.780	1.875	1.766	4.362	.18%	1,445,227.90
92970QAE5	WF Card Issuance Trust	4.290	10/15/2029	10/15/2027	Aaa	4,905,000	4,904,662.050	1.292	1.233	4.280	.60%	4,917,304.52
98463GAG3	Yamaha Motor Master Trust II	4.430	4/15/2031	4/15/2029	Aaa	1,770,000	1,769,821.850	2.792	2.575	4.597	.22%	1,762,020.46
98463GAJ7	Yamaha Motor Master Trust II	4.640	4/15/2031	4/15/2029	Aa3	620,000	619,843.950	2.792	2.567	4.830	.08%	616,880.18
ASSET BACKED TOTALS							**126,158,393.720**					**125,915,685.17**
CMBS												
3137FMTY8	Freddie Mac Multifamily Structured Pass Through Certificates	2.903	6/25/2029	6/25/2029	AA+	5,205,000	5,001,568.970	2.856	2.686	4.452	.61%	4,997,312.00
3137FTBM8	Freddie Mac Multifamily Structured Pass Through Certificates	1.517	3/25/2030	3/25/2030	AA+	4,595,000	4,174,420.990	3.516	3.354	4.484	.51%	4,159,507.81
3137H9D71	Freddie Mac Multifamily Structured Pass Through Certificates	3.000	9/25/2029	9/25/2029	AA+	3,280,000	3,164,392.710	2.808	2.638	4.438	.39%	3,160,874.66
3137HC2L5	Freddie Mac Multifamily Structured Pass Through Certificates	5.400	1/25/2029	1/25/2029	AA+	3,700,000	3,803,851.140	2.521	2.319	4.484	.46%	3,787,613.04
3137FK4M5	Freddie Mac Multifamily Structured Pass Through Certificates	4.060	10/25/2028	10/25/2028	AA+	4,000,000	4,010,981.570	2.216	2.081	4.432	.49%	3,974,737.33
30297DAJ9	FRESB 2018-SB53 Mortgage Trust	3.660	6/25/2028	6/25/2028	Agency	1,234,517	1,224,425.500	1.829	1.735	4.411	.15%	1,219,363.26
CMBS TOTALS							**21,379,640.880**					**21,299,408.10**
CORPORATES												
002824BR0	Abbott Laboratories	3.700	3/9/2029	3/9/2029	A+	7,870,000	7,860,672.960	2.692	2.480	4.461	.95%	7,809,870.53
00287YDS5	AbbVie Inc	4.800	3/15/2029	3/15/2029	A-	5,860,000	5,982,754.470	2.625	2.443	4.482	.73%	5,988,257.02
025816EN5	American Express Co	4.009	2/9/2029	2/9/2028	A2	9,155,000	9,155,000.000	1.608	1.524	4.583	1.13%	9,217,802.08
02665WFT3	American Honda Finance Corp	4.450	10/22/2027	10/22/2027	A3	5,270,000	5,271,418.020	1.311	1.254	4.559	.65%	5,307,403.60
06051GMY2	Bank of America Corp	4.477	4/23/2030	4/23/2029	A1	8,170,000	8,150,097.760	2.814	2.602	4.717	1.00%	8,187,565.22
06405LAH4	Bank of New York Mellon/The	4.729	4/20/2029	4/20/2028	Aa2	3,550,000	3,559,301.760	1.806	1.705	4.480	.44%	3,598,074.95
172967LW9	Citigroup Inc	4.075	4/23/2029	4/24/2028	A3	8,390,000	8,303,633.720	1.814	1.724	4.616	1.02%	8,376,059.78
202795JN1	Commonwealth Edison Co	3.700	8/15/2028	8/15/2028	A	4,775,000	4,763,452.450	2.125	1.997	4.452	.58%	4,769,525.45
23338VAN6	DTE Electric Co	1.900	4/1/2028	4/3/2028	A+	3,345,000	3,237,596.500	1.753	1.696	4.298	.39%	3,227,417.73
29446Q2A0	Equitable America Global Funding	4.650	6/9/2028	6/9/2028	A1	4,705,000	4,703,837.350	1.942	1.840	4.764	.57%	4,708,405.74
38141GWV2	Goldman Sachs Group Inc/The	3.814	4/23/2029	4/23/2029	A2	9,560,000	9,481,298.390	2.814	2.461	4.412	1.16%	9,478,702.16
43849RAA3	Honeywell Aerospace Inc	3.900	3/16/2028	3/16/2028	A3	8,425,000	8,419,399.950	1.711	1.622	4.515	1.03%	8,435,923.78
44891AEM5	Hyundai Capital America	4.500	6/16/2028	6/16/2028	A-	4,925,000	4,914,510.380	1.961	1.861	4.748	.60%	4,910,344.24
44891ADV6	Hyundai Capital America	4.900	6/23/2028	6/23/2028	A-	1,195,000	1,200,744.080	1.981	1.874	4.760	.15%	1,199,422.18
459200LQ2	International Business Machines Corp	4.000	2/3/2029	2/5/2029	A-	7,925,000	7,920,908.270	2.592	2.386	4.485	.97%	7,961,940.99

MetLife Investment Management

Portfolio Profile

Security ID	Security Description	Coupon	Maturity Date	Eff. Mat. Date	Rating	Par Value	Amortized Cost (BV)	WAL	Duration	Yield to Worst	% of Market	Market Value
FIXED INCOME (Continued)												
CORPORATES (Continued)												
46647PAX4	JPMorgan Chase & Co	4.452	12/5/2029	12/5/2028	A1	12,015,000	12,124,227.940	2.431	2.281	4.700	1.46%	11,985,528.33
571748BY7	Marsh & McLennan Cos Inc	4.550	11/8/2027	11/8/2027	A-	4,900,000	4,905,009.220	1.356	1.261	4.411	.60%	4,941,426.27
58933YBW4	Merck & Co Inc	3.850	3/15/2029	3/15/2029	A+	9,070,000	9,058,057.040	2.708	2.486	4.330	1.11%	9,062,185.94
61747YFH3	Morgan Stanley	6.407	11/1/2029	11/1/2028	A1	11,225,000	11,726,102.140	2.336	2.150	4.791	1.43%	11,740,332.83
62829D2G4	Mutual of Omaha Cos Global Funding	4.514	6/9/2028	6/9/2028	A1	2,630,000	2,632,541.170	1.942	1.841	4.791	.32%	2,623,803.84
63743HGB2	National Rural Utilities Cooperative Finance Corp	3.950	12/10/2027	12/10/2027	A2	8,080,000	8,075,480.780	1.444	1.389	4.374	.98%	8,051,011.28
637639AN5	National Securities Clearing Corp	4.350	5/20/2027	5/20/2027	AA	6,880,000	6,876,935.640	.889	.860	4.213	.85%	6,921,952.57
666807BN1	Northrop Grumman Corp	3.250	1/15/2028	1/18/2028	BBB+	6,075,000	6,012,214.760	1.542	1.452	4.426	.74%	6,060,654.26
67066GAP9	NVIDIA Corp	4.250	6/15/2028	6/15/2028	AA	9,125,000	9,121,008.200	1.958	1.862	4.360	1.11%	9,120,301.65
69448TAC5	Pacific Life Global Funding II	4.450	5/1/2028	5/1/2028	AA-	7,800,000	7,829,703.290	1.836	1.738	4.565	.96%	7,841,742.22
744448DD0	Public Service Co of Colorado	4.150	3/13/2029	3/13/2029	A1	3,035,000	3,033,002.540	2.703	2.469	4.523	.37%	3,044,087.15
79466LAQ7	Salesforce Inc	4.500	3/15/2028	3/15/2028	A2	8,530,000	8,523,636.770	1.708	1.571	4.574	1.05%	8,634,387.84
806851AH4	Schlumberger Holdings Corp	4.300	5/1/2029	5/1/2029	A3	4,775,000	4,797,387.650	2.836	2.529	4.577	.58%	4,774,183.55
81762PAF9	ServiceNow Inc	4.250	5/15/2028	5/15/2028	A2	4,965,000	4,947,908.360	1.875	1.778	4.436	.61%	4,975,348.68
89236TJF3	Toyota Motor Credit Corp	1.900	4/6/2028	4/6/2028	A+	6,320,000	6,116,820.060	1.767	1.706	4.316	.74%	6,091,102.06
89788JAJ8	Truist Bank	4.144	1/27/2029	1/29/2029	A	6,555,000	6,555,000.000	1.575	1.483	4.480	.81%	6,626,721.67
90331HPV9	US Bank NA/Cincinnati OH	4.535	5/20/2029	5/19/2028	A+	8,235,000	8,235,000.000	1.881	1.785	4.667	1.01%	8,259,714.07
94106LCB3	Waste Management Inc	4.500	3/15/2028	3/15/2028	A-	7,680,000	7,688,112.770	1.625	1.566	4.330	.95%	7,801,821.77
95000U3G6	Wells Fargo & Co	6.303	10/23/2029	10/23/2028	A1	9,485,000	9,968,720.900	2.314	2.128	4.710	1.21%	9,924,672.02
976656CV8	Wisconsin Electric Power Co	3.950	3/1/2029	3/1/2029	A2	6,165,000	6,163,822.270	2.669	2.446	4.482	.75%	6,164,206.85
CORPORATES TOTALS							**237,315,317.560**					**237,821,900.30**
MUNICIPALS												
010268CP3	Alabama Federal Aid Highway Finance Authority	1.547	9/1/2027	9/1/2027	Aa2	55,000	53,568.070	1.169	1.138	4.120	.01%	53,682.94
120827EH9	Burbank-Glendale-Pasadena Airport Authority Brick Campaign	5.120	7/1/2028	7/3/2028	A2	745,000	745,000.000	2.003	1.852	4.354	.09%	774,896.81
120827FK1	Burbank-Glendale-Pasadena Airport Authority Brick Campaign	4.200	7/1/2028	7/3/2028	A1	1,150,000	1,150,000.000	2.003	1.903	4.453	.14%	1,150,655.50
21969AAG7	City of Corona CA	1.863	5/1/2028	5/1/2028	AA+	4,500,000	4,258,946.010	1.836	1.774	4.268	.53%	4,324,680.13
769036BP8	City of Riverside CA	2.640	6/1/2027	6/1/2027	AA	2,015,000	1,993,917.200	.919	.896	4.294	.24%	1,989,666.12
64577B8D9	New Jersey Economic Development Authority	3.470	6/15/2027	6/15/2027	A	4,720,000	4,704,009.950	.958	.932	4.384	.57%	4,687,148.56
70869PRA7	Pennsylvania Economic Development Financing Authority	4.642	6/1/2028	6/1/2028	Aa3	645,000	645,000.000	1.919	1.819	4.316	.08%	651,308.87
735000TP6	Port of Oakland	1.667	5/1/2027	5/3/2027	A+	1,443,701	1,417,762.340	.836	.820	4.312	.17%	1,416,650.35
76913DFY8	Riverside County Infrastructure Financing Authority	1.766	11/1/2027	11/1/2027	AA-	1,700,000	1,630,706.760	1.336	1.300	4.203	.20%	1,651,674.91
79768HJN9	San Francisco City & County Public Utilities Commission Wastewater Revenue	4.655	10/1/2027	10/1/2027	Aa2	4,945,000	4,951,156.810	1.169	1.150	4.296	.61%	5,022,449.75
13067WSW3	State of California Department of Water Resources	1.051	12/1/2026	12/1/2026	Aa1	1,630,000	1,604,973.200	.419	.414	3.884	.20%	1,612,345.20

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Portfolio Profile

Security ID	Security Description	Coupon	Maturity Date	Eff. Mat. Date	Rating	Par Value	Amortized Cost (BV)	WAL	Duration	Yield to Worst	% of Market	Market Value
FIXED INCOME (Continued)												
MUNICIPALS (Continued)												
13067WRE4	State of California Department of Water Resources	1.160	12/1/2027	12/1/2027	Aa1	785,000	746,949.740	1.419	1.385	4.109	.09%	754,142.09
MUNICIPALS TOTALS							**23,901,990.080**					**24,089,301.23**
US TREASURIES												
91282CHE4	United States Treasury Note/Bond	3.625	5/31/2028	5/31/2028	AA+	101,055,000	100,693,676.020	1.918	1.830	4.163	12.25%	100,370,514.58
91282CJR3	United States Treasury Note/Bond	3.750	12/31/2028	1/2/2029	AA+	71,265,000	70,778,209.830	2.500	2.371	4.172	8.62%	70,565,179.28
91282CAU5	United States Treasury Note/Bond	.500	10/31/2027	11/1/2027	AA+	64,000,000	61,179,993.490	1.334	1.309	4.153	7.45%	61,048,913.36
9128284V9	United States Treasury Note/Bond	2.875	8/15/2028	8/15/2028	AA+	66,510,000	65,430,443.760	2.127	2.016	4.164	8.00%	65,498,082.60
91282CMN8	United States Treasury Note/Bond	4.250	2/15/2028	2/15/2028	AA+	100,730,000	101,318,512.610	1.627	1.537	4.175	12.51%	102,452,448.83
91282CQJ3	United States Treasury Note/Bond	3.875	4/15/2029	4/16/2029	AA+	7,370,000	7,308,353.020	2.792	2.603	4.163	.90%	7,374,231.88
US TREASURIES TOTALS							**406,709,188.730**					**407,309,370.53**
FIXED INCOME TOTALS							***815,464,530.970***					***816,435,665.33***
PORTFOLIO TOTALS							***818,115,751.160***					***819,074,260.92***

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Portfolio Profile

Security ID	Security Description	Coupon	Maturity Date	Eff. Mat. Date	Rating	Par Value	Amortized Cost (BV)	WAL	Duration	Yield to Worst	% of Market	Market Value
CASH & CASH EQUIVALENTS												
CASH												
USD	US DOLLARS	-				407,097	407,097.010	-	-	-	.58%	407,097.01
CASH TOTALS							**407,097.010**					**407,097.01**
CASH & CASH EQUIVALENTS TOTALS							***407,097.010***					***407,097.01***
FIXED INCOME												
ASSET BACKED												
02582JKM1	American Express Credit Account Master Trust	4.560	12/17/2029	12/15/2027	AAA	500,000	502,343.600	1.458	1.385	4.322	.71%	502,965.23
05377RHM9	Avis Budget Rental Car Funding AESOP LLC	6.020	2/20/2030	2/20/2029	Aaa	640,000	657,155.710	2.431	2.225	4.807	.93%	659,656.41
34533MAF3	Ford Credit Auto Lease Trust 2025-B	4.520	8/15/2029	3/15/2028	Aa1	330,000	329,975.100	1.628	1.543	4.586	.47%	330,543.60
345276AF6	Ford Credit Auto Lease Trust 2026-A	4.200	2/15/2030	10/15/2028	AA	310,000	309,956.490	2.209	2.071	4.741	.43%	307,366.67
34528QJU9	Ford Credit Floorplan Master Owner Trust A	4.060	9/15/2030	9/15/2028	Aaa	765,000	764,931.420	2.208	2.074	4.546	1.07%	759,253.51
34529BAA4	Ford Credit Floorplan Master Owner Trust A	4.630	4/15/2030	4/15/2028	Aaa	360,000	362,079.910	1.735	1.635	4.512	.51%	361,695.52
379965AF3	GM Financial Automobile Leasing Trust 2025-3	4.410	8/20/2029	12/20/2027	AA	115,000	114,999.390	1.472	1.400	4.588	.16%	114,934.67
36273VAF2	GM Financial Automobile Leasing Trust 2026-1	4.120	1/22/2030	6/20/2028	AA	105,000	104,983.820	1.972	1.859	4.714	.15%	104,049.67
44935GAF9	Hyundai Auto Lease Securitization Trust 2025-C	4.570	11/15/2029	1/15/2028	AA	640,000	639,968.880	1.542	1.462	4.683	.91%	640,651.53
448970AF0	Hyundai Auto Lease Securitization Trust 2026-A	4.160	5/15/2030	6/15/2028	AA-	200,000	199,993.230	1.958	1.845	4.693	.28%	198,546.64
44921QAH9	Hyundai Floorplan Master Owner Trust	4.010	10/15/2030	10/15/2028	Aaa	610,000	609,945.140	2.292	2.148	4.618	.85%	603,609.66
65341KCF1	NextGear Floorplan Master Owner Trust	4.550	2/15/2030	2/15/2028	Aaa	1,000,000	1,001,082.820	1.625	1.540	4.612	1.42%	1,001,736.72
65481RAF8	Nissan Auto Lease Trust 2025-B	4.560	7/16/2029	5/15/2028	AA	445,000	444,962.720	1.747	1.648	4.968	.63%	443,240.33
69335PGC3	PFS Financing Corp	4.400	8/15/2030	7/15/2028	Aaa	1,200,000	1,209,775.750	2.042	1.915	4.598	1.70%	1,198,738.63
858933AE4	Stellantis Financial Underwritten Enhanced Lease Trust 2025-B	4.470	7/20/2029	12/20/2027	AA	425,000	424,968.490	1.472	1.399	4.699	.60%	424,471.74
87268MAA3	T-Mobile US Trust 2025-2	4.340	4/22/2030	9/20/2028	Aaa	640,000	639,993.430	1.620	1.535	4.375	.91%	640,888.13
88162VAF7	Tesla Lease Electric Vehicle Securitization 2025-A LLC	4.790	6/20/2029	1/20/2028	Aa2	565,000	564,938.820	1.556	1.473	4.884	.80%	565,448.84
928667AE4	Volkswagen Credit Auto Master Trust	4.830	5/20/2031		Aaa	495,000	494,939.470	2.930	2.647	4.761	.70%	495,984.02
92886CAC3	Volvo Financial Equipment LLC Series 2025-2	3.990	12/17/2029	1/15/2029	Aaa	370,000	369,978.620	1.721	1.629	4.525	.52%	367,644.70
92970QAJ4	WF Card Issuance Trust	4.340	5/15/2030	5/15/2028	AAA	120,000	120,346.320	1.875	1.766	4.362	.17%	120,268.62
92970QAE5	WF Card Issuance Trust	4.290	10/15/2029	10/15/2027	Aaa	645,000	644,955.540	1.292	1.233	4.280	.91%	646,618.03
ASSET BACKED TOTALS							**10,512,274.670**					**10,488,312.87**
CMBS												
3137FL6P4	Freddie Mac Multifamily Structured Pass Through Certificates	3.563	1/25/2029	1/25/2029	AA+	115,000	113,892.050	2.447	2.301	4.451	.16%	112,812.97
3137HBFY5	Freddie Mac Multifamily Structured Pass Through Certificates	4.724	12/25/2028	12/25/2028	AA+	500,000	504,243.180	2.361	2.196	4.461	.71%	503,793.83
3137HMC65	Freddie Mac Multifamily Structured Pass Through Certificates	4.329	6/25/2030	6/25/2030	AA+	675,000	680,248.860	3.910	3.531	4.466	.95%	673,213.21
30305JAG2	FRESB 2017-SB40 Mortgage Trust	2.950	8/25/2027	8/25/2027	Agency	160,346	159,343.090	1.072	1.034	4.472	.22%	157,943.62

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Security ID	Security Description	Coupon	Maturity Date	Eff. Mat. Date	Rating	Par Value	Amortized Cost (BV)	WAL	Duration	Yield to Worst	% of Market	Market Value
FIXED INCOME (Continued)												
CMBS (Continued)												
30308LAD1	FRESB 2018-SB57 Mortgage Trust	3.710	7/25/2028	7/25/2028	AA+	134,858	133,840.190	1.990	1.881	4.589	.19%	132,798.97
CMBS TOTALS							**1,591,567.370**					**1,580,562.60**
CORPORATES												
002824BR0	Abbott Laboratories	3.700	3/9/2029	3/9/2029	A+	685,000	683,821.940	2.692	2.480	4.461	.96%	679,766.37
00287YDS5	AbbVie Inc	4.800	3/15/2029	3/15/2029	A-	500,000	497,712.530	2.625	2.443	4.482	.72%	510,943.44
02079KBK2	Alphabet Inc	4.100	2/15/2031	2/18/2031	Aa2	815,000	816,556.610	4.625	4.100	4.521	1.15%	813,611.86
06405LAH4	Bank of New York Mellon/The	4.729	4/20/2029	4/20/2028	Aa2	300,000	300,000.000	1.806	1.705	4.480	.43%	304,062.67
172967PF2	Citigroup Inc	5.174	2/13/2030	2/13/2029	A3	660,000	667,594.100	2.619	2.396	4.734	.96%	680,131.54
00138CBJ6	Corebridge Global Funding	4.450	10/2/2030	10/2/2030	A2	700,000	694,833.640	4.256	3.806	4.926	.98%	694,997.66
532457CK2	Eli Lilly & Co	4.500	2/9/2029	2/9/2029	Aa3	650,000	649,937.980	2.525	2.366	4.277	.94%	664,959.87
29446Q2B8	Equitable America Global Funding	4.950	6/9/2030	6/10/2030	A1	485,000	484,627.370	3.942	3.554	4.907	.69%	487,184.52
341081GN1	Florida Power & Light Co	4.400	5/15/2028	5/15/2028	AA-	375,000	374,930.350	1.708	1.696	4.361	.53%	377,346.75
373334KL4	Georgia Power Co	2.650	9/15/2029	9/17/2029	A	840,000	790,271.610	3.208	2.997	4.561	1.13%	799,109.81
38141GA87	Goldman Sachs Group Inc/The	5.727	4/25/2030	4/25/2029	A2	665,000	691,790.600	2.819	2.570	4.772	.97%	688,492.01
43849RAE5	Honeywell Aerospace Inc	4.300	3/16/2031	3/17/2031	A3	700,000	698,452.170	4.711	4.178	4.711	.99%	696,696.90
459200LQ2	International Business Machines Corp	4.000	2/3/2029	2/5/2029	A-	685,000	684,414.140	2.592	2.386	4.485	.97%	688,193.00
46647PAX4	JPMorgan Chase & Co	4.452	12/5/2029	12/5/2028	A1	1,040,000	1,049,023.840	2.431	2.281	4.700	1.47%	1,037,448.98
53359KAB7	Lincoln Financial Global Funding	4.625	5/28/2028	5/30/2028	A+	705,000	704,863.040	1.911	1.813	4.661	1.00%	707,504.39
539830CC1	Lockheed Martin Corp	4.500	2/15/2029	2/15/2029	A2	695,000	693,975.190	2.625	2.386	4.493	1.00%	706,900.10
571748BY7	Marsh & McLennan Cos Inc	4.550	11/8/2027	11/8/2027	A-	430,000	429,785.590	1.356	1.261	4.411	.61%	433,635.36
57629W5B2	MassMutual Global Funding II	4.850	1/17/2029	1/17/2029	AA+	650,000	647,466.750	2.547	2.333	4.586	.95%	668,427.94
58933YBW4	Merck & Co Inc	3.850	3/15/2029	3/15/2029	A+	785,000	783,719.020	2.708	2.486	4.330	1.11%	784,323.70
30303M8S4	Meta Platforms Inc	4.300	8/15/2029	8/15/2029	Aa3	695,000	695,179.270	3.125	2.823	4.375	1.00%	704,746.84
61747YFQ3	Morgan Stanley	5.656	4/18/2030	4/18/2029	A1	730,000	757,157.580	2.800	2.553	4.822	1.07%	754,074.57
62829D2E9	Mutual of Omaha Cos Global Funding	4.750	10/15/2029	10/15/2029	A1	705,000	698,235.130	3.292	3.000	4.794	1.01%	711,079.09
641423CC0	Nevada Power Co	3.700	5/1/2029	5/1/2029	A2	715,000	690,710.770	2.836	2.579	4.522	1.00%	703,887.13
64952WFR9	New York Life Global Funding	4.250	1/9/2031	1/9/2031	AA+	705,000	702,305.650	4.525	4.002	4.654	1.00%	707,807.39
66815L2M0	Northwestern Mutual Global Funding	4.900	6/12/2028	6/12/2028	AA+	565,000	562,984.420	1.950	1.845	4.537	.81%	570,234.29
67066GAQ7	NVIDIA Corp	4.350	6/15/2029	6/15/2029	AA	705,000	704,661.370	2.958	2.716	4.459	1.00%	703,983.02
6944PL2U2	Pacific Life Global Funding II	5.500	7/18/2028	7/18/2028	AA-	420,000	421,359.490	2.050	1.884	4.594	.62%	437,809.49
717081ET6	Pfizer Inc	3.450	3/15/2029	3/15/2029	A2	355,000	348,015.430	2.708	2.469	4.369	.50%	350,342.78
744448DD0	Public Service Co of Colorado	4.150	3/13/2029	3/13/2029	A1	265,000	264,758.100	2.703	2.469	4.523	.38%	265,793.44
79466LAR5	Salesforce Inc	4.650	3/15/2029	3/15/2029	A2	780,000	779,816.840	2.708	2.452	4.668	1.12%	790,476.86
90331HPV9	US Bank NA/Cincinnati OH	4.535	5/20/2029	5/19/2028	A+	675,000	675,000.000	1.881	1.785	4.667	.96%	677,025.74
95000U3T8	Wells Fargo & Co	4.970	4/23/2029	4/24/2028	A1	485,000	485,147.730	1.814	1.712	4.682	.70%	491,919.46
976656CV8	Wisconsin Electric Power Co	3.950	3/1/2029	3/1/2029	A2	535,000	534,697.850	2.669	2.446	4.482	.76%	534,931.17
CORPORATES TOTALS							**20,663,806.100**					**20,827,848.14**
MORTGAGES												
3140NX3J0	Fannie Mae Pool	4.530	5/1/2030	5/25/2030	AA+	750,000	766,237.410	3.903	3.509	4.459	1.07%	755,312.84
3138LNRA1	Fannie Mae Pool	3.430	6/1/2028	6/25/2028	AA+	536,553	532,608.270	1.935	1.836	4.339	.75%	528,733.61
3140LLEB3	Fannie Mae Pool	4.390	7/1/2028	7/25/2028	AA+	550,000	547,360.040	2.052	1.925	4.462	.78%	550,766.01

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Security ID	Security Description	Coupon	Maturity Date	Eff. Mat. Date	Rating	Par Value	Amortized Cost (BV)	WAL	Duration	Yield to Worst	% of Market	Market Value
FIXED INCOME (Continued)												
MORTGAGES (Continued)												
31418CJT2	Fannie Mae Pool	3.000	4/1/2027	2/25/2027	AA+	11,902	11,899.390	.320	.312	4.263	.02%	11,861.39
MORTGAGES TOTALS							**1,858,105.110**					**1,846,673.85**
MUNICIPALS												
010268CP3	Alabama Federal Aid Highway Finance Authority	1.547	9/1/2027	9/1/2027	Aa2	30,000	28,780.180	1.169	1.138	4.120	.04%	29,281.60
120827FL9	Burbank-Glendale-Pasadena Airport Authority Brick Campaign	4.280	7/1/2029	7/2/2029	A1	370,000	368,926.780	3.003	2.785	4.532	.52%	369,435.60
13068XLL1	California State Public Works Board	4.879	4/1/2029	4/2/2029	Aa3	650,000	650,000.000	2.753	2.534	4.381	.94%	666,189.16
5445874Z8	Municipal Improvement Corp of Los Angeles	4.051	5/1/2029	5/1/2029	A+	420,000	420,000.000	2.836	2.637	4.710	.59%	415,543.35
68304RFL9	Ontario Public Financing Authority	4.631	3/1/2031	3/3/2031	AA-	155,000	155,000.000	4.669	4.171	4.503	.22%	155,993.95
735000TQ4	Port of Oakland	1.949	5/1/2028	5/1/2028	A+	486,391	463,166.490	1.836	1.772	4.467	.66%	466,598.11
797356NZ1	San Diego Unified School District/CA	3.965	7/1/2029	7/2/2029	Aa2	330,000	330,000.000	3.003	2.753	4.195	.47%	334,421.16
79768HJN9	San Francisco City & County Public Utilities Commission Wastewater Revenue	4.655	10/1/2027	10/1/2027	Aa2	550,000	550,000.000	1.169	1.150	4.296	.79%	558,614.23
91412HYX5	University of California	4.504	5/15/2031	5/15/2031	AA	695,000	695,000.000	4.875	4.336	4.467	.99%	697,855.15
MUNICIPALS TOTALS							**3,660,873.450**					**3,693,932.31**
US TREASURIES												
91282CMU2	United States Treasury Note/Bond	4.000	3/31/2030	4/1/2030	AA+	7,505,000	7,521,618.230	3.751	3.421	4.184	10.65%	7,532,674.35
91282CJR3	United States Treasury Note/Bond	3.750	12/31/2028	1/2/2029	AA+	7,475,000	7,434,977.240	2.500	2.371	4.172	10.47%	7,401,595.67
91282CHE4	United States Treasury Note/Bond	3.625	5/31/2028	5/31/2028	AA+	3,445,000	3,432,556.290	1.918	1.830	4.163	4.84%	3,421,665.65
91282CEV9	United States Treasury Note/Bond	3.250	6/30/2029	7/2/2029	AA+	7,675,000	7,496,953.470	3.000	2.830	4.169	10.58%	7,478,706.16
91282CAE1	United States Treasury Note/Bond	.625	8/15/2030	8/15/2030	AA+	1,380,000	1,208,496.690	4.127	3.986	4.194	1.69%	1,198,341.89
9128284V9	United States Treasury Note/Bond	2.875	8/15/2028	8/15/2028	AA+	1,075,000	1,047,552.680	2.127	2.016	4.164	1.50%	1,058,644.40
91282CQK0	United States Treasury Note/Bond	3.875	4/30/2031	4/30/2031	AA+	3,810,000	3,761,376.950	4.834	4.338	4.206	5.35%	3,780,104.96
US TREASURIES TOTALS							**31,903,531.550**					**31,871,733.08**
FIXED INCOME TOTALS							***70,190,158.250***					***70,309,062.85***
PORTFOLIO TOTALS							***70,597,255.260***					***70,716,159.86***

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Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security			Identifier	Original Principal Cost / Purchased Accrued	Principal Market Value / Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio / Notional Value
Cash									
	CASH OR STIF			USD	260,857.40	260,857.40	0.00	1.000	0.37%
	Collateral Cash			USDC	24,000.00	24,000.00	0.00	1.000	0.03%
Total for Cash					**284,857.40**	**284,857.40**	**0.00**		**0.40%**
Cleared Derivatives									
18.000	SEP26 US 5YR NOTE (CBT) FUTURE			FVU6				107.047	0.00%
	Tr Date: 5/21/26	St Date: 5/21/26							1,926,843.75
9.000	SEP26 US 2YR NOTE (CBT) FUTURE			TUU6				103.066	0.00%
	Tr Date: 5/22/26	St Date: 5/22/26							1,855,195.31
Total for Cleared Derivatives									**0.00%**
									3,782,039.06
Treasuries									
710,000.000	U.S. TREASURY NOTE			91282CGH8	706,623.44	702,719.72	(3,903.71)	98.975	1.01%
	Mat: 1/31/28	Cpn: 3.50%			65.26	10,365.61			
	Moody's: Aa1	S&P: AA+u	Fitch: AA+						
	Tr Date: 1/30/23	St Date: 1/31/23							
680,000.000	U.S. TREASURY NOTE			91282CQH7	680,053.13	676,706.25	(3,346.88)	99.516	0.96%
	Mat: 3/31/28	Cpn: 3.88%			2,231.83	6,623.50			
	Moody's: Aa1	S&P: AA+u	Fitch: AA+						
	Tr Date: 4/30/26	St Date: 5/1/26							
1,415,000.000	U.S. TREASURY NOTE			91282CQL8	1,408,754.10	1,404,912.59	(3,841.51)	99.287	2.00%
	Mat: 4/30/28	Cpn: 3.75%			2,018.68	8,939.88			
	Moody's: Aa1	S&P: AA+u	Fitch: AA+						
	Tr Date: 5/13/26	St Date: 5/14/26							
265,000.000	U.S. TREASURY NOTE			91282CJR3	263,954.49	262,401.76	(1,552.73)	99.020	0.37%
	Mat: 12/31/28	Cpn: 3.75%			54.60	27.00			
	Moody's: Aa1	S&P: AA+u	Fitch: AA+						
	Tr Date: 12/29/23	St Date: 1/2/24							
2,185,000.000	U.S. TREASURY NOTE			91282CJW2	2,179,369.22	2,176,038.09	(3,331.13)	99.590	3.12%
	Mat: 1/31/29	Cpn: 4.00%			3,248.35	36,456.91			
	Moody's: Aa1	S&P: AA+u	Fitch: AA+						
	Tr Date: 1/31/24	St Date: 2/1/24							
2,765,000.000	U.S. TREASURY NOTE			91282CKD2	2,768,480.71	2,771,048.44	2,567.73	100.219	3.97%
	Mat: 2/28/29	Cpn: 4.25%			6,367.49	39,277.28			
	Moody's: Aa1	S&P: AA+u	Fitch: AA+						
	Tr Date: 2/29/24	St Date: 3/1/24							

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security	Identifier	Original Principal Cost / Purchased Accrued	Principal Market Value / Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio Notional Value
25,000.000	U.S. TREASURY NOTE Mat: 3/31/29 Cpn: 4.13% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 4/25/24 St Date: 4/26/24	91282CKG5	24,342.77 73.26	24,975.59 259.22	632.81	99.902	0.04%
565,000.000	U.S. TREASURY NOTE Mat: 5/15/29 Cpn: 3.88% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 5/29/26 St Date: 6/1/26	91282CQR5	562,373.63 1,011.40	560,740.43 2,796.21	(1,633.20)	99.246	0.80%
1,205,000.000	U.S. TREASURY NOTE Mat: 7/31/29 Cpn: 4.00% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 8/30/24 St Date: 9/3/24	91282CLC3	1,221,286.33 4,453.26	1,199,539.84 20,105.52	(21,746.48)	99.547	1.72%
820,000.000	U.S. TREASURY NOTE Mat: 9/30/29 Cpn: 3.50% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 9/30/24 St Date: 10/1/24	91282CLN9	817,117.18 78.85	803,503.90 7,214.21	(13,613.28)	97.988	1.14%
1,525,000.000	U.S. TREASURY NOTE Mat: 10/31/29 Cpn: 4.13% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 10/31/24 St Date: 11/1/24	91282CLR0	1,523,689.45 173.77	1,522,795.90 10,598.34	(893.55)	99.856	2.16%
945,000.000	U.S. TREASURY NOTE Mat: 2/28/30 Cpn: 4.00% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 2/28/25 St Date: 3/3/25	91282CGQ8	944,261.72 308.15	939,425.97 12,634.24	(4,835.74)	99.410	1.34%
1,240,000.000	U.S. TREASURY NOTE Mat: 3/31/30 Cpn: 4.00% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 3/31/25 St Date: 4/1/25	91282CMU2	1,242,325.00 135.52	1,232,201.57 12,467.76	(10,123.43)	99.371	1.76%
825,000.000	U.S. TREASURY NOTE Mat: 4/30/30 Cpn: 3.88% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 4/30/25 St Date: 5/1/25	91282CMZ1	830,478.52 86.87	816,137.69 5,386.04	(14,340.83)	98.926	1.16%
650,000.000	U.S. TREASURY NOTE Mat: 5/31/30 Cpn: 4.00% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 5/30/25 St Date: 6/2/25	91282CNG2	651,167.97 142.08	645,658.20 2,202.19	(5,509.77)	99.332	0.91%
775,000.000	U.S. TREASURY NOTE Mat: 6/30/30 Cpn: 3.88% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 6/30/25 St Date: 7/1/25	91282CNK3	779,776.57 4,900.08	766,099.61 81.61	(13,676.95)	98.852	1.08%

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio Notional Value
2,360,000.000	U.S. TREASURY NOTE Mat: 7/31/30 Cpn: 3.88% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 7/31/25 St Date: 8/1/25	91282CNN7	2,368,270.31 5,033.29	2,332,343.75 38,146.27	(35,926.56)	98.828	3.35%
1,215,000.000	U.S. TREASURY NOTE Mat: 9/30/30 Cpn: 3.63% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 9/30/25 St Date: 10/1/25	91282CPA3	1,209,811.05 1,809.01	1,188,279.49 11,071.11	(21,531.56)	97.801	1.69%
675,000.000	U.S. TREASURY NOTE Mat: 10/31/30 Cpn: 3.63% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 11/14/25 St Date: 11/17/25	91282CPD7	672,363.28 1,149.08	659,759.77 4,122.45	(12,603.51)	97.742	0.94%
1,355,000.000	U.S. TREASURY NOTE Mat: 11/30/30 Cpn: 3.50% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 11/28/25 St Date: 12/1/25	91282CPN5	1,349,018.95 130.29	1,317,102.34 4,016.87	(31,916.61)	97.203	1.86%
755,000.000	U.S. TREASURY NOTE Mat: 12/31/30 Cpn: 3.63% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 12/31/25 St Date: 1/2/26	91282CPR6	752,699.61 151.21	737,304.69 74.37	(15,394.92)	97.656	1.04%
2,360,000.000	U.S. TREASURY NOTE Mat: 1/31/31 Cpn: 3.75% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 1/30/26 St Date: 2/2/26	91282CPW5	2,355,223.95 488.95	2,315,750.00 36,915.75	(39,473.95)	98.125	3.32%
3,610,000.000	U.S. TREASURY NOTE Mat: 2/28/31 Cpn: 3.50% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 2/27/26 St Date: 3/2/26	91282CQD6	3,608,307.81 686.68	3,504,238.30 42,231.11	(104,069.51)	97.070	5.01%
680,000.000	U.S. TREASURY NOTE Mat: 3/31/31 Cpn: 3.88% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 3/31/26 St Date: 4/1/26	91282CQG9	678,326.91 72.00	670,464.06 6,623.50	(7,862.85)	98.598	0.96%
510,000.000	U.S. TREASURY NOTE Mat: 4/30/31 Cpn: 3.88% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 5/13/26 St Date: 5/14/26	91282CQK0	504,222.66 751.83	502,748.44 3,329.55	(1,474.22)	98.578	0.71%
300,000.000	U.S. TREASURY NOTE Mat: 6/30/31 Cpn: 4.13% Moody's: Aa1 S&P: AA+u Fitch: AA+u Tr Date: 6/30/26 St Date: 7/1/26	91282CQX2	299,179.69 33.63	298,957.03 33.63	(222.66)	99.652	0.42%

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security			Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio Notional Value
Total for Treasuries					**30,401,478.43** **35,655.41**	**30,031,853.44** **322,000.11**	**(369,625.00)**		**42.84%**
Government Related									
340,000.000	IBRD C 7/30/2026 1X			45906M5K3	340,000.00	339,948.71	(51.29)	99.985	0.50%
	Mat: 7/30/29	Cpn: 4.75%			4,351.53	14,849.03			
	Moody's: Aaa	S&P: AAA	Fitch:						
	Tr Date: 11/6/24	St Date: 11/7/24							
Total for Government Related					**340,000.00** **4,351.53**	**339,948.71** **14,849.03**	**(51.29)**		**0.50%**
Agencies									
200,000.000	TENNESSEE VALLEY AUTHORITY			880591FE7	199,186.00	197,493.45	(1,692.55)	98.747	0.28%
	Mat: 8/1/30	Cpn: 3.88%			0.00	3,229.17			
	Moody's: Aa1	S&P: AA+	Fitch: AA+						
	Tr Date: 8/5/25	St Date: 8/8/25							
Total for Agencies					**199,186.00** **0.00**	**197,493.45** **3,229.17**	**(1,692.55)**		**0.28%**
Taxable Muni									
260,000.000	MA ST SPL OBLG REV-SOCIAL TXB			576004HD0	260,000.00	258,744.39	(1,255.61)	99.517	0.37%
	Mat: 7/15/27	Cpn: 3.68%			0.00	4,411.91			
	Moody's: Aa1	S&P:	Fitch: AAA						
	Tr Date: 8/17/22	St Date: 8/30/22							
425,000.000	CA STATE PUBLIC WORKS BOARD TXB			13068XKD0	425,000.00	432,502.87	7,502.87	101.765	0.62%
	Mat: 11/1/27	Cpn: 5.63%			0.00	3,987.92			
	Moody's: Aa3	S&P: A+	Fitch: AA-						
	Tr Date: 10/26/23	St Date: 11/8/23							
560,000.000	CA RIVERSIDE CNTY POB REV TXB			76913CBC2	551,667.20	547,504.93	(4,162.27)	97.769	0.78%
	Mat: 2/15/28	Cpn: 3.07%			1,002.87	6,494.76			
	Moody's: Aa2	S&P: AA	Fitch:						
	Tr Date: 3/5/26	St Date: 3/6/26							
500,000.000	CA SANTA CLARA CNTY POB REV TXB			801624AX5	450,755.00	443,915.28	(6,839.72)	90.919	0.64%
	Mat: 8/1/28	Cpn: 0.00%			0.00	10,679.03			
	Moody's: Aa1	S&P: AAA	Fitch: WD						
	Tr Date: 12/1/25	St Date: 12/2/25							
425,000.000	IL STATE GO TXB			452153PU7	425,000.00	422,421.18	(2,578.82)	99.393	0.60%
	Mat: 4/1/29	Cpn: 4.47%			0.00	4,058.81			
	Moody's: A2	S&P: A-	Fitch: A-						
	Tr Date: 3/25/26	St Date: 4/14/26							

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security			Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio Notional Value
200,000.000	MA STATE SPL OBL REV TXB			576004HE8	199,204.00	196,978.55	(2,225.45)	98.489	0.28%
	Mat: 7/15/29	Cpn: 3.77%			1,319.15	3,475.86			
	Moody's: Aa1	S&P:	Fitch: AAA						
	Tr Date: 3/17/26	St Date: 3/18/26							
200,000.000	CT STATE GO/ULT TXB			20772KZL6	200,000.00	201,291.56	1,291.56	100.646	0.29%
	Mat: 3/15/30	Cpn: 4.59%			0.00	2,702.41			
	Moody's: Aa2	S&P: AA-	Fitch: AA						
	Tr Date: 4/23/25	St Date: 5/7/25							
800,000.000	FRESNO CNTRY CA PENSN OBLG			358266CH5	667,456.00	653,046.82	(14,409.18)	82.778	0.93%
	Mat: 8/15/30	Cpn: 0.00%			0.00	9,174.86			
	Moody's: Baa3	S&P: AA	Fitch: AA-						
	Tr Date: 3/10/26	St Date: 3/11/26							
300,000.000	SAN LUIS OBISPO CNTY CA TXB			798703BC7	245,562.00	242,235.18	(3,326.82)	83.017	0.35%
	Mat: 9/1/30	Cpn: 0.00%			0.00	6,816.48			
	Moody's: Baa3	S&P: AAA	Fitch: AA+						
	Tr Date: 11/24/25	St Date: 11/25/25							
Total for Taxable Muni					**3,424,644.20**	**3,398,640.76**	**(26,003.44)**		**4.87%**
					2,322.02	**51,802.03**			
Credit									
55,000.000	PRINCIPAL LIFE GLB FND II 144A			74256LEX3	54,978.55	55,184.80	206.25	100.336	0.08%
	Mat: 1/16/27	Cpn: 5.00%			0.00	1,260.42			
	Moody's: A1	S&P: A+	Fitch:						
	Tr Date: 1/8/24	St Date: 1/16/24							
330,000.000	VOLKSWAGEN GROUP 144A			928668CF7	329,637.00	331,683.00	2,046.00	100.510	0.47%
	Mat: 3/22/27	Cpn: 5.30%			0.00	4,809.75			
	Moody's: Baa1	S&P: BBB+	Fitch: A-						
	Tr Date: 3/14/24	St Date: 3/22/24							
315,000.000	ATHENE GLOBAL FUNDING 144A			04685A3T6	315,000.00	317,252.25	2,252.25	100.715	0.45%
	Mat: 3/25/27	Cpn: 5.52%			0.00	4,633.44			
	Moody's: A1	S&P: A+	Fitch: A+						
	Tr Date: 3/21/24	St Date: 3/26/24							
350,000.000	HYUNDAI CAPITAL AMERICA 144A			44891ADB0	349,415.50	352,709.00	3,293.50	100.774	0.50%
	Mat: 6/24/27	Cpn: 5.28%			0.00	358.99			
	Moody's: A3	S&P: A-	Fitch: A-						
	Tr Date: 6/18/24	St Date: 6/24/24							
100,000.000	PRINCIPAL LIFE GLB FND II 144A			74256LFA2	99,922.00	100,250.00	328.00	100.250	0.14%
	Mat: 8/19/27	Cpn: 4.60%			0.00	1,686.67			
	Moody's: A1	S&P: A+	Fitch:						
	Tr Date: 8/12/24	St Date: 8/19/24							

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security	Identifier	Original Principal Cost / Purchased Accrued	Principal Market Value / Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio / Notional Value
230,000.000	COREBRIDGE FINANCIAL 144A	00138CBB3	229,963.20	230,266.80	303.60	100.116	0.33%
	Mat: 8/20/27 Cpn: 4.65%		0.00	3,891.79			
	Moody's: A2 S&P: A+ Fitch:						
	Tr Date: 8/19/24 St Date: 8/22/24						
150,000.000	DAIMLER TRUCKS FIN 144A	233853AY6	149,494.50	151,104.00	1,609.50	100.736	0.22%
	Mat: 9/25/27 Cpn: 5.13%		0.00	2,050.00			
	Moody's: A3 S&P: A- Fitch:						
	Tr Date: 6/17/24 St Date: 6/25/24						
75,000.000	COREBRIDGE GLOB FUNDING	00138CBD9	75,000.00	75,344.25	344.25	100.459	0.11%
	Mat: 1/7/28 Cpn: 4.90%		0.00	1,776.25			
	Moody's: A2 S&P: A+ Fitch:						
	Tr Date: 1/6/25 St Date: 1/9/25						
55,000.000	PNC FINANCIAL	693475BV6	55,000.00	55,236.50	236.50	100.430	0.08%
	Mat: 1/21/28 Cpn: 5.30%		0.00	1,295.56			
	Moody's: A3 S&P: A- Fitch: A						
	Tr Date: 1/17/24 St Date: 1/22/24						
80,000.000	JPMORGAN CHASE	46647PEA0	80,000.00	80,256.80	256.80	100.321	0.12%
	Mat: 1/23/28 Cpn: 5.04%		0.00	1,769.60			
	Moody's: A1 S&P: A Fitch: AA-						
	Tr Date: 1/16/24 St Date: 1/23/24						
125,000.000	WELLS FARGO	95000U3R2	125,000.00	125,293.75	293.75	100.235	0.18%
	Mat: 1/24/28 Cpn: 4.90%		0.00	2,671.18			
	Moody's: A1 S&P: BBB+ Fitch: A+						
	Tr Date: 1/16/25 St Date: 1/24/25						
55,000.000	NEXTERA ENERGY CAP	65339KDG2	54,998.35	55,314.05	315.70	100.571	0.08%
	Mat: 2/4/28 Cpn: 4.85%		0.00	1,089.23			
	Moody's: Baa1 S&P: BBB+ Fitch: A-						
	Tr Date: 1/30/25 St Date: 2/4/25						
250,000.000	HUNTINGTON NATL BANK	44644MAK7	250,000.00	250,547.50	547.50	100.219	0.36%
	Mat: 4/12/28 Cpn: 4.87%		0.00	2,672.28			
	Moody's: A3 S&P: A- Fitch: A-						
	Tr Date: 2/19/25 St Date: 2/26/25						
135,000.000	MORGAN STANLEY	61747YFP5	135,000.00	136,174.50	1,174.50	100.870	0.19%
	Mat: 4/13/28 Cpn: 5.65%		0.00	1,653.21			
	Moody's: A1 S&P: A- Fitch: A+						
	Tr Date: 4/17/24 St Date: 4/19/24						
165,000.000	JPMORGAN CHASE	46647PEE2	165,000.00	166,409.10	1,409.10	100.854	0.24%
	Mat: 4/22/28 Cpn: 5.57%		0.00	1,761.83			
	Moody's: A1 S&P: A Fitch: AA-						
	Tr Date: 4/15/24 St Date: 4/22/24						

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security			Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio Notional Value
130,000.000	WELLS FARGO			95000U3L5	130,000.00	131,189.50	1,189.50	100.915	0.19%
	Mat: 4/22/28	Cpn: 5.71%			0.00	1,421.99			
	Moody's: A1	S&P: BBB+	Fitch: A+						
	Tr Date: 4/15/24	St Date: 4/22/24							
170,000.000	GOLDMAN SACHS			38141GC77	170,000.00	170,511.70	511.70	100.301	0.24%
	Mat: 4/23/28	Cpn: 4.94%			0.00	1,585.33			
	Moody's: A2	S&P: BBB+	Fitch: A						
	Tr Date: 4/15/25	St Date: 4/23/25							
135,000.000	LINCOLN FIN GLBL FUNDING 144A			53359KAB7	134,959.50	134,973.00	13.50	99.980	0.19%
	Mat: 5/28/28	Cpn: 4.63%			0.00	572.34			
	Moody's: A2	S&P: A+	Fitch: A+						
	Tr Date: 5/20/25	St Date: 5/28/25							
95,000.000	EQUITABLE AMERICA GLOBAL 144A			29446Q2A0	94,968.65	94,816.65	(152.00)	99.807	0.13%
	Mat: 6/9/28	Cpn: 4.65%			0.00	269.96			
	Moody's: A1	S&P: A+	Fitch:						
	Tr Date: 6/2/25	St Date: 6/9/25							
250,000.000	MORGAN STANLEY			61776NVE0	250,000.00	249,827.50	(172.50)	99.931	0.36%
	Mat: 7/6/28	Cpn: 4.47%			0.00	5,427.43			
	Moody's: Aa3	S&P: A+	Fitch: AA						
	Tr Date: 7/17/25	St Date: 7/21/25							
185,000.000	WESTERN-SOUTHERN GLOBAL 144A			95954A2B8	184,922.30	184,174.90	(747.40)	99.554	0.27%
	Mat: 7/16/28	Cpn: 4.50%			0.00	3,815.63			
	Moody's: Aa3	S&P: AA-	Fitch: AA						
	Tr Date: 7/9/25	St Date: 7/16/25							
275,000.000	PACIFIC LIFE GF II 144A			6944PL2U2	274,727.75	279,928.00	5,200.25	101.792	0.40%
	Mat: 7/18/28	Cpn: 5.50%			0.00	6,848.26			
	Moody's: Aa3	S&P: AA-	Fitch: AA-						
	Tr Date: 7/11/23	St Date: 7/18/23							
165,000.000	JPMORGAN CHASE			46647PEL6	165,000.00	165,737.55	737.55	100.447	0.24%
	Mat: 7/22/28	Cpn: 4.98%			0.00	3,628.45			
	Moody's: A1	S&P: A	Fitch: AA-						
	Tr Date: 7/15/24	St Date: 7/22/24							
250,000.000	TRUIST BANK			89788JAF6	250,000.00	249,800.00	(200.00)	99.920	0.36%
	Mat: 7/24/28	Cpn: 4.42%			0.00	4,819.03			
	Moody's: A3	S&P: A	Fitch: A						
	Tr Date: 7/21/25	St Date: 7/24/25							
245,000.000	MERCEDES-BENZ 144A			58769JAL1	244,710.90	247,092.30	2,381.40	100.854	0.36%
	Mat: 8/3/28	Cpn: 5.10%			0.00	5,136.83			
	Moody's: A2	S&P: A	Fitch: WD						
	Tr Date: 7/31/23	St Date: 8/3/23							

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security	Identifier	Original Principal Cost / Purchased Accrued	Principal Market Value / Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio / Notional Value
275,000.000	BMW US CAPITAL 144A Mat: 8/11/28 Cpn: 5.05% Moody's: A2 S&P: A Fitch: Tr Date: 8/8/23 St Date: 8/11/23	05565ECE3	274,914.75 0.00	277,156.00 5,400.69	2,241.25	100.784	0.40%
145,000.000	PRINCIPAL LFE GLB FND II 144A Mat: 8/18/28 Cpn: 4.25% Moody's: A1 S&P: A+ Fitch: Tr Date: 8/11/25 St Date: 8/18/25	7425APAD7	144,923.15 0.00	143,758.80 2,276.70	(1,164.35)	99.144	0.21%
285,000.000	VOLKSWAGEN GROUP 144A Mat: 9/12/28 Cpn: 5.65% Moody's: Baa1 S&P: BBB+ Fitch: A- Tr Date: 9/5/23 St Date: 9/12/23	928668BW1	284,658.00 0.00	289,263.60 4,875.48	4,605.60	101.496	0.42%
205,000.000	GEORGIA POWER Mat: 10/1/28 Cpn: 4.00% Moody's: A3 S&P: A Fitch: A Tr Date: 9/24/25 St Date: 9/29/25	373334LC3	204,895.45 0.00	202,974.60 2,050.00	(1,920.85)	99.012	0.29%
60,000.000	AMERICAN HONDA FINANCE Mat: 1/8/29 Cpn: 4.15% Moody's: A3 S&P: BBB+ Fitch: A- Tr Date: 1/6/26 St Date: 1/8/26	02665WGR6	59,995.20 0.00	59,277.60 1,196.58	(717.60)	98.796	0.09%
250,000.000	MORGAN STANLEY Mat: 1/12/29 Cpn: 5.02% Moody's: Aa3 S&P: A+ Fitch: AA Tr Date: 1/16/25 St Date: 1/21/25	61690DK72	250,000.00 0.00	251,607.50 5,886.83	1,607.50	100.643	0.36%
200,000.000	JERSEY CEMTRAL PWR & LIT Mat: 1/15/29 Cpn: 4.15% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 9/2/25 St Date: 9/4/25	476556DK8	199,828.00 0.00	197,628.00 3,827.22	(2,200.00)	98.814	0.28%
105,000.000	M&T BANK CORP Mat: 1/16/29 Cpn: 4.83% Moody's: Baa1 S&P: BBB+ Fitch: A Tr Date: 12/10/24 St Date: 12/17/24	55261FAU8	105,000.00 0.00	105,268.80 2,325.88	268.80	100.256	0.15%
120,000.000	JPMORGAN CHASE Mat: 1/24/29 Cpn: 4.92% Moody's: A1 S&P: A Fitch: AA- Tr Date: 1/16/25 St Date: 1/24/25	46647PEU6	120,000.00 0.00	120,603.60 2,572.18	603.60	100.503	0.17%
175,000.000	PRINCIPAL LIFE GLB FND II 144A Mat: 1/25/29 Cpn: 5.10% Moody's: A1 S&P: A+ Fitch: Tr Date: 1/18/24 St Date: 1/25/24	74256LEY1	174,695.50 0.00	176,709.75 3,867.50	2,014.25	100.977	0.25%

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security	Identifier	Original Principal Cost / Purchased Accrued	Principal Market Value / Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio Notional Value
235,000.000	ALPHABET Mat: 2/15/29 Cpn: 3.70% Moody's: Aa2 S&P: AA+ Fitch: Tr Date: 2/9/26 St Date: 2/13/26	02079KBJ5	234,146.95 0.00	231,254.10 3,333.08	(2,892.85)	98.406	0.33%
255,000.000	WISCONSIN ELECTRIC POWER Mat: 3/1/29 Cpn: 3.95% Moody's: A2 S&P: A- Fitch: A+ Tr Date: 12/2/25 St Date: 12/5/25	976656CV8	254,966.85 0.00	251,697.75 3,357.50	(3,269.10)	98.705	0.36%
200,000.000	EATON Mat: 3/6/29 Cpn: 3.95% Moody's: A3 S&P: A- Fitch: Tr Date: 3/4/26 St Date: 3/6/26	278058DW9	199,832.00 0.00	197,188.00 2,523.61	(2,644.00)	98.594	0.28%
150,000.000	MERCEDES-BENZ FIN 144A Mat: 3/10/29 Cpn: 4.13% Moody's: A2 S&P: A Fitch: Tr Date: 3/5/26 St Date: 3/10/26	58769JBP1	149,937.00 0.00	148,234.50 1,907.81	(1,702.50)	98.823	0.21%
80,000.000	BAKER HUGHES LLC/CO-OBL Mat: 3/11/29 Cpn: 4.05% Moody's: A3 S&P: A Fitch: Tr Date: 3/5/26 St Date: 3/11/26	05724BAL3	79,966.40 0.00	78,886.40 990.00	(1,080.00)	98.608	0.11%
345,000.000	AMAZON.COM Mat: 3/13/29 Cpn: 4.00% Moody's: A1 S&P: AA Fitch: AA- Tr Date: 3/10/26 St Date: 3/13/26	023135DC7	344,962.05 0.00	341,339.55 4,140.00	(3,622.50)	98.939	0.49%
335,000.000	AMERICAN HONDA FINANCE Mat: 3/13/29 Cpn: 4.90% Moody's: A3 S&P: BBB+ Fitch: A- Tr Date: 3/11/24 St Date: 3/13/24	02665WFE6	334,852.60 0.00	336,889.40 4,924.50	2,036.80	100.564	0.48%
350,000.000	SALESFORCE Mat: 3/15/29 Cpn: 4.65% Moody's: A2 S&P: A+ Fitch: Tr Date: 3/11/26 St Date: 3/13/26	79466LAR5	349,923.00 0.00	349,898.50 4,882.50	(24.50)	99.971	0.50%
175,000.000	HONEYWELL AEROSPACE 144A Mat: 3/16/29 Cpn: 4.00% Moody's: A3 S&P: BBB+ Fitch: A- Tr Date: 3/10/26 St Date: 3/16/26	43849RAC9	174,706.00 0.00	172,705.75 2,041.67	(2,000.25)	98.689	0.25%
330,000.000	SANTANDER HOLDING Mat: 3/20/29 Cpn: 5.47% Moody's: Baa2 S&P: BBB+ Fitch: A- Tr Date: 3/17/25 St Date: 3/20/25	80282KBN5	330,000.00 0.00	333,276.90 5,067.09	3,276.90	100.993	0.48%

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security	Identifier	Original Principal Cost / Purchased Accrued	Principal Market Value / Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio Notional Value
250,000.000	DEPOSITORY TRUST 144A Mat: 3/27/29 Cpn: 4.30% Moody's: Aa1 S&P: AA+ Fitch: Tr Date: 3/23/26 St Date: 3/27/26	249672AC0	249,707.50 0.00	248,727.50 2,806.94	(980.00)	99.491	0.35%
170,000.000	MORGAN STANLEY Mat: 4/12/29 Cpn: 4.99% Moody's: A1 S&P: A- Fitch: A+ Tr Date: 4/14/25 St Date: 4/17/25	61747YFY6	170,000.00 0.00	170,946.90 1,863.04	946.90	100.557	0.24%
255,000.000	WELLS FARGO Mat: 4/23/29 Cpn: 4.97% Moody's: A1 S&P: BBB+ Fitch: A+ Tr Date: 4/15/25 St Date: 4/23/25	95000U3T8	255,000.00 0.00	256,292.85 2,393.88	1,292.85	100.507	0.37%
200,000.000	AMERICAN EXPRESS Mat: 4/25/29 Cpn: 4.73% Moody's: A2 S&P: A- Fitch: A Tr Date: 4/21/25 St Date: 4/25/25	025816ED7	200,000.00 0.00	200,562.00 1,734.70	562.00	100.281	0.29%
330,000.000	BANK OF AMERICA Mat: 5/9/29 Cpn: 4.62% Moody's: A1 S&P: A- Fitch: AA- Tr Date: 5/6/25 St Date: 5/9/25	06051GMT3	330,000.00 0.00	329,920.80 2,203.63	(79.20)	99.976	0.47%
125,000.000	ELI LILLY & CO Mat: 5/20/29 Cpn: 4.15% Moody's: Aa3 S&P: AA- Fitch: Tr Date: 5/6/26 St Date: 5/20/26	532457DK1	124,926.25 0.00	124,396.25 590.80	(530.00)	99.517	0.18%
300,000.000	HYUNDAI CAPITAL AMERICA 144A Mat: 6/24/29 Cpn: 5.30% Moody's: A3 S&P: A- Fitch: A- Tr Date: 6/18/24 St Date: 6/24/24	44891ADC8	299,478.00 0.00	303,615.00 309.17	4,137.00	101.205	0.43%
265,000.000	AMERICAN EXPRESS Mat: 7/20/29 Cpn: 4.35% Moody's: A2 S&P: A- Fitch: A Tr Date: 7/21/25 St Date: 7/25/25	025816EJ4	265,000.00 0.00	263,659.10 5,156.54	(1,340.90)	99.494	0.38%
250,000.000	CITIBANK Mat: 8/6/29 Cpn: 4.84% Moody's: Aa3 S&P: A+ Fitch: AA- Tr Date: 7/30/24 St Date: 8/6/24	17325FBK3	250,000.00 0.00	252,080.00 4,871.60	2,080.00	100.832	0.36%
325,000.000	WELLS FARGO Mat: 9/15/29 Cpn: 4.08% Moody's: A1 S&P: BBB+ Fitch: A+ Tr Date: 9/8/25 St Date: 9/15/25	95000U4A8	325,000.00 0.00	320,518.25 3,902.42	(4,481.75)	98.621	0.46%

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security	Identifier	Original Principal Cost / Purchased Accrued	Principal Market Value / Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio Notional Value
135,000.000	MORGAN STANLEY Mat: 10/18/29 Cpn: 4.13% Moody's: A1 S&P: A- Fitch: A+ Tr Date: 10/17/25 St Date: 10/22/25	61748UAK8	135,000.00 0.00	133,162.65 1,131.41	(1,837.35)	98.639	0.19%
680,000.000	GOLDMAN SACHS GROUP Mat: 10/21/29 Cpn: 4.15% Moody's: A2 S&P: BBB+ Fitch: A Tr Date: 10/14/25 St Date: 10/21/25	38141GD27	680,000.00 0.00	670,500.40 5,491.19	(9,499.60)	98.603	0.95%
250,000.000	TRUIST BANK Mat: 10/23/29 Cpn: 4.14% Moody's: A3 S&P: A Fitch: A Tr Date: 10/20/25 St Date: 10/23/25	89788JAH2	250,000.00 0.00	247,097.50 1,953.11	(2,902.50)	98.839	0.35%
180,000.000	PRINCIPAL LIFE GLB FND II 144A Mat: 11/27/29 Cpn: 4.95% Moody's: A1 S&P: A+ Fitch: Tr Date: 11/20/24 St Date: 11/27/24	74256LFB0	179,992.80 0.00	180,642.60 841.50	649.80	100.357	0.26%
335,000.000	PROTECTIVE LIFE GLOBAL Mat: 12/9/29 Cpn: 4.77% Moody's: Aa3 S&P: AA- Fitch: AA- Tr Date: 12/2/24 St Date: 12/9/24	74368CCA0	335,000.00 0.00	333,884.45 976.93	(1,115.55)	99.667	0.47%
140,000.000	OHIO EDISON 144A Mat: 12/15/29 Cpn: 4.95% Moody's: A3 S&P: A- Fitch: A- Tr Date: 5/21/25 St Date: 5/23/25	677347CJ3	139,983.20 0.00	141,009.40 308.00	1,026.20	100.721	0.20%
150,000.000	DAIMLER TRUCK FIN 144A Mat: 1/13/30 Cpn: 5.25% Moody's: A3 S&P: A- Fitch: Tr Date: 1/7/25 St Date: 1/13/25	233853BD1	149,758.50 0.00	151,947.00 3,675.00	2,188.50	101.298	0.22%
65,000.000	LINCOLN FIN GLBL FUNDING 144A Mat: 1/13/30 Cpn: 5.30% Moody's: A2 S&P: A+ Fitch: A+ Tr Date: 1/6/25 St Date: 1/13/25	53359KAA9	64,968.80 0.00	65,754.65 1,607.67	785.85	101.161	0.10%
105,000.000	WELLS FARGO Mat: 1/23/30 Cpn: 4.18% Moody's: A1 S&P: BBB+ Fitch: A+ Tr Date: 1/15/26 St Date: 1/23/26	95000U4D2	105,000.00 0.00	103,640.25 1,927.21	(1,359.75)	98.705	0.15%
310,000.000	PACIFIC LIFE 144A Mat: 2/10/30 Cpn: 4.85% Moody's: Aa3 S&P: AA- Fitch: AA- Tr Date: 2/5/25 St Date: 2/10/25	6944PL3F4	309,891.50 0.00	310,908.30 5,888.71	1,016.80	100.293	0.45%

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security	Identifier	Original Principal Cost / Purchased Accrued	Principal Market Value / Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio / Notional Value
170,000.000	EQUITABLE FINANCIAL 144A	29449WAT4	169,651.50	170,622.20	970.70	100.366	0.24%
	Mat: 3/27/30 Cpn: 5.00%		0.00	2,219.44			
	Moody's: A1 S&P: A+ Fitch:						
	Tr Date: 3/24/25 St Date: 3/27/25						
250,000.000	MANUFACTURERS & TRADERS TRUST	564760CD6	250,000.00	248,337.50	(1,662.50)	99.335	0.35%
	Mat: 4/18/30 Cpn: 4.55%		0.00	2,242.42			
	Moody's: A3 S&P: A- Fitch: A						
	Tr Date: 4/16/26 St Date: 4/20/26						
335,000.000	BANK OF AMERICA	06051GMY2	335,000.00	332,933.05	(2,066.95)	99.383	0.47%
	Mat: 4/23/30 Cpn: 4.48%		0.00	2,832.95			
	Moody's: A1 S&P: A- Fitch: AA-						
	Tr Date: 4/16/26 St Date: 4/23/26						
275,000.000	AMERICAN EXPRESS	025816ET2	275,000.00	273,355.50	(1,644.50)	99.402	0.39%
	Mat: 5/3/30 Cpn: 4.44%		0.00	1,934.99			
	Moody's: A2 S&P: A- Fitch: A						
	Tr Date: 4/27/26 St Date: 5/4/26						
360,000.000	CHARLES SCHWAB	808513CQ6	360,000.00	360,838.80	838.80	100.233	0.51%
	Mat: 5/21/30 Cpn: 4.74%		0.00	1,897.60			
	Moody's: A2 S&P: A- Fitch: A						
	Tr Date: 5/18/26 St Date: 5/21/26						
330,000.000	PRICOA GLOBAL 144A	74153WCW7	329,765.70	329,719.50	(46.20)	99.915	0.47%
	Mat: 5/28/30 Cpn: 4.70%		0.00	1,421.75			
	Moody's: Aa3 S&P: AA- Fitch: AA-						
	Tr Date: 5/20/25 St Date: 5/28/25						
325,000.000	COREBRIDGE 144A	00138CBF4	324,600.25	324,795.25	195.00	99.937	0.46%
	Mat: 6/6/30 Cpn: 4.85%		0.00	1,094.62			
	Moody's: A2 S&P: A+ Fitch:						
	Tr Date: 6/3/25 St Date: 6/6/25						
280,000.000	PFIZER	717081FD0	279,778.80	276,374.00	(3,404.80)	98.705	0.39%
	Mat: 11/15/30 Cpn: 4.20%		0.00	1,502.67			
	Moody's: A2 S&P: A Fitch:						
	Tr Date: 11/18/25 St Date: 11/21/25						
335,000.000	AMAZON.COM	023135CT1	334,641.55	329,368.65	(5,272.90)	98.319	0.47%
	Mat: 11/20/30 Cpn: 4.10%		0.00	1,564.26			
	Moody's: A1 S&P: AA Fitch: AA-						
	Tr Date: 11/17/25 St Date: 11/20/25						
340,000.000	AVALONBAY COMMUNITIES	053484AH4	339,850.40	336,266.80	(3,583.60)	98.902	0.48%
	Mat: 12/1/30 Cpn: 4.35%		0.00	1,232.50			
	Moody's: A3 S&P: A- Fitch:						
	Tr Date: 11/19/25 St Date: 12/1/25						

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security			Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio Notional Value
100,000.000	AIRBNB			009066AD3	99,894.00	99,351.00	(543.00)	99.351	0.14%
	Mat: 3/16/31	Cpn: 4.65%			0.00	1,356.25			
	Moody's: Baa1	S&P: A-	Fitch:						
	Tr Date: 3/12/26	St Date: 3/16/26							
345,000.000	PROGRESSIVE			743315BC6	344,955.15	343,913.25	(1,041.90)	99.685	0.49%
	Mat: 3/26/31	Cpn: 4.60%			0.00	4,187.92			
	Moody's: A2	S&P: A	Fitch: A						
	Tr Date: 3/23/26	St Date: 3/26/26							
355,000.000	NSTAR ELECTRIC			67021CAY3	354,811.85	354,783.45	(28.40)	99.939	0.50%
	Mat: 5/15/31	Cpn: 4.65%			0.00	2,201.00			
	Moody's: A2	S&P: A-	Fitch: A						
	Tr Date: 5/11/26	St Date: 5/13/26							
375,000.000	NVIDIA			67066GAR5	374,287.50	373,815.00	(472.50)	99.684	0.53%
	Mat: 6/15/31	Cpn: 4.50%			0.00	609.38			
	Moody's: Aa1	S&P: AA	Fitch:						
	Tr Date: 6/15/26	St Date: 6/18/26							
Total for Credit					**17,630,844.35**	**17,620,436.30**	**(10,408.05)**		**25.16%**
					0.00	**210,283.46**			
Mortgage-Backed									
493,570.080	FNGT 2017-T1 A SFR			3136AV6R5	464,187.24	486,537.20	22,349.96	98.575	0.69%
	Mat: 6/25/27	Cpn: 2.90%			754.92	1,191.97			
	Moody's: Aa1	S&P: AA+u	Fitch: AA+						
	Tr Date: 2/14/24	St Date: 2/20/24							
403,338.181	FNA 2017-M14 A2 CMBS			3136AY2H5	373,591.99	394,852.75	21,260.76	97.896	0.56%
	Mat: 11/25/27	Cpn: 2.91%			352.78	976.85			
	Moody's: Aa1	S&P: AA+u	Fitch: AA+						
	Tr Date: 7/7/23	St Date: 7/12/23							
500,000.000	FHMS K505 A2 CMBS			3137HACX2	504,994.00	502,367.50	(2,626.50)	100.474	0.71%
	Mat: 6/25/28	Cpn: 4.82%			1,271.68	2,007.92			
	Moody's: Aa1	S&P: AA+u	Fitch: AA+						
	Tr Date: 7/13/23	St Date: 7/20/23							
400,000.000	FHMS K509 A2			3137HAST4	387,246.80	402,352.40	15,105.60	100.588	0.57%
	Mat: 9/25/28	Cpn: 4.85%			1,616.67	1,616.67			
	Moody's: Aa1	S&P: AA+u	Fitch: AA+						
	Tr Date: 10/25/23	St Date: 10/31/23							
600,000.000	FHMS K085 A2 CMBS			3137FK4M5	602,765.63	594,351.60	(8,414.03)	99.059	0.84%
	Mat: 10/25/28	Cpn: 4.06%			203.00	2,030.00			
	Moody's: Aaa	S&P: AA+u	Fitch: AA+						
	Tr Date: 1/30/26	St Date: 2/4/26							

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security			Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio Notional Value
600,000.000	FHMS K086 A2			3137FKSH0	599,742.19	591,610.20	(8,131.99)	98.602	0.84%
	Mat: 11/25/28	Cpn: 3.86%			192.95	1,929.50			
	Moody's: Aaa	S&P: AA+u	Fitch: AA+						
	Tr Date: 1/30/26	St Date: 2/4/26							
550,000.000	FHMS K092 A2			3137FNAE0	532,640.63	525,480.45	(7,160.18)	95.542	0.74%
	Mat: 6/25/29	Cpn: 2.79%			510.58	1,276.46			
	Moody's: Aa1	S&P: AA+u	Fitch: AAA						
	Tr Date: 3/10/26	St Date: 3/13/26							
400,000.000	FHS 459 GA CMO			3133Q4C56	399,656.25	398,840.00	(816.25)	99.710	0.57%
	Mat: 7/25/29	Cpn: 4.50%			1,450.00	1,500.00			
	Moody's: Aa1	S&P: AA+u	Fitch: AA+						
	Tr Date: 5/28/26	St Date: 6/30/26							
637,463.114	FHR 5607 GJ			3137HNZL5	632,084.52	622,864.57	(9,219.95)	97.710	0.88%
	Mat: 5/15/30	Cpn: 4.00%			1,912.39	2,124.88			
	Moody's: Aa1	S&P: AA+u	Fitch: AA+						
	Tr Date: 11/17/25	St Date: 11/28/25							
869,709.300	FHR 5616 NG			3137HPM75	868,929.85	854,760.74	(14,169.12)	98.281	1.21%
	Mat: 1/15/31	Cpn: 4.25%			2,232.76	3,080.22			
	Moody's: Aa1	S&P: AA+u	Fitch: AA+						
	Tr Date: 1/29/26	St Date: 1/30/26							
752,269.900	FHR 5623 GB			3137HPZJ5	741,162.17	739,995.86	(1,166.31)	98.368	1.05%
	Mat: 2/15/31	Cpn: 4.25%			355.24	2,664.29			
	Moody's: Aa1	S&P: AA+u	Fitch: AA+						
	Tr Date: 6/2/26	St Date: 6/5/26							
Total for Mortgage-Backed					**6,107,001.27** **10,852.97**	**6,114,013.27** **20,398.75**	**7,012.00**		**8.66%**
Asset-Backed									
300,000.000	VWALT 2025-A A3 LEASE			92868WAD9	299,978.91	300,636.60	657.69	100.212	0.42%
	Mat: 6/20/28	Cpn: 4.50%			0.00	412.50			
	Moody's:	S&P: AAA	Fitch: AAA						
	Tr Date: 6/10/25	St Date: 6/17/25							
300,000.000	BMWLT 2025-1 A3 LEASE			096912AD2	299,993.40	300,464.10	470.70	100.155	0.42%
	Mat: 6/26/28	Cpn: 4.43%			0.00	221.50			
	Moody's:	S&P: AAA	Fitch: AAA						
	Tr Date: 6/3/25	St Date: 6/10/25							
600,000.000	GMALT 2025-3 A3 LEASE			379965AD8	599,908.80	599,495.40	(413.40)	99.916	0.85%
	Mat: 8/21/28	Cpn: 4.17%			0.00	764.50			
	Moody's:	S&P: AAA	Fitch: AAA						
	Tr Date: 8/5/25	St Date: 8/13/25							

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security	Identifier	Original Principal Cost / Purchased Accrued	Principal Market Value / Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio Notional Value
400,000.000	PILOT 2025-1A A3 LEASE 144A Mat: 10/20/28 Cpn: 4.61% Moody's: S&P: AAA Fitch: AAA Tr Date: 5/14/25 St Date: 5/21/25	73329KAD8	399,957.16 0.00	401,267.20 563.44	1,310.04	100.317	0.57%
479,530.177	CMXS 2024-A A3 CAR Mat: 11/15/28 Cpn: 5.40% Moody's: S&P: AAA Fitch: AAA Tr Date: 6/18/24 St Date: 6/26/24	14319FAD5	479,523.03 0.00	481,801.71 1,150.87	2,278.68	100.474	0.68%
600,000.000	HALST 2025-C A4 LEASE 144A Mat: 6/15/29 Cpn: 4.38% Moody's: S&P: AAA Fitch: AAA Tr Date: 7/23/25 St Date: 7/30/25	44935GAE2	599,989.80 0.00	599,313.60 1,168.00	(676.20)	99.886	0.85%
463,046.210	GMCAR 2024-4 A3 CAR Mat: 8/16/29 Cpn: 4.40% Moody's: Aaa S&P: AAA Fitch: Tr Date: 10/8/24 St Date: 10/16/24	38014AAD3	462,957.03 0.00	463,534.26 848.92	577.23	100.105	0.66%
400,000.000	MTLRF 2025-1A A3 EQP 144A Mat: 9/17/29 Cpn: 4.78% Moody's: Aaa S&P: AAA Fitch: Tr Date: 5/13/25 St Date: 5/21/25	55340QAC9	399,920.40 0.00	401,598.80 796.67	1,678.40	100.400	0.57%
497,981.567	CARMX 2024-4 A3 CAR Mat: 10/15/29 Cpn: 4.60% Moody's: Aaa S&P: AAA Fitch: Tr Date: 10/29/24 St Date: 11/5/24	14290DAC5	497,888.39 0.00	499,258.89 1,018.10	1,370.50	100.257	0.71%
200,000.000	GALC 2025-2 A3 EQP 144A Mat: 12/17/29 Cpn: 4.14% Moody's: S&P: AAA Fitch: AAA Tr Date: 11/4/25 St Date: 11/13/25	39154TCQ9	199,973.62 0.00	198,565.00 368.00	(1,408.62)	99.283	0.28%
700,000.000	HALST 2026-A A4 LEASE 144A Mat: 12/17/29 Cpn: 4.01% Moody's: S&P: AAA Fitch: AAA Tr Date: 1/12/26 St Date: 1/21/26	448970AE3	699,889.82 0.00	694,699.60 1,247.56	(5,190.22)	99.243	0.98%
500,000.000	NAROT 2025-A A3 CAR Mat: 12/17/29 Cpn: 4.49% Moody's: Aaa S&P: Fitch: AAA Tr Date: 5/20/25 St Date: 5/27/25	65481GAD7	499,904.00 0.00	501,386.50 997.78	1,482.50	100.277	0.71%
300,000.000	DLLMT 2026-1A A3 EQP 144A Mat: 12/20/29 Cpn: 4.20% Moody's: Aaa S&P: Fitch: AAA Tr Date: 1/21/26 St Date: 1/28/26	23347JAC6	299,959.35 0.00	298,085.10 385.00	(1,874.25)	99.362	0.42%

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio Notional Value
700,000.000	GFORT 2025-2A A1 FLOOR 144A Mat: 3/15/30 Cpn: 4.64% Moody's: Aaa S&P: Fitch: AAA Tr Date: 3/18/25 St Date: 3/26/25	361886EB6	699,831.72 0.00	702,704.10 1,443.56	2,872.38	100.386	0.99%
700,000.000	TAOT 2025-C A3 CAR Mat: 3/15/30 Cpn: 4.11% Moody's: Aaa S&P: AAA Fitch: Tr Date: 7/22/25 St Date: 7/30/25	89238VAD0	699,926.22 0.00	698,219.90 1,278.67	(1,706.32)	99.746	0.99%
600,000.000	FORDF 2025-1 A1 FLOOR Mat: 4/15/30 Cpn: 4.63% Moody's: Aaa S&P: Fitch: AAA Tr Date: 5/20/25 St Date: 5/28/25	34529BAA4	599,856.78 0.00	602,072.40 1,234.67	2,215.62	100.345	0.85%
300,000.000	GMCAR 2025-2 A3 CAR Mat: 4/16/30 Cpn: 4.28% Moody's: Aaa S&P: AAA Fitch: Tr Date: 5/6/25 St Date: 5/14/25	362549AD9	299,955.84 0.00	300,140.40 535.00	184.56	100.047	0.42%
600,000.000	TMUST 2025-2A A PHONE 144A Mat: 4/22/30 Cpn: 4.34% Moody's: Aaa S&P: Fitch: AAA Tr Date: 7/29/25 St Date: 8/6/25	87268MAA3	599,989.38 0.00	600,364.80 795.67	375.42	100.061	0.85%
700,000.000	TLOT 2026-A A4 LEASE 144A Mat: 6/20/30 Cpn: 3.87% Moody's: S&P: AAA Fitch: AAA Tr Date: 2/10/26 St Date: 2/17/26	89240MAE4	699,889.89 0.00	692,011.60 827.75	(7,878.29)	98.859	0.98%
600,000.000	CHAOT 2025-1A A3 CAR 144A Mat: 6/25/30 Cpn: 4.29% Moody's: Aaa S&P: Fitch: AAA Tr Date: 7/23/25 St Date: 7/30/25	16145NAC5	599,941.38 0.00	599,769.60 429.00	(171.78)	99.962	0.85%
400,000.000	CARMX 2025-3 A3 CAR Mat: 7/15/30 Cpn: 4.35% Moody's: S&P: AAA Fitch: AAA Tr Date: 7/15/25 St Date: 7/23/25	14290FAD8	399,917.80 0.00	400,235.60 773.33	317.80	100.059	0.57%
700,000.000	HAROT 2026-1 A3 CAR Mat: 9/23/30 Cpn: 3.78% Moody's: Aaa S&P: Fitch: AAA Tr Date: 2/10/26 St Date: 2/18/26	43815CAD0	699,888.49 0.00	692,225.80 735.00	(7,662.69)	98.889	0.98%
500,000.000	CRVNA 2026-P1 A3 CAR Mat: 2/10/31 Cpn: 4.26% Moody's: S&P: (P)AAA Fitch: AAA Tr Date: 3/10/26 St Date: 3/17/26	14689FAC9	499,893.15 0.00	496,800.50 1,242.50	(3,092.65)	99.360	0.70%

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio Notional Value
700,000.000	GFORT 2026-1A A1 FLOOR 144A Mat: 5/15/31 Cpn: 4.57% Moody's: Aaa S&P: AAA Fitch: Tr Date: 6/2/26 St Date: 6/10/26	361886EM2	699,918.73 0.00	701,024.10 1,866.08	1,105.37	100.146	0.99%
Total for Asset-Backed			**12,238,853.09** **0.00**	**12,225,675.56** **21,104.05**	**(13,177.53)**		**17.28%**
Grand Total			**70,626,864.75** **53,181.93**	**70,212,918.90** **643,666.61**	**(413,945.85)**		**100.00%** **3,782,039.06**

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security	Identifier	Original Principal Cost / Purchased Accrued	Principal Market Value / Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
Cash							
	CASH OR STIF	USD	4,887,356.47	4,887,356.47	0.00	1.000	0.47%
Total for Cash			**4,887,356.47**	**4,887,356.47**	**0.00**		**0.47%**
Money Markets							
3,000,000.000	CA UNIVERSITY OF CA CP TXB Mat: 7/15/26 Cpn: 0.00% Moody's: NR S&P: NR Fitch: NR Tr Date: 4/2/26 St Date: 4/2/26	91411UGF6	2,966,806.67 0.00	2,966,669.17 28,725.00	(137.50)	99.836	0.29%
7,000,000.000	AIR LIQUIDE CP 144A Mat: 8/4/26 Cpn: 0.00% Moody's: P-1 S&P: A-1 Fitch: NR Tr Date: 5/8/26 St Date: 5/11/26	00912UH45	6,937,855.56 0.00	6,938,059.72 37,286.66	204.16	99.637	0.67%
106,000,000.000	U.S. TREASURY BILL Mat: 8/4/26 Cpn: 0.00% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 4/9/26 St Date: 4/10/26	912797US4	104,773,644.78 0.00	104,772,717.28 866,906.28	(927.50)	99.650	10.21%
3,000,000.000	BANK OF NOVA SCOTIA FRN YCD SOFRRATE Mat: 8/7/26 Cpn: 3.95% Moody's: P-1 S&P: A-1 Fitch: F1+ Tr Date: 5/28/26 St Date: 5/29/26	06418NHZ8	3,000,816.06 7,140.00	3,000,000.00 18,015.00	(816.06)	100.000	0.29%
1,540,000.000	MITSUBISHI UFJ FIN YCD FRN SOFRRATE Mat: 8/11/26 Cpn: 4.02% Moody's: P-1 S&P: A-1 Fitch: F1 Tr Date: 5/19/26 St Date: 5/20/26	60683D6P9	1,540,691.01 1,529.31	1,540,000.00 8,727.52	(691.01)	100.000	0.15%
5,000,000.000	SANTA CLARA VALLEY WATER CPI Mat: 8/17/26 Cpn: 3.80% Moody's: NR S&P: A-1+ Fitch: NR Tr Date: 6/15/26 St Date: 6/15/26	80169NAA6	5,000,000.00 0.00	5,000,000.00 8,444.44	0.00	100.000	0.48%
6,900,000.000	TORONTO-DOMINION NY YCD Mat: 8/17/26 Cpn: 3.75% Moody's: P-1 S&P: A-1 Fitch: F1+ Tr Date: 2/19/26 St Date: 2/20/26	89115DV94	6,900,000.00 0.00	6,900,000.00 94,156.25	0.00	100.000	0.68%
3,000,000.000	TORONTO-DOMINION NY YCD FRN SOFRRATE Mat: 8/20/26 Cpn: 3.95% Moody's: P-1 S&P: A-1 Fitch: F1+ Tr Date: 5/28/26 St Date: 5/29/26	89115DTC0	3,000,728.70 2,891.67	3,000,000.00 13,762.50	(728.70)	100.000	0.29%

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
7,000,000.000	MUFG BANK LTD YCD Mat: 8/21/26 Cpn: 3.78% Moody's: P-1 S&P: A-1 Fitch: F1 Tr Date: 2/24/26 St Date: 2/25/26	55381BSP4	7,000,000.00 0.00	7,000,000.00 92,610.00	0.00	100.000	0.69%
4,800,000.000	TOYOTA MOTOR CREDIT CP Mat: 8/25/26 Cpn: 0.00% Moody's: P-1 S&P: A-1+ Fitch: F1 Tr Date: 2/18/26 St Date: 2/19/26	89233HHR8	4,706,250.67 0.00	4,706,161.07 66,176.00	(89.60)	99.413	0.46%
50,000,000.000	U.S. TREASURY BILL Mat: 9/1/26 Cpn: 0.00% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 5/4/26 St Date: 5/5/26	912797UW5	49,403,925.69 0.00	49,402,041.82 285,514.59	(1,883.87)	99.365	4.80%
3,500,000.000	BANCO SANTANDER YCD Mat: 9/2/26 Cpn: 3.87% Moody's: P-1 S&P: A-1 Fitch: F1 Tr Date: 3/5/26 St Date: 3/6/26	05973RKQ4	3,500,000.00 0.00	3,500,000.00 44,021.25	0.00	100.000	0.34%
40,000,000.000	U.S. TREASURY BILL Mat: 9/8/26 Cpn: 0.00% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 5/11/26 St Date: 5/12/26	912797VB0	39,522,585.22 0.00	39,518,355.66 200,594.44	(4,229.56)	99.287	3.84%
7,000,000.000	BANK OF NOVA SCOTIA YCD Mat: 9/9/26 Cpn: 3.90% Moody's: P-1 S&P: A-1 Fitch: F1+ Tr Date: 3/12/26 St Date: 3/13/26	06418NNU2	7,000,000.00 0.00	7,000,000.00 83,416.67	0.00	100.000	0.68%
5,000,000.000	CA STATE GO/ULT CP TXB Mat: 9/10/26 Cpn: 3.82% Moody's: NR S&P: A-1 Fitch: NR Tr Date: 6/16/26 St Date: 6/16/26	13068CKE4	5,000,000.00 0.00	4,999,984.40 7,849.32	(15.60)	100.000	0.48%
6,000,000.000	CA SAN JOSE FIN AUTH CP TXB Mat: 9/23/26 Cpn: 3.87% Moody's: NR S&P: NR Fitch: NR Tr Date: 6/25/26 St Date: 6/25/26	79816RAJ7	6,000,000.00 0.00	6,000,179.40 3,816.99	179.40	100.003	0.58%
9,500,000.000	NORDEA BANK ABP NY YCD Mat: 11/9/26 Cpn: 3.87% Moody's: P-1 S&P: A-1+ Fitch: F1+ Tr Date: 5/7/26 St Date: 5/8/26	65558WWE4	9,500,000.00 1,021.25	9,497,848.66 56,168.75	(2,151.34)	99.977	0.92%
6,000,000.000	SUMITOMO MITSUI TR NY YCD FRN SOFRRATE Mat: 11/12/26 Cpn: 3.89% Moody's: P-1 S&P: A-1 Fitch: F1 Tr Date: 5/12/26 St Date: 5/13/26	86564TRD7	6,000,000.00 3,225.00	6,001,308.00 12,341.67	1,308.00	100.022	0.58%

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
2,000,000.000	MUFG BANK LTD YCD Mat: 11/13/26 Cpn: 3.91% Moody's: P-1 S&P: A-1 Fitch: F1 Tr Date: 5/13/26 St Date: 5/14/26	55381BUP1	2,000,000.00 0.00	1,999,775.03 10,426.67	(224.97)	99.989	0.19%
7,000,000.000	ROYAL BANK OF CANADA YCD FRN SOFRRATE Mat: 12/7/26 Cpn: 3.92% Moody's: P-1 S&P: A-1+ Fitch: F1+ Tr Date: 3/11/26 St Date: 3/12/26	78015J2D8	7,000,000.00 0.00	7,002,639.00 17,552.50	2,639.00	100.038	0.68%
7,000,000.000	BANK OF MONTREAL CHICAGO YCD Mat: 2/11/27 Cpn: 3.74% Moody's: P-1 S&P: A-1 Fitch: F1+ Tr Date: 2/12/26 St Date: 2/13/26	06367DUA1	7,000,000.00 0.00	6,983,862.93 100,356.67	(16,137.07)	99.770	0.68%
10,000,000.000	MIZUHO BANK LTD YCD Mat: 5/4/27 Cpn: 4.05% Moody's: P-1 S&P: A-1 Fitch: F1 Tr Date: 5/1/26 St Date: 5/4/26	60701ADM2	10,000,000.00 0.00	9,986,221.95 65,250.00	(13,778.05)	99.862	0.97%
7,500,000.000	WESTPAC BANK YCD Mat: 6/1/27 Cpn: 4.12% Moody's: P-1 S&P: A-1+ Fitch: F1+ Tr Date: 6/1/26 St Date: 6/2/26	96130AK56	7,500,000.00 0.00	7,491,670.97 24,891.67	(8,329.03)	99.889	0.73%
Total for Money Markets			**305,253,304.36** **15,807.23**	**305,207,495.07** **2,147,010.82**	**(45,809.29)**		**29.70%**
Treasuries							
20,000,000.000	U.S. TREASURY NOTE Mat: 2/29/28 Cpn: 3.38% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 3/10/26 St Date: 3/11/26	91282CQB0	19,921,875.00 20,176.63	19,751,171.80 225,611.41	(170,703.20)	98.756	1.93%
29,000,000.000	U.S. TREASURY NOTE Mat: 4/30/28 Cpn: 3.75% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 5/4/26 St Date: 5/5/26	91282CQL8	28,891,250.00 14,775.82	28,793,261.61 183,220.11	(97,988.39)	99.287	2.80%
5,250,000.000	U.S. TREASURY NOTE Mat: 5/31/28 Cpn: 4.00% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 5/29/26 St Date: 6/1/26	91282CQS3	5,250,205.08 573.77	5,235,234.38 17,786.89	(14,970.71)	99.719	0.51%
68,200,000.000	U.S. TREASURY NOTE Mat: 2/15/29 Cpn: 3.50% Moody's: Aa1 S&P: AA+u Fitch: AA+ Tr Date: 2/11/26 St Date: 2/17/26	91282CQA2	68,067,656.25 55,729.28	67,078,429.86 896,773.48	(989,226.39)	98.356	6.57%

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security			Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
61,905,000.000	U.S. TREASURY NOTE			91282CQJ3	61,733,760.90	61,443,130.51	(290,630.39)	99.254	5.99%
	Mat: 4/15/29	Cpn: 3.88%			131,083.00	504,669.52			
	Moody's: Aa1	S&P: AA+u	Fitch: AA+						
	Tr Date: 5/4/26	St Date: 5/5/26							
Total for Treasuries					**183,864,747.23**	**182,301,228.15**	**(1,563,519.07)**		**17.79%**
					222,338.50	**1,828,061.41**			
Agencies									
5,000,000.000	FFCB C 11/24/2026 A			3133ETZ34	5,000,000.00	4,933,905.17	(66,094.83)	98.678	0.48%
	Mat: 11/24/28	Cpn: 3.87%			42,462.50	19,887.50			
	Moody's: Aa1	S&P: AA+	Fitch: AA+						
	Tr Date: 2/12/26	St Date: 2/13/26							
8,000,000.000	FHLMC C 7/16/2026 Q			3134HCPB9	8,000,000.00	7,930,545.45	(69,454.55)	99.132	0.78%
	Mat: 1/16/29	Cpn: 3.92%			0.00	143,733.33			
	Moody's: Aa1	S&P: AA+	Fitch: AA+						
	Tr Date: 1/15/26	St Date: 1/16/26							
5,500,000.000	FHLMC C 5/12/2026 M			3134HCSY6	5,500,000.00	5,459,945.21	(40,054.79)	99.272	0.54%
	Mat: 2/12/29	Cpn: 3.95%			0.00	83,882.64			
	Moody's: Aa1	S&P: AA+	Fitch: AA+						
	Tr Date: 2/5/26	St Date: 2/12/26							
7,000,000.000	FHLMC C 9/9/2026 M			3134HCXT1	7,000,000.00	6,946,988.19	(53,011.81)	99.243	0.68%
	Mat: 3/9/29	Cpn: 4.00%			0.00	87,111.11			
	Moody's: Aa1	S&P: AA+	Fitch: AA+						
	Tr Date: 3/3/26	St Date: 3/9/26							
5,000,000.000	FNMA C 6/30/2026 Q			3136GCYD1	5,000,000.00	4,994,975.54	(5,024.46)	99.900	0.49%
	Mat: 3/30/29	Cpn: 4.50%			0.00	56,875.00			
	Moody's: Aa1	S&P: AA+	Fitch: AA+						
	Tr Date: 3/25/26	St Date: 3/30/26							
Total for Agencies					**30,500,000.00**	**30,266,359.56**	**(233,640.44)**		**2.96%**
					42,462.50	**391,489.58**			
Taxable Muni									
8,000,000.000	CA LOS ANGELES USD GO/ULT-SUSTAIN TXB			544647KW9	8,000,000.00	8,000,082.39	82.39	100.001	0.79%
	Mat: 7/1/26	Cpn: 4.43%			0.00	177,280.00			
	Moody's: Aa2	S&P:	Fitch: AAA						
	Tr Date: 4/24/25	St Date: 5/13/25							
Total for Taxable Muni					**8,000,000.00**	**8,000,082.39**	**82.39**		**0.79%**
					0.00	**177,280.00**			
Credit									

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security	Identifier	Original Principal Cost / Purchased Accrued	Principal Market Value / Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
3,700,000.000	MERCEDES-BENZ FRN 144A SOFRRATE Mat: 7/31/26 Cpn: 4.30% Moody's: A2 S&P: A Fitch: Tr Date: 7/29/24 St Date: 8/1/24	58769JAV9	3,700,000.00 0.00	3,701,306.10 27,391.94	1,306.10	100.035	0.36%
1,010,000.000	PNC FINANCIAL Mat: 8/13/26 Cpn: 1.15% Moody's: A3 S&P: A- Fitch: A Tr Date: 4/28/26 St Date: 4/29/26	693475BB0	1,001,637.20 2,452.06	1,006,848.80 4,452.42	5,211.60	99.688	0.10%
5,000,000.000	PRINCIPAL LIFE GLB FND II 144A Mat: 8/16/26 Cpn: 1.25% Moody's: A1 S&P: A+ Fitch: Tr Date: 4/8/24 St Date: 4/10/24	74256LEP0	4,537,800.00 9,375.00	4,983,500.00 23,437.50	445,700.00	99.670	0.48%
6,400,000.000	BANK OF AMERICA Mat: 8/18/26 Cpn: 5.53% Moody's: Aa2 S&P: A+ Fitch: AA Tr Date: 4/16/24 St Date: 4/18/24	06428CAA2	6,416,960.00 58,944.00	6,406,592.00 130,659.20	(10,368.00)	100.103	0.63%
2,820,000.000	NEW YORK LIFE GLOBAL 144A Mat: 9/18/26 Cpn: 5.45% Moody's: Aa1 S&P: AA+ Fitch: AAA Tr Date: 9/12/23 St Date: 9/19/23	64953BBF4	2,819,464.20 0.00	2,828,403.60 43,972.42	8,939.40	100.298	0.28%
5,497,000.000	ERAC USA FINANCE 144A Mat: 12/1/26 Cpn: 3.30% Moody's: A3 S&P: A- Fitch: Tr Date: 4/9/26 St Date: 4/10/26	26884TAR3	5,470,669.37 65,002.03	5,476,001.46 15,116.75	5,332.09	99.618	0.53%
1,175,000.000	ATHENE GLOBAL FUNDING 144A Mat: 1/7/27 Cpn: 4.95% Moody's: A1 S&P: A+ Fitch: A+ Tr Date: 1/2/25 St Date: 1/7/25	04685A4E8	1,175,000.00 0.00	1,177,338.25 28,111.88	2,338.25	100.199	0.12%
2,450,000.000	MERCEDES-BENZ 144A Mat: 1/11/27 Cpn: 4.80% Moody's: A2 S&P: A Fitch: Tr Date: 1/8/24 St Date: 1/11/24	58769JAQ0	2,447,501.00 0.00	2,456,223.00 55,533.33	8,722.00	100.254	0.24%
1,085,000.000	PROTECTIVE LIFE (REGS) Mat: 1/12/27 Cpn: 4.99% Moody's: Aa3 S&P: AA- Fitch: AA- Tr Date: 1/9/24 St Date: 1/12/24	74368CBX1	1,085,000.00 0.00	1,089,915.05 25,426.61	4,915.05	100.453	0.11%
435,000.000	DAIMLER TRUCKS FIN 144A Mat: 1/15/27 Cpn: 5.00% Moody's: A3 S&P: A- Fitch: Tr Date: 1/10/24 St Date: 1/18/24	233853AV2	434,273.55 0.00	436,513.80 10,029.17	2,240.25	100.348	0.04%

Portfolio Positions

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Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
805,000.000	PRINCIPAL LIFE GLB FND II 144A Mat: 1/16/27 Cpn: 5.00% Moody's: A1 S&P: A+ Fitch: Tr Date: 1/8/24 St Date: 1/16/24	74256LEX3	804,686.05 0.00	807,704.80 18,447.92	3,018.75	100.336	0.08%
1,995,000.000	PACIFIC LIFE GF II FRN SOFRRATE 144A Mat: 2/4/27 Cpn: 4.06% Moody's: Aa3 S&P: AA- Fitch: AA- Tr Date: 2/6/25 St Date: 2/11/25	6944PL3G2	1,995,000.00 0.00	1,997,421.93 13,064.41	2,421.93	100.121	0.19%
1,530,000.000	MARS 144A Mat: 3/1/27 Cpn: 4.45% Moody's: A2 S&P: A Fitch: Tr Date: 3/5/25 St Date: 3/12/25	571676AW5	1,528,623.00 0.00	1,533,075.30 22,695.00	4,452.30	100.201	0.15%
5,200,000.000	S&P GLOBAL Mat: 3/1/27 Cpn: 2.45% Moody's: A3 S&P: Fitch: A- Tr Date: 6/2/26 St Date: 6/3/26	78409VBH6	5,140,356.00 32,557.78	5,138,536.00 42,466.67	(1,820.00)	98.818	0.50%
2,502,000.000	JOHN DEERE CAPITAL CORP Mat: 3/8/27 Cpn: 2.35% Moody's: A1 S&P: A Fitch: A+ Tr Date: 4/9/26 St Date: 4/10/26	24422EWD7	2,467,222.20 5,226.40	2,471,675.76 18,455.73	4,453.56	98.788	0.24%
5,170,000.000	STATE STREET Mat: 3/18/27 Cpn: 4.99% Moody's: Aa3 S&P: A Fitch: AA- Tr Date: 6/16/26 St Date: 6/17/26	857477CL5	5,200,037.70 63,817.47	5,196,728.90 73,856.18	(3,308.80)	100.517	0.51%
4,585,000.000	HYUNDAI CAPITAL FRN SOFRRATE 144A Mat: 3/19/27 Cpn: 4.66% Moody's: A3 S&P: A- Fitch: A- Tr Date: 3/14/24 St Date: 3/19/24	44891ACZ8	4,585,000.00 0.00	4,599,039.27 5,342.67	14,039.27	100.306	0.44%
4,000,000.000	MASSMUTUAL GLOBAL FRN 144A SOFRRATE Mat: 4/9/27 Cpn: 4.38% Moody's: Aa3 S&P: AA+ Fitch: AA+ Tr Date: 4/2/24 St Date: 4/9/24	57629TBS5	4,000,000.00 0.00	4,010,892.00 40,410.20	10,892.00	100.272	0.39%
10,000,000.000	PUBLIC STORAGE FRN SOFRRATE Mat: 4/16/27 Cpn: 4.36% Moody's: A2 S&P: A Fitch: Tr Date: 4/9/24 St Date: 4/16/24	74464AAA9	10,000,000.00 0.00	10,022,920.00 92,006.40	22,920.00	100.229	0.98%
3,355,000.000	GEORGIA-PACIFIC 144A Mat: 4/30/27 Cpn: 2.10% Moody's: A3 S&P: A+ Fitch: Tr Date: 5/1/26 St Date: 5/4/26	37331NAL5	3,290,785.30 782.83	3,297,059.15 11,938.21	6,273.85	98.273	0.32%

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Currency: USD

Units	Security	Identifier	Original Principal Cost / Purchased Accrued	Principal Market Value / Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
6,305,000.000	CATERPILLAR FINANCIAL FRN SOFRRATE Mat: 5/14/27 Cpn: 4.07% Moody's: A1 S&P: A Fitch: A+ Tr Date: 5/7/24 St Date: 5/14/24	14913UAM2	6,305,000.00 0.00	6,315,655.45 34,202.31	10,655.45	100.169	0.61%
1,560,000.000	DTE ELECTRIC Mat: 5/14/27 Cpn: 4.25% Moody's: Aa3 S&P: A Fitch: A+ Tr Date: 5/5/25 St Date: 5/14/25	23338VAW6	1,559,852.80 802.78	1,560,296.40 8,655.83	443.60	100.019	0.15%
5,200,000.000	NSTAR ELECTRIC Mat: 5/15/27 Cpn: 3.20% Moody's: A2 S&P: A- Fitch: A Tr Date: 5/29/26 St Date: 6/1/26	67021CAM9	5,157,570.80 7,395.56	5,152,290.00 21,262.22	(5,280.80)	99.083	0.50%
5,580,000.000	AMERICAN EXPRESS FRN SOFRINDX Mat: 7/28/27 Cpn: 4.63% Moody's: A2 S&P: A- Fitch: A Tr Date: 7/25/23 St Date: 7/28/23	025816DJ5	5,580,000.00 0.00	5,582,325.59 45,929.14	2,325.59	100.042	0.54%
2,115,000.000	BMW USA CAPITAL 144A Mat: 8/11/27 Cpn: 4.15% Moody's: A2 S&P: A Fitch: Tr Date: 8/6/25 St Date: 8/11/25	05565EDA0	2,113,202.25 0.00	2,109,162.60 34,133.75	(4,039.65)	99.724	0.21%
2,820,000.000	EQUITABLE AMERICA GLOBAL FRN 144A SOFRR Mat: 9/15/27 Cpn: 4.34% Moody's: A1 S&P: A+ Fitch: Tr Date: 9/8/25 St Date: 9/15/25	29446Q2D4	2,820,000.00 0.00	2,816,892.36 5,443.05	(3,107.64)	99.890	0.27%
2,975,000.000	MERCK & CO Mat: 9/15/27 Cpn: 3.85% Moody's: Aa3 S&P: A+ Fitch: Tr Date: 9/2/25 St Date: 9/9/25	58933YBP9	2,972,173.75 0.00	2,963,992.50 33,724.93	(8,181.25)	99.630	0.29%
5,335,000.000	NATL RURAL UTILITIES FRN SOFRRATE Mat: 9/16/27 Cpn: 4.46% Moody's: A2 S&P: A- Fitch: A Tr Date: 9/9/24 St Date: 9/16/24	63743HFU1	5,335,000.00 0.00	5,359,162.22 9,903.14	24,162.22	100.453	0.52%
4,220,000.000	US BANK CINCINNATI FRN SOFRRATE Mat: 10/22/27 Cpn: 4.34% Moody's: A2 S&P: A+ Fitch: A+ Tr Date: 10/17/24 St Date: 10/22/24	90331HPQ0	4,220,000.00 0.00	4,223,502.60 35,596.45	3,502.60	100.083	0.41%
1,810,000.000	MARSH & MCLENNAN FRN SOFRINDX Mat: 11/8/27 Cpn: 4.27% Moody's: A3 S&P: A- Fitch: A- Tr Date: 10/30/24 St Date: 11/8/24	571748BZ4	1,810,000.00 0.00	1,818,179.39 11,582.56	8,179.39	100.452	0.18%

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Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
4,615,000.000	AMPHENOL Mat: 11/15/27 Cpn: 3.80% Moody's: A3 S&P: A- Fitch: Tr Date: 10/27/25 St Date: 11/10/25	032095AW1	4,611,861.80 0.00	4,580,156.75 22,408.39	(31,705.05)	99.245	0.44%
4,400,000.000	CATERPILLAR FINL FRN SOFRRATE Mat: 11/15/27 Cpn: 4.10% Moody's: A1 S&P: A Fitch: A+ Tr Date: 11/12/24 St Date: 11/15/24	14913UAT7	4,400,000.00 0.00	4,416,337.20 23,576.10	16,337.20	100.371	0.43%
2,065,000.000	PFIZER Mat: 11/15/27 Cpn: 3.88% Moody's: A2 S&P: A Fitch: Tr Date: 11/18/25 St Date: 11/21/25	717081FJ7	2,064,772.85 0.00	2,055,624.90 10,224.62	(9,147.95)	99.546	0.20%
1,185,000.000	CONSOLIDATED EDISON FRN SOFRRATE Mat: 11/18/27 Cpn: 4.06% Moody's: A3 S&P: A- Fitch: A- Tr Date: 11/14/24 St Date: 11/18/24	209111GL1	1,185,000.00 0.00	1,188,351.18 5,880.22	3,351.18	100.283	0.12%
3,625,000.000	GEORGIA POWER FRN SOFRINDX Mat: 11/22/27 Cpn: 3.97% Moody's: A3 S&P: A Fitch: A Tr Date: 5/19/26 St Date: 5/22/26	373334LF6	3,625,000.00 0.00	3,633,210.63 15,972.61	8,210.63	100.227	0.35%
805,000.000	COREBRIDGE GLOB FUNDING Mat: 1/7/28 Cpn: 4.90% Moody's: A2 S&P: A+ Fitch: Tr Date: 1/6/25 St Date: 1/9/25	00138CBD9	805,000.00 0.00	808,694.95 19,065.08	3,694.95	100.459	0.08%
2,145,000.000	TOYOTA MOTOR CREDIT Mat: 1/12/28 Cpn: 3.75% Moody's: A1 S&P: A+ Fitch: A+ Tr Date: 1/7/26 St Date: 1/12/26	89236TPF6	2,143,198.20 0.00	2,128,633.65 37,760.94	(14,564.55)	99.237	0.21%
3,355,000.000	DAIMLER TRUCK FRN 144A SOFRRATE Mat: 1/13/28 Cpn: 4.49% Moody's: A3 S&P: A- Fitch: Tr Date: 1/7/25 St Date: 1/13/25	233853BB5	3,355,000.00 0.00	3,363,572.03 33,021.45	8,572.03	100.256	0.33%
1,985,000.000	MORGAN STANLEY FRN SOFRRATE Mat: 1/14/28 Cpn: 4.74% Moody's: Aa3 S&P: A+ Fitch: AA Tr Date: 1/16/24 St Date: 1/18/24	61690U7Z7	1,985,000.00 0.00	1,991,339.18 20,382.16	6,339.18	100.319	0.19%
2,300,000.000	JPMORGAN CHASE FRN SOFRRATE Mat: 1/23/28 Cpn: 4.85% Moody's: A1 S&P: A Fitch: AA- Tr Date: 1/16/24 St Date: 1/23/24	46647PDZ6	2,300,000.00 0.00	2,310,994.00 21,383.67	10,994.00	100.478	0.23%

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Units	Security			Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
3,225,000.000	ABBVIE			00287YED7	3,223,903.50	3,193,717.50	(30,186.00)	99.030	0.31%
	Mat: 3/3/28	Cpn: 3.78%			0.00	39,566.72			
	Moody's: A2	S&P: A-	Fitch:						
	Tr Date: 2/24/26	St Date: 3/4/26							
1,820,000.000	EATON			278058DV1	1,818,653.20	1,803,146.80	(15,506.40)	99.074	0.18%
	Mat: 3/6/28	Cpn: 3.85%			0.00	22,383.47			
	Moody's: A3	S&P: A-	Fitch:						
	Tr Date: 3/4/26	St Date: 3/6/26							
3,510,000.000	AMAZON.COM			023135DB9	3,507,858.90	3,486,307.50	(21,551.40)	99.325	0.34%
	Mat: 3/13/28	Cpn: 3.85%			0.00	40,540.50			
	Moody's: A1	S&P: AA	Fitch: AA-						
	Tr Date: 3/10/26	St Date: 3/13/26							
1,060,000.000	MASTERCARD FRN SOFRRATE			57636QBE3	1,060,000.00	1,060,080.56	80.56	100.008	0.10%
	Mat: 3/15/28	Cpn: 4.07%			0.00	1,918.77			
	Moody's: Aa3	S&P: A+	Fitch:						
	Tr Date: 2/18/25	St Date: 2/27/25							
3,535,000.000	HONEYWELL AEROSPACE 144A			43849RAA3	3,532,454.80	3,500,427.70	(32,027.10)	99.022	0.34%
	Mat: 3/16/28	Cpn: 3.90%			0.00	40,210.63			
	Moody's: A3	S&P: BBB+	Fitch: A-						
	Tr Date: 3/10/26	St Date: 3/16/26							
3,755,000.000	HUNTINGTON NATL BANK FRN SOFRRATE			44644MAL5	3,755,000.00	3,756,798.65	1,798.65	100.048	0.37%
	Mat: 4/12/28	Cpn: 4.37%			0.00	35,969.62			
	Moody's: A3	S&P: A-	Fitch: A-						
	Tr Date: 2/19/25	St Date: 2/26/25							
4,385,000.000	MET LIFE GLOB FUNDING I 144A			592179KU8	4,384,736.90	4,365,793.70	(18,943.20)	99.562	0.43%
	Mat: 4/13/28	Cpn: 4.25%			0.00	39,860.87			
	Moody's: Aa3	S&P: AA-	Fitch: AA-						
	Tr Date: 4/8/26	St Date: 4/14/26							
6,370,000.000	MORGAN STANLEY FRN SOFRRATE			61747YFN0	6,370,000.00	6,390,046.39	20,046.39	100.315	0.62%
	Mat: 4/13/28	Cpn: 4.68%			0.00	65,386.98			
	Moody's: A1	S&P: A-	Fitch: A+						
	Tr Date: 4/17/24	St Date: 4/19/24							
4,435,000.000	JPMORGAN CHASE FRN SOFRRATE			46647PEF9	4,435,000.00	4,451,072.88	16,072.88	100.362	0.43%
	Mat: 4/22/28	Cpn: 4.57%			0.00	39,393.44			
	Moody's: A1	S&P: A	Fitch: AA-						
	Tr Date: 4/15/24	St Date: 4/22/24							
6,410,000.000	WELLS FARGO FRN SOFRRATE			95000U3M3	6,410,000.00	6,437,954.01	27,954.01	100.436	0.63%
	Mat: 4/22/28	Cpn: 4.72%			0.00	58,805.77			
	Moody's: A1	S&P: BBB+	Fitch: A+						
	Tr Date: 4/15/24	St Date: 4/22/24							

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Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
5,915,000.000	GOLDMAN SACHS FRN SOFRRATE Mat: 4/23/28 Cpn: 4.94% Moody's: A2 S&P: BBB+ Fitch: A Tr Date: 4/15/25 St Date: 4/23/25	38141GC85	5,915,000.00 0.00	5,949,478.54 56,013.57	34,478.54	100.583	0.58%
4,770,000.000	CITIGROUP FRN SOFRRATE Mat: 5/7/28 Cpn: 4.71% Moody's: A3 S&P: BBB+ Fitch: A Tr Date: 5/1/25 St Date: 5/7/25	172967PY1	4,770,000.00 0.00	4,791,002.31 34,349.46	21,002.31	100.440	0.47%
5,225,000.000	SERVICENOW Mat: 5/15/28 Cpn: 4.25% Moody's: A2 S&P: A Fitch: Tr Date: 5/12/26 St Date: 5/15/26	81762PAF9	5,206,085.50 0.00	5,209,011.50 28,374.65	2,926.00	99.694	0.51%
4,780,000.000	US BANK CINCINNATI FRN SOFRRATE Mat: 5/15/28 Cpn: 4.45% Moody's: A2 S&P: A+ Fitch: A+ Tr Date: 5/12/25 St Date: 5/15/25	90331HPT4	4,780,000.00 0.00	4,794,980.52 27,796.41	14,980.52	100.313	0.47%
5,115,000.000	MASTERCARD Mat: 6/8/28 Cpn: 4.33% Moody's: Aa3 S&P: A+ Fitch: Tr Date: 6/4/26 St Date: 6/8/26	57636QBJ2	5,114,590.80 0.00	5,113,260.90 14,133.74	(1,329.90)	99.966	0.50%
4,420,000.000	BNY MELLON FRN SOFRINDX Mat: 6/9/28 Cpn: 4.31% Moody's: Aa3 S&P: A Fitch: AA- Tr Date: 6/3/25 St Date: 6/10/25	06406RCD7	4,420,000.00 0.00	4,426,970.34 11,642.46	6,970.34	100.158	0.43%
3,095,000.000	HYUNDAI CAPITAL AMERICA 144A Mat: 6/16/28 Cpn: 4.50% Moody's: A3 S&P: A- Fitch: A- Tr Date: 6/15/26 St Date: 6/18/26	44891AEM5	3,088,345.75 0.00	3,082,960.45 5,029.38	(5,385.30)	99.611	0.30%
3,270,000.000	MANUFACTURERS & TRADERS TRUST Mat: 7/6/28 Cpn: 4.76% Moody's: A3 S&P: A- Fitch: A Tr Date: 4/16/26 St Date: 4/17/26	564760CC8	3,283,337.95 43,687.39	3,275,787.90 75,695.96	(7,550.05)	100.177	0.32%
1,180,000.000	PNC BANK FRN SOFRRATE Mat: 7/21/28 Cpn: 4.38% Moody's: A2 S&P: A Fitch: A+ Tr Date: 7/17/25 St Date: 7/21/25	69353RGA0	1,180,000.00 0.00	1,182,520.48 10,191.93	2,520.48	100.214	0.12%
3,180,000.000	TRUIST BANK FRN SOFRRATE Mat: 7/24/28 Cpn: 4.42% Moody's: A3 S&P: A Fitch: A Tr Date: 7/21/25 St Date: 7/24/25	89788JAG4	3,180,000.00 0.00	3,182,823.84 26,576.60	2,823.84	100.089	0.31%

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Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
2,410,000.000	AMERICAN EXPRESS FRN SOFRRATE Mat: 7/26/28 Cpn: 4.59% Moody's: A2 S&P: A- Fitch: A Tr Date: 7/22/24 St Date: 7/26/24	025816DX4	2,410,000.00 0.00	2,420,138.87 19,963.21	10,138.87	100.421	0.24%
4,920,000.000	CHVERON FRN SOFRRATE Mat: 8/13/28 Cpn: 4.12% Moody's: Aa2 S&P: AA- Fitch: Tr Date: 8/11/25 St Date: 8/13/25	166756BM7	4,920,000.00 0.00	4,945,431.48 27,605.27	25,431.48	100.517	0.48%
2,860,000.000	PRINCIPAL LFE GLB FND II 144A Mat: 8/18/28 Cpn: 4.25% Moody's: A1 S&P: A+ Fitch: Tr Date: 8/11/25 St Date: 8/18/25	7425APAD7	2,858,484.20 0.00	2,835,518.40 44,905.97	(22,965.80)	99.144	0.28%
4,190,000.000	JPMORGAN CHASE FRN SOFRRATE Mat: 10/22/28 Cpn: 4.51% Moody's: A1 S&P: A Fitch: AA- Tr Date: 10/15/24 St Date: 10/22/24	46647PEN2	4,190,000.00 0.00	4,207,317.27 36,728.43	17,317.27	100.413	0.41%
625,000.000	DAIMLER TRUCK FIN 144A Mat: 1/12/29 Cpn: 4.15% Moody's: A3 S&P: A- Fitch: Tr Date: 1/7/26 St Date: 1/12/26	233853BK5	624,268.75 0.00	617,093.75 12,176.22	(7,175.00)	98.735	0.06%
2,215,000.000	GOLDMAN SACHS Mat: 1/21/29 Cpn: 4.15% Moody's: A2 S&P: BBB+ Fitch: A Tr Date: 1/15/26 St Date: 1/21/26	38145GAP5	2,215,000.00 0.00	2,196,371.85 40,834.76	(18,628.15)	99.159	0.22%
4,300,000.000	BANK OF AMERICA FRN SOFRRATE Mat: 1/24/29 Cpn: 4.49% Moody's: A1 S&P: A- Fitch: AA- Tr Date: 1/17/25 St Date: 1/24/25	06051GMN6	4,300,000.00 0.00	4,311,501.82 36,473.00	11,501.82	100.268	0.42%
1,140,000.000	TRUIST BANK Mat: 1/27/29 Cpn: 4.14% Moody's: A3 S&P: A Fitch: A Tr Date: 1/22/26 St Date: 1/27/26	89788JAJ8	1,140,000.00 0.00	1,132,339.20 20,208.91	(7,660.80)	99.328	0.11%
3,490,000.000	ABBOTT LABORATORIES Mat: 3/9/29 Cpn: 3.70% Moody's: Aa3 S&P: A+ Fitch: Tr Date: 2/23/26 St Date: 3/9/26	002824BR0	3,485,567.70 0.00	3,425,295.40 40,173.78	(60,272.30)	98.146	0.33%
840,000.000	BAKER HUGHES LLC/CO-OBL Mat: 3/11/29 Cpn: 4.05% Moody's: A3 S&P: A Fitch: Tr Date: 3/5/26 St Date: 3/11/26	05724BAL3	839,647.20 0.00	828,307.20 10,395.00	(11,340.00)	98.608	0.08%

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Units	Security	Identifier	Original Principal Cost / Purchased Accrued	Principal Market Value / Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
3,515,000.000	AMAZON.COM Mat: 3/13/29 Cpn: 4.00% Moody's: A1 S&P: AA Fitch: AA- Tr Date: 3/10/26 St Date: 3/13/26	023135DC7	3,514,613.35 0.00	3,477,705.85 42,180.00	(36,907.50)	98.939	0.34%
2,755,000.000	SANTANDER HOLDINGS FRN SOFRRATE Mat: 3/20/29 Cpn: 5.23% Moody's: Baa2 S&P: BBB+ Fitch: A- Tr Date: 3/17/25 St Date: 3/20/25	80282KBP0	2,755,000.00 0.00	2,783,654.76 3,602.85	28,654.76	101.040	0.27%
1,815,000.000	MORGAN STANLEY FRN SOFRRATE Mat: 4/12/29 Cpn: 5.04% Moody's: A1 S&P: A- Fitch: A+ Tr Date: 4/14/25 St Date: 4/17/25	61747YFW0	1,815,000.00 0.00	1,836,087.67 20,064.52	21,087.67	101.162	0.18%
5,000,000.000	NEW YORK LIFE FRN 144A SOFRRATE Mat: 4/20/29 Cpn: 4.33% Moody's: Aa1 S&P: AA+ Fitch: AAA Tr Date: 4/14/26 St Date: 4/20/26	64953BCF3	5,000,000.00 0.00	5,009,125.00 43,263.26	9,125.00	100.183	0.49%
5,670,000.000	WELLS FARGO FRN SOFRRATE Mat: 4/23/29 Cpn: 5.02% Moody's: A1 S&P: BBB+ Fitch: A+ Tr Date: 4/15/25 St Date: 4/23/25	95000U3U5	5,670,000.00 0.00	5,738,697.72 54,562.88	68,697.72	101.212	0.56%
3,410,000.000	BANK OF AMERICA FRN SOFRRATE Mat: 5/9/29 Cpn: 4.67% Moody's: A1 S&P: A- Fitch: AA- Tr Date: 5/6/25 St Date: 5/9/25	06051GMU0	3,410,000.00 0.00	3,440,369.46 22,569.86	30,369.46	100.891	0.33%
5,145,000.000	ELI LILLY & CO FRN SOFRINDX Mat: 5/20/29 Cpn: 4.10% Moody's: Aa3 S&P: AA- Fitch: Tr Date: 5/6/26 St Date: 5/20/26	532457DJ4	5,145,000.00 0.00	5,149,990.65 24,588.77	4,990.65	100.097	0.50%
5,500,000.000	US BANK CINCINNATI FRN SOFRINDX Mat: 5/20/29 Cpn: 4.28% Moody's: A2 S&P: A+ Fitch: A+ Tr Date: 5/13/26 St Date: 5/20/26	90331HPW7	5,500,000.00 0.00	5,501,562.00 27,439.21	1,562.00	100.028	0.53%
5,325,000.000	CITIBANK FRN SOFRRATE Mat: 6/18/29 Cpn: 4.20% Moody's: Aa3 S&P: A+ Fitch: AA- Tr Date: 6/11/26 St Date: 6/18/26	17325FBU1	5,325,000.00 0.00	5,329,488.98 8,079.16	4,488.98	100.084	0.52%
4,880,000.000	AMERICAN EXPRESS Mat: 7/20/29 Cpn: 4.46% Moody's: A2 S&P: A- Fitch: A Tr Date: 7/21/25 St Date: 7/25/25	025816EL9	4,880,000.00 0.00	4,906,513.04 43,545.68	26,513.04	100.543	0.48%

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security			Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
2,215,000.000	WELLS FARGO FRN SOFRRATE			95000U3Z4	2,215,000.00 0.00	2,223,572.05 4,442.66	8,572.05	100.387	0.22%
	Mat: 9/15/29	Cpn: 4.51%							
	Moody's: A1	S&P: BBB+	Fitch: A+						
	Tr Date: 9/8/25	St Date: 9/15/25							
5,210,000.000	PNC FINANCIAL FRN SOFRINDX			693475CK9	5,210,000.00 0.00	5,212,386.18 21,884.26	2,386.18	100.046	0.51%
	Mat: 10/26/29	Cpn: 4.20%							
	Moody's: A3	S&P: A-	Fitch: A						
	Tr Date: 5/20/26	St Date: 5/26/26							
5,240,000.000	MORGAN STANLEY FRN SOFRINDX			61748UAU6	5,240,000.00 0.00	5,262,317.16 50,711.02	22,317.16	100.426	0.51%
	Mat: 4/10/30	Cpn: 4.65%							
	Moody's: A1	S&P: A-	Fitch: A+						
	Tr Date: 4/15/26	St Date: 4/17/26							
5,365,000.000	GOLDMAN SACHS FRN SOFRRATE			38141GE91	5,365,000.00 0.00	5,388,493.34 49,638.55	23,493.34	100.438	0.53%
	Mat: 4/20/30	Cpn: 4.63%							
	Moody's: A2	S&P: BBB+	Fitch: A						
	Tr Date: 4/13/26	St Date: 4/20/26							
Total for Credit					**299,910,196.52** **290,043.30**	**300,649,490.28** **2,532,801.37**	**739,293.76**		**29.30%**
Mortgage-Backed									
1,088,724.293	FHMS KI07 A SOFRFRN			3137H3KA9	1,088,724.29 0.00	1,087,245.81 682.57	(1,478.49)	99.864	0.11%
	Mat: 9/25/26	Cpn: 3.76%							
	Moody's: Aa1	S&P: AA+u	Fitch: AA+						
	Tr Date: 10/20/21	St Date: 11/2/21							
Total for Mortgage-Backed					**1,088,724.29** **0.00**	**1,087,245.81** **682.57**	**(1,478.49)**		**0.11%**
Asset-Backed									
98,384.637	HALST 2024-C A2B LEASE 144A			448984AC8	98,384.64 0.00	98,392.61 178.97	7.97	100.008	0.01%
	Mat: 3/15/27	Cpn: 4.09%							
	Moody's:	S&P: AAA	Fitch: AAA						
	Tr Date: 8/20/24	St Date: 8/28/24							
6,332,775.340	GCAR 2026-2A A1 CAR 144A			37989KAA0	6,332,775.34 0.00	6,333,047.65 11,283.60	272.31	100.004	0.61%
	Mat: 4/15/27	Cpn: 4.01%							
	Moody's: P-1	S&P: A-1+	Fitch:						
	Tr Date: 4/30/26	St Date: 5/8/26							
335,659.651	EFF 2024-3 A2 FLEET 144A			29375QAB4	337,351.06 594.12	336,009.07 544.61	(1,341.99)	100.104	0.03%
	Mat: 4/20/27	Cpn: 5.31%							
	Moody's:	S&P: AAA	Fitch: AAA						
	Tr Date: 4/1/25	St Date: 4/2/25							

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security	Identifier	Original Principal Cost / Purchased Accrued	Principal Market Value / Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
1,672,290.195	GMALT 2025-1 A2A LEASE Mat: 5/20/27 Cpn: 4.54% Moody's: S&P: AAA Fitch: AAA Tr Date: 7/9/25 St Date: 7/10/25	36271VAB3	1,673,335.38 4,217.89	1,673,151.42 2,319.84	(183.95)	100.052	0.16%
3,183,851.672	GALC 2023-1 A3 EQP 144A Mat: 7/15/27 Cpn: 5.15% Moody's: S&P: AAA Fitch: AAA Tr Date: 4/1/25 St Date: 4/2/25	39154TCC0	3,205,865.02 7,742.95	3,192,409.87 7,287.48	(13,455.16)	100.269	0.31%
2,575,054.628	BMWLT 2025-1 A2A LEASE Mat: 9/27/27 Cpn: 4.43% Moody's: S&P: AAA Fitch: AAA Tr Date: 6/3/25 St Date: 6/10/25	096912AB6	2,574,763.90 0.00	2,577,176.47 1,901.25	2,412.57	100.082	0.25%
53,571.627	CARMX 2023-1 A3 CAR Mat: 10/15/27 Cpn: 4.75% Moody's: S&P: AAA Fitch: AAA Tr Date: 4/1/25 St Date: 4/2/25	14318DAC3	53,638.59 120.16	53,590.81 113.10	(47.79)	100.036	0.01%
1,379,156.725	WOLS 2024-A A3 LEASE Mat: 10/15/27 Cpn: 5.26% Moody's: S&P: AAA Fitch: AAA Tr Date: 7/8/25 St Date: 7/9/25	981946AD8	1,391,278.22 4,836.24	1,381,647.48 3,224.16	(9,630.74)	100.181	0.13%
563,093.987	DLLAA 2025-1A A2 EQP 144A Mat: 10/20/27 Cpn: 4.70% Moody's: Aaa S&P: Fitch: AAA Tr Date: 4/1/25 St Date: 4/2/25	233249AB7	564,325.75 882.18	563,892.45 808.67	(433.30)	100.142	0.05%
845,924.589	VFET 2025-1A A2 EQP 144A Mat: 11/15/27 Cpn: 4.41% Moody's: Aaa S&P: Fitch: AAA Tr Date: 3/4/25 St Date: 3/12/25	92887TAB7	845,884.15 0.00	846,473.59 1,658.01	589.44	100.065	0.08%
1,148,704.611	PILOT 2025-1A A2A LEASE 144A Mat: 12/20/27 Cpn: 4.60% Moody's: S&P: AAA Fitch: AAA Tr Date: 7/8/25 St Date: 7/9/25	73329KAB2	1,150,050.75 2,788.80	1,150,802.15 1,614.57	751.40	100.183	0.11%
1,631,200.178	KCOT 2023-2A A3 EQP 144A Mat: 1/18/28 Cpn: 5.28% Moody's: Aaa S&P: Fitch: AAA Tr Date: 7/2/25 St Date: 7/3/25	500945AC4	1,644,708.55 4,306.37	1,637,354.70 3,827.88	(7,353.86)	100.377	0.16%
981,858.582	DLLAD 2023-1A A3 EQP 144A Mat: 1/20/28 Cpn: 4.79% Moody's: Aaa S&P: Fitch: AAA Tr Date: 8/26/25 St Date: 8/27/25	233258AC6	985,310.43 914.49	983,477.67 1,437.06	(1,832.76)	100.165	0.10%

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security	Identifier	Original Principal Cost / Purchased Accrued	Principal Market Value / Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
838,775.140	VALET 2025-1 A2B CAR Mat: 1/20/28 Cpn: 4.05% Moody's: Aaa S&P: Fitch: AAA Tr Date: 3/18/25 St Date: 3/25/25	92868MAC3	838,775.14 0.00	839,035.16 848.99	260.02	100.031	0.08%
748,096.887	BLAST 2025-3 A2 CAR Mat: 2/15/28 Cpn: 4.73% Moody's: S&P: AAA Fitch: Tr Date: 7/23/25 St Date: 7/29/25	107920AB6	748,094.19 0.00	748,404.35 1,572.67	310.16	100.041	0.07%
6,665,000.000	TLOT 2025-A A3 LEASE 144A Mat: 2/22/28 Cpn: 4.75% Moody's: Aaa S&P: AAA Fitch: Tr Date: 4/10/26 St Date: 4/13/26	89239NAD7	6,697,982.64 20,226.42	6,679,549.70 9,673.51	(18,432.95)	100.218	0.65%
1,141,719.372	JDOT 2023-B A3 EQP Mat: 3/15/28 Cpn: 5.18% Moody's: Aaa S&P: Fitch: AAA Tr Date: 7/8/25 St Date: 7/9/25	477920AC6	1,146,892.79 3,942.74	1,145,883.22 2,628.49	(1,009.57)	100.365	0.11%
9,630,000.000	HALST 2025-B A3 LEASE 144A Mat: 4/17/28 Cpn: 4.53% Moody's: S&P: AAA Fitch: AAA Tr Date: 4/10/26 St Date: 4/13/26	44935DAD1	9,670,626.56 33,929.70	9,650,338.56 19,388.40	(20,288.00)	100.211	0.93%
3,668,428.138	WLAKE 2025-3A A2 CAR 144A Mat: 4/17/28 Cpn: 4.31% Moody's: S&P: AAA Fitch: Tr Date: 10/3/25 St Date: 10/9/25	96043QAB5	3,668,181.62 0.00	3,670,020.24 7,027.08	1,838.62	100.043	0.36%
5,700,000.000	GMALT 2026-1 A2A LEASE Mat: 4/20/28 Cpn: 3.77% Moody's: S&P: AAA Fitch: AAA Tr Date: 2/3/26 St Date: 2/12/26	36273VAB1	5,699,431.71 0.00	5,681,178.60 6,566.08	(18,253.11)	99.670	0.55%
7,082,955.772	VWALT 2025-B A2A LEASE Mat: 4/20/28 Cpn: 3.97% Moody's: Aaa S&P: AAA Fitch: Tr Date: 9/9/25 St Date: 9/16/25	92868BAB9	7,082,150.44 0.00	7,072,451.75 8,592.02	(9,698.69)	99.852	0.68%
1,013,784.177	USCAR 2025-1A A2 CAR 144A Mat: 6/15/28 Cpn: 4.51% Moody's: Aaa S&P: Fitch: AAA Tr Date: 6/10/25 St Date: 6/20/25	90367VAB5	1,013,750.21 0.00	1,014,283.97 2,032.07	533.76	100.049	0.10%
3,200,000.000	VFET 2025-2A A2 EQP 144A Mat: 6/15/28 Cpn: 3.96% Moody's: Aaa S&P: Fitch: AAA Tr Date: 9/16/25 St Date: 9/24/25	92886CAB5	3,199,960.00 0.00	3,195,350.40 5,632.00	(4,609.60)	99.855	0.31%

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
1,949,989.191	SFUEL 2025-CA A2 LEASE 144A Mat: 6/20/28 Cpn: 4.06% Moody's: S&P: AAA Fitch: AAA Tr Date: 12/4/25 St Date: 12/10/25	85855EAB2	1,949,831.44 0.00	1,950,117.89 2,419.07	286.45	100.007	0.19%
4,299,756.238	TLEVS 2025-A A2A LEASE 144A Mat: 6/20/28 Cpn: 4.14% Moody's: Aaa S&P: Fitch: AAA Tr Date: 9/24/25 St Date: 9/29/25	88162VAB6	4,299,222.21 0.00	4,293,495.79 5,439.19	(5,726.42)	99.854	0.42%
2,641,926.294	ALLYA 2025-1 A2 CAR Mat: 7/17/28 Cpn: 4.03% Moody's: S&P: AAA Fitch: AAA Tr Date: 10/7/25 St Date: 10/16/25	02008KAB9	2,641,718.37 0.00	2,641,878.74 4,731.98	160.36	99.998	0.26%
7,252,058.282	KCOT 2024-1A A3 EQP 144A Mat: 7/17/28 Cpn: 5.19% Moody's: Aaa S&P: Fitch: AAA Tr Date: 8/26/25 St Date: 8/27/25	50117BAC4	7,348,657.96 12,546.06	7,289,239.58 16,728.08	(59,418.38)	100.513	0.71%
1,800,000.000	DLLMT 2026-1A A2 EQP 144A Mat: 7/20/28 Cpn: 4.03% Moody's: Aaa S&P: Fitch: AAA Tr Date: 1/21/26 St Date: 1/28/26	23347JAB8	1,799,939.52 0.00	1,795,971.60 2,216.50	(3,967.92)	99.776	0.17%
6,613,000.000	DEFT 2026-1A A2 EQP 144A Mat: 7/24/28 Cpn: 4.24% Moody's: Aaa S&P: Fitch: AAA Tr Date: 4/8/26 St Date: 4/22/26	246921AC4	6,612,821.45 0.00	6,609,190.91 7,009.78	(3,630.54)	99.942	0.64%
11,000,000.000	BMWLT 2026-1 A2A LEASE Mat: 7/25/28 Cpn: 4.03% Moody's: Aaa S&P: Fitch: AAA Tr Date: 4/14/26 St Date: 4/22/26	05594YAB2	10,999,109.00 0.00	10,976,790.00 7,388.33	(22,319.00)	99.789	1.06%
5,112,000.000	GMALT 2025-3 A3 LEASE Mat: 8/21/28 Cpn: 4.17% Moody's: S&P: AAA Fitch: AAA Tr Date: 4/10/26 St Date: 4/13/26	379965AD8	5,115,195.00 13,619.22	5,107,700.81 6,513.54	(7,494.19)	99.916	0.49%
5,800,000.000	VWALT 2026-A A2A CAR Mat: 8/21/28 Cpn: 4.06% Moody's: S&P: AAA Fitch: AAA Tr Date: 3/17/26 St Date: 3/24/26	92868CAB7	5,799,607.92 0.00	5,790,795.40 7,195.22	(8,812.52)	99.841	0.56%
8,400,000.000	BLAST 2026-2 A2 CAR Mat: 9/15/28 Cpn: 4.24% Moody's: S&P: AAA Fitch: Tr Date: 4/16/26 St Date: 4/28/26	10807VAB1	8,399,698.44 0.00	8,399,521.20 15,829.33	(177.24)	99.994	0.81%

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
4,900,000.000	WLAKE 2026-1A A2A CAR 144A Mat: 9/15/28 Cpn: 4.02% Moody's: S&P: AAA Fitch: Tr Date: 1/8/26 St Date: 1/16/26	96043BAB8	4,899,857.41 0.00	4,895,394.00 8,754.67	(4,463.41)	99.906	0.47%
3,500,000.000	EART 2026-2A A2 CAR Mat: 11/15/28 Cpn: 4.31% Moody's: Aaa S&P: AAA Fitch: Tr Date: 3/20/26 St Date: 3/31/26	30166WAB2	3,499,947.50 0.00	3,500,997.50 6,704.44	1,050.00	100.029	0.34%
7,000,000.000	GCAR 2026-1A A2 CAR 144A Mat: 11/15/28 Cpn: 4.04% Moody's: S&P: AAA Fitch: Tr Date: 2/6/26 St Date: 2/17/26	36274AAB6	6,999,827.80 0.00	6,993,721.00 12,568.89	(6,106.80)	99.910	0.68%
9,100,000.000	EART 2026-3A A2 CAR Mat: 12/15/28 Cpn: 4.36% Moody's: Aaa S&P: AAA Fitch: Tr Date: 6/16/26 St Date: 6/24/26	30167AAB9	9,099,954.50 0.00	9,094,731.10 7,714.78	(5,223.40)	99.942	0.88%
5,600,000.000	WLAKE 2026-P1 A2 CAR 144A Mat: 1/16/29 Cpn: 3.84% Moody's: Aaa S&P: AAA Fitch: Tr Date: 2/5/26 St Date: 2/11/26	96043AAB0	5,599,552.00 0.00	5,586,778.40 9,557.33	(12,773.60)	99.764	0.54%
10,400,000.000	SFUEL 2026-AA A2A LEASE 144A Mat: 1/22/29 Cpn: 4.21% Moody's: S&P: AAA Fitch: AAA Tr Date: 4/28/26 St Date: 5/6/26	85856FAB8	10,399,625.60 0.00	10,380,656.00 13,378.44	(18,969.60)	99.814	1.00%
10,300,000.000	TAOT 2026-B A2A CAR Mat: 2/15/29 Cpn: 4.04% Moody's: Aaa S&P: AAA Fitch: Tr Date: 4/14/26 St Date: 4/21/26	89240QAB1	10,299,615.81 0.00	10,285,075.30 18,494.22	(14,540.51)	99.855	1.00%
5,600,000.000	EFF 2026-2 A2 FLEET 144A Mat: 2/20/29 Cpn: 4.33% Moody's: S&P: AAA Fitch: AAA Tr Date: 5/12/26 St Date: 5/20/26	29375HAB4	5,599,535.76 0.00	5,595,256.80 7,409.11	(4,278.96)	99.915	0.54%
8,422,000.000	GFORT 2024-1A A1 FLOORPLAN 144A Mat: 3/15/29 Cpn: 5.13% Moody's: Aaa S&P: Fitch: AAA Tr Date: 4/10/26 St Date: 4/13/26	361886DA9	8,501,277.54 33,603.78	8,471,538.20 19,202.16	(29,739.34)	100.588	0.82%
7,535,000.000	GFORT 2025-1A A2 FLOOR 144A Mat: 3/15/29 Cpn: 4.19% Moody's: Aaa S&P: Fitch: AAA Tr Date: 3/18/25 St Date: 3/26/25	361886DX9	7,535,000.00 0.00	7,549,105.52 14,041.92	14,105.52	100.187	0.73%

Portfolio Positions

as of June 30, 2026

Currency: USD

Units	Security	Identifier	Original Principal Cost Purchased Accrued	Principal Market Value Accrued Income	Gain / (Loss) from Cost	Market Price	Percent of Portfolio
7,275,000.000	FORDF 2024-1 A2 FLOORPLAN 144A Mat: 4/15/29 Cpn: 4.34% Moody's: Aaa S&P: AAA Fitch: Tr Date: 5/7/24 St Date: 5/10/24	34528QJB1	7,275,000.00 0.00	7,296,279.38 14,042.40	21,279.38	100.293	0.71%
Total for Asset-Backed			**195,298,512.33** **144,271.12**	**195,028,157.01** **307,499.91**	**(270,355.32)**		**18.88%**
Grand Total			**1,028,802,841.20** **714,922.65**	**1,027,427,414.74** **7,384,825.66**	**(1,375,426.46)**		**100.00%**

Transaction Detail

Currency: USD

June 1, 2026 through June 30, 2026

Trade Date	Settle Date	Transaction Type	Units	Description	Maturity Date	Coupon Rate	Identifier	Proceeds / (Cost)	Interest / Margin Variation	Total Amount
Cash										
6/1/26	6/1/26	Income	770.190	ADJ NET INT			USD		770.19	770.19
6/1/26	6/1/26	Income	21,207.650	STIF INT			USD		21,207.65	21,207.65
Total for Cash			**21,977.840**						**21,977.84**	**21,977.84**
Fixed Income										
6/1/26	6/1/26	Mature Long	2,105,000.000	CA LOS ANGELES WASTEWATER REV TXB	6/1/26	4.45	53945CLJ7	2,105,000.00		2,105,000.00
6/1/26	6/1/26	Coupon		CA LOS ANGELES WASTEWATER REV TXB	6/1/26	4.45	53945CLJ7		46,867.83	46,867.83
6/1/26	6/1/26	Coupon		ERAC USA FINANCE 144A	12/1/26	3.30	26884TAR3		90,700.50	90,700.50
6/1/26	6/2/26	Sell Long	7,000,000.000	U.S. TREASURY BILL	7/2/26		912797TF4	6,939,471.29	39,477.67	6,978,948.96
6/1/26	6/2/26	Buy	7,500,000.000	WESTPAC BANK YCD	6/1/27	4.12	96130AK56	(7,500,000.00)		(7,500,000.00)
6/2/26	6/3/26	Buy	5,200,000.000	S&P GLOBAL	3/1/27	2.45	78409VBH6	(5,140,356.00)	(32,557.78)	(5,172,913.78)
6/2/26	6/3/26	Sell Long	5,000,000.000	U.S. TREASURY BILL	7/2/26		912797TF4	4,956,757.85	28,701.87	4,985,459.72
6/4/26	6/4/26	Buy	2,900,000.000	CA SAN FRAN CITY & CNTY LEASE CP TXB	6/30/26	3.77	79769EBV5	(2,900,000.00)		(2,900,000.00)
6/4/26	6/4/26	Mature Long	2,900,000.000	CA SAN FRAN CITY & CNTY LEASE CP TXB	6/4/26	3.77	79769EBU7	2,900,000.00		2,900,000.00
6/4/26	6/4/26	Coupon		CA SAN FRAN CITY & CNTY LEASE CP TXB	6/4/26	3.77	79769EBU7		8,807.14	8,807.14
6/4/26	6/8/26	Buy	5,115,000.000	MASTERCARD	6/8/28	4.33	57636QBJ2	(5,114,590.80)		(5,114,590.80)
6/4/26	6/4/26	Sell Long	2,000,000.000	U.S. TREASURY BILL	7/2/26		912797TF4	1,982,723.27	11,682.17	1,994,405.44
6/5/26	6/8/26	Sell Long	3,000,000.000	U.S. TREASURY BILL	7/2/26		912797TF4	2,974,080.75	18,731.75	2,992,812.50
6/5/26	6/8/26	Sell Long	1,000,000.000	U.S. TREASURY BILL	7/2/26		912797TF4	991,471.13	6,133.04	997,604.17
6/8/26	6/8/26	Coupon		ROYAL BANK OF CANADA YCD FRN SOFRRATE	12/7/26	3.92	78015J2D8		67,069.72	67,069.72
6/9/26	6/9/26	Coupon		BNY MELLON FRN SOFRINDX	6/9/28	4.31	06406RCD7		48,793.69	48,793.69
6/11/26	6/18/26	Buy	5,325,000.000	CITIBANK FRN SOFRRATE	6/18/29	4.20	17325FBU1	(5,325,000.00)		(5,325,000.00)
6/12/26	6/12/26	Coupon		SUMITOMO MITSUI TR NY YCD FRN SOFRRATE	11/12/26	3.89	86564TRD7		22,503.33	22,503.33
6/15/26	6/15/26	Coupon		ALLYA 2025-1 A2 CAR	7/17/28	4.03	02008KAB9		10,303.79	10,303.79
6/15/26	6/15/26	Pay Princpl	426,200.487	ALLYA 2025-1 A2 CAR	7/17/28	4.03	02008KAB9	426,200.49		426,200.49
6/15/26	6/15/26	Coupon		BLAST 2025-3 A2 CAR	2/15/28	4.73	107920AB6		4,511.51	4,511.51
6/15/26	6/15/26	Pay Princpl	396,473.167	BLAST 2025-3 A2 CAR	2/15/28	4.73	107920AB6	396,473.17		396,473.17
6/15/26	6/15/26	Coupon		BLAST 2026-2 A2 CAR	9/15/28	4.24	10807VAB1		29,680.00	29,680.00
6/15/26	6/15/26	Coupon		CARMX 2023-1 A3 CAR	10/15/27	4.75	14318DAC3		549.51	549.51
6/15/26	6/15/26	Pay Princpl	85,252.041	CARMX 2023-1 A3 CAR	10/15/27	4.75	14318DAC3	85,252.04		85,252.04
6/15/26	6/15/26	Coupon		EART 2026-2A A2 CAR	11/15/28	4.31	30166WAB2		12,570.83	12,570.83
6/15/26	6/15/26	Coupon		EQUITABLE AMERICA GLOBAL FRN 144A SOFRR	9/15/27	4.34	29446Q2D4		30,988.70	30,988.70
6/15/26	6/15/26	Coupon		FORDF 2024-1 A2 FLOORPLAN 144A	4/15/29	4.34	34528QJB1		27,519.37	27,519.37
6/15/26	6/15/26	Coupon		GALC 2023-1 A3 EQP 144A	7/15/27	5.15	39154TCC0		15,866.57	15,866.57

Transaction Detail

Currency: USD

June 1, 2026 through June 30, 2026

Trade Date	Settle Date	Transaction Type	Units	Description	Maturity Date	Coupon Rate	Identifier	Proceeds / (Cost)	Interest / Margin Variation	Total Amount
6/15/26	6/15/26	Pay Princpl	513,214.075	GALC 2023-1 A3 EQP 144A	7/15/27	5.15	39154TCC0	513,214.07		513,214.07
6/15/26	6/15/26	Coupon		GCAR 2026-1A A2 CAR 144A	11/15/28	4.04	36274AAB6		23,566.67	23,566.67
6/15/26	6/15/26	Coupon		GCAR 2026-2A A1 CAR 144A	4/15/27	4.01	37989KAA0		33,430.61	33,430.61
6/15/26	6/15/26	Pay Princpl	1,567,224.660	GCAR 2026-2A A1 CAR 144A	4/15/27	4.01	37989KAA0	1,567,224.66		1,567,224.66
6/15/26	6/15/26	Coupon		GFORT 2024-1A A1 FLOORPLAN 144A	3/15/29	5.13	361886DA9		32,319.00	32,319.00
6/15/26	6/15/26	Coupon		GFORT 2024-1A A1 FLOORPLAN 144A	3/15/29	5.13	361886DA9		3,685.05	3,685.05
6/15/26	6/15/26	Coupon		GFORT 2025-1A A2 FLOOR 144A	3/15/29	4.19	361886DX9		25,574.96	25,574.96
6/15/26	6/15/26	Coupon		GFORT 2025-1A A2 FLOOR 144A	3/15/29	4.19	361886DX9		1,954.66	1,954.66
6/15/26	6/15/26	Coupon		HALST 2024-C A2B LEASE 144A	3/15/27	4.09	448984AC8		2,400.98	2,400.98
6/15/26	6/15/26	Pay Princpl	574,638.535	HALST 2024-C A2B LEASE 144A	3/15/27	4.09	448984AC8	574,638.54		574,638.54
6/15/26	6/15/26	Coupon		HALST 2025-B A3 LEASE 144A	4/17/28	4.53	44935DAD1		36,353.25	36,353.25
6/15/26	6/18/26	Buy	3,095,000.000	HYUNDAI CAPITAL AMERICA 144A	6/16/28	4.50	44891AEM5	(3,088,345.75)		(3,088,345.75)
6/15/26	6/15/26	Coupon		JDOT 2023-B A3 EQP	3/15/28	5.18	477920AC6		5,398.36	5,398.36
6/15/26	6/15/26	Pay Princpl	108,866.868	JDOT 2023-B A3 EQP	3/15/28	5.18	477920AC6	108,866.87		108,866.87
6/15/26	6/15/26	Coupon		JDOT 2024-C A2B EQP	8/16/27	4.02	477911AC5		179.60	179.60
6/15/26	6/15/26	Pay Princpl	51,208.213	JDOT 2024-C A2B EQP	8/16/27	4.02	477911AC5	51,208.21		51,208.21
6/15/26	6/15/26	Coupon		KCOT 2023-2A A3 EQP 144A	1/18/28	5.28	500945AC4		8,153.21	8,153.21
6/15/26	6/15/26	Pay Princpl	221,803.159	KCOT 2023-2A A3 EQP 144A	1/18/28	5.28	500945AC4	221,803.16		221,803.16
6/15/26	6/15/26	Coupon		KCOT 2024-1A A3 EQP 144A	7/17/28	5.19	50117BAC4		33,628.19	33,628.19
6/15/26	6/15/26	Pay Princpl	523,246.732	KCOT 2024-1A A3 EQP 144A	7/17/28	5.19	50117BAC4	523,246.73		523,246.73
6/15/26	6/15/26	Coupon		MASTERCARD FRN SOFRRATE	3/15/28	4.07	57636QBE3		10,998.00	10,998.00
6/15/26	6/15/26	Buy	5,000,000.000	SANTA CLARA VALLEY WATER CPI	8/17/26	3.80	80169NAA6	(5,000,000.00)		(5,000,000.00)
6/15/26	6/15/26	Coupon		TAOT 2026-B A2A CAR	2/15/29	4.04	89240QAB1		34,676.67	34,676.67
6/15/26	6/15/26	Sell Long	4,000,000.000	U.S. TREASURY BILL	7/2/26		912797TF4	3,965,854.18	27,347.33	3,993,201.51
6/15/26	6/16/26	Sell Long	3,095,000.000	U.S. TREASURY NOTE	4/15/29	3.88	91282CQJ3	3,075,656.25	20,316.22	3,095,972.47
6/15/26	6/15/26	Coupon		USCAR 2025-1A A2 CAR 144A	6/15/28	4.51	90367VAB5		4,626.56	4,626.56
6/15/26	6/15/26	Pay Princpl	217,228.912	USCAR 2025-1A A2 CAR 144A	6/15/28	4.51	90367VAB5	217,228.91		217,228.91
6/15/26	6/15/26	Coupon		VFET 2025-1A A2 EQP 144A	11/15/27	4.41	92887TAB7		3,540.17	3,540.17
6/15/26	6/15/26	Pay Princpl	117,388.021	VFET 2025-1A A2 EQP 144A	11/15/27	4.41	92887TAB7	117,388.02		117,388.02
6/15/26	6/15/26	Coupon		VFET 2025-2A A2 EQP 144A	6/15/28	3.96	92886CAB5		10,560.00	10,560.00
6/15/26	6/15/26	Coupon		WELLS FARGO FRN SOFRRATE	9/15/29	4.51	95000U3Z4		25,292.25	25,292.25
6/15/26	6/15/26	Coupon		WLAKE 2025-3A A2 CAR 144A	4/17/28	4.31	96043QAB5		15,777.79	15,777.79
6/15/26	6/15/26	Pay Princpl	724,458.893	WLAKE 2025-3A A2 CAR 144A	4/17/28	4.31	96043QAB5	724,458.89		724,458.89
6/15/26	6/15/26	Coupon		WLAKE 2026-1A A2A CAR 144A	9/15/28	4.02	96043BAB8		16,415.00	16,415.00
6/15/26	6/15/26	Coupon		WLAKE 2026-P1 A2 CAR 144A	1/16/29	3.84	96043AAB0		17,920.00	17,920.00
6/15/26	6/15/26	Coupon		WOLS 2024-A A3 LEASE	10/15/27	5.26	981946AD8		7,549.13	7,549.13
6/15/26	6/15/26	Pay Princpl	343,079.130	WOLS 2024-A A3 LEASE	10/15/27	5.26	981946AD8	343,079.13		343,079.13

Transaction Detail

Currency: USD

June 1, 2026 through June 30, 2026

Trade Date	Settle Date	Transaction Type	Units	Description	Maturity Date	Coupon Rate	Identifier	Proceeds / (Cost)	Interest / Margin Variation	Total Amount
6/16/26	6/16/26	Mature Long	4,900,000.000	CA STATE GO/ULT CP TXB	6/16/26	3.80	13068CKC8	4,900,000.00		4,900,000.00
6/16/26	6/16/26	Coupon		CA STATE GO/ULT CP TXB	6/16/26	3.80	13068CKC8		31,118.36	31,118.36
6/16/26	6/16/26	Buy	5,000,000.000	CA STATE GO/ULT CP TXB	9/10/26	3.82	13068CKE4	(5,000,000.00)		(5,000,000.00)
6/16/26	6/24/26	Buy	9,100,000.000	EART 2026-3A A2 CAR	12/15/28	4.36	30167AAB9	(9,099,954.50)		(9,099,954.50)
6/16/26	6/16/26	Coupon		NATL RURAL UTILITIES FRN SOFRRATE	9/16/27	4.46	63743HFU1		60,769.15	60,769.15
6/16/26	6/17/26	Buy	5,170,000.000	STATE STREET	3/18/27	4.99	857477CL5	(5,200,037.70)	(63,817.47)	(5,263,855.17)
6/17/26	6/18/26	Sell Long	5,000,000.000	U.S. TREASURY BILL	7/2/26		912797TF4	4,957,334.45	35,692.29	4,993,026.74
6/20/26	6/20/26	Coupon		DLLAA 2025-1A A2 EQP 144A	10/20/27	4.70	233249AB7		2,544.75	2,544.75
6/20/26	6/20/26	Pay Princpl	86,628.910	DLLAA 2025-1A A2 EQP 144A	10/20/27	4.70	233249AB7	86,628.91		86,628.91
6/20/26	6/20/26	Coupon		DLLAD 2023-1A A3 EQP 144A	1/20/28	4.79	233258AC6		4,570.55	4,570.55
6/20/26	6/20/26	Pay Princpl	163,165.524	DLLAD 2023-1A A3 EQP 144A	1/20/28	4.79	233258AC6	163,165.52		163,165.52
6/20/26	6/20/26	Coupon		DLLMT 2026-1A A2 EQP 144A	7/20/28	4.03	23347JAB8		6,045.00	6,045.00
6/20/26	6/20/26	Coupon		EFF 2024-3 A2 FLEET 144A	4/20/27	5.31	29375QAB4		2,462.70	2,462.70
6/20/26	6/20/26	Pay Princpl	220,882.277	EFF 2024-3 A2 FLEET 144A	4/20/27	5.31	29375QAB4	220,882.28		220,882.28
6/20/26	6/20/26	Coupon		EFF 2026-2 A2 FLEET 144A	2/20/29	4.33	29375HAB4		20,206.67	20,206.67
6/20/26	6/20/26	Coupon		GMALT 2025-1 A2A LEASE	5/20/27	4.54	36271VAB3		9,979.39	9,979.39
6/20/26	6/20/26	Pay Princpl	965,435.130	GMALT 2025-1 A2A LEASE	5/20/27	4.54	36271VAB3	965,435.13		965,435.13
6/20/26	6/20/26	Coupon		GMALT 2025-3 A3 LEASE	8/21/28	4.17	379965AD8		17,764.20	17,764.20
6/20/26	6/20/26	Coupon		GMALT 2026-1 A2A LEASE	4/20/28	3.77	36273VAB1		17,907.50	17,907.50
6/20/26	6/20/26	Mature Long	3,000,000.000	MET TOWER GLOBAL FUNDING 144A	6/20/26	5.40	58989V2F0	3,000,000.00		3,000,000.00
6/20/26	6/20/26	Coupon		MET TOWER GLOBAL FUNDING 144A	6/20/26	5.40	58989V2F0		81,000.00	81,000.00
6/20/26	6/20/26	Coupon		PILOT 2025-1A A2A LEASE 144A	12/20/27	4.60	73329KAB2		5,138.56	5,138.56
6/20/26	6/20/26	Pay Princpl	191,789.369	PILOT 2025-1A A2A LEASE 144A	12/20/27	4.60	73329KAB2	191,789.37		191,789.37
6/20/26	6/20/26	Coupon		SFUEL 2025-CA A2 LEASE 144A	6/20/28	4.06	85855EAB2		6,766.67	6,766.67
6/20/26	6/20/26	Pay Princpl	50,010.809	SFUEL 2025-CA A2 LEASE 144A	6/20/28	4.06	85855EAB2	50,010.81		50,010.81
6/20/26	6/20/26	Coupon		SFUEL 2026-AA A2A LEASE 144A	1/22/29	4.21	85856FAB8		36,486.67	36,486.67
6/20/26	6/20/26	Coupon		TLEVS 2025-A A2A LEASE 144A	6/20/28	4.14	88162VAB6		15,763.85	15,763.85
6/20/26	6/20/26	Pay Princpl	269,475.400	TLEVS 2025-A A2A LEASE 144A	6/20/28	4.14	88162VAB6	269,475.40		269,475.40
6/20/26	6/20/26	Coupon		TLOT 2025-A A3 LEASE 144A	2/22/28	4.75	89239NAD7		24,996.88	24,996.88
6/20/26	6/20/26	Coupon		TLOT 2025-A A3 LEASE 144A	2/22/28	4.75	89239NAD7		1,385.42	1,385.42
6/20/26	6/20/26	Coupon		VWALT 2025-B A2A LEASE	4/20/28	3.97	92868BAB9		24,767.55	24,767.55
6/20/26	6/20/26	Pay Princpl	403,456.124	VWALT 2025-B A2A LEASE	4/20/28	3.97	92868BAB9	403,456.12		403,456.12
6/20/26	6/20/26	Coupon		VWALT 2026-A A2A CAR	8/21/28	4.06	92868CAB7		19,623.33	19,623.33
6/22/26	6/22/26	Coupon		DEFT 2026-1A A2 EQP 144A	7/24/28	4.24	246921AC4		14,239.33	14,239.33
6/22/26	6/22/26	Coupon		DEFT 2026-1A A2 EQP 144A	7/24/28	4.24	246921AC4		9,126.60	9,126.60
6/22/26	6/22/26	Coupon		HYUNDAI CAPITAL FRN SOFRRATE 144A	3/19/27	4.66	44891ACZ8		56,321.00	56,321.00
6/22/26	6/22/26	Coupon		SANTANDER HOLDINGS FRN SOFRRATE	3/20/29	5.23	80282KBP0		37,740.35	37,740.35

Transaction Detail

June 1, 2026 through June 30, 2026

Currency: USD

Trade Date	Settle Date	Transaction Type	Units	Description	Maturity Date	Coupon Rate	Identifier	Proceeds / (Cost)	Interest / Margin Variation	Total Amount
6/22/26	6/24/26	Sell Long	6,000,000.000	U.S. TREASURY BILL	8/4/26		912797US4	5,930,347.92	44,881.25	5,975,229.17
6/22/26	6/22/26	Coupon		VALET 2025-1 A2B CAR	1/20/28	4.05	92868MAC3		3,890.69	3,890.69
6/22/26	6/22/26	Pay Princpl	205,322.357	VALET 2025-1 A2B CAR	1/20/28	4.05	92868MAC3	205,322.36		205,322.36
6/25/26	6/25/26	Coupon		BMWLT 2025-1 A2A LEASE	9/27/27	4.43	096912AB6		11,101.53	11,101.53
6/25/26	6/25/26	Pay Princpl	432,131.517	BMWLT 2025-1 A2A LEASE	9/27/27	4.43	096912AB6	432,131.52		432,131.52
6/25/26	6/25/26	Coupon		BMWLT 2026-1 A2A LEASE	7/25/28	4.03	05594YAB2		36,941.67	36,941.67
6/25/26	6/25/26	Buy	6,000,000.000	CA SAN JOSE FIN AUTH CP TXB	9/23/26	3.87	79816RAJ7	(6,000,000.00)		(6,000,000.00)
6/25/26	6/25/26	Coupon		FHMS KI07 A SOFRFRN	9/25/26	3.76	3137H3KA9		3,580.52	3,580.52
6/25/26	6/25/26	Sell Long	3,000,000.000	U.S. TREASURY BILL	8/4/26		912797US4	2,965,235.17	22,739.83	2,987,975.00
6/30/26	6/30/26	Mature Long	2,900,000.000	CA SAN FRAN CITY & CNTY LEASE CP TXB	6/30/26	3.77	79769EBV5	2,900,000.00		2,900,000.00
6/30/26	6/30/26	Coupon		CA SAN FRAN CITY & CNTY LEASE CP TXB	6/30/26	3.77	79769EBV5		7,896.06	7,896.06
Total for Fixed Income			**123,163,580.309**					**4,034,227.81**	**1,500,195.73**	**5,534,423.54**

CalOptima Health (OCHA) Stamp - Enhanced Cash
Account #: LP-EC-CALZ
As of 6/30/2026

MetLife Investment Management

Portfolio Profile

Security ID	Security Description	Coupon	Maturity Date	Eff. Mat. Date	Rating	Par Value	Amortized Cost (BV)	WAL	Duration	Yield to Worst	% of Market	Market Value
CASH & CASH EQUIVALENTS												
CASH												
USD	US DOLLARS	-				4,519,089	4,519,089.400	-	-	-	.40%	4,519,089.40
CASH TOTALS							**4,519,089.400**					**4,519,089.40**
CASH & CASH EQUIVALENTS TOTALS							***4,519,089.400***					***4,519,089.40***
FIXED INCOME												
AGENCIES												
3130B3EC3	Federal Home Loan Banks	3.760	10/29/2026	10/29/2026	AA+	9,875,000	9,875,030.630	.331	.006	3.804	.88%	9,939,942.38
3134HAMW0	Federal Home Loan Mortgage Corp	3.760	9/23/2026	9/23/2026	AA+	20,000,000	20,000,336.890	.236	.005	3.702	1.77%	20,019,744.31
3134HCFJ3	Federal Home Loan Mortgage Corp	3.900	12/3/2027	12/3/2027	AA+	14,500,000	14,500,000.000	1.425	.915	4.104	1.28%	14,503,073.32
3134HCMD8	Federal Home Loan Mortgage Corp	3.800	1/6/2028	1/6/2028	AA+	15,000,000	14,999,426.140	1.517	.990	4.039	1.34%	15,224,770.83
3135G07M9	Federal National Mortgage Association	3.880	11/5/2027	11/5/2027	AA+	30,000,000	30,000,459.150	1.350	.017	3.813	2.67%	30,238,652.90
3135G1AA9	Federal National Mortgage Association	3.760	11/20/2026	11/20/2026	AA+	7,000,000	7,000,000.000	.392	.004	3.743	.62%	7,032,319.42
AGENCIES TOTALS							**96,375,252.810**					**96,958,503.16**
ASSET BACKED												
04033DAA2	ARI Fleet Lease Trust 2026-A	3.812	1/15/2027	11/16/2026	AAA	3,901,895	3,901,895.290	.164	.163	4.109	.34%	3,907,542.59
05377RER1	Avis Budget Rental Car Funding AESOP LLC	1.660	2/20/2028	2/20/2027	Aaa	6,502,000	6,409,985.190	.431	.423	4.475	.57%	6,428,590.62
05522RDH8	BA Credit Card Trust	4.980	11/15/2028	11/15/2026	Aaa	4,500,000	4,516,774.760	.375	.368	4.155	.40%	4,524,344.25
10807UAB3	Bridgecrest Lending Auto Securitization Trust 2025-4	4.350	6/15/2028	11/15/2026	AAA	3,760,878	3,760,777.540	.191	.188	4.187	.33%	3,769,564.30
14319BAE2	Carmax Auto Owner Trust 2023-3	5.470	2/15/2029	8/15/2027	AAA	5,800,000	5,869,603.130	1.125	1.071	4.476	.52%	5,879,836.48
14687KAD8	Carvana Auto Receivables Trust 2021-P4	1.640	12/10/2027	9/10/2026	AAA	1,319,341	1,313,225.150	.097	.096	4.160	.12%	1,317,422.84
16517BAB3	Chesapeake IV Funding 2026-1 DAC	4.260	12/15/2028	1/15/2028	Aaa	6,050,000	6,049,950.940	1.105	1.059	4.381	.53%	6,048,949.12
24703UAC7	Dell Equipment Finance Trust 2025-1	4.680	7/22/2027	12/22/2026	Aaa	2,150,093	2,153,698.670	.254	.249	4.241	.19%	2,155,182.99
233249AB7	DLLAA 2025-1 LLC	4.700	10/20/2027	1/20/2027	Aaa	1,717,437	1,717,412.060	.280	.275	4.281	.15%	1,722,079.60
23347AAE1	DLLMT 2024-1 LLC	4.840	8/21/2028	9/20/2027	Aaa	4,855,260	4,883,452.900	.584	.564	4.433	.43%	4,874,877.38
29374MAB4	Enterprise Fleet Financing 2024-4 LLC	4.690	7/20/2027	12/20/2026	AAA	4,129,981	4,129,882.700	.247	.242	4.171	.37%	4,141,501.85
29373NAB3	Enterprise Fleet Financing 2025-4 LLC	4.050	8/20/2028	12/20/2027	AAA	8,000,000	7,999,814.010	.778	.749	4.424	.70%	7,989,568.80
345279AD5	Ford Credit Auto Lease Trust 2024-B	4.990	12/15/2027	12/15/2026	Aaa	2,757,361	2,764,688.720	.236	.231	4.220	.24%	2,768,675.96
36271VAF4	GM Financial Automobile Leasing Trust 2025-1	4.890	2/20/2029	7/20/2027	AA	8,825,000	8,877,154.910	1.056	1.009	4.535	.78%	8,874,239.68
36273VAD7	GM Financial Automobile Leasing Trust 2026-1	3.880	1/22/2029	5/20/2028	AAA	6,000,000	5,999,408.930	1.471	1.403	4.418	.53%	5,964,639.93
361886DL5	GMF Floorplan Owner Revolving Trust	4.043	11/15/2028	11/16/2026	Aaa	1,000,000	1,000,223.190	.375	.091	4.190	.09%	1,001,970.59
39154TCP1	GreatAmerica Leasing Receivables Funding LLC	4.220	5/15/2028	8/15/2027	AAA	2,000,000	1,999,971.190	.601	.581	4.400	.18%	2,002,088.91
39154TCC0	GreatAmerica Leasing Receivables Funding LLC Series 2023-1	5.150	7/15/2027	12/15/2026	AAA	1,510,663	1,512,244.640	.206	.203	3.920	.13%	1,518,024.05
42806MAE9	Hertz Vehicle Financing III LP	1.680	12/27/2027	12/25/2026	Aaa	9,350,000	9,244,508.720	.278	.272	4.493	.82%	9,281,321.45
44935DAD1	Hyundai Auto Lease Securitization Trust 2025-B	4.530	4/17/2028	8/15/2027	AAA	9,000,000	9,040,613.170	.817	.786	4.335	.80%	9,034,938.30
44935GAD4	Hyundai Auto Lease Securitization Trust 2025-C	4.360	7/17/2028	12/15/2027	AAA	5,957,000	5,971,591.730	1.143	1.094	4.334	.53%	5,972,812.13
58770JAD6	Mercedes-Benz Auto Lease Trust 2024-A	5.320	1/18/2028	2/15/2027	Aaa	4,679,730	4,706,639.440	.339	.331	4.306	.42%	4,707,271.28

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MetLife Investment Management

Portfolio Profile

Security ID	Security Description	Coupon	Maturity Date	Eff. Mat. Date	Rating	Par Value	Amortized Cost (BV)	WAL	Duration	Yield to Worst	% of Market	Market Value
FIXED INCOME (Continued)												
ASSET BACKED (Continued)												
58770XAB9	Mercedes-Benz Auto Lease Trust 2025-B	3.860	3/15/2028	6/15/2027	AAA	8,715,782	8,715,449.920	.512	.497	4.304	.77%	8,712,864.02
58770XAC7	Mercedes-Benz Auto Lease Trust 2025-B	3.963	3/15/2028	6/15/2027	AAA	3,936,160	3,936,159.820	.512	.087	4.123	.35%	3,942,894.74
65481CAE4	Nissan Auto Lease Trust 2024-A	4.970	9/15/2028	7/15/2026	Aaa	1,703,780	1,709,785.300	.042	.040	3.987	.15%	1,708,233.75
69433BAB3	PEAC Solutions Receivables 2024-1 LLC	5.790	6/21/2027	12/20/2026	AAA	1,659,420	1,659,394.750	.258	.253	4.305	.15%	1,668,815.65
704583AB9	PEAC Solutions Receivables 2026-1 LLC	4.270	10/20/2028	3/20/2028	AAA	6,270,000	6,269,742.560	.979	.938	4.593	.55%	6,261,449.12
69335PFJ9	PFS Financing Corp	5.340	4/15/2029	4/15/2027	Aaa	10,050,000	10,140,898.550	.792	.760	4.392	.90%	10,150,917.41
858928AF1	Stellantis Financial Underwritten Enhanced Lease Trust 2025-A	4.740	4/20/2029	10/20/2027	AA	535,000	536,578.960	1.306	1.243	4.773	.05%	535,868.43
858933AB0	Stellantis Financial Underwritten Enhanced Lease Trust 2025-B	4.310	5/22/2028	3/20/2027	AAA	5,891,608	5,891,466.810	.389	.380	4.395	.52%	5,898,338.42
88162VAB6	Tesla Lease Electric Vehicle Securitization 2025-A LLC	4.140	6/20/2028	7/20/2027	Aaa	7,167,475	7,167,015.250	.587	.568	4.473	.63%	7,164,461.10
891943AD4	Toyota Lease Owner Trust 2024-B	4.210	9/20/2027	11/20/2026	Aaa	467,792	468,028.190	.206	.203	4.172	.04%	468,464.75
89240NAD4	Toyota Lease Owner Trust 2025-B	3.960	11/20/2028	4/20/2028	Aaa	3,300,000	3,306,113.990	1.448	1.381	4.441	.29%	3,283,655.10
89240NAB8	Toyota Lease Owner Trust 2025-B	3.910	5/22/2028	8/20/2027	Aaa	6,452,909	6,452,692.270	.587	.568	4.335	.57%	6,446,229.52
92868BAB9	Volkswagen Auto Lease Trust 2025-B	3.970	4/20/2028	4/20/2027	Aaa	5,291,864	5,291,561.520	.476	.463	4.357	.47%	5,289,639.10
92886CAB5	Volvo Financial Equipment LLC Series 2025-2	3.960	6/15/2028	7/15/2027	Aaa	9,450,000	9,449,920.280	.508	.492	4.331	.83%	9,450,919.49
98164PAD2	World Omni Automobile Lease Securitization Trust 2025-A	4.420	4/17/2028	8/15/2027	AAA	5,750,000	5,762,956.790	.836	.805	4.400	.51%	5,764,090.64
ASSET BACKED TOTALS							**180,581,281.940**					**180,632,284.34**
CASH												
02665KG92	American Honda Finance Corp	0.000	7/9/2026	7/9/2026	A-2	20,000,000	19,982,269.950	.025	.024	3.928	1.76%	19,980,380.00
06745GFX4	BARCLAYS BANK PLC (NEW YORK BRANCH	3.970	10/30/2026	10/30/2026	A-1	15,000,000	15,000,000.000	.339	.328	4.187	1.36%	15,387,131.67
07260BH65	Bay Square Funding LLC	0.000	8/6/2026	8/6/2026	A-1	20,000,000	19,921,822.150	.100	.100	3.977	1.76%	19,918,580.00
05593DL50	BNP PARIBAS (NEW YORK BRANCH)	3.950	10/30/2026	10/30/2026	A-1	15,000,000	15,000,000.000	.339	.328	4.136	1.36%	15,386,733.33
06054PGN0	BOFA SECURITIES INC 4-2 20260722	0.000	7/22/2026	7/22/2026	A-1	15,000,000	14,966,236.020	.061	.059	3.779	1.32%	14,965,440.00
10114BG92	BOSTON SCIENTIFIC CORP 4-2 20260709	-				20,000,000	19,982,302.860	-	-	-	1.76%	19,979,900.00
15963UG91	CHARIOT FUNDING LLC 4-2 20260709	-				20,000,000	19,983,252.150	-	-	-	1.76%	19,980,900.00
8085A3J89	Charles Schwab Corp/The	0.000	9/8/2026	9/8/2026	F1	20,000,000	19,846,693.180	.189	.188	4.062	1.75%	19,843,280.00
22536JU78	CREDIT AGRICOLE CORPORATE AND INVE	3.870	10/29/2026	10/29/2026	A-1	15,000,000	15,000,000.000	.336	.325	4.131	1.36%	15,376,672.50
30229BG76	Exxon Mobil Corp	0.000	7/7/2026	7/7/2026	P-1	25,000,000	24,984,698.980	.019	.019	3.695	2.20%	24,982,050.00
30607KGE3	Falcon Asset Funding LLC	0.000	7/14/2026	7/14/2026	P-1	20,000,000	19,972,784.750	.039	.038	3.837	1.76%	19,970,200.00
4820P3GE7	JUPITER SECURITIZATION COMPANY LLC 4-2 20260714	-				20,000,000	19,972,784.750	-	-	-	1.76%	19,970,060.00
53947B4T4	LLOYDS BANK CORPORATE MARKETS PLC	3.940	10/30/2026	10/30/2026	A-1	15,000,000	15,000,000.000	.339	.328	4.136	1.36%	15,385,251.67
59524PG92	MID-AMERICA APARTMENTS LP 4-2 20260709	-				20,000,000	19,982,004.050	-	-	-	1.76%	19,979,620.00
62479MGP2	MUFG BANK LTD (NEW YORK BRANCH) 3-a-3a 20260723	0.000	7/23/2026	7/23/2026	A-1	20,000,000	19,952,837.610	.064	.062	3.800	1.76%	19,951,560.00
63743DGE5	National Rural Utilities Cooperative Finance Corp	0.000	7/14/2026	7/14/2026	F1	15,000,000	14,979,403.620	.039	.038	3.873	1.32%	14,977,440.00
63873THA9	NATIXIS (NEW YORK BRANCH)	3.860	10/29/2026	10/29/2026	A-1	15,000,000	15,000,000.000	.336	.325	3.976	1.36%	15,381,528.33
65558NG77	NORDDEUTSCHE LANDESBANK/NEW YORK 4-2 20260707	0.000	7/7/2026	7/7/2026	P-1	20,000,000	19,986,654.460	.019	.019	3.747	1.76%	19,985,440.00

MetLife Investment Management

Portfolio Profile

Security ID	Security Description	Coupon	Maturity Date	Eff. Mat. Date	Rating	Par Value	Amortized Cost (BV)	WAL	Duration	Yield to Worst	% of Market	Market Value
FIXED INCOME (Continued)												
CASH (Continued)												
BME8BM016_20260	TRI-PARTY HSBC SECURITIES (USA) IN 20260701 3.63 MAT-00083506	-				10,000,000	10,000,000.000	-	-	-	.88%	10,001,008.33
912797UN5	United States Treasury Bill	0.000	7/7/2026	7/7/2026	A-1+	25,000,000	24,984,989.350	.017	.016	3.619	2.20%	24,985,137.50
912797TF4	United States Treasury Bill	0.000	7/2/2026	7/2/2026	A-1+	25,000,000	24,997,501.710	.003	.003	3.650	2.21%	24,995,007.75
912797RF6	United States Treasury Bill	0.000	7/9/2026	7/9/2026	A-1+	25,000,000	24,979,957.910	.022	.022	3.690	2.20%	24,979,797.25
CASH TOTALS							**414,476,193.500**					**416,363,118.33**
CMBS												
3138LG4V5	Fannie Mae Pool	3.220	1/1/2027	1/25/2027	AA+	3,675,000	3,667,252.770	.569	.557	4.179	.32%	3,659,210.82
3138LG4P8	Fannie Mae Pool	3.220	1/1/2027	1/25/2027	AA+	3,675,000	3,667,252.770	.569	.557	4.229	.32%	3,658,199.16
3137FAQE1	Freddie Mac Multifamily Structured Pass Through Certificates	3.019	6/25/2027	6/25/2027	AA+	10,000,000	9,949,051.440	.689	.668	4.456	.87%	9,910,577.33
3137HBCF9	Freddie Mac Multifamily Structured Pass Through Certificates	5.000	11/25/2028	11/25/2028	AA+	13,202,844	13,426,152.940	2.175	2.026	4.392	1.18%	13,390,842.39
3137FJZ93	Freddie Mac Multifamily Structured Pass Through Certificates	3.780	10/25/2028	10/25/2028	AA+	15,500,000	15,465,280.290	2.189	2.063	4.441	1.35%	15,309,401.15
3137F2LJ3	Freddie Mac Multifamily Structured Pass Through Certificates	3.117	6/25/2027	5/25/2027	AA+	11,324,971	11,266,317.290	.745	.722	4.312	.99%	11,235,039.44
3137FBAB2	Freddie Mac Multifamily Structured Pass Through Certificates	3.038	8/25/2027	8/25/2027	AA+	236,143	235,130.440	.576	.558	4.229	.02%	234,719.64
3137F1G44	Freddie Mac Multifamily Structured Pass Through Certificates	3.243	4/25/2027	4/25/2027	AAA	11,500,000	11,457,598.350	.592	.575	4.457	1.01%	11,427,639.70
3137FCJK1	Freddie Mac Multifamily Structured Pass Through Certificates	3.303	11/25/2027	11/25/2027	AA+	5,210,000	5,172,749.720	1.198	1.152	4.348	.45%	5,151,839.21
3137FKUP9	Freddie Mac Multifamily Structured Pass Through Certificates	3.771	12/25/2028	12/25/2028	AA+	12,887,422	12,860,467.350	2.269	2.133	4.448	1.12%	12,718,869.55
3137FEZU7	Freddie Mac Multifamily Structured Pass Through Certificates	3.900	4/25/2028	4/25/2028	AA+	11,675,000	11,675,924.370	1.623	1.544	4.372	1.02%	11,603,655.24
3132XGWK8	Freddie Mac Pool	4.250	6/1/2028	6/25/2028	AA+	750,000	749,112.020	1.963	1.848	4.525	.07%	748,179.94
30316AAE3	FRESB 2020-SB77 Mortgage Trust	.930	6/25/2027	6/25/2027	Agency	1,139,928	1,126,691.540	.819	.799	4.301	.10%	1,109,582.37
CMBS TOTALS							**100,718,981.290**					**100,157,755.94**
CORPORATES												
00287YDR7	AbbVie Inc	4.800	3/15/2027	3/15/2027	A-	15,541,000	15,631,476.260	.625	.618	4.242	1.40%	15,813,203.31
06051GLV9	Bank of America Corp	5.933	9/15/2027	9/15/2027	A1	15,000,000	15,154,829.520	.208	.208	4.434	1.35%	15,306,069.13
05565ECT0	BMW US Capital LLC	4.527	8/13/2027	8/13/2027	A2	15,000,000	15,039,332.960	1.122	.010	4.210	1.34%	15,183,843.82
17325FBH0	Citibank NA	4.321	8/6/2026	8/6/2026	Aa3	5,685,000	5,685,000.000	.083	.005	4.271	.51%	5,737,007.00
209111GL1	Consolidated Edison Co of New York Inc	4.144	11/18/2027	11/18/2027	A-	9,610,000	9,610,000.000	1.386	.014	4.049	.86%	9,695,410.58
38141GZR8	Goldman Sachs Group Inc/The	3.615	3/15/2028	3/15/2027	A2	10,000,000	9,906,292.470	.708	.684	4.561	.89%	10,040,754.17
44891ADY0	Hyundai Capital America	4.742	6/23/2027	6/23/2027	A-	10,230,000	10,230,000.000	.986	.010	4.321	.91%	10,292,385.33
46647PEA0	JPMorgan Chase & Co	5.040	1/23/2028	1/24/2028	A1	15,000,000	15,073,703.580	.564	.549	4.466	1.36%	15,378,718.50
61747YEK7	Morgan Stanley	2.475	1/21/2028	1/21/2027	A1	15,000,000	14,720,827.660	.558	.545	4.459	1.32%	15,002,420.85
6944PL3D9	Pacific Life Global Funding II	4.267	12/20/2027	12/20/2027	AA-	10,000,000	10,000,156.220	1.478	.016	4.193	.88%	10,027,178.02
79466LAQ7	Salesforce Inc	4.500	3/15/2028	3/15/2028	A2	9,975,000	9,967,558.830	1.708	1.571	4.574	.89%	10,097,071.36
857477CQ4	State Street Corp	4.263	10/22/2027	10/22/2027	Aa3	3,905,000	3,905,000.000	1.233	.005	4.077	.35%	3,959,691.70

MetLife Investment Management

Portfolio Profile

Security ID	Security Description	Coupon	Maturity Date	Eff. Mat. Date	Rating	Par Value	Amortized Cost (BV)	WAL	Duration	Yield to Worst	% of Market	Market Value
FIXED INCOME (Continued)												
CORPORATES (Continued)												
95000U2V4	Wells Fargo & Co	3.526	3/24/2028	3/24/2027	A1	15,000,000	14,848,320.460	.733	.709	4.546	1.33%	15,032,623.82
CORPORATES TOTALS							**149,772,497.960**					**151,566,377.59**
MORTGAGES												
31417AW96	Fannie Mae Pool	2.500	1/1/2027	12/25/2026	AA+	40,106	40,055.450	.245	.240	4.389	0%	39,942.50
31418AJM1	Fannie Mae Pool	2.500	9/1/2027	7/25/2027	AA+	65,652	65,251.800	.498	.483	4.420	.01%	65,074.83
31417GY67	Fannie Mae Pool	2.500	6/1/2028	4/25/2028	AA+	118,687	117,434.920	.807	.778	4.462	.01%	116,944.11
36180M3T2	Ginnie Mae I Pool	2.500	4/15/2028	1/15/2028	AA+	287,547	285,268.930	.762	.734	4.291	.03%	284,112.46
MORTGAGES TOTALS							**508,011.100**					**506,073.90**
MUNICIPALS												
13068XRS0	California State Public Works Board	3.770	11/1/2026	11/2/2026	Aa3	1,400,000	1,400,000.000	.336	.336	4.023	.12%	1,407,505.85
15722TJR3	Chabot-Las Positas Community College District	1.080	8/1/2026	8/3/2026	Aa2	5,665,000	5,651,897.910	.086	.091	3.776	.50%	5,677,301.60
9142334T5	University of Connecticut	3.830	3/23/2027	3/23/2027	Aa2	5,000,000	5,000,000.000	.731	.715	3.984	.45%	5,044,686.00
MUNICIPALS TOTALS							**12,051,897.910**					**12,129,493.45**
US TREASURIES												
91282CMJ7	United States Treasury Floating Rate Note	3.874	1/31/2027	2/1/2027	AA+	25,000,000	25,008,454.670	.586	.006	3.987	2.22%	25,168,079.43
91282CAL5	United States Treasury Note/Bond	.375	9/30/2027	9/30/2027	AA+	50,000,000	47,932,808.460	1.251	1.224	4.137	4.21%	47,775,646.65
912828ZE3	United States Treasury Note/Bond	.625	3/31/2027	3/31/2027	AA+	50,000,000	48,866,107.050	.751	.734	4.008	4.31%	48,838,317.41
9128283F5	United States Treasury Note/Bond	2.250	11/15/2027	11/15/2027	AA+	50,000,000	48,966,384.830	1.375	1.334	4.165	4.31%	48,876,104.07
US TREASURIES TOTALS							**170,773,755.010**					**170,658,147.56**
FIXED INCOME TOTALS							***1,125,257,871.520***					***1,128,971,754.27***
PORTFOLIO TOTALS							***1,129,776,960.920***					***1,133,490,843.67***

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Economic and Market Update

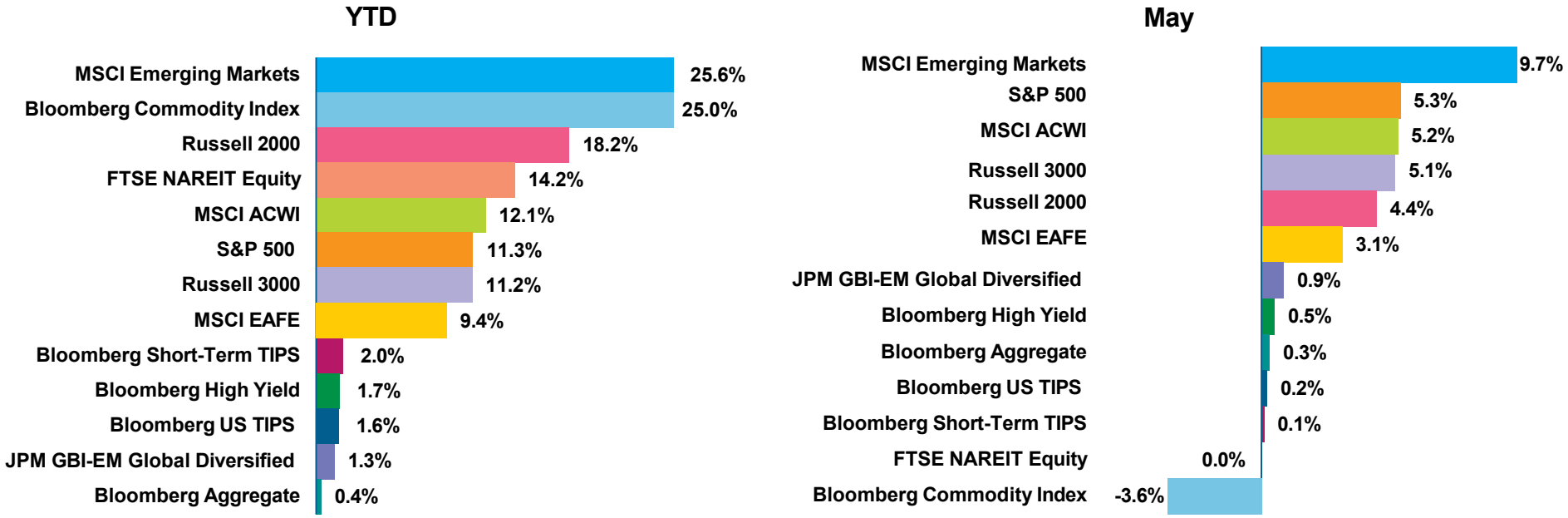
Data as of May 31, 2026

Commentary

Global equities extended their advance in May, led by emerging markets and US technology stocks. A sharp retreat in oil prices, driven by easing Middle East tensions, offered some relief even as headline inflation hit its highest level since 2023 and the Federal Reserve remained on hold.

- → US equities (Russell 3000) rose 5.1% in May, extending the prior month's rebound and lifting the year-to-date gain to 11.2%. Growth stocks led once again in May, with the Russell 1000 Growth index advancing 7.2% versus 2.9% for its value counterpart, as continued enthusiasm for AI related technology names outweighed a pullback in energy and other commodity-sensitive areas.
- → Emerging markets (9.7%) led the global rally in May. Strong semiconductor and hardware demand across South Korea and Taiwan, robust risk appetite, and relief from the sharp pullback in oil prices drove broad gains, even as China lagged. Non-US developed stocks (MSCI EAFE) rose 3.1% for the month trailing the US and emerging markets.
- → Fixed income posted modest gains across the board in May, but it was a volatile month that tracked developments in the Middle East. Bond yields largely retraced mid-month increases as inflation concerns eased toward month end given the announcement that a US-Iran deal may be close. The Bloomberg Universal index rose 0.4%, with emerging market debt and high yield leading the way.
- → Looking ahead, markets will be focused on whether the May retreat in energy prices feeds through to cooler inflation in the coming months, if the Federal Reserve's divided committee signals any shift from its extended hold at upcoming meetings, and whether corporate earnings can sustain the equity rally amid still-elevated input costs and signs of strain among lower-income consumers.

Index Returns[1]



- In May, equities led performance across asset classes, with emerging markets and US large cap stocks posting the strongest results. Resilient earnings, continued tailwinds from the AI-related infrastructure buildout, and relief from a sharp decline in oil prices were the primary catalysts for the broad advance.
- Commodities lagged in May as oil prices retreated on easing Middle East tensions.
- Bonds posted modest gains across most segments as inflation concerns eased toward month-end.

[1] Source: Bloomberg. Data is as of May 31, 2026.

Domestic Equity Returns[1]

Domestic Equity	May (%)	QTD (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
S&P 500	5.3	16.3	11.3	29.8	23.6	14.1	15.6
Russell 3000	5.1	15.8	11.2	29.4	23.2	12.9	15.1
Russell 1000	5.1	15.7	10.9	28.8	23.4	13.3	15.4
Russell 1000 Growth	7.2	20.0	8.2	28.7	26.5	15.7	18.9
Russell 1000 Value	2.9	11.3	13.7	28.5	19.5	10.4	11.4
Russell MidCap	2.9	10.4	11.8	22.4	18.5	8.2	11.7
Russell MidCap Growth	4.8	11.5	4.5	7.9	17.5	6.9	12.7
Russell MidCap Value	2.3	10.1	14.1	27.2	18.6	8.6	10.4
Russell 2000	4.4	17.1	18.2	43.1	20.3	6.6	11.2
Russell 2000 Growth	5.8	21.4	18.0	41.9	20.2	5.8	11.5
Russell 2000 Value	2.8	12.7	18.3	44.4	20.2	7.3	10.5

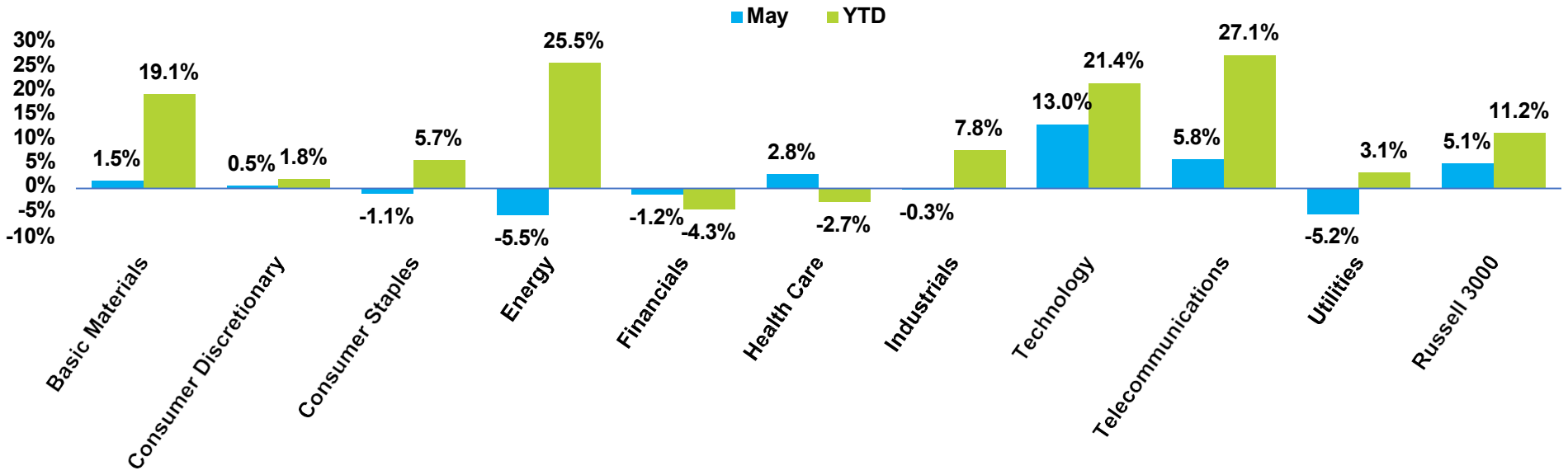
US Equities: The Russell 3000 index rose 5.1% in May, bringing the year-to-date return to 11.2%.

→ Despite the strong positive returns, gains remained concentrated in a few growth-oriented names. The Russell 1000 Growth index gained 7.2% versus a 2.9% advance for the Russell 1000 Value index, as continued strength in mega-cap technology shares outweighed weakness in energy and other value-oriented sectors. Large caps (5.1%) modestly outpaced small caps, with the Russell 2000 rising 4.4% as the retreat in oil prices weighed on commodity-linked constituents.

→ Several members of the "Magnificent Seven" again contributed meaningfully to index performance in May given their substantial weight in the index, as ongoing demand for AI infrastructure and computing capacity supported mega-cap technology shares. Continued investor confidence in the durability of AI-related revenue growth underpinned the group's leadership.

[1] Source: Bloomberg. Data is as of May 31, 2026.

Russell 3000 Sector Returns[1]



Sector results were mixed in May, with an equal number of sectors posting gains and declining. Despite these dynamics, the Russell 3000 rose 5.1% for the month given its heavy technology weighting and a sharp rebound in the largest technology constituents.

- → Technology led all sectors in May, rising 13.0% as continued strength in cloud and AI-related earnings reinforced confidence in the AI capital spending cycle. Telecommunications (+5.8%) and health care (+2.8%) also advanced for the month.
- → Energy was the weakest sector, falling 5.5% as oil prices retreated sharply on easing Middle East tensions, while utilities (-5.2%) lagged as investors continued to rotate into growth.
- → Financials, consumer staples, and industrials also declined modestly as the month's leadership concentrated in technology and other growth-oriented areas.

[1] Source: Bloomberg. Data is as of May 31, 2026.

Foreign Equity Returns[1]

Foreign Equity	May (%)	QTD (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
MSCI ACWI Ex US	5.0	15.2	14.4	32.8	20.8	8.8	9.8
MSCI EAFE	3.1	10.7	9.4	22.8	18.2	8.8	9.3
MSCI EAFE (Local Currency)	3.7	9.0	9.1	22.3	16.3	11.0	9.9
MSCI EAFE Small Cap	3.9	13.2	11.8	27.2	18.3	5.8	8.5
MSCI Emerging Markets	9.7	25.8	25.6	54.3	25.2	7.5	10.7
MSCI Emerging Markets (Local Currency)	9.7	24.2	26.8	57.6	26.6	10.3	12.0
MSCI EM ex China	13.5	34.5	38.7	74.4	29.9	13.4	13.0
MSCI China	-3.0	0.5	-8.5	6.1	11.9	-5.2	5.2

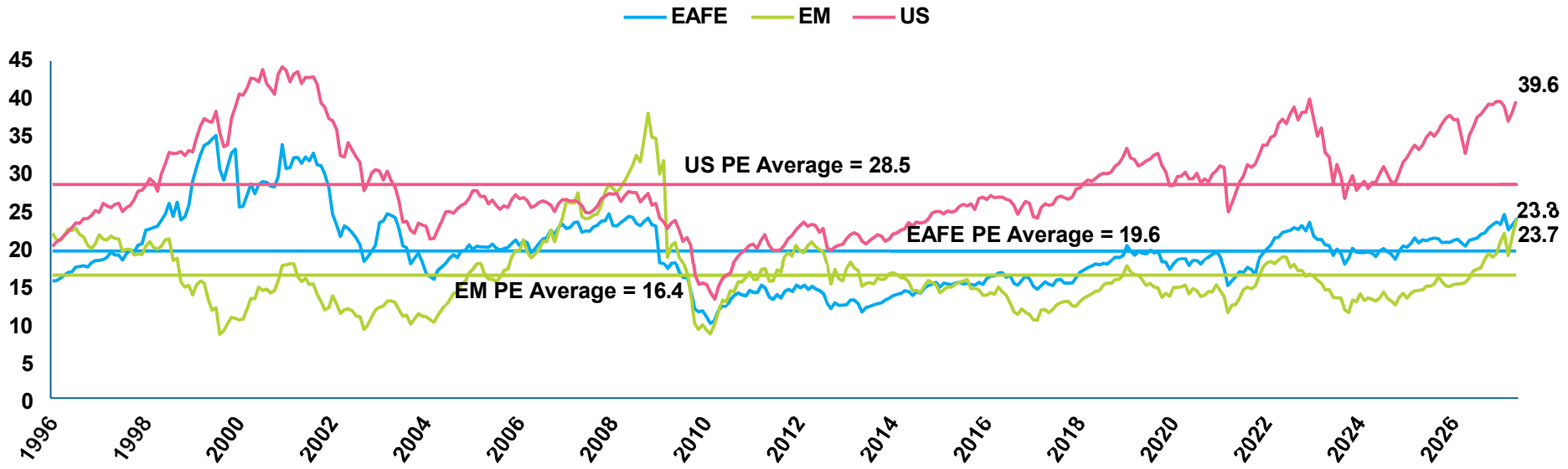
Developed international equities (MSCI EAFE) returned 3.1% in May and emerging markets equities (MSCI Emerging Markets) rose 9.7%.

→ Developed market equities rose in May, supported by resilient corporate earnings and continued strength in semiconductor-related names, though a firmer US dollar offset those returns by roughly 0.6% for the month for dollar-based investors. Europe and Japan both advanced, with Japan aided by firm AI-related hardware demand.

→ Emerging markets outperformed their developed market peers, led by South Korea and Taiwan on robust technology demand, with EM ex-China returning 13.5%. China lagged, with the MSCI China index falling 3.0% in May, as entrenched deflation, a still-weak property sector, US tariffs, and energy supply risks continued to weigh on Chinese equities.

[1] Source: Bloomberg. Data is as of May 31, 2026.

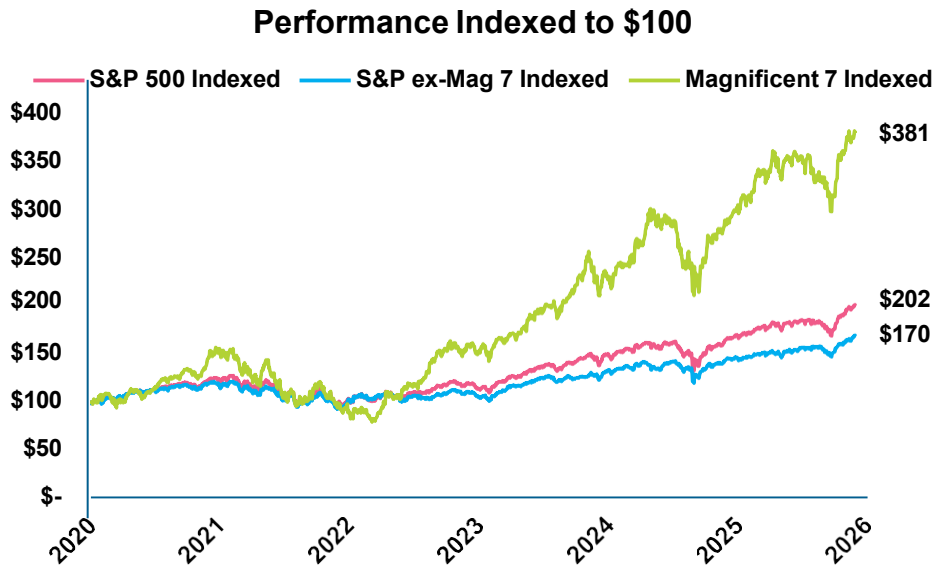
Equity Cyclically Adjusted P/E Ratios[1]

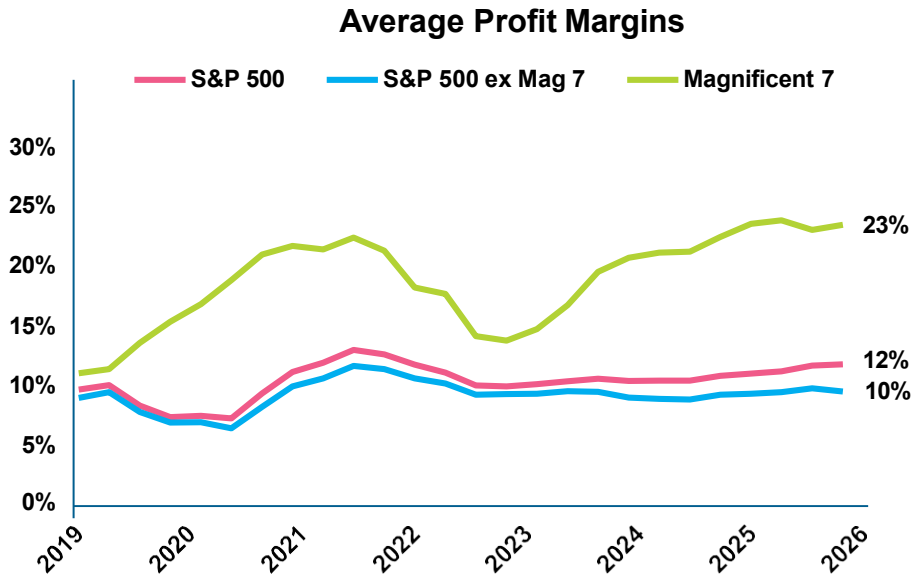


- → Cyclically adjusted US equity valuations rose in May given strong price gains, lifting the US CAPE to 39.6, well above its long-run average of 28.5.
- → Non-US developed market valuations (EAFE) also rose, reaching 23.8 versus a long-run average of 19.6. Despite trading above historical norms, EAFE valuations remain considerably cheaper than those in the US.
- → Emerging market valuations increased to 23.7, moving further above their long-run average of 16.4. The continued multiple expansion reflects elevated investor confidence in AI-related hardware and semiconductor demand across developing markets.

[1] US Equity Cyclically Adjusted P/E on S&P 500 Index. Source: Robert Shiller, Yale University, and Meketa Investment Group. Developed and Emerging Market Equity (MSCI EAFE and EM Index) Cyclically Adjusted P/E Source: Bloomberg. Earnings figures represent the average of monthly "as reported" earnings over the previous ten years. Data is as of May 2026. The average line is the long-term average of the US, EM, and EAFE PE values from April 1998 to the recent month-end, respectively.

Performance and Profit Margins: S&P 500 and "Magnificent 7"[1]





→ The "Magnificent Seven" again led US equity gains in May, with continued demand for AI infrastructure and computing supporting the group's mega-cap technology constituents and reinforcing their outsized contribution to index performance.

→ Earnings growth and profit margins more than double the remaining S&P 500 companies continue to underpin, and entrench, their dominant index weight.

[1] Source: Bloomberg. Data is as of May 31, 2026, for index prices and March 31, 2026, for profit margins.

Fixed Income Returns[1]

Fixed Income	May (%)	QTD (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Current Yield (%)	Duration (Years)
Bloomberg Universal	0.4	0.7	0.5	5.5	4.6	0.5	2.1	4.9	5.8
Bloomberg Aggregate	0.3	0.4	0.4	5.1	4.0	0.2	1.7	4.7	6.0
Bloomberg US TIPS	0.2	1.4	1.6	4.9	4.0	1.2	2.8	4.4	6.6
Bloomberg Short-term TIPS	0.1	1.0	2.0	4.5	5.2	3.4	3.2	4.0	2.4
Bloomberg US Long Treasury	0.5	-0.2	-0.6	4.4	-0.8	-5.1	-0.8	5.0	14.3
Bloomberg High Yield	0.5	2.2	1.7	7.6	9.4	4.4	5.9	7.0	3.2
JPM GBI-EM Global Diversified (USD)	0.9	3.7	1.3	10.6	8.4	1.8	3.3	--	--

Fixed Income: The Bloomberg Universal index rose 0.4% in May.

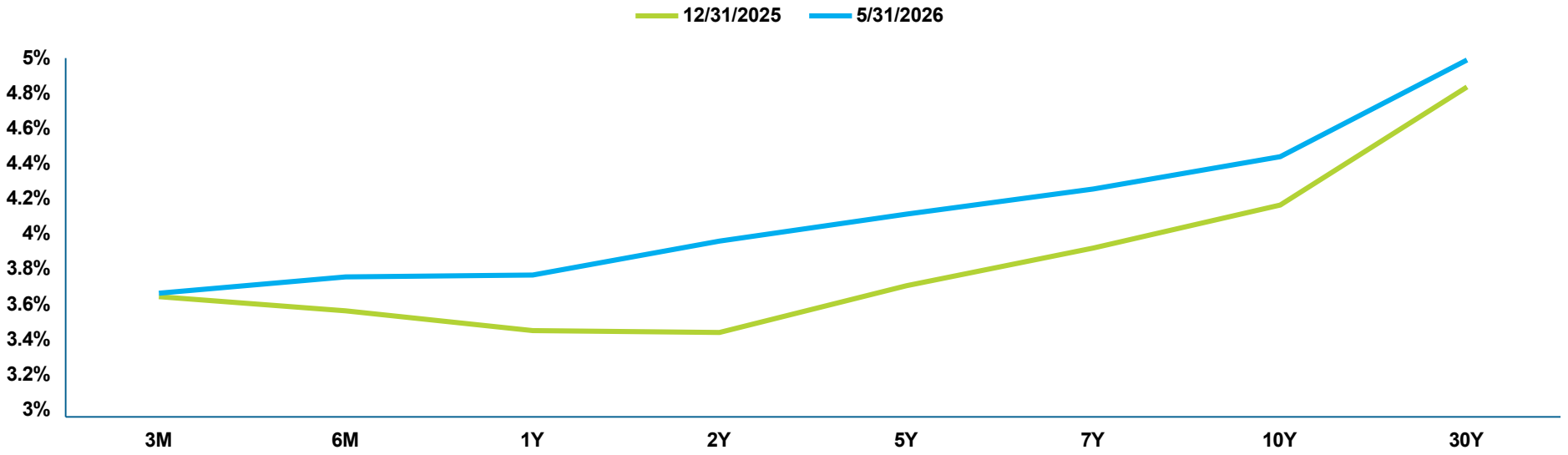
→ Fixed income posted broad gains in May as inflation concerns eased given a potential deal in the Middle East, and credit conditions remained supportive. There was no policy meeting during the month, with markets continuing to price a potential rate hike given elevated inflation.

→ Longer-dated Treasuries advanced as yields, although volatile over the month, finished largely where they started. Improved risk sentiment supported higher-yielding segments such as high yield (+0.5%) and emerging market debt (+0.9%).

→ TIPS posted small gains (Bloomberg US TIPS +0.2%; Bloomberg Short-term TIPS +0.1%), reflecting persistent headline inflation.

[1] Source: Bloomberg. Data is as of May 31, 2026. The yield and duration data from Bloomberg is defined as the index's yield to worst and modified duration, respectively. JPM GBI-EM data is from J.P. Morgan. Current yield and duration data is not available.

US Yield Curve[1]

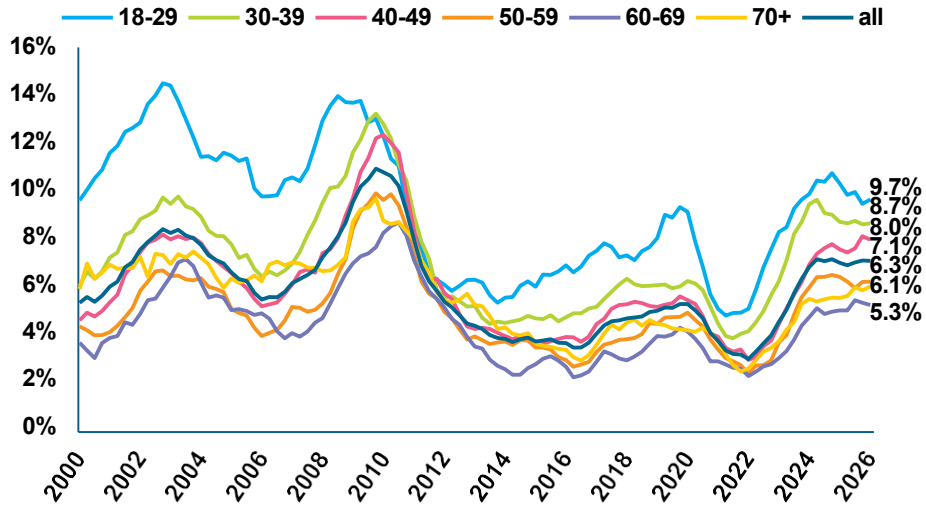


- Treasury yields were volatile in May rising mid-month given concerns of escalation in the Middle East. They largely retreated from their highs by month-end though due to hopes of a deal between the US and Iran and the related decline in oil prices easing inflation concerns.
- At month-end the policy-sensitive 2-year nominal Treasury yield stood near 4.00%, up from 3.87% over the month given growing expectations of a potential interest rate increase by the Fed. The 10-year nominal Treasury yield rose slightly from 4.37% to 4.44%, and the 30-year finished the month where it started around 5.0%.
- The spread between the two-year and ten-year Treasury fell from 50.37 basis points to 43.53 basis points over the month, given the rise in short-term interest rates.

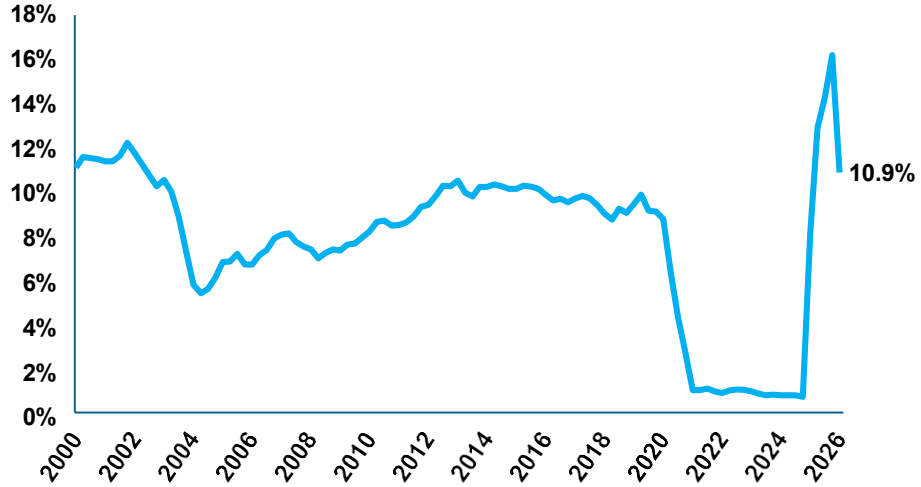
[1] Source: Bloomberg. Data is as of May 31, 2026.

Stress is Building Among Some US Consumers[1]

Transition into Serious Delinquency for Credit Cards by Age



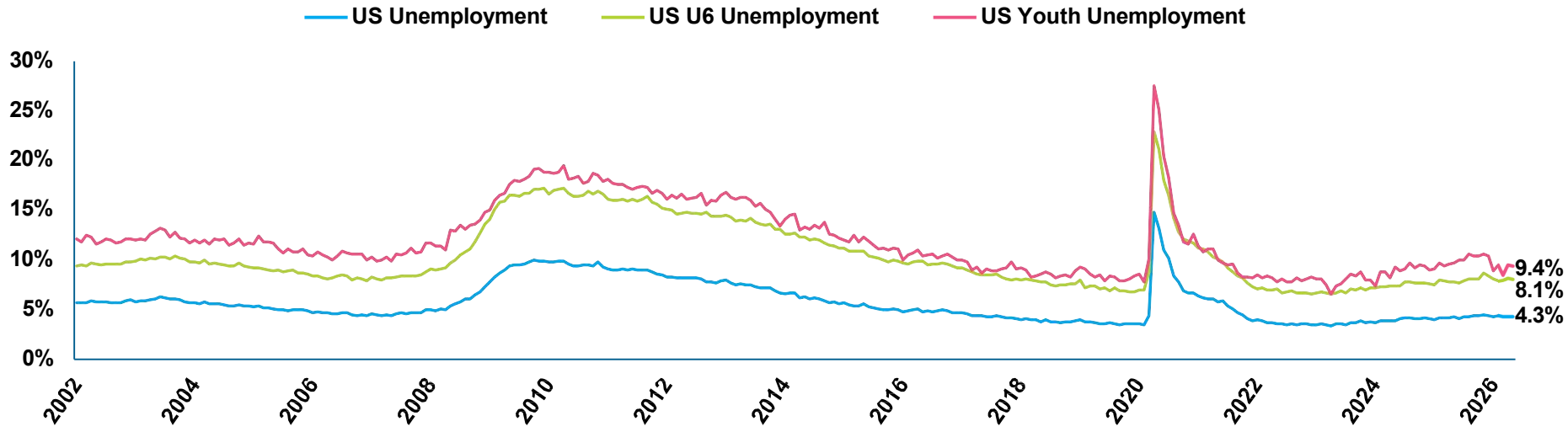
Transition Into Serious Delinquency (90+ Days) for Student Loans[2]



- → US consumer trends remain increasingly K-shaped: higher-income households show resilience, while younger, rate-sensitive borrowers face mounting pressure from elevated rates, persistent inflation, and high energy costs.
- → Delinquencies remain elevated relative to pandemic lows, driven by lower-income and younger cohorts. While aggregate levels are near pre-pandemic norms, dispersion in household financial health is widening materially.
- → Student loan repayments have re-emerged as a key pressure point, with millions of borrowers missing payments and close to 11% of balances now seriously delinquent, weighing on consumption for younger cohorts.

[1] Source: New York Federal Reserve, Quarterly Household Debt and Credit Report. See also FRED. Data is as of March 31, 2026.
[2] Source: New York Federal Reserve, Quarterly Household Debt and Credit Report. Percent of student loan holders transitioning in serious default (90-days or more) based on four quarter moving average. Delays in reporting may cause fluctuations. Data is as of March 31, 2026.

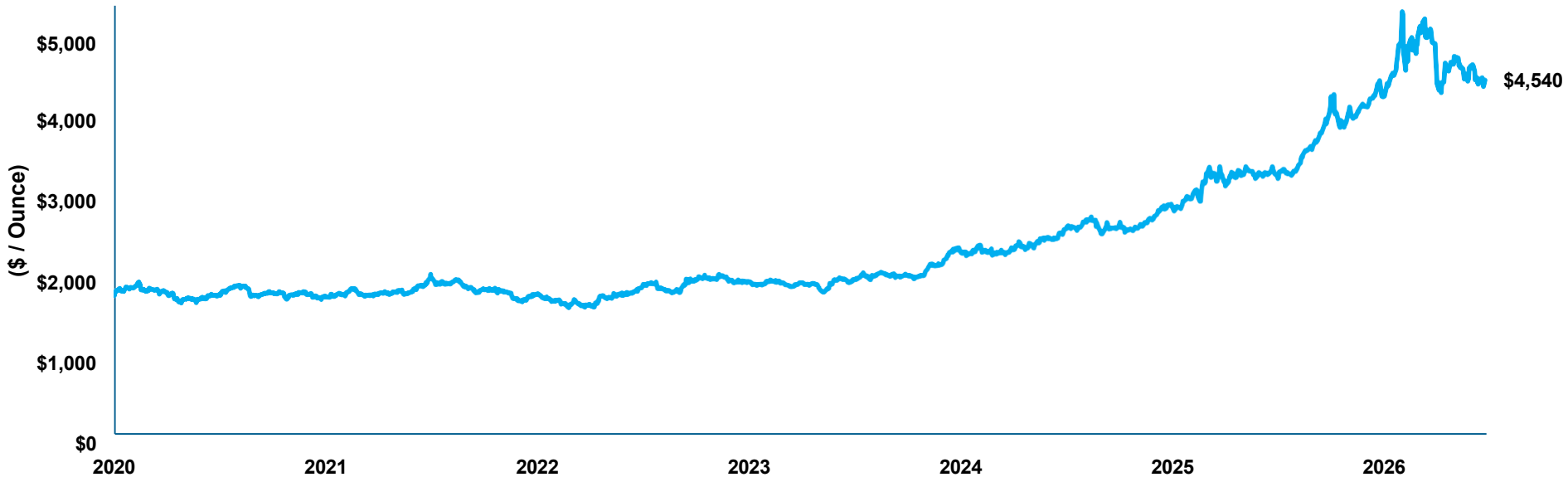
US Unemployment[1]



- → The US added 172,000 jobs in May, well above the 88,000 consensus and close to the prior month's upwardly revised 179,000. The unemployment rate held steady at 4.3% for a third consecutive month, consistent with a labor market that continues to stabilize rather than weaken sharply.
- → Job gains were concentrated in leisure and hospitality (+70,000), local government (+55,000), and health care (+35,000), while employment fell by 22,000 in the financial activities sector. Average hourly earnings rose 3.4% year-over-year, below the pace of headline inflation.
- → Broader measures were little changed, with the U-6 underemployment rate at 8.1% and youth unemployment at 9.4%. The labor force participation rate fell to 61.8%, around its lowest level in several years, suggesting limited slack re-entering the workforce even as headline payroll growth remained firm.

[1] Source: FRED and BLS. Data is as of May 31, 2026. U-3: Total unemployed, as a percent of the civilian labor force (official unemployment rate), U-6: Total unemployed, plus all marginally attached workers, plus total employed part time for economic reasons, as a percent of the civilian labor force plus all marginally attached workers.

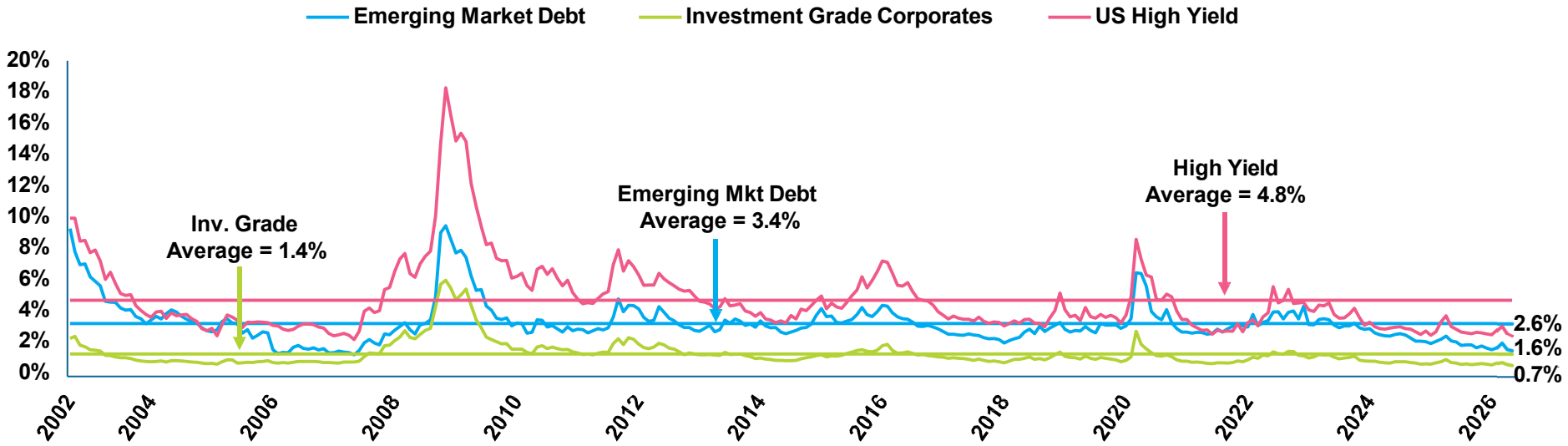
Gold[1]



- Gold eased further in May from its peak of over $5,400/oz earlier this year, declining from $4,618/oz to $4,540/oz. Expectations for interest rates to remain higher for longer and a firmer US dollar continue to reduce the appeal of the non-yielding metal.
- Structural support remains intact though, driven by persistent inflation risks, large fiscal deficits, and ongoing central bank reserve diversification. Potential upside catalysts include a renewed escalation in the Middle East or a return of rate-cut expectations, either of which could quickly lift prices.

[1] Source: Bloomberg. Data is as of May 31, 2026. Gold Spot Price is quoted as US Dollars per Troy Ounce.

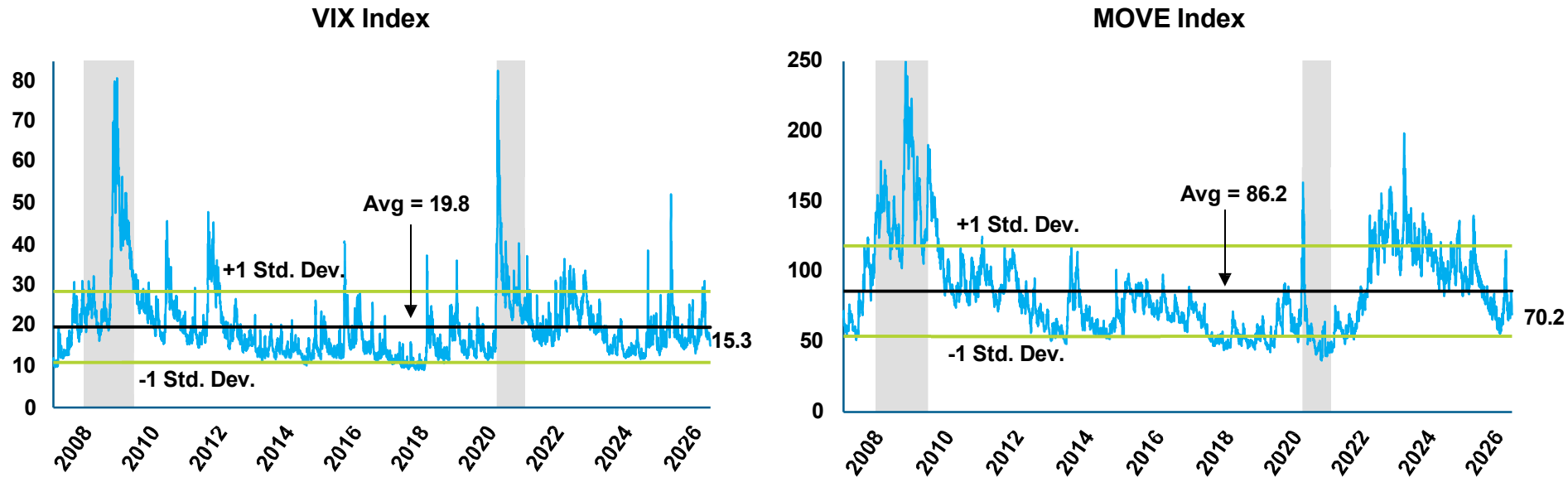
Credit Spreads vs. US Treasury Bonds[1]



- → Credit spreads tightened further in May, supported by resilient risk appetite and growing optimism around de-escalation in the Middle East as oil prices fell, even as headline inflation remained elevated.
- → Investment grade spreads fell to 0.7% (from 0.8% at the end of April), well inside the 1.4% long-run average, supported by persistent demand for high-quality credit.
- → High yield spreads tightened to 2.6% (from 2.7%), versus a 4.8% long-run average, while EM debt spreads tightened to 1.6% (from 1.7%), versus a 3.4% long-run average. Across segments, spreads remain well below their historical norms.

[1] Source: Bloomberg. Data is as of May 31, 2026. Average lines denote the average of the investment grade, high yield, and emerging market spread values from September 2002 to the recent month-end, respectively.

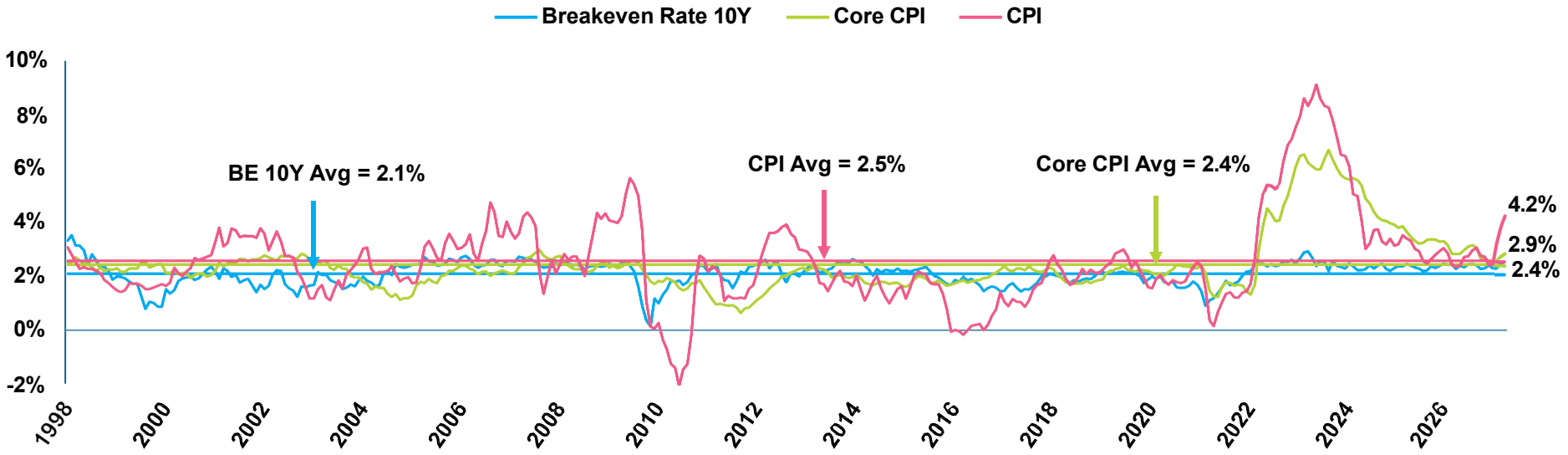
Equity and Fixed Income Volatility[1]



- → Volatility remained subdued in May, with both equity and bond market measures drifting further below their long-run averages as the retreat in oil prices and steady Federal Reserve policy reinforced a calm market backdrop.
- → Equity volatility (VIX) fell to 15.3, further below its long-run average of 19.8, as resilient earnings and easing geopolitical tensions supported risk sentiment.
- → Bond volatility (MOVE) eased to 70.2 (compared with an 86.2 average), as the pullback in oil prices reduced near-term inflation uncertainty and markets coalesced around a Fed-on-hold for now base case.

[1] Equity Volatility – Source: FRED. Fixed Income Volatility – Source: Bloomberg. Implied volatility as measured using VIX Index for equity markets and the MOVE Index to measure interest rate volatility for fixed income markets. Data is as of May 31, 2026. The average line indicated is the average of the VIX and MOVE values between January 2007 and May 2026.

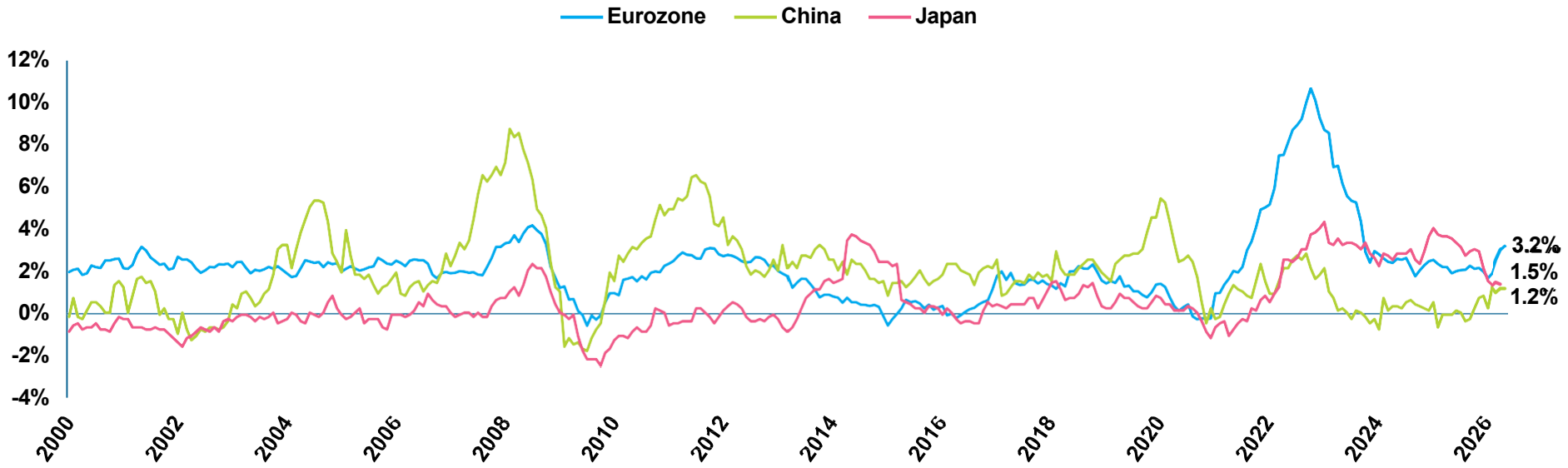
US Inflation[1]



- Headline inflation accelerated to 4.2% YoY in May (versus 3.8% in April), its highest level since 2023, with a 0.5% monthly gain. Energy was again the dominant driver, rising 23.5% YoY and 3.9% for the month and accounting for more than half of the monthly increase, while food prices rose 3.1% YoY.
- Core inflation edged up to 2.9% YoY, but the monthly pace cooled to 0.2% (from 0.4% in April), suggesting underlying price pressures outside of energy are moderating. Shelter remained the largest core contributor, although the monthly rise of 0.3% was down from 0.6% in April as housing costs continued to normalize lower.
- Long-term inflation expectations eased slightly, with 10-year breakevens declining from 2.5% to 2.4%, as the sharp May pullback in oil prices tempered concerns that energy-driven pressures would persist.

[1] Source: FRED. Data is as of May 31, 2026.

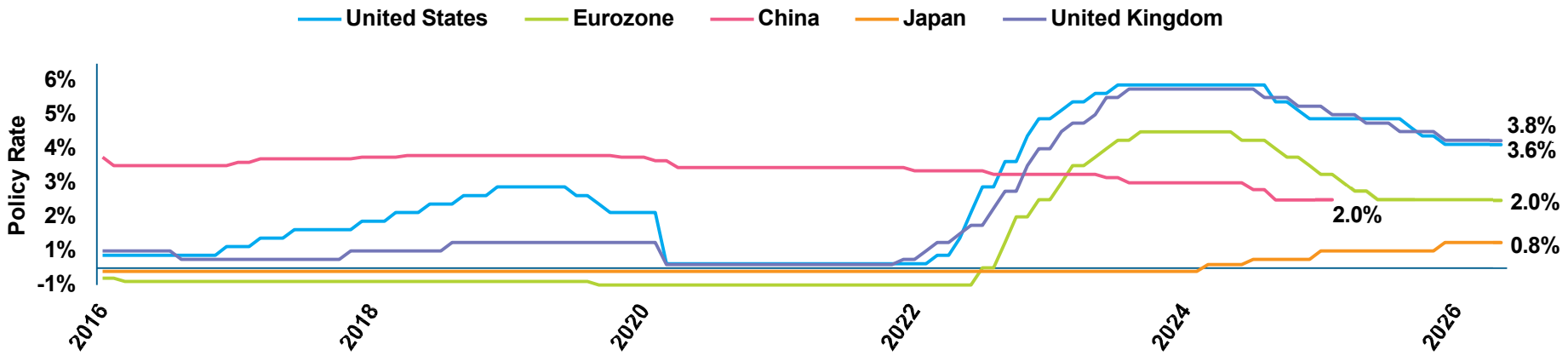
Global Inflation (CPI Trailing Twelve Months)[1]



- Eurozone inflation rose to 3.2% YoY in May, remaining above the ECB's 2% target as elevated energy costs continued to feed through to consumer prices.
- Japan's inflation was 1.5% at the end of May up slightly from the 1.4% level in April still below the BOJ's 2.0% target. The slight increase was driven by the expiration of government subsidies in the electricity and gas space.
- China's inflation held at 1.2%, with subdued domestic demand keeping price pressures muted even as higher imported energy costs lifted transport prices.

[1] Source: Bloomberg. Data is as of May 2026.

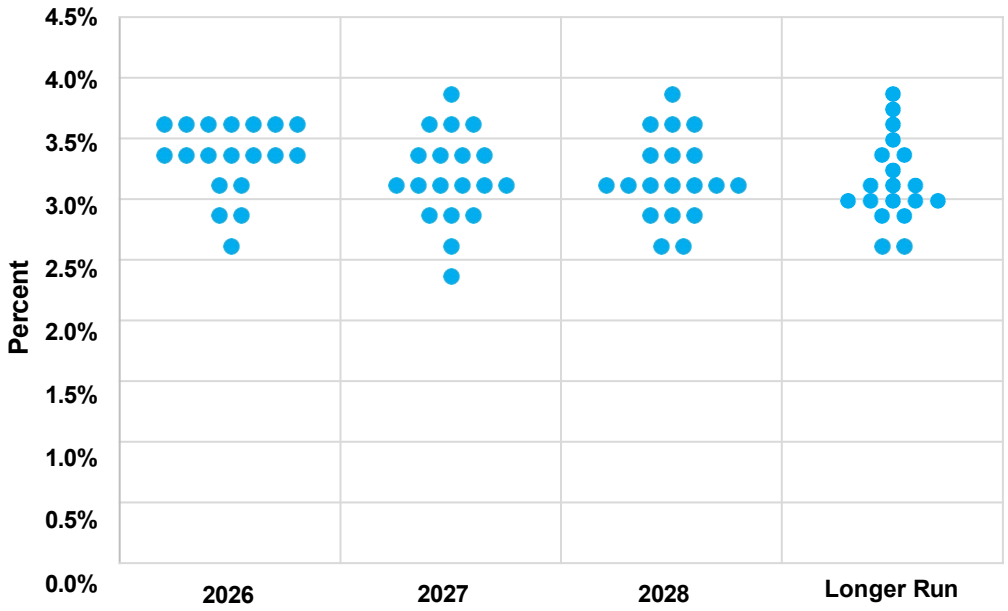
Global Policy Rates[1]



- → Global monetary policy remained hawkish in May, as rising inflation driven largely by higher energy prices led most major central banks to continue to signal the potential of rate increase later this year and next.
- → The Federal Reserve did not have a policy meeting in May with rates at 3.5%–3.75% following its April 29 hold (the most divided decision since 1992). Minutes released during the month showed some officials viewed further tightening as potentially necessary, and rather than cuts, markets continued to price a modest probability of a rate hike into 2027.
- → The ECB after month-end increased its policy rate by 0.25%. They and the BOE are expected to raise policy rates further this year, given the impact of higher oil prices on inflation in their regions. Both economies are net importers of oil, exposing them to the supply disruption through the Strait of Hormuz.
- → The Bank of Japan is also expected to raise rates further this year, though the Middle East conflict and yen weakness have introduced meaningful uncertainty around the timing of any move.
- → China is expected to remain accommodative, with subdued inflation and weak domestic momentum warranting continued policy support.

[1] Source: Bloomberg. Data is as of May 31, 2026, except China which is as of February 28, 2025. United States rate is the mid-point of the Federal Funds Target Rate range. Eurozone rate is the ECB Deposit Facility Announcement Rate. Japan rate is the Bank of Japan Unsecured Overnight Call Rate Expected. China rate is the China Central Bank 1-Year Medium Term Interest Rate. UK rate is the UK Bank of England Official Bank Rate.

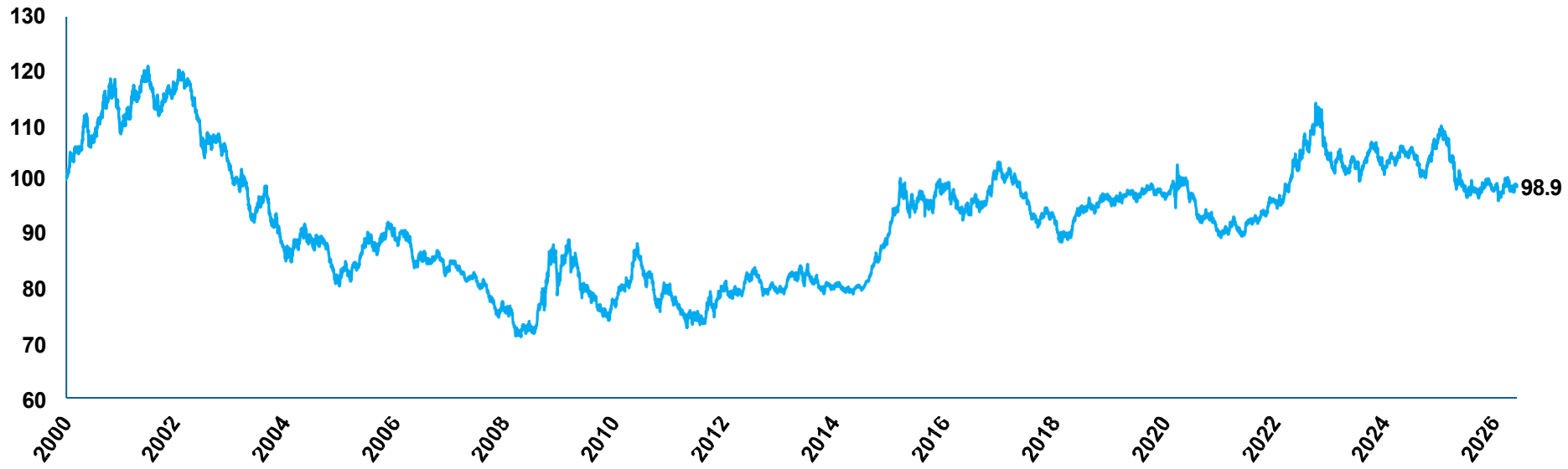
Federal Reserve Dot Plot[1]



- → The Federal Reserve's dot plot reflects expectations for interest rates by each member across various periods. Within the Fed, the dot plot reveals notable disagreement, with some members projecting rate increases, others holding steady, and a minority still anticipating cuts before year-end.
- → The median March FOMC projection cluster around 3.5% (near the current range) for 2026, with dots dispersed from roughly 2.6% to 3.6%. It is worth noting that markets are expecting rates to be higher than the Fed's forecast by year-end.
- → The median projection drifts slightly down toward 3.1% in 2027, 2028, and over the longer run. This implies only gradual easing, though the persistent dispersion signals limited consensus on the pace and timing.

[1] Source: March 18, 2026, FOMC Summary of Economic Projections.

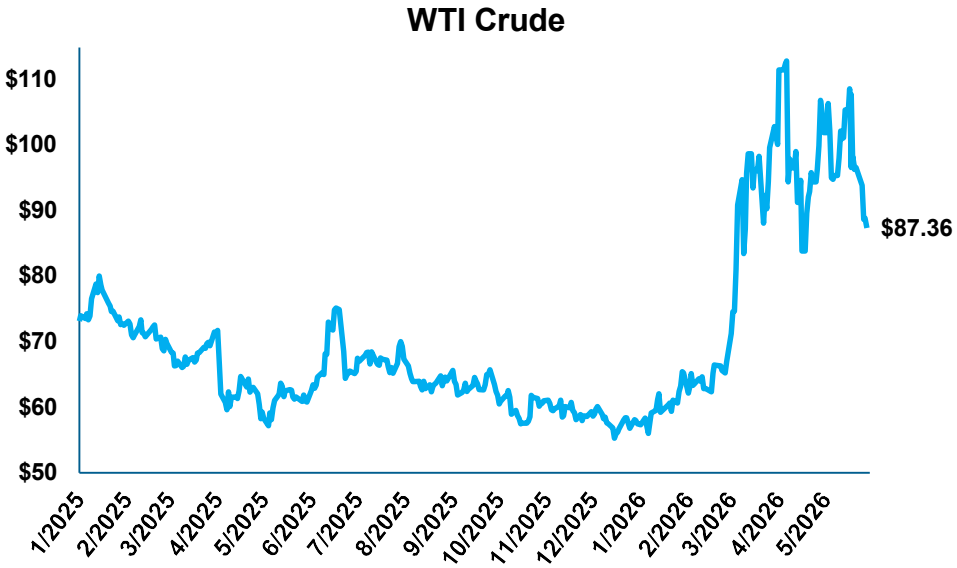
US Dollar vs. Broad Currencies[1]

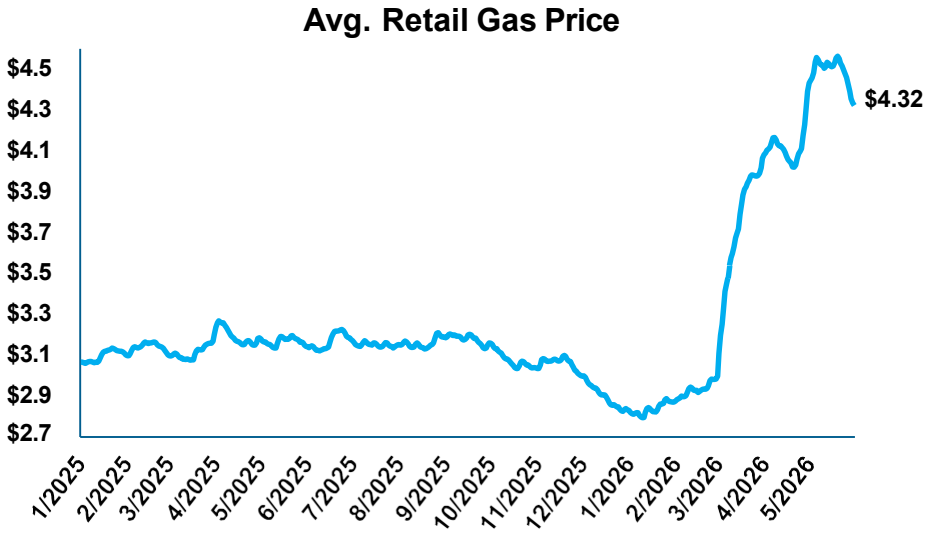


- → The US dollar increased slightly in May, with the DXY rising from 98.1 to 98.9 and reversing part of the prior month's decline.
- → The rebound reflected a firmer interest rate backdrop as markets pared expectations for any near-term policy easing, alongside the dollar's traditional appeal during periods of geopolitical uncertainty. A stronger dollar modestly trimmed returns on unhedged international holdings for dollar-based investors.
- → The outlook remains sensitive to geopolitical developments and Federal Reserve policy expectations, with the ongoing leadership transition adding near-term uncertainty for currency markets.

[1] Source: Bloomberg. Data is as of May 31, 2026.

Gas and Oil[1]

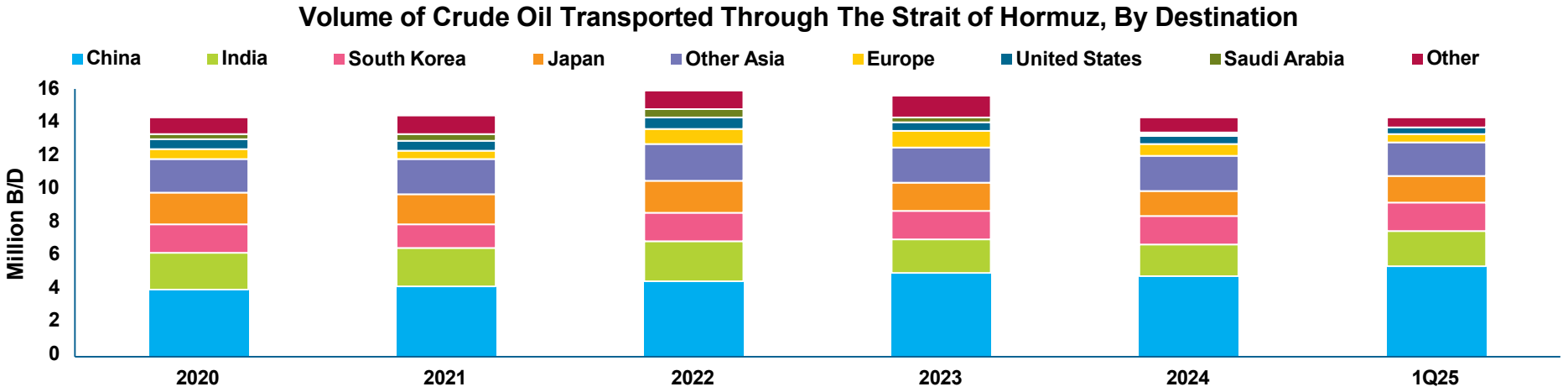




- → Oil prices retreated sharply in May, with WTI crude falling roughly 17% to finish the month at $87.36/barrel as easing tensions around the Strait of Hormuz and growing optimism over de-escalation in the Middle East relieved supply-disruption fears. The pullback reversed a substantial portion of the run-up that had carried US crude over $110/barrel earlier in the spring.
- → US retail gasoline prices also eased during the month to $4.32/gallon, down slightly from $4.39 in April but still elevated relative to a year earlier. With prices holding above $4/gallon, energy costs continue to weigh most heavily on lower-income households, where fuel represents a larger share of spending.

[1] Source: Bloomberg. Data is as of May 31, 2026.

Volume of Crude Oil[1]



- → The impact of the conflict has remained uneven across regions, shaped by oil dependence and trade flows. The Strait of Hormuz remains a critical chokepoint, and any disruption constrains supply from key exporters such as Saudi Arabia, Iraq, and the UAE while limiting global distribution.
- → China remains heavily reliant on Iranian oil (~90% of its imports), while Japan, South Korea, and India depend on broader Gulf supply, amplifying their vulnerability to disruptions.
- → Strong US production continues to provide a partial buffer, limiting WTI's upside relative to global benchmarks. The sharp May decline in prices suggests markets grew more confident that supply would remain adequate as tensions eased, though volatility could re-emerge if the conflict re-escalates.
- → The duration and trajectory of the conflict remain the key macro variables, shaping the outlook for both inflation and growth. The May de-escalation eased price pressures and, if sustained, could reopen the path for a reassessment of monetary policy.

[1] Source: Apollo Academy. Data is as of March 31, 2025.

Key Trends

- Global growth expectations remain subdued amid the conflict in the Middle East. The IMF's April 2026 World Economic Outlook cut projected global growth to 3.1% (from 3.3%), and downside risks continue to dominate, with a renewed escalation capable of pushing growth materially lower. The May retreat in energy prices, if sustained, would ease one of the principal headwinds to the outlook.
- The dominant macro tension has shifted modestly. The sharp May pullback in oil prices eased the immediate energy-driven inflation threat, yet headline inflation still accelerated to 4.2% on lagged pass-through effects. This leaves the Federal Reserve's already uncertain policy path unresolved. The committee's deep divisions and a leadership transition continue to cloud the outlook for rates.
- US consumers show increasing strain at the lower end, with gasoline still above $4/gallon and a rising share of younger and rate-sensitive borrowers falling behind on debt. Job growth of 172,000 in May exceeded expectations, but soft participation and widening dispersion in household financial health point to underlying weakness beneath a still-firm headline labor market.
- US equity performance has been strong, with the rally led by technology and the largest mega-cap constituents and extended by robust emerging market gains in Asia. While leadership has broadened on a year-to-date basis, May's advance again leaned heavily on technology, and energy and other commodity-sensitive sectors gave back ground as oil prices fell.

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Credit Risk: Refers to the risk that the issuer of a fixed income security may default (i.e., the issuer will be unable to make timely principal and/or interest payments on the security).

Duration: Measure of the sensitivity of the price of a bond to a change in its yield to maturity. Duration summarizes, in a single number, the characteristics that cause bond prices to change in response to a change in interest rates. For example, the price of a bond with a duration of three years will rise by approximately 3% for each 1% decrease in its yield to maturity. Conversely, the price will decrease 3% for each 1% increase in the bond's yield. Price changes for two different bonds can be compared using duration. A bond with a duration of six years will exhibit twice the percentage price change of a bond with a three-year duration. The actual calculation of a bond's duration is somewhat complicated, but the idea behind the calculation is straightforward. The first step is to measure the time interval until receipt for each cash flow (coupon and principal payments) from a bond. The second step is to compute a weighted average of these time intervals. Each time interval is measured by the present value of that cash flow. This weighted average is the duration of the bond measured in years.

Information Ratio: This statistic is a measure of the consistency of a portfolio's performance relative to a benchmark. It is calculated by subtracting the benchmark return from the portfolio return (excess return), and dividing the resulting excess return by the standard deviation (volatility) of this excess return. A positive information ratio indicates outperformance versus the benchmark, and the higher the information ratio, the more consistent the outperformance.

Jensen's Alpha: A measure of the average return of a portfolio or investment in excess of what is predicted by its beta or "market" risk. Portfolio Return- [Risk Free Rate+Beta*(market return-Risk Free Rate)].

Market Capitalization: For a firm, market capitalization is the total market value of outstanding common stock. For a portfolio, market capitalization is the sum of the capitalization of each company weighted by the ratio of holdings in that company to total portfolio holdings; thus it is a weighted-average capitalization. Meketa Investment Group considers the largest 65% of the broad domestic equity market as large capitalization, the next 25% of the market as medium capitalization, and the smallest 10% of stocks as small capitalization.

Market Weighted: Stocks in many indices are weighted based on the total market capitalization of the issue. Thus, the individual returns of higher market-capitalization issues will more heavily influence an index's return than the returns of the smaller market-capitalization issues in the index.

Maturity: The date on which a loan, bond, mortgage, or other debt/security becomes due and is to be paid off.

Prepayment Risk: The risk that prepayments will increase (homeowners will prepay all or part of their mortgage) when mortgage interest rates decline; hence, investors' monies will be returned to them in a lower interest rate environment. Also, the risk that prepayments will slow down when mortgage interest rates rise; hence, investors will not have as much money as previously anticipated in a higher interest rate environment. A prepayment is any payment in excess of the scheduled mortgage payment.

Price-Book Value (P/B) Ratio: The current market price of a stock divided by its book value per share. Meketa Investment Group calculates P/B as the current price divided by Compustat's quarterly common equity. Common equity includes common stock, capital surplus, retained earnings, and treasury stock adjusted for both common and nonredeemable preferred stock. Similar to high P/E stocks, stocks with high P/B's tend to be riskier investments.

Price-Earnings (P/E) Ratio: A stock's market price divided by its current or estimated future earnings. Lower P/E ratios often characterize stocks in low growth or mature industries, stocks in groups that have fallen out of favor, or stocks of established blue chip companies with long records of stable earnings and regular dividends. Sometimes a company that has good fundamentals may be viewed unfavorably by the market if it is an industry that is temporarily out of favor. Or a business may have experienced financial problems causing investors to be skeptical about is future. Either of these situations would result in lower relative P/E ratios. Some stocks exhibit above-average sales and earnings growth or expectations for above average growth. Consequently, investors are willing to pay more for these companies' earnings, which results in elevated P/E ratios. In other words, investors will pay more for shares of companies whose profits, in their opinion, are expected to increase faster than average. Because future events are in no way assured, high P/E stocks tend to be riskier and more volatile investments. Meketa Investment Group calculates P/E as the current price divided by the I/B/E/S consensus of twelve-month forecast earnings per share.

Quality Rating: The rank assigned a security by such rating services as Fitch, Moody's, and Standard & Poor's. The rating may be determined by such factors as (1) the likelihood of fulfillment of dividend, income, and principal payment of obligations; (2) the nature and provisions of the issue; and (3) the security's relative position in the event of liquidation of the company. Bonds assigned the top four grades (AAA, AA, A, BBB) are considered investment grade because they are eligible bank investments as determined by the controller of the currency.

Sharpe Ratio: A commonly used measure of risk-adjusted return. It is calculated by subtracting the risk free return (usually three-month Treasury bill) from the portfolio return and dividing the resulting excess return by the portfolio's total risk level (standard deviation). The result is a measure of return per unit of total risk taken. The higher the Sharpe ratio, the better the fund's historical risk adjusted performance.

STIF Account: Short-term investment fund at a custodian bank that invests in cash-equivalent instruments. It is generally used to safely invest the excess cash held by portfolio managers.

Standard Deviation: A measure of the total risk of an asset or a portfolio. Standard deviation measures the dispersion of a set of numbers around a central point (e.g., the average return). If the standard deviation is small, the distribution is concentrated within a narrow range of values. For a normal distribution, about two thirds of the observations will fall within one standard deviation of the mean, and 95% of the observations will fall within two standard deviations of the mean.

Style: The description of the type of approach and strategy utilized by an investment manager to manage funds. For example, the style for equities is determined by portfolio characteristics such as price-to-book value, price-to-earnings ratio, and dividend yield. Equity styles include growth, value, and core.

Tracking Error: A divergence between the price behavior of a position or a portfolio and the price behavior of a benchmark, as defined by the difference in standard deviation.

Yield to Maturity: The yield, or return, provided by a bond to its maturity date; determined by a mathematical process, usually requiring the use of a "basis book." For example, a 5% bond pays $5 a year interest on each $100 par value. To figure its current yield, divide $5 by $95—the market price of the bond—and you get 5.26%. Assume that the same bond is due to mature in five years. On the maturity date, the issuer is pledged to pay $100 for the bond that can be bought now for $95. In other words, the bond is selling at a discount of 5% below par value. To figure yield to maturity, a simple and approximate method is to divide 5% by the five years to maturity, which equals 1% pro rata yearly. Add that 1% to the 5.26% current yield, and the yield to maturity is roughly 6.26%.

$$\frac{\text{5\% (discount)}}{\text{5 (yrs. to maturity)}} = \text{1\% pro rata, plus 5.26\% (current yield)} = \text{6.26\% (yield to maturity)}$$

Yield to Worst: The lowest potential yield that can be received on a bond without the issuer actually defaulting. The yield to worst is calculated by making worst-case scenario assumptions on the issue by calculating the returns that would be received if provisions, including prepayment, call, or sinking fund, are used by the issuer.

NCREIF Property Index (NPI): Measures unleveraged investment performance of a very large pool of individual commercial real estate properties acquired in the private market by tax-exempt institutional investors for investment purposes only. The NPI index is capitalization-weighted for a quarterly time series composite total rate of return.

NCREIF Fund Index - Open End Diversified Core Equity (NFI-ODCE): Measures the investment performance of 28 open-end commingled funds pursuing a core investment strategy that reflects funds' leverage and cash positions. The NFI-ODCE index is equal-weighted and is reported gross and net of fees for a quarterly time series composite total rate of return.

Sources: Investment Terminology, International Foundation of Employee Benefit Plans, 1999.
The Handbook of Fixed Income Securities, Fabozzi, Frank J., 1991

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Throughout this report, numbers may not sum due to rounding.

Returns for periods greater than one year are annualized throughout this report.

Values shown are in millions of dollars, unless noted otherwise.

MINUTES

REGULAR MEETING
OF THE
CALOPTIMA HEALTH BOARD OF DIRECTORS'
FINANCE AND AUDIT COMMITTEE

May 28, 2026

A Regular Meeting of the CalOptima Health Board of Directors' (Board) Finance and Audit Committee (FAC) was held on May 28, 2026, at CalOptima Health, 505 City Parkway West, Orange, California. The meeting was held in person and via Zoom webinar. The meeting recording is available on CalOptima Health's website under Past Meeting Materials.

Chair Isabel Becerra called the meeting to order at 3:05 p.m., and Director Blair Contratto led the Pledge of Allegiance.

ROLL CALL

Quorum was declared and present as follows:

Members Present:	Isabel Becerra, Chair, Blair Contratto, Brian Helleland (All FAC members participated in person, except Isabel Becerra, Chair, who participated remotely under Traditional Brown Act Rules.)
Members Absent:	None
Others Present:	Michael Hunn, Chief Executive Officer; Nancy Huang, Chief Financial Officer; John Tanner, Chief Compliance Officer; Steve Eckberg, Chief Human Resource Officer; Eric Rustad, Executive Director, Finance; James Steele, Senior Director, Information Security; Aparna Venkateswaran, Principal, Baker Tilly Stelian Damu, Principal, Baker Tilly, Ashley Merda, Business Assurance Senior Manager, Baker Tilly; Aaron Gates, Principal and Consulting Actuary, Milliman, Tyler Edwards, Associate Actuary, Milliman; Sharon Dwiers, Clerk of the Board; and Pamela Reichardt, Executive Assistant

Executive Assistant Pamela Reichardt noted for the record that staff reordered Agenda Items 9 & 10 to be heard ahead of the Report Items.

MANAGEMENT REPORTS

1. Chief Financial Officer (CFO) Report

Nancy Huang, CFO, provided an update on the business insurance renewal for the 2026-2027 policy year. The Board authorized the Chief Executive Officer (CEO) to approve future business insurance policies. There were no major changes and no new coverage. Staff is required to report back to the Board after obtaining the business insurance policy. The total annual premium is approximately $4.2 million, representing a 3.3% increase over last year's policy. The dollar increase is approximately $135,000 in annual cost, driven by higher claim exposure in (i) managed care and (ii) the Program of All-inclusive Care for the Elderly (PACE) line of business, which includes medical malpractice services coverage and workers' compensation, which increased by $40,000, associated with higher payroll growth. Staff has included sufficient funding for this upcoming business insurance policy renewal. This renewal increase is lower than the market average and is in line with the prior-year inspection.

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Ms. Huang reported on key measures from the quarterly report. Ms. Huang provided clarification regarding the Shared Risk Pool ("SRP") structure and the handling of surplus and deficits. She reported that for the Medi-Cal line of business, the split is 60/40; for the health networks, any surplus or deficit will be allocated 60% to the SRP results, with CalOptima Health covering the remaining 40%. If there is an SRP surplus and a regular payout, it will occur twice a year. If there is an SRP deficit, CalOptima Health carries it into the next year, so the results will be calculated using the cumulative deficit, and the deficit will be deducted before paying out any current-year surplus. Ms. Huang reported that there is a true-up on a cumulative basis. For the OneCare line of business, the split is 50/50, the risk arrangement is 50% health network and 50% CalOptima Health. There is a $ 5-per-member-per-month stop-loss protection at the health network level, which limits the maximum carried into the future year, and any deficit above that level will be absorbed by costs. Going forward, staff will provide the current SRP policy and add notes to the SRP Performance.

2. Cybersecurity Update

James Steele, Senior Director, Information Security, presented an update on CalOptima Health's cybersecurity practices and provided relevant cybersecurity news. Mr. Steele informed the Committee that staff has begun reviewing third-party oversight and disclosure exceptions and will ensure that CalOptima Health adopts and aligns itself with these processes.

Mr. Steele also reported on the quarterly cybersecurity metrics.

In response to a question from the FAC, Mr. Steele reported that during the routine penetration test performed by an independent third party, they identified two repeat findings. Staff has fixed two findings as follows: (i) one regarding a change request, and (ii) staff is currently working with Microsoft to resolve the findings for the other, which should be resolved within a week. Mr. Steele will report on these in detail in closed session due to the sensitivity of the findings at the Board Meeting.

Mr. Steel reported on business email compromises, in which emails are sent with urgency and often include a link to click. Mr. Steele also reported on the effectiveness of the four-minute, monthly employee security training courses in protecting CalOptima Health.

3. Compliance Report

John Tanner, Chief Compliance Officer, reported on the regulatory audits, primarily the annual Medi-Cal regulatory audit conducted by the Department of Health Care Services (DHCS). Mr. Tanner reported as follows:

- The DMHC audit covers utilization management, grievance and appeals, fraud, waste, and abuse.
- The DMHC audit started in February, and the exit conference was held at the end of February.
- DMHC identified five findings, and staff received communication regarding the findings.
- Staff expects a draft report from DMHC later in the year, to be included in next year's audit.
- Internal remediation of findings is underway, and staff observations are incorporated as audit preparation continues.
- Ongoing collaboration with internal business areas for necessary remediations.
- The Medicare line of business audit remains active, despite representing a small percentage of membership.
- The Centers for Medicare & Medicaid Services (CMS) is focusing on Risk Adjustment Data Validation (RADV) audits. CalOptima has had a few, random CMS audits recently. CMS

determined there was approximately $74,000 in overpayments. CalOptima Health submitted an appeal to CMS for a portion of the overpayment as calculated by CMS.
- The CMS 2015 RADV payment audit found $105,000 in overpayments.
- Staff is awaiting results for the payment year CMS 2019 RADV audit.

The FAC requested that dollar amounts relative to total payments from Medicare be provided in the future.

Mr. Tanner provided a brief overview regarding audit readiness in general, timeframes and the issuance of final reports with corrective action plans. He stated that when findings are identified, there are opportunities to address them and take the necessary steps to ensure compliance. Staff is well underway in resolving the issues by the time the audit is received so CalOptima Health remains in compliance. Mr. Tanner further explained that the Compliance Department conducts audit readiness work in advance of the audit, so that even if it is an observation, the business area is aware of it and can take action as needed.

Mr. Tanner provided additional clarification on the CMS Medicare Program Audit, noting that CalOptima Health falls in a lower tier with approximately 17,000 OneCare members due to lower enrollment volume.

Michael Hunn, CEO, provided an overview of third-party data validation audits and indicated that CalOptima Health maintains a high level of audit readiness. He stated that the organization consistently undergoes external reviews as part of standard administrative and compliance requirements and noted that the associated costs include vendor fees and internal staff resources across multiple departments needed to support data collection, coordination, and workflow requirements.

4. Treasurer's Report

Ms. Huang presented first-quarter results (January–March 2026). CalOptima Health's portfolio totaled $3.8 billion: $2.1 billion in short-term operating accounts and $1.7 billion in Board-designated reserve accounts. The portfolio complied with Board Policy GA.3001 and Government Code § 53600. Net fund return after fees was 0.59%, down from 1.1% last quarter, primarily due to market volatility and bond performance. The trailing-year net return was 4.29%, exceeding the benchmark. The Investment Advisory Committee supports a one-year contract extension for both investment managers and advisory services, with contracts recommended to extend to September 30, 2027. Staff will work with Meketa for procurement and review of services.

PUBLIC COMMENTS

There were no requests for public comment.

CONSENT CALENDAR

5. Minutes

a. Approve the minutes of the February 19, 2026, Regular Meeting of the CalOptima Health Board of Directors Finance and Audit Committee

b. Receive and File Minutes of the January 26, 2026, Regular Meeting of the CalOptima Health Board of Directors' Investment Advisory Committee

Action: ***On motion of Director Helleland, seconded by Director Contratto, the Finance and Audit committee approved the Consent Calendar as presented.***

AYES:	**Isabell Becerra, Chair; Blair Contratto; and Brian Helleland**
ABSENT:	**None**
ABSTENTIONS:	**None**
RECUSALS:	**None**

INFORMATION ITEMS

9. Baker Tilly Financial Audit Planning

Ms. Huang introduced CalOptima Health's financial auditors from Baker Tilly, who presented on the financial audit for the fiscal year ending June 30, 2026.

Baker Tilly Principal, Stelian Damu announced his transition to partner due to mandatory rotation rules. Baker Tilly serves as CalOptima Health's external auditor, assisting with the drafting of financial statements and the collection of federal single audit data. The audit is risk-based, focusing on Medi-Cal claims liability and related processes. Auditors test internal controls, validate management's projections with input from an outside actuary, and review prior year assessments. Findings will be communicated to the FAC as the audit progresses.

Mr. Damu reviewed capitation revenue, receivables, and revenue recognition. He noted that Baker Tilly independently validates CalOptima Health's finance team estimates, investigates discrepancies, and confirms subsequent collections. Baker Tilly also assesses corridor liabilities and receivables as significant exposures, with inputs tested to ensure accuracy and prudent development.

Ashley Merda, Business Assurance Senior Manager, explained that Baker Tilly's responsibility is to reasonably assure that statements are free of misstatements and to notify the FAC if fraud is detected. Audit results for the fiscal year ending June 30, 2026, will be presented at the September 17, 2026, FAC meeting. Two new accounting standards will impact financial statement disclosures next year: one requires more detailed explanations of revenue changes, and the other mandates expanded footnote disclosures of capital assets. CalOptima Health and Baker Tilly will ensure these changes are properly implemented.

In response to a question from the FAC, Ms. Huang indicated that these are routine audits and that staff have been working with Baker Tilly for a long time, so no major changes are anticipated. However, the additional requirement on the Governmental Accounting Standards Board summary report will enhance key components of the financial reporting model to improve usefulness for decision making and accountability and address related application issues. Furthermore, it will require more disclosure for capital assets, and the calculation will be more extensive.

10. CalOptima Health Rebasing Process and Result Overview

Eric Rustad, Executive Director of Finance, presented an update on the Medi-Cal Health Network Capitation Rebasing Project. The rebasing process involves recalibrating base capitation rates to align with forecasted healthcare costs for both medical and non-medical services. Mr. Rustad stated that actuarial partners, Milliman, assisted with data analysis covering April 2022 to March 2025, repricing encounter data to current fee schedules and factoring in prospective changes. The rebasing this cycle uses a single-year midpoint due to enrollment uncertainty, with cost trends and acuity being assessed annually. Steps include data reconciliation, applying fee schedule updates, evaluating unpaid liabilities, reinsurance adjustments, and summarizing results for internal review. Mr. Rustad reported that there were no changes to the age categories during this rebasing cycle; however, there was a change in the age-gender groupings. This is new for CalOptima Health's downstream delegated capitation rates and aligns with the DHCS

methodology. The risk assessment with age-gender grouping change in health network rates was reevaluated after this revision, as changes to the age and gender grouping have a real impact on relative risk.

Mr. Rustad reported on the key points of the methodology. The data from April 1, 2024, through March 2025, was used to forecast fiscal years 2026 and 2027. The data period was chosen because it represented the most recent complete full year of data and was considered fully credible. Mr. Rustad also reported on contractual changes and the proposed rate changes.

DISCUSSION ITEMS

6. Recommend that the Board of Directors Approve the CalOptima Health Fiscal Year 2026-27 Operating Budget:

Action: ***On motion of Director Contratto, seconded by Director Helleland, the committee recommended that the Board of Directors Approve the CalOptima Health Fiscal Year 2026-27 Operating Budget and Non-Operating Items and authorize expenditures and appropriate funds for the items in Attachment A: Fiscal Year 2026-27 Operating Budget for All Lines of Business and Non-Operating Items and Attachment B: Administrative Budget Details.***

Approve the CalOptima Health Fiscal Year 2026-27 Covered California Budget, allocate up to $7.7 million from existing reserves to fund pre-implementation expenditures related to Covered California, and authorize expenditures and appropriate funds for the items in Attachment B1: Covered California Start-up Administrative Budget Details.

Approve the CalOptima Health Fiscal Year 2026-27 Digital Transformation Budget and authorize expenditures and appropriate funds for the items in Attachment B2: Digital Transformation Administrative Budget Details.

Direct the Chief Executive Officer, or Designee, to make a commitment of up to $429.6 million from existing reserves to support provider rates to ensure longer-term provider network stability, network adequacy, and access to care for CalOptima Health members throughout Orange County for a 2.5-year period (in other words, i.e., July 1, 2026, through December 31, 2028).

AYES:	**Isabell Becerra, Chair; Blair Contratto; and Brian Helleland**
ABSENT:	**None**
ABSTENTIONS:	**None**
RECUSALS:	**None**

Ms. Huang presented CalOptima Health's operating budget proposal for fiscal year 2026-27. She noted that if there are any major policy or program changes, including state and federal policies, after the initial budget is presented to the Board, staff will bring back additional recommendations or a revised budget package to a future meeting for consideration.

Mr. Hunn commented that the state is undertaking its May budget revision and that there will be changes at the federal level regarding the undocumented immigration-status (UIS) population. He noted that the

budget is anticipated to be signed by the governor on June 15, 2026. Legislative action will take place through September, so budget adjustments will be made accordingly and brought back to the FAC and then to the Board.

Ms. Huang further reported that the budget was developed based on historical trends and did not include the potential UIS member carve-out proposed in the state's May revised budget or the January 2027 carve-out. She stated that the budget incorporates funding for planned provider rate increases, including hospital outpatient care and physician specialists, and reflects the most recent rebasing results and adjustments to Medi-Cal delegated entities, capitation reimbursement, and outward-bound kick reinsurance. Discussions on Proposition 35 and CMS approval of the Managed Care Organization tax are pending. Budget considerations include anticipated impacts from HR 1 provisions on Medicaid enrollment, adult undocumented member freeze, changes for seniors and persons with disabilities, community engagement requirements, and Affordable Care Act expansion member redeterminations. The new Covered California line of business launches in January 2027 and includes six months of routine expenses and start-up costs funded by CalOptima Health's reserves. The budget covers Medi-Cal, One Care, PACE, Medicare Shared Services Program, and Covered California, with provider rate increases and digital transformation strategies handled below the line starting January 2027.

Ms. Huang presented an overview of the governor's May revised budget for fiscal year 2027, which proposes a balanced budget through June 2028. Key points include an 11.5% ($22.3 billion) increase to the Medi-Cal budget, with statewide enrollment expected to decrease by 3.75% to 13.9 million members. The proposal calls for transitioning UIS members from managed care to fee-for-service as of January 1, 2027, impacting over 2 million members statewide, including approximately 130,000 CalOptima Health members. Additionally, the May revised budget reinstates lower asset limits for long-term care, affecting an estimated 25,000 to 30,000 members, primarily seniors.

Ms. Huang presented CalOptima Health's capital budget proposal for fiscal year 2026-27, totaling $52.9 million. Of this, 65% is allocated to technology and $34.2 million to building and office improvements. The $18.6 million budget request covers routine capital items, with office improvements totaling up to $7 million from last year, due to elevator replacements ($5 million) and the build-out of vacant space ($3.75 million). Approximately $9 million is allocated to digital transformation projects, including Board-approved improvements to the data exchange platform and automation processes.

Ms. Huang presented the fiscal year 2026-27 total proposed budget of $4.86 billion dollars. For medical and administrative expenses, the proposed operating expense budget is $4.82 billion. Based on current assumptions, CalOptima Health estimates an operating surplus of $41.4 million dollars (less than 1%). Projecting a balanced budget with a small operating surplus.

7. Recommend that the Board of Directors Approve the CalOptima Health Fiscal Year 2026-27 Routine Capital and Digital Transformation Year Five Capital Budget

Action: ***On motion of Director Helleland, seconded by Director Contratto, the committee recommended that the Board of Directors approve the CalOptima Health Fiscal Year 2026-27 Routine Capital Budget and authorize expenditures and appropriate funds for the items in Attachment A: Fiscal Year 2026-27 Routine Capital Budget by Project.***

Approve the CalOptima Health Fiscal Year 2026-27 Digital Transformation Year Five Capital Budget to complete ongoing and new projects and authorize expenditures and appropriate funds for the items in Attachment A1: Fiscal Year 2026-27 Digital Transformation Year Five Capital Budget by Project.
(Motion carried 3-0-0)

AYES:	**Isabell Becerra, Chair; Blair Contratto; and Brian Helleland**
ABSENT:	**None**
ABSTENTIONS:	**None**
RECUSALS:	**None**

8. Recommend that the Board of Directors approve modifications to CalOptima Health Policy FF.1007: Health Network Reinsurance Coverage

Action: ***On motion of Director Contratto, seconded by Director Helleland, the committee recommended that the Board of Directors approve modifications to CalOptima Health Policy FF.1007: Health Network Reinsurance Coverage effective July 1, 2026***
(Motion carried 3-0-0)

AYES:	**Isabell Becerra, Chair; Blair Contratto; and Brian Helleland**
ABSENT:	**None**
ABSTENTIONS:	**None**
RECUSALS:	**None**

INFORMATION ITEMS

The following items were accepted as presented.

11. March 2026 Financial Summary
    This item was discussed during the CFO's Report.

12. Quarterly Operating and Capital Budget Update

13. Update to Business Insurance Renewal for Policy Year 2026-27

14. CalAIM Program Summary

15. Quarterly Reports to the Finance and Audit Committee
    a. Net Asset Analysis
    b. Enrollment Trend Report
    c. Shared Risk Pool Performance Update
    d. Health Network Financial Compliance Review Update

COMMITTEE MEMBER COMMENTS

The FAC thanked Sharon Dwiers, Clerk of the Board, for her many years of service and commitment to the agency upon her retirement.

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ADJOURNMENT

Hearing no further business, Chair Becerra adjourned the meeting at 5:49 p.m.

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Pamela Reichardt
Executive Assistant

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MINUTES

MEETING OF THE
CALOPTIMA HEALTH BOARD OF DIRECTORS'
INVESTMENT ADVISORY COMMITTEE

April 27, 2026

A Regular Meeting of the CalOptima Health Board of Directors' (Board) Investment Advisory Committee (IAC) was held on April 27, 2026, at CalOptima Health, 505 City Parkway West, Orange, California. The meeting was held in person and via Zoom webinar, as allowed under the Brown Act as amended by Senate Bill 707 (2025).

CALL TO ORDER

Chair Rodney Johnson called the meeting to order at 3:01 p.m. and led the Pledge of Allegiance.

ROLL CALL

Members' Present: Chair Rodney Johnson, Colleen Clark, Nancy Huang, David Hutchison, James Meehan, Annie Tran

(All IAC members in attendance participated in person except James Meehan, who participated remotely under Just Cause, using his first Just Cause use, as permitted by the Brown Act)

Members Absent: Rick Fulford

Others Present: Hannah Schriner and Ian Schirato, Meketa Investment Group; Darren Marco, Eric Stratmoen and Madison Thrane, Payden & Rygel; Scott Pavlak, Erin Klepper, and Tani Fukui, MetLife Investment Management; Michael Hunn, Chief Executive Officer; Yunkyung Kim, Chief Operating Officer; Jason Kaing, Controller; Eric Rustad, Executive Director, Finance; Ally Hoang, Manager, Accounting; Lawrence Chow, Accountant; and Pamela Reichardt, Executive Assistant

MINUTES

Approve Minutes of the January 26, 2026, Meeting of the CalOptima Health Board of Directors' Investment Advisory Committee

Action: ***On motion of Member Clark, seconded and carried, the Minutes of the January 26, 2026, Meeting of the CalOptima Health Board of Directors' Investment Advisory Committee were approved as presented. (Motion carried 6-0-0)***

PUBLIC COMMENT

There were no requests for public comment.

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MANAGEMENT REPORTS

Chief Executive Officer (CEO) Report

CEO Michael Hunn reported on H.R. 1 legislation from the federal government and its impact on CalOptima Health's member enrollment. CalOptima Health has seen an overall decline of 40,000 to 50,000 members in enrollment. Staff is working to ensure CalOptima Health is well-positioned to meet these enrollment challenges by managing cash on hand and working with CalOptima Health's investment managers.

Chief Financial Officer (CFO) Report

CFO Nancy Huang presented key highlights for the Fiscal Year (FY) 2026-27 budget proposal, projecting a consolidated breakeven operating budget with $4.86 billion in annual revenue and 720,000 members at the end of June 2027.

The FY 2026-27 proposed budget will include the planned Medi-Cal reimbursement enhancements of $171.8 million annually, or $429.6 million over 30 months. CalOptima Health's unallocated reserves will fund these enhancements from July 1, 2026, through December 31, 2028.

Ms. Huang reported that CalOptima Health continues to support the Program of All-Inclusive Care for the Elderly expansion strategy and that the Board was evaluating a capital option for a new facility in the City of Irvine. Staff is also working on launching a Covered California product in January 2027.

Ms. Huang also reviewed investment advisor and manager contracts, which expire in September 2026 and August 2027, respectively. Staff recommended one-year extensions to allow time for a comprehensive request for proposals (RFP) process with IAC involvement. The IAC members supported the extensions, and a full RFP will begin next year, with opportunities for IAC member participation.

Ms. Huang introduced Ally Hoang and Lawrence Chow, CalOptima Health staff members who will serve as the main accounting contacts for assistance with accounting contracts and general questions from IAC members or investment managers.

INFORMATION ITEMS

Financial Update

Controller Jason Kaing presented CalOptima Health's financial highlights as of February 28, 2026. At month end, CalOptima Health had over 850,000 members, which is nearly 27,000 below budget. The net surplus was at $49.4 million, with $37.6 million as the operating margin and $11.7 million in non-operating income. The year-to-date (YTD) net surplus was nearly $200.3 million, with $124.3 million in operating margin and nearly $76.0 million in non-operating income. The YTD medical loss ratio was 91.1%, and the administrative loss ratio was 5.1%.

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Mr. Kaing reported on the February 2027 balance sheet. Current assets were $2.7 billion, while current liabilities were nearly $1.5 billion, yielding a current ratio of 1.8. The Board-designated reserves were at $1.6 billion, reflecting a current reserve level of 3.73 months of the average monthly revenue. Statutory designated reserves were at 103% of the minimum tangible net equity requirement.

Presentation by Meketa Investment Group

Hannah Schriner, Managing Principal, gave a company update and reported on total fund performance, cash flow, performance attribution, individual manager performance, and custom peer group results for the investment managers. Ms. Schriner also addressed the overall market environment. She reported that for the period ending March 31, 2026, the portion of the investment portfolio managed by Meketa Investment Group was in compliance with CalOptima Health's Annual Investment Policy.

Ian Schirato, Investment Analyst, reported on total fund performance, fixed income, cash flow, and custom peer group results.

Presentation by MetLife Investment Management

Erin Klepper, Associate Director, provided a firm update, reported on the Tier One and Tier Two accounts, and discussed the yield curve. Ms. Klepper reported that for the period ending March 31, 2026, the portion of the investment portfolio managed by MetLife Investment Management complied with CalOptima Health's Annual Investment Policy.

Tani Fukui, Economist, reported on the current state of the market, including the effects from the Iran conflict on oil and gas prices, inflation, and the labor market.

Scott Pavlak, Managing Director and Head of Short Duration, gave a market overview update and reported on the Federal Reserve projections, Treasury futures, inflation, market projections, and portfolio performance attribution and strategy.

Presentation by Payden & Rygel

Darren Marco, Vice President, introduced Eric Stratmoen, Senior Vice President and Head of the Global Rates Team. Mr. Marco provided a firm update, a report on the yield curve and total fund portfolio, and a summary on portfolio performance. Mr. Marco also reported on the additional risk premium received from buying credit versus treasuries.

Mr. Stratmoen reported on inflation, oil and gas, and the current state of the job market. Mr. Stratmoen also reported on the federal forecast and how the federal rates market has developed over the quarter.

Madison Thrane, Senior Client Portfolio Analyst, reported on the characteristics, attribution, and performance of the Tier One and Tier Two accounts. Ms. Thrane reported that for the period ending March 31, 2026, the portion of the investment portfolio managed by Payden & Rygel complied with CalOptima Health's Annual Investment Policy.

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ADJOURNMENT
Hearing no further business, Chair Johnson adjourned the meeting at 4:40 p.m.

/s/ Pamela Reichardt
Executive Assistant

Approved: July 27, 2026

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CALOPTIMA HEALTH BOARD ACTION AGENDA REFERRAL

Action To Be Taken September 17, 2026
Regular Meeting of the CalOptima Health Board of Directors
Finance and Audit Committee

Consent Calendar

5. Recommend that the Board of Directors Accept, Receive, and File the Fiscal Year 2025-26 CalOptima Health Audited Financial Statements

Contact

Nancy Huang, Chief Financial Officer, (657) 235-6935

Recommended Action

Recommend that the Board of Directors accept, receive, and file the Fiscal Year 2025-26 CalOptima Health consolidated audited financial statements as submitted by independent auditors, Baker Tilly US, LLP.

Background

At the May 28, 2026, meeting of the CalOptima Health Finance and Audit Committee, Baker Tilly US, LLP (Baker Tilly) presented the 2026 Financial Audit Planning. The audit plan included performing the mandatory annual consolidated financial statement audit and a review of relevant internal controls and compliance for CalOptima Health's major programs.

Discussion

Baker Tilly conducted the interim audit beginning May 26, 2026, and the year-end audit in July and August 2026. The significant audit areas that Baker Tilly reviewed included:

- Medical claims liability and claims expense;
- Capitation revenue and receivables; and
- Amounts due to the State of California or the California Department of Health Care Services.

Baker Tilly auditors conducted the audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS) and the Government Auditing Standards.

During Fiscal Year (FY) 2025-26, CalOptima Health adopted and implemented (i) Governmental Accounting Standards Board (GASB) Statement No. 103 – *Financial Reporting Model Improvements,* to enhance the effectiveness of CalOptima Health's financial reports in providing information that is essential for decision making, and (ii) GASB Statement No. 104 – *Disclosure of Certain Capital Assets*, to improve transparency about capital assets in the financial statement notes. The implementation of these statements resulted in updates to the presentation and related disclosures of the financial statements.

The results of CalOptima Health's FY 2025-26 audit were positive. Specifically, the auditor:

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- Proposed no changes in CalOptima Health's approach to applying critical accounting policies;
- Reported no significant difficulties during the audit; and
- Identified no uncorrected or material misstatements, material weaknesses, or significant control deficiencies.

As such, management recommends that the Finance and Audit Committee advise the Board of Directors to accept, receive, and file the CalOptima Health FY 2025-26 consolidated audited financial statements, as presented.

Fiscal Impact

There is no fiscal impact.

Concurrence

Troy R. Szabo, Outside General Counsel, Kennaday Leavitt

Attachments

1. FY 2025-26 CalOptima Health Audited Financial Statements
2. Presentation by Baker Tilly US, LLP

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Report of Independent Auditors and Financial Statements with Supplementary Information

Orange County Health Authority, A Public Agency dba Orange Prevention and Treatment Integrated Medical Assistance dba CalOptima Health

June 30, 2026 and 2025

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Management's Discussion and Analysis

Orange County Health Authority, A Public Agency dba Orange Prevention and Treatment Integrated Medical Assistance dba CalOptima Health

Management's Discussion and Analysis

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The purpose of management's discussion and analysis is to provide an objective and easily readable analysis of CalOptima Health's financial activities for the fiscal years ended June 30, 2026, and 2025, with emphasis on fiscal year 2026. Readers should review this discussion in conjunction with CalOptima Health's financial statements and accompanying notes to enhance their understanding of CalOptima Health's financial performance.

Overview of the Financial Statements

CalOptima Health's basic financial statements consist of the statements of net position, the statements of revenues, expenses, and changes in net position, the statements of cash flows, and the accompanying notes. The statements are prepared using the economic resources measurement focus and the accrual basis of accounting.

The statements of net position report all assets, deferred outflows of resources, liabilities, and deferred inflows of resources at fiscal year-end. The difference between those elements is reported as net position, including net investment in capital assets, restricted net position, and unrestricted net position.

The statements of revenues, expenses, and changes in net position report the current-year operating and nonoperating activities that increased or decreased net position. They connect the beginning and ending balances reported in the statements of net position.

The statement of cash flows reports cash receipts and payments by operating, noncapital financing, capital and related financing, and investing activities. They differ from the statements of revenues, expenses, and changes in net position because the latter include noncash items such as depreciation and amortization and recognize revenues and expenses when earned or incurred rather than when cash is received or paid.

In June 2025, CalOptima Health filed to expand the scope of the Knox-Keene Act License to participate in the State's Health Insurance Marketplace, Covered California. CalOptima Health is preparing to launch a Covered California line of business effective January 1, 2027.

Beginning January 1, 2026, changes in California Medi-Cal initiatives to full-scope Medi-Cal coverage for undocumented adults included a freeze on enrollment for adults ages 19 and older and the reinstatement of asset tests during renewals. This resulted in a decrease in enrollment beginning January 1, 2026.

CalOptima Health reports its activities in a single enterprise fund. The financial statements include the accounts and transactions associated with Medi-Cal, OneCare, the Program of All-Inclusive Care for the Elderly (PACE), the Multipurpose Senior Services Program, remaining OneCare Connect activity, and Covered California start-up activity. Because the enterprise fund encompasses CalOptima Health's primary government activities, the analysis in this management's discussion and analysis also serves as the analysis of its major fund.

Financial Summary

CalOptima Health's net position increased by $314.5 million, or 11.2 percent during fiscal year 2026. At June 30, 2026, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $3.115 billion.

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Key Operating Indicators

The table below compares key operating indicators for CalOptima Health for the fiscal years ended June 30, 2026 and 2025:

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Key Operating Indicators	2026	2025
Members (at end of fiscal period)		
Medi-Cal program	787,436	886,034
OneCare	18,958	17,664
PACE	577	515
Average member months		
Medi-Cal program	839,954	892,630
OneCare	18,440	17,280
PACE	547	506
Operating revenues (in millions)	$ 5,157	$ 5,033
Operating expenses (in millions)		
Medical expenses	4,708	4,621
Administrative expenses	265	260
Operating income (in millions)	$ 185	$ 151
Operating revenues PMPM (per member per month)	$ 500	$ 441
Operating expenses PMPM		
Medical expenses PMPM	457	405
Administrative expenses PMPM	26	23
Operating income PMPM	$ 17	$ 13
Medical loss ratio	91.3%	91.8%
Administrative expenses ratio	5.1%	5.2%
Premium tax revenue and expenses not included above		
Operating revenues (in millions)	$ 753	$ 870
Administrative expenses (in millions)	$ 753	$ 864

Condensed Financial Position

Condensed Statements of Net Position as of June 30,
(Dollars in Thousands)

Financial Position	2026	2025	Change from 2025 Amount	Change from 2025 Percentage
ASSETS				
Current assets	$ 2,870,184	$ 2,576,425	$ 293,759	11.4%
Board-designated assets and restricted cash	1,778,855	1,717,108	61,747	3.6%
Net pension asset	4,069	-	4,069	100.0%
Capital assets, net	85,561	79,772	5,789	7.3%
Subscription assets, net	24,709	18,851	5,858	31.1%
Total assets	4,763,378	4,392,156	371,222	8.5%
DEFERRED OUTFLOWS OF RESOURCES	30,923	28,626	2,297	8.0%
Total assets and deferred outflows of resources	$ 4,794,301	$ 4,420,782	$ 373,519	8.4%
LIABILITIES				
Current liabilities	$ 1,566,388	$ 1,493,285	$ 73,103	4.9%
Other liabilities	82,910	111,434	(28,524)	-25.6%
Subscription liability, net of current portion	13,148	11,170	1,978	17.7%
Total liabilities	1,662,446	1,615,889	46,557	2.9%
DEFERRED INFLOWS OF RESOURCES	16,723	4,310	12,413	288.0%
NET POSITION				
Net investment in capital assets	87,072	80,810	6,262	7.7%
Restricted by legislative authority	134,333	129,342	4,991	3.9%
Unrestricted	2,893,727	2,590,431	303,296	11.7%
Total net position	3,115,132	2,800,583	314,549	11.2%
Total liabilities, deferred inflows of resources, and net position	$ 4,794,301	$ 4,420,782	$ 373,519	8.4%

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Condensed Changes in Net Position

Revenues, Expenses, and Changes in Net Position for Fiscal Years Ended June 30, (Dollars in Thousands)

Results of Operations	2026	2025	Change from 2025 Amount	Change from 2025 Percentage
PREMIUM REVENUES	$ 5,157,351	$ 5,033,535	$ 123,816	2.5%
Total operating revenues	5,157,351	5,033,535	123,816	2.5%
MEDICAL EXPENSES	4,708,130	4,621,433	86,697	1.9%
ADMINISTRATIVE EXPENSES	264,564	259,859	4,705	1.8%
Total operating expenses	4,972,694	4,881,292	91,402	1.9%
OPERATING INCOME	184,657	152,243	32,414	21.3%
NON-OPERATING REVENUES AND EXPENSES	129,891	203,258	(73,367)	-36.1%
Increase in net position	314,548	355,501	(40,953)	-11.5%
NET POSITION, beginning of year	2,800,583	2,445,082	355,501	14.5%
NET POSITION, end of year	$ 3,115,131	$ 2,800,583	$ 314,548	11.2%

Detailed Analyses

Medi-Cal remained the primary source of CalOptima Health's activity, accounting for 90.4 percent and 90.9 percent, of its annual revenues during fiscal years 2026 and 2025, respectively. OneCare accounted for 8.4 percent and 8.1 percent of its annual revenues during fiscal years 2026 and 2025, respectively. PACE accounted for 1.2 percent and 1.1 percent of its annual revenues during fiscal years 2026 and 2025, respectively.

Financial Position

Current assets increased $293.8 million, from $2.576 billion at June 30, 2025, to $2.870 billion at June 30, 2026. The increase was primarily attributable to a $519.2 million increase in Short-term Investments with a decrease of $110.2 million in cash and cash equivalents. The growth is largely due to interest earned on investments and net purchases over the year, supported by capital inflows into the operating account. Managed Care Organization (MCO) tax receivable from the Department of Health Care Services (DHCS) decreased $129.3 million due to the timing of payments.

Current liabilities increased $73.1 million, primarily because of an increase of $141.2 million in amounts due to DHCS for the Adult and Adult Expansion Unsatisfactory Immigration Status (UIS) and Enhanced Care Management Risk Corridor established by DHCS. Fiscal year 2026 included an additional accrual of $46.6 million for the Calendar Year (CY) 2024 UIS Risk Corridor due to differences in logic used by DHCS. The CY 2024 UIS Risk Corridor was paid in July 2026. The increase in Current liabilities was offset by a decrease of $67.7 million in medical claims and capitation liabilities driven primarily by the lower enrollment. Long-term liabilities decreased $27.8 million, principally because the estimated Community Reinvestment and Quality Achievement obligation decreased approximately $21.2 million, and the net pension liability decreased approximately $5.8 million. Deferred inflows of resources increased $12.4 million, primarily from pension-related changes.

Unrestricted net position increased $303.3 million to $2.894 billion, primarily because current-year revenues exceeded expenses. Restricted net position increased $5.0 million to $134.3 million. The restricted amount is limited by legislative authority, while Board-designated assets remain within unrestricted net position and may be redesignated by the Board. Those designations reduce resources available for other future uses unless the Board revises its policy.

In April 2025, the Board revised the desired Tier One reserve range from 2.5 to 3.0 months of consolidated capitation revenue to 2.5 to 4.0 months. As of June 30, 2026, Tier One investment portfolios equaled 3.77 times the average monthly consolidated capitation revenue. Tier Two investment portfolios are statutorily designated reserves intended to satisfy Tangible Net Equity (TNE) requirements; the desired level is 100 percent to 110 percent of the requirement. CalOptima Health's total reserve level was 105 percent of the minimum required TNE as of June 30, 2026, compared with 102 percent as of June 30, 2025. CalOptima Health also maintained the $300,000 restricted deposit required under the Knox-Keene Health Care Service Plan Act of 1975.

Results of Operations

The increase in net position was $314.5 million in fiscal year 2026, $41.0 million less than the $355.5 million increase in fiscal year 2025. Operating income increased $32.4 million, while non-operating revenues and expenses decreased $73.4 million.

Operating Revenues

Operating revenues increased $123.8 million, or 2.5 percent, to $5.157 billion. The increase is driven primarily by a 6.4% increase in premium capitation rates from CY 2025 and an increase in Hospital Directed Payments of $120.0 million. This increase is offset by an average decrease in membership of 5.9% due to the impacts of policy changes mandated by federal H.R.1, "One Big Beautiful Bill Act" signed on July 4, 2025.

Medical Expenses

Medical expenses increased $86.7 million, or 1.9 percent, to $4.708 billion. Medi-Cal increased $45.8 million, from $4.206 billion in fiscal year 2025 to $4.252 billion in fiscal year 2026. Medi-Cal Provider capitation expense decreased $44.8 million, 3.3 percent due to decrease in membership. Medi-Cal Provider capitation expense was $1.326 billion in fiscal year 2026 compared with $1.371 billion in fiscal year 2025. Capitated member enrollment averaged 572,602 in fiscal year 2026, or 66.7 percent of enrollment, compared with 612,173, or 67.3 percent, in fiscal year 2025. Medi-Cal Claims expense to providers and facilities, including long-term care services (LTC), increased 1.6 percent due to provider rate increases and higher utilization and higher member acuity of remaining population. Other medical expenses increased by $56.2 million due to an increase in Hospital Directed Payments by $131.6 million offset by a decrease in Incentive payments of $72.2 million. The decrease is due to lower estimated incentive payments for fiscal year 2026 and a $24.7 million release of fiscal year 2025 accruals.

OneCare increased by $31.1 million from $372.3 million in fiscal year 2025 to $403.4 million in fiscal year 2026 and PACE increased by $9.7 million from $43.4 million in fiscal year 2025 to $53.1 million in fiscal year 2026. The increases are driven primarily by increased enrollment, higher claims utilization, and enhanced supplemental benefits.

In addition to the items mentioned above, total Hospital Quality Assurance Fee (HQAF) payments received and passed through to hospitals decreased by $106.6 million. No HQAF payments were received and paid in fiscal year 2026 due to delays at the federal and state level.

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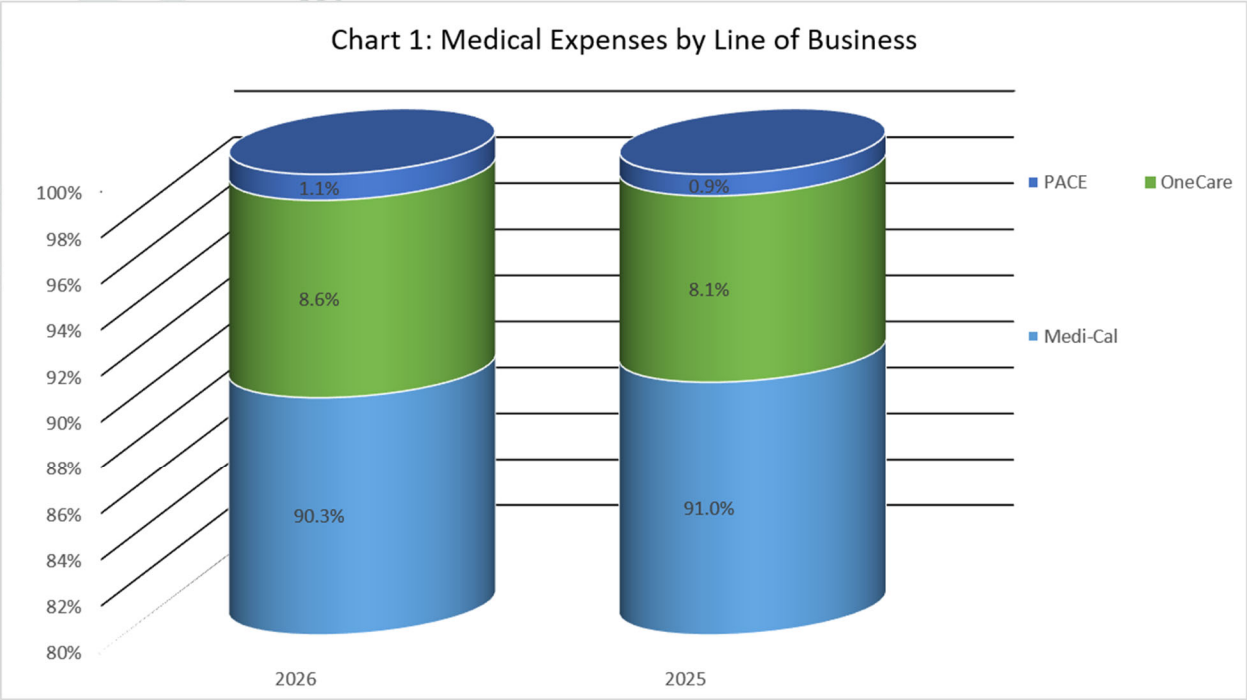
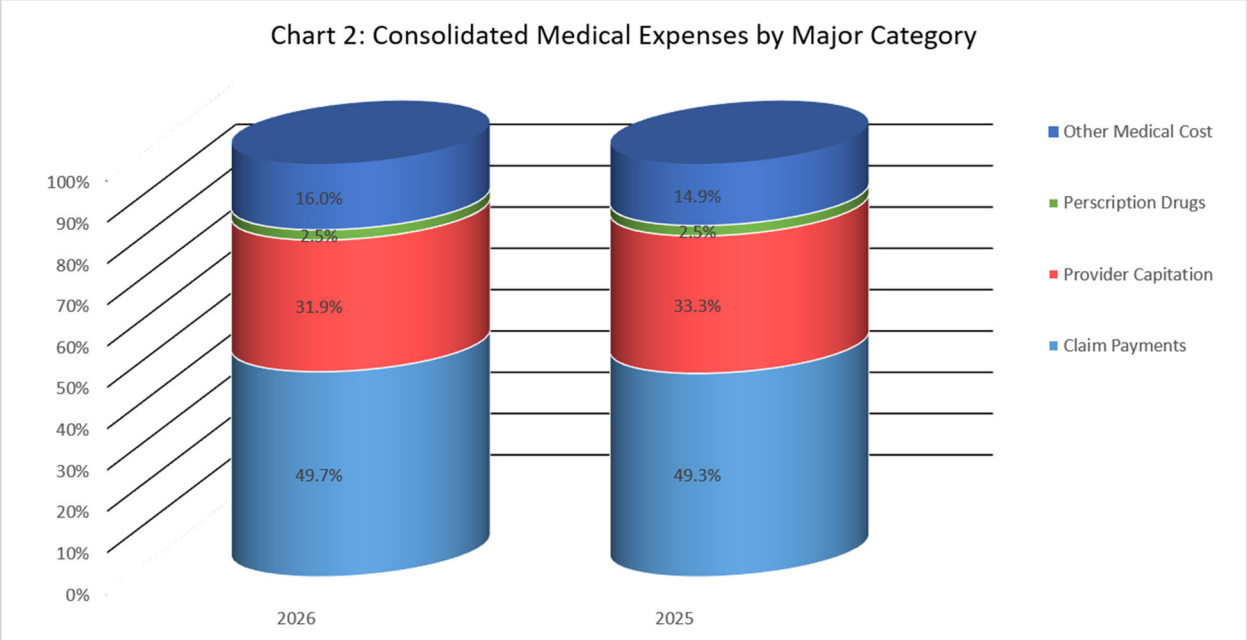
Below are comparison charts of total medical expenses by line of business and their respective percentages of the overall medical expenditures by fiscal year (Chart 1) and medical expenses by major category and their respective percentages of the overall medical expenditures by fiscal year (Chart 2).





Administrative Expenses

Administrative expenses increased $4.7 million, or 1.8 percent, to $264.6 million. The increase was driven primarily by $3.4 million in higher supplies, occupancy, and other costs, $3.0 million in higher salaries and benefits, $2.0 million in additional depreciation and amortization, and $1.4 million in higher professional fees, all offset by $5.1 million in lower purchased services. Administrative expenses were 5.1 percent of operating revenues in fiscal year 2026 compared with 5.2 percent in fiscal year 2025.

Nonoperating Revenues and Expenses

Net non-operating income decreased $73.4 million, from $203.3 million in fiscal year 2025 to $129.9 million in fiscal year 2026. The decrease is driven primarily by $55.8 million in lower net investment income and $13.9 million increase in grant expense.

Enrollment and Other Operating Factors

During fiscal year 2026, CalOptima Health served an average Medi-Cal enrollment of 839,954 members, a decrease of 52,676 members, or 5.9 percent, from 892,630 members in fiscal year 2025. The decrease was primarily attributable to federal and state policy changes that froze enrollment for members 19 years or older with UIS and asset test reinstatement effective January 1, 2026. The Medi-Cal decrease contributed to lower premium revenue, while rate increases, directed payments, and utilization affected per-member revenue and expense trends.

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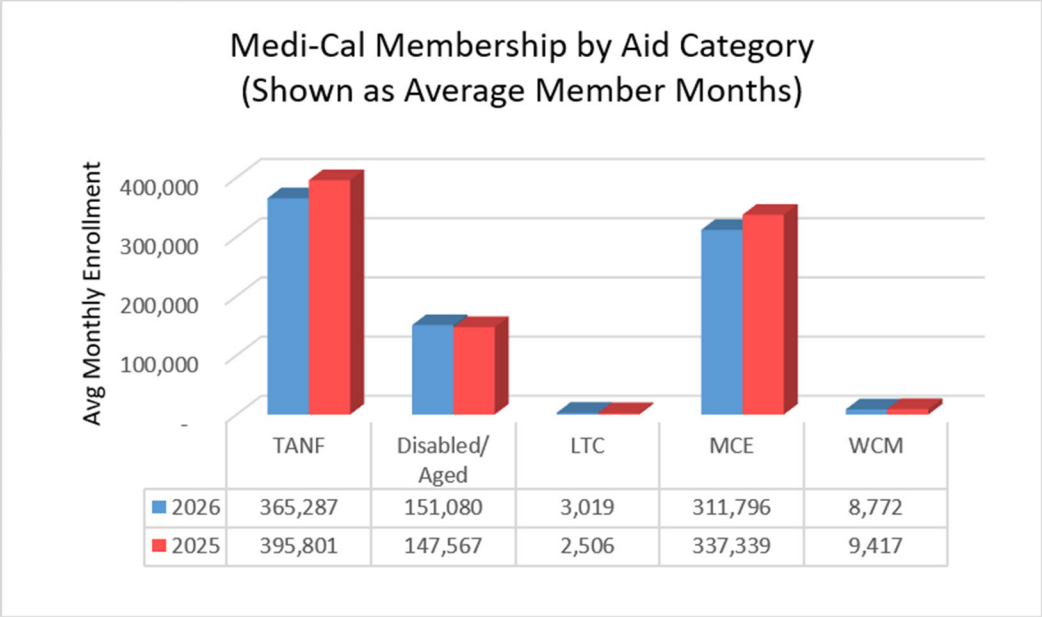
The chart below displays a comparative view of average monthly membership by Medi-Cal aid category during fiscal year 2026 and fiscal year 2025.



	TANF	Disabled/ Aged	LTC	MCE	WCM
2026	365,287	151,080	3,019	311,796	8,772
2025	395,801	147,567	2,506	337,339	9,417

Significant aid categories are defined as follows:

Temporary Assistance to Needy Families (TANF) includes families, children, and poverty-level members who qualify for the TANF federal welfare program, which provides cash aid and job-search assistance to poor families. TANF also includes members who migrated from the CalOptima Health, Health Net, and Kaiser Healthy Family programs.

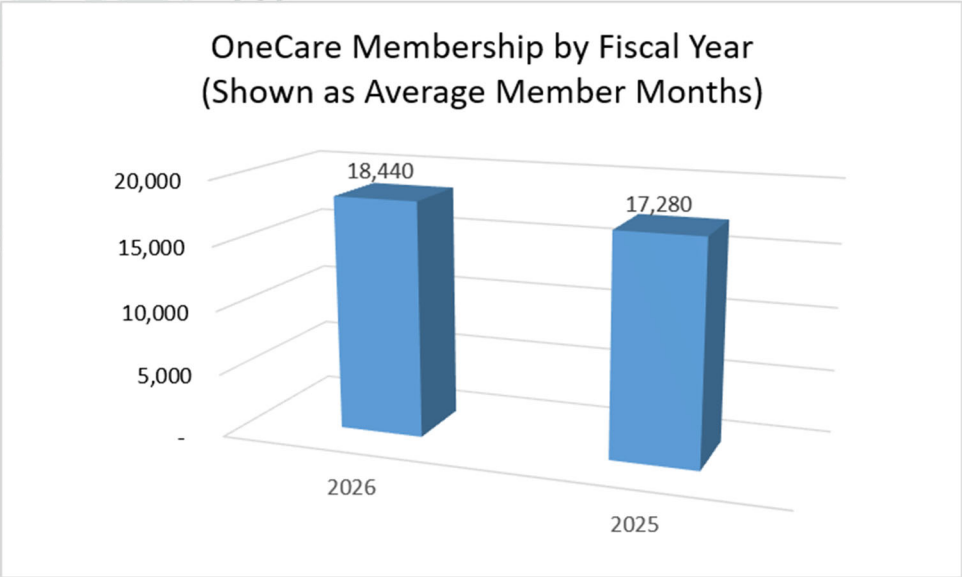
Disabled and Aged includes individuals who have met the criteria for disability set by the Social Security Administration, and individuals aged 65 and older who receive supplemental security income (SSI) checks, are medically needy, or have an income of 100 percent or less of the federal poverty level.

LTC includes frail elderly adults, nonelderly adults with disabilities, and children with developmental disabilities and other disabling conditions that require LTC services.

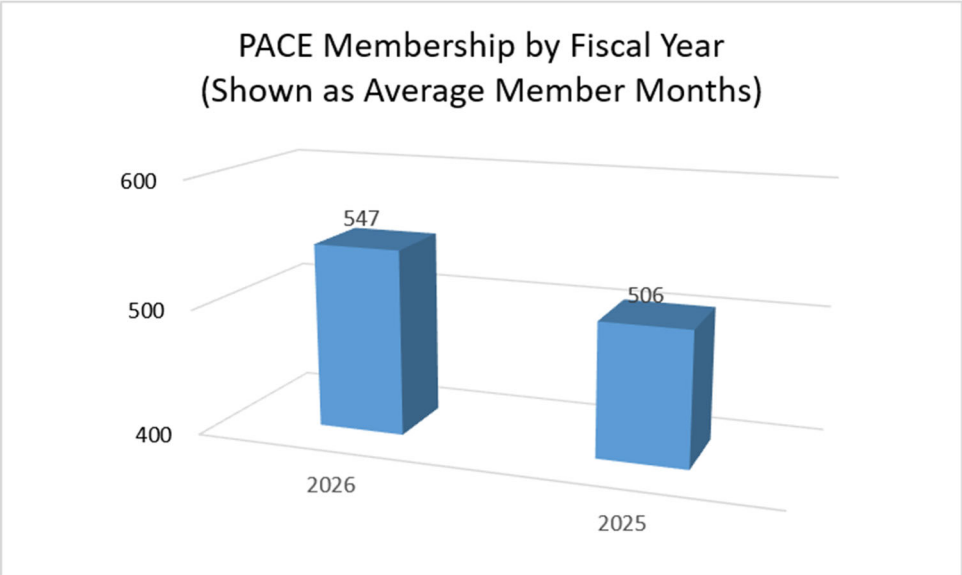
Medi-Cal Expansion (MCE) includes adults without children, ages 19 to 64, who qualify based upon income, as required by the Patient Protection and Affordable Care Act (ACA).

CalOptima Health's Whole Child Model (WCM) program includes children who are California Children's Services (CCS) eligible. These members are receiving their CCS services and non-CCS services under the WCM program.

OneCare was introduced in October 2005 as a Medicare Advantage Special Needs Plan. It provides a full range of health care services to members who are eligible for both the Medicare and Medi-Cal programs (i.e., dual eligible). The average member months increased by 1,161 members from 17,280 in fiscal year 2025 to 18,440 in fiscal year 2026. The chart below displays the average member months for the past two years.



PACE began operations in October 2013. It is a community-based Medicare and Medi-Cal program that provides coordinated and integrated health care services to frail elders to help them to continue living independently in the community. The average member months were 547 and 506 for the fiscal years ended June 30, 2026 and 2025, respectively. The chart below displays the average member months for the past two years.



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Significant Capital Asset and Long-Term Financing Activity

Net capital assets increased $5.8 million to $85.6 million at June 30, 2026. Capital-asset purchases and additions were $32.1 million, including $15.3 million of construction-in-progress, $8.0 million of computers and software, including $4.4 million for a customer relationship management system and $1.5 million for a new financial system, and $7.2 million of building additions, of which $5.4 million was for the Street Medicine Traffic Control Office. During the year, $16.7 million was transferred from construction in progress to completed assets. There were no gross retirements during the year. CalOptima Health is in the process of purchasing a second PACE Center building.

CalOptima Health acquired $17.3 million of subscription-based information technology arrangement assets through noncash transactions and paid $13.5 million on subscription obligations. At June 30, 2026, the net right-to-use subscription asset was $24.7 million, with the related liability at $22.0 million. The arrangements extend through fiscal year 2030. Future payments under noncancelable subscription-based information technology arrangements totaled approximately $26.5 million at June 30, 2026. During the fiscal year ended June 30, 2026, CalOptima Health retired $7.0 million of subscription assets and the related accumulated amortization.

CalOptima Health had no separately reported bonded debt or public-private or public-public partnership liabilities at June 30, 2026. Accordingly, changes in credit ratings and legal debt limitations were not applicable. The most significant long-term financing activity was the subscription liability described above.

Currently Known Facts, Decisions, or Conditions

Covered California

On July 21, 2026, Covered California announced CalOptima Health's entrance into the marketplace beginning January 1, 2027. Management has forecasted the start-up and budgetary impacts of the new product, will assess any additional administrative and implementation activities before and after launch, and will monitor the financial effects.

State Fiscal Year 2026-27 Budget and Medi-Cal Actions

The State fiscal year 2026-27 budget was signed on June 26, 2026. The following enacted or funded Medi-Cal actions are expected to affect future enrollment, benefits, capitation revenue, provider reimbursement, or medical expense:

- Transition of undocumented individuals from Medi-Cal managed care to Medi-Cal fee-for-service effective January 1, 2027;

- Implementation of the provisions in federal law that will impact Medi-Cal expansion members beginning January 1, 2027, including work requirements and eligibility redeterminations at least every six months; and

- Refinement of eligibility criteria and utilization management for CalAIM enhanced care management and community supports.

Medicaid Provider Tax

The budget seeks to establish an alternative, federally compliant Medicaid Provider Tax to take effect January 1, 2027. Management will assess the full effect of the revised tax and anticipates budgetary and operational adjustments. The discontinuation could affect future capitation revenue, provider funding, and the resources available for CalOptima Health programs.

Federal and State Audits

DHCS Routine Annual Audit (2025) – In October 2024, DHCS formally engaged CalOptima Health for its annual medical program audit. The audit covered the provision of Medi-Cal services for the period of February 1, 2024, through January 31, 2025, and assessed CalOptima Health's compliance with its Medi-Cal contract and regulations. In May 2025, CalOptima Health received its audit findings report and request for corrective action. The audit report identified four findings that required corrective action. CalOptima Health received confirmation of the acceptance of the Corrective Action Plan (CAP) and audit closure in November 2025. This audit is considered closed with no further action required.

DHCS Routine Annual Audit (2026) – On November 12, 2025, DHCS formally engaged CalOptima Health for its annual routine medical program audit. The audit covered the provision of Medi-Cal services for the period of January 1, 2025, through December 31, 2025, and assessed CalOptima Health's compliance with its Medi-Cal contract and regulations. In July 2026, CalOptima Health received its audit findings report and request for corrective action. The audit report identified four findings that required corrective action. As of this writing, CalOptima Health has submitted all required deliverables and awaits DHCS assessment.

DHCS State Supported Services (SSS) Audit (**2026**)– At the time of engagement for its annual routine audit in November 2025, DHCS simultaneously engaged CalOptima Health in an SSS audit related to abortion services. DHCS conducted this audit in conjunction with the DHCS routine annual audit for the period of January 1, 2025, through December 31, 2025, and assessed CalOptima Health's compliance with its Medi-Cal contract and regulations related to SSS. In July 2026, CalOptima Health received its audit findings report, which confirmed no findings for SSS. This audit is considered closed with no further action required.

DHCS PACE Audit – In February 2026, DHCS formally engaged CalOptima Health for its routine review of CalOptima Health's PACE Organization. The audit covered the provision of PACE services from January 1, 2025, through February 1, 2026. CalOptima Health is currently awaiting the final findings report and formal request for corrective action from DHCS.

Payment Year (PY) 2019 Risk Adjustment Data Validation (RADV) Audit – On June 12, 2025, the Centers for Medicare & Medicaid Services (CMS) notified CalOptima Health that its OneCare (H5433) plan was selected for the PY 2019 RADV Audit. CMS will be conducting medical record reviews for a sample of OneCare enrollees to validate the accuracy of a subset of PY 2019 risk adjustment data and payments associated with encounters with dates of service from January 1, 2018, through December 31, 2018. CalOptima Health submitted medical records to CMS to validate risk adjustment data. CalOptima Health is currently awaiting audit results from CMS.

CMS 1/3 Financial Audit – On September 24, 2025, CMS notified CalOptima Health that its PACE plan (H7501) was selected for the CY 2024 CMS 1/3 Financial Audit. CMS's contractor, acting in the capacity of CMS agents, conducted the audit by requesting records and supporting documentation for, but not limited to, claims data, solvency, enrollment, base year entries on the bids, medical and/or drug expenses, related party transactions, general administrative expenses and Direct and Indirect Remuneration (DIR). On June 8, 2026, CMS issued the Final Audit report. The audit report identified one observation and no findings. Nothing further was required, as CMS did not require a CAP.

PY 2020 RADV Audit - On March 30, 2026, CMS notified CalOptima Health that its OneCare (H5433) plan was selected for the PY 2020 RADV Audit. CMS will be conducting medical record reviews for a sample of OneCare enrollees to validate the accuracy of a subset of PY 2020 risk adjustment data and payments associated with encounters with dates of service from January 1, 2019, through December 31, 2019. CalOptima Health submitted medical records to CMS to validate risk adjustment data. CalOptima Health is currently awaiting audit results from CMS.

PY 2021 RADV Audit – On May 29, 2026, CMS notified CalOptima Health that its OneCare (H5433) plan was selected for the PY 2021 RADV Audit. CMS will be conducting medical record reviews for a sample of OneCare enrollees to validate the accuracy of a subset of PY 2021 risk adjustment data and payments associated with encounters with dates of service from January 1, 2020, through December 31, 2020. CalOptima Health is required to submit medical records to validate risk adjustment data. The medical record submission window opened on June 22, 2026, and will close on November 6, 2026.

Requests for Information – This financial report has been prepared to provide readers with an overview of CalOptima Health's operations. Questions or requests for additional information should be directed to CalOptima Health, 505 City Parkway West, Orange, California 92868, or by telephone at (714) 347-3237.

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Report of Independent Auditors

The Board of Directors
Orange County Health Authority, A Public Agency dba Orange Prevention and Treatment Integrated Medical Assistance dba CalOptima Health

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Orange County Health Authority, A Public Agency dba Orange Prevention and Treatment Integrated Medical Assistance dba CalOptima Health (the "Organization"), which comprise the statements of net position as of June 30, 2026 and 2025, and the related statements of revenues, expenses, and changes in net position and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 2026 and 2025, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

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Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in net pension liability and related ratios, schedule of plan contributions, and schedule of changes in total OPEB liability and related ratios, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the GASB 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.

Irvine, California
DATE

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Financial Statements

Orange County Health Authority, A Public Agency dba Orange Prevention and Treatment Integrated Medical Assistance dba CalOptima Health
Statements of Net Position
June 30, 2026 and 2025

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	2026	2025
CURRENT ASSETS		
Cash and cash equivalents	$ 365,036,439	$ 475,203,956
Investments	1,860,077,839	1,340,926,602
Premiums due from the State of California and CMS	612,910,005	727,250,234
Prepaid expenses and other	32,159,874	33,044,564
Total current assets	2,870,184,157	2,576,425,356
BOARD-DESIGNATED ASSETS AND RESTRICTED CASH		
Cash and cash equivalents	5,291,865	6,677,329
Investments	1,772,717,051	1,710,130,179
Restricted collateral	546,000	-
Restricted deposit	300,000	300,000
Total board-designated assets and restricted cash	1,778,854,916	1,717,107,508
NET PENSION ASSET	4,069,081	-
CAPITAL ASSETS, NET	85,561,039	79,772,146
SUBSCRIPTION ASSETS, NET	24,709,360	18,850,560
Total assets	4,763,378,553	4,392,155,570
DEFERRED OUTFLOWS OF RESOURCES		
Net pension	29,926,013	27,437,072
Other postemployment benefit	997,000	1,189,000
Total deferred outflows of resources	30,923,013	28,626,072
Total assets and deferred outflows of resources	$ 4,794,301,566	$ 4,420,781,642

See accompanying notes.

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Orange County Health Authority, A Public Agency dba Orange Prevention and Treatment Integrated Medical Assistance dba CalOptima Health
Statements of Net Position
June 30, 2026 and 2025

	2026	2025
CURRENT LIABILITIES		
Medical claims liability and capitation payable		
Medical claims liability	$ 343,692,218	$ 382,673,339
Provider capitation and withholds	125,273,073	153,993,364
Accrued reinsurance costs to providers	18,790,175	15,792,031
Due to the State of California and CMS	1,006,232,557	865,014,787
Unearned revenue	5,921,439	7,764,476
	1,499,909,462	1,425,237,997
Subscription liability	10,050,582	6,641,757
Accounts payable and other	23,269,803	31,558,870
Accrued payroll and employee benefits and other	33,159,179	29,845,787
Total current liabilities	1,566,389,026	1,493,284,411
COMMUNITY REINVESTMENT	66,941,338	88,098,111
POSTEMPLOYMENT HEALTH CARE PLAN	15,772,000	17,249,000
SUBSCRIPTION LIABILITY, net of current portion	13,147,809	11,170,484
NET PENSION LIABILITY	-	5,840,992
OTHER LONG-TERM LIABILITIES	196,705	245,394
Total liabilities	1,662,446,878	1,615,888,392
DEFERRED INFLOWS OF RESOURCES		
Net pension	14,364,193	1,321,519
Other postemployment benefit	2,359,000	2,988,000
Total deferred inflows of resources	16,723,193	4,309,519
NET POSITION		
Net investment in capital assets	87,072,008	80,810,465
Restricted by legislative authority	134,332,567	129,341,855
Unrestricted	2,893,726,920	2,590,431,411
Total net position	3,115,131,495	2,800,583,731
Total liabilities, deferred inflows of resources, and net position	$ 4,794,301,566	$ 4,420,781,642

See accompanying notes.

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Orange County Health Authority, A Public Agency dba Orange Prevention and Treatment Integrated Medical Assistance dba CalOptima Health

Statements of Revenues, Expenses, and Changes in Net Position

Years Ended June 30, 2026 and 2025

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	2026	2025
REVENUES		
Premium revenues	$ 5,157,350,554	$ 5,033,535,326
Total operating revenues	5,157,350,554	5,033,535,326
OPERATING EXPENSES		
Medical expenses		
Claims expense to providers and facilities	2,216,220,086	2,181,804,161
Provider capitation	1,326,073,718	1,370,782,575
Other medical	709,346,123	653,207,203
PACE	53,073,074	43,370,651
OneCare	403,416,798	372,267,309
Total medical expenses	4,708,129,799	4,621,431,899
Administrative expenses		
Salaries, wages, and employee benefits	158,032,410	155,054,752
Supplies, occupancy, insurance, and other	50,070,724	46,631,923
Purchased services	24,213,005	29,268,757
Depreciation and amortization	11,592,305	9,606,171
Professional fees	20,655,957	19,297,822
Total administrative expenses	264,564,401	259,859,425
Total operating expenses	4,972,694,200	4,881,291,324
OPERATING INCOME	184,656,354	152,244,002
NON-OPERATING REVENUES (EXPENSES)		
Net investment income	138,502,614	194,295,685
Grant expense	(23,568,780)	(9,627,088)
Community reinvestment	21,156,773	18,578,540
Other (expense) income, net	(6,199,197)	10,386
Total non-operating revenues	129,891,410	203,257,523
Change in net position	314,547,764	355,501,525
NET POSITION, beginning of year	2,800,583,731	2,445,082,206
NET POSITION, end of year	$ 3,115,131,495	$ 2,800,583,731

See accompanying notes.

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Orange County Health Authority, A Public Agency dba Orange Prevention and Treatment Integrated Medical Assistance dba CalOptima Health

Statements of Cash Flows

Years Ended June 30, 2026 and 2025

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	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Capitation payments received and other	$ 5,411,065,516	$ 4,787,297,339
Payments to providers and facilities	(4,772,881,756)	(4,622,047,560)
Payments to vendors	(90,934,005)	(91,530,982)
Payments to employees	(155,989,358)	(148,420,991)
Net cash provided by (used in) operating activities	391,260,397	(74,702,194)
CASH FLOWS USED IN CAPITAL AND RELATED FINANCING ACTIVITIES		
Payments on subscription lease obligations	(13,826,266)	(9,431,517)
Purchases of capital assets	(15,320,041)	(11,265,905)
Net cash used in capital and related financing activities	(29,146,307)	(20,697,422)
CASH FLOWS USED IN NON-CAPITAL AND RELATED FINANCING ACTIVITIES		
Payments of grants to providers	(23,568,780)	(8,959,554)
Net cash used in non-capital and related financing activities	(23,568,780)	(8,959,554)
CASH FLOWS USED IN INVESTING ACTIVITIES		
Investment income received	178,602,330	202,322,612
Purchases of securities	(17,864,845,967)	(23,493,651,011)
Sales of securities	17,243,847,606	23,343,549,354
Other nonoperating cash payments	(5,682,278)	(667,534)
Payments related to rental activities	(634,518)	10,386
Net cash (used in) provided by investing activities	(448,712,827)	51,563,807
Net change in cash and cash equivalents	(110,167,517)	(52,795,363)
CASH AND CASH EQUIVALENTS, beginning of year	475,203,956	527,999,319
CASH AND CASH EQUIVALENTS, end of year	$ 365,036,439	$ 475,203,956
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income	$ 184,656,354	$ 152,244,002
ADJUSTMENT TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Depreciation and amortization	20,947,579	17,742,390
Changes in assets and liabilities		
Premiums due from the State of California and CMS	114,340,229	(175,101,532)
Prepaid expenses and other	884,690	(19,337,664)
Medical claims liability	(38,981,121)	13,098,775
Provider capitation and withholds	(28,720,291)	(22,240,330)
Accrued reinsurance costs to providers	2,998,144	8,280,500
Due to the State of California and CMS	141,217,770	(72,264,390)
Unearned revenue	(1,843,037)	1,127,935
Accounts payable and other	(6,234,283)	14,868,965
Long term liabilities	(48,689)	245,394
Accrued payroll and employee benefits and other	3,313,392	3,959,119
Postemployment health care plan	(1,914,000)	(3,370,000)
Net pension liability	643,660	6,044,642
Net cash provided by (used in) operating activities	$ 391,260,397	$ (74,702,194)

See accompanying notes.

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Orange County Health Authority, A Public Agency dba Orange Prevention and Treatment Integrated Medical Assistance dba CalOptima Health

Statements of Cash Flows
Years Ended June 30, 2026 and 2025

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NONCASH CAPITAL FINANCING ACTIVITIES		
Lease right-to-use assets acquired via lease obligations	$ 17,275,231	$ 8,538,377
SUPPLEMENTAL SCHEDULE OF NONCASH OPERATING AND INVESTING ACTIVITIES		
Change in net unrealized gain (loss) on investments	$ (13,625,095)	$ 12,997,504

See accompanying notes.

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Note 1 – Organization

Orange County Health Authority, A Public Agency dba Orange Prevention and Treatment Integrated Medical Assistance dba CalOptima Health, is a County-Organized Health System (COHS) serving primarily Medi-Cal beneficiaries in Orange County, California. Effective August 4, 2022, Orange County Health Authority changed its dba name to CalOptima Health (CalOptima Health or the Organization). Pursuant to the California Welfare and Institutions Code, CalOptima Health was formed by the Orange County Board of Supervisors as a public/private partnership through the adoption of Ordinance No. 3896 in August 1992. The Organization began operations in October 1995.

As a COHS, CalOptima Health maintains an exclusive contract with the State of California (the State) Department of Health Care Services (DHCS) to arrange for the provision of health care services to Orange County's Medi-Cal beneficiaries. Orange County had approximately 787,000 and 886,000 Medi-Cal beneficiaries for the years ended June 30, 2026 and 2025, respectively. CalOptima Health also offers OneCare, a Medicare Advantage Special Needs Plan, via a contract with the Centers for Medicare & Medicaid Services (CMS). OneCare served approximately 19,000 and 17,700 members eligible for both Medicare and Medi-Cal for the years ended June 30, 2026 and 2025, respectively.

CalOptima Health also contracts with the California Department of Aging to provide case management of social and health care services to approximately 500 Medi-Cal eligible seniors under the State's Multipurpose Senior Services Program (MSSP). Effective January 1, 2022, MSSP transitioned from a managed care plan benefit to a carved-out waiver benefit.

The Program of All-Inclusive Care for the Elderly (PACE) provides services to members 55 years of age or older who reside in the PACE service area and meet California nursing facility level-of-care requirements. The program receives Medicare and Medi-Cal funding and serves approximately 500 members.

CalOptima Health, in turn, subcontracts the delivery of health care services through health maintenance organizations and provider-sponsored organizations, known as Physician/Hospital Consortia and Shared Risk Groups. Additionally, CalOptima Health has direct contracts with hospitals and providers for its fee-for-service network.

CalOptima Health is Knox-Keene-licensed for purposes of its Medicare programs and is subject to certain provisions of the Knox-Keene Health Care Service Plan Act of 1975 (the Act) to the extent incorporated by reference into CalOptima Health's contract with DHCS. As such, CalOptima Health is subject to the regulatory requirements of the Department of Managed Health Care (DMHC) under Section 1300, Title 28 of the California Administrative Code of Regulations, including minimum requirements of Tangible Net Equity (TNE), which CalOptima Health exceeded as of June 30, 2026 and 2025.

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Note 2 – Summary of Significant Accounting Policies

Basis of presentation – CalOptima Health is a COHS plan governed by a 10-member Board of Directors appointed by the Orange County Board of Supervisors. Effective for the year ended June 30, 2014, CalOptima Health began reporting as a discrete component unit of the County of Orange, California. The County made this determination based on the County Board of Supervisors' role in appointing all members of the Board of Directors.

Basis of accounting – CalOptima Health uses enterprise fund accounting. Revenues and expenses are recognized on the accrual basis using the economic resources measurement focus. The accompanying financial statements have been prepared in accordance with the standards of the Governmental Accounting Standards Board (GASB).

Use of estimates – The preparation of the financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Cash and cash equivalents – The Organization considers all highly liquid investments with original maturities of three months or less to be cash and cash equivalents.

Investments – Investments are stated at fair value in accordance with GASB Codification Section 150. The fair value of investments is estimated based on quoted market prices, when available. For debt securities not actively traded, fair values are estimated using values obtained from external pricing services or are estimated by discounting the expected future cash flows using current market rates applicable to the coupon rate, credit, and maturity of the investments.

Board-designated assets and restricted cash – Board-designated assets based on policy updates approved by the Board of Directors in April 2025 include amounts designated by the Board of Directors for the establishment of certain reserve funds for contingencies at a desired level between 2.5 and 4.0 months of consolidated capitation revenue (see Note 3). The Board of Directors also established a separate reserve to meet the statutory requirement for minimum TNE. Restricted cash represents a $300,000 restricted deposit required by CalOptima Health as part of the Act (see Note 9).

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Capital assets – Capital assets are stated at cost at the date of acquisition. The costs of normal maintenance, repairs, and minor replacements are charged to expense when incurred.

Depreciation is calculated using the straight-line method over the estimated useful lives of the assets. Long-lived assets are periodically reviewed for impairment. The following estimated useful lives are used:

	Years
Furniture	5 years
Vehicles	5 years
Computers and software	3 years
Leasehold improvements	15 years or life of lease, whichever is less
Building	40 years
Building components	10 to 30 years
Land improvements	8 to 25 years
Tenant improvements	7 years or life of lease, whichever is less

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Fair value of financial instruments – The financial statements include financial instruments for which the fair market value may differ from amounts reflected on a historical basis. Financial instruments of the Organization consist of cash deposits, investments, premiums receivable, accounts payable, and certain accrued liabilities. The Organization's other financial instruments, except for investments, generally approximate fair market value based on the relatively short period of time between origination of the instruments and their expected realization.

Medical claims liability and expenses – CalOptima Health establishes a claims liability based on estimates of the ultimate cost of claims in process and a provision for incurred-but-not-yet-reported (IBNR) claims, which is actuarially determined based on historical claim payment experience and other statistics. Such estimates are continually monitored and analyzed with any adjustments made as necessary in the period the adjustment is determined. CalOptima Health retains an outside actuary to perform an annual review of the actuarial projections. Amounts for claims payment incurred related to prior years vary from previously estimated liabilities as the claims ultimately are settled.

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Provider capitation and withholds – CalOptima Health has provider services agreements with several health networks in Orange County, whereby the health networks provide care directly to covered members or through subcontracts with other health care providers. Payment for the services provided by the health networks is on a fully capitated basis. The capitation amount is based on contractually agreed-upon terms with each health network. CalOptima Health withholds amounts from providers at an agreed-upon percentage of capitation payments made to ensure the financial solvency of each contract. CalOptima Health also records a liability related to quality incentive payments and risk-share provisions. The quality incentive liability is estimated based on member months and rates agreed upon by the Board of Directors. For the risk-share provision liability, management allocates surpluses or deficits, multiplied by a contractual rate, with the shared-risk groups. Estimated amounts due to health networks pertaining to risk-share provisions were approximately $10,997,000 and $17,252,000 as of June 30, 2026 and 2025, respectively, and are included in provider capitation and withholds on the statements of net position. During the fiscal years ended June 30, 2026 and 2025, CalOptima Health incurred approximately $1,324,514,000 and $1,537,886,000, respectively, of capitation expense relating to health care services provided by health networks. Capitation expense is included in the provider capitation and OneCare line items in the statements of revenues, expenses, and changes in net position. Estimated amounts due to health networks as of June 30, 2026 and 2025, related to the capitation withhold arrangements, quality incentive payments, and risk-share provisions were approximately $125,273,000 and $153,993,000, respectively.

Premium deficiency reserves – CalOptima Health performs periodic analyses of its expected future health care costs and maintenance costs to determine whether such costs will exceed anticipated future revenues under its contracts. Should expected costs exceed anticipated revenues, a premium deficiency reserve is accrued. Investment income is included in the calculation to estimate premium deficiency reserves. Management determined that no premium deficiency reserves were necessary as of June 30, 2026 and 2025.

Community reinvestment – Under its contract with DHCS, CalOptima Health is required to commit a percentage of net position toward investments into the community and an additional percentage if CalOptima Health does not meet specified quality measures established by the State, referred to as community reinvestment and quality achievement, respectively. As of June 30, 2025, in accordance with State contracts, the balance of the community reinvestment and quality achievement accrual was estimated at approximately $38,166,000 and $51,439,000, respectively. In July 2026, CalOptima Health received additional clarification from DHCS regarding the allocation of net investment income applicable to the reporting year to calculate the community reinvestment and quality achievement amounts. The clarification provided additional information regarding the calculation of obligations existing as of June 30, 2026, and accordingly, was considered in determining the related accruals as of June 30, 2026. As a result of the new information, there was a net decrease in liabilities related to community reinvestment for the year ended June 30, 2026, of approximately $21,157,000. As of June 30, 2026, the balance of the community reinvestment and quality achievement accrual was estimated at approximately $27,117,000 and $39,824,000, respectively for a total estimated accrual of approximately $66,941,000.

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Accrued compensated absences – Liabilities for compensated absences are recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability is recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, or (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. A liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—is not recognized until the leave commences. A liability for specific types of compensated absences is not recognized until the leave is used. CalOptima Health's policy permits employees who are regularly scheduled to work more than 20 hours per week to accrue 23 days of paid time off (PTO) based on their years of continuous service, with an additional week of accrual after three years of service and another after 10 years of service. In the event that available PTO is not used by the end of the benefit year, employees may carry unused time off into subsequent years, up to the maximum accrual amount equal to two (2) times the employee's annual accrual. If an employee reaches his or her maximum PTO accrual amount, the employee will stop accruing PTO. Accumulated PTO will be paid to the employees upon separation from service with CalOptima Health. All compensated absences are included in accrued payroll and employee benefits and other on the statements of net position.

Net position – Net position is reported in three categories, defined as follows:

- *Net investment in capital assets* – This component of net position consists of capital assets, subscription-based information technology arrangements (SBITAs), and right of use (ROU) assets including restricted capital assets, net of accumulated depreciation and amortization, and is reduced by the outstanding balances of any bonds, notes, or other borrowings (if any) that are attributable to the acquisition, construction, or improvement of those assets.

- *Restricted by legislative authority* – This component of net position consists of external constraints placed on net asset use by creditors (such as through debt covenants), grantors, contributors, or the laws or regulations of other governments. It also pertains to constraints imposed by law, constitutional provisions, or enabling legislation (see Note 9).

- *Unrestricted* – This component of net position consists of net position that does not meet the definition of "restricted" or "net investment in capital assets."

Operating revenues and expenses – CalOptima Health's statements of revenues, expenses, and changes in net position distinguish between operating and non-operating revenues and expenses. Operating revenues result from exchange transactions associated with arranging for the provision of health care services. Operating expenses are all expenses incurred to arrange for the provision of health care services, as well as the costs of administration. Unpaid claims adjustment expenses are an estimate of the cost to process the IBNR claims and are included in operating expenses. Non-exchange revenues and expenses are reported as non-operating revenues and expenses.

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Revenue recognition and due to or from the State and CMS – Premium revenue is recognized in the period the members are eligible to receive health care services. Premium revenue is generally received from the State each month following the month of coverage based on estimated enrollment and capitation rates as provided for in the State contract. As such, premium revenue includes an estimate for amounts receivable from or refundable to the State and for retrospective adjustments. These estimates are continually monitored and analyzed, with any adjustments recognized in the period when determined. OneCare premium revenue is generally received from CMS each month for the month of coverage. Premiums received in advance are recorded in unearned revenue on the statements of net position. Included in premium revenue are retroactive adjustments favorable to CalOptima Health in the amount of approximately $423,993,000 and $393,011,000 related to retroactive capitation rate adjustments based on receipt of new information from DHCS during the fiscal years ended June 30, 2026 and 2025, respectively.

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These estimates are continually reviewed, and adjustments to the estimates are reflected currently in the statements of revenues, expenses, and changes in net position. Eligibility of beneficiaries is determined by DHCS and validated by the State. The State provides CalOptima Health the validated monthly eligibility file of program beneficiaries who are continuing, newly added, or terminated from the program in support of premium revenue for the respective month.

Premium revenue and related net receivables as a percent of the totals were as follows as of June 30:

	2026		2025	
	Revenue	%	Revenue	%
Revenue				
Medi-Cal	$ 4,664,479,831	90.4%	$ 4,575,205,978	90.9%
OneCare	432,026,077	8.4%	403,654,853	8.0%
PACE	60,844,646	1.2%	54,674,495	1.1%
	$ 5,157,350,554	100.0%	$ 5,033,535,326	100.0%

	2026		2025	
	Receivables	%	Receivables	%
Receivables				
Medi-Cal	$ 509,601,310	83.1%	$ 612,756,130	84.3%
OneCare	18,020,219	2.9%	46,717,321	6.4%
OneCare Connect	78,912,254	12.9%	62,370,135	8.6%
PACE	6,376,222	1.0%	5,406,648	0.7%
	$ 612,910,005	100.0%	$ 727,250,234	100.0%

Intergovernmental transfer – CalOptima Health entered into an agreement with DHCS and Governmental Funding Entities to receive an intergovernmental transfer (IGT) through a capitation rate increase of approximately $175,382,000 and $160,474,000 during the fiscal years ended June 30, 2026 and 2025, respectively. Under the agreement, approximately $173,335,000 and $158,986,000 of the funds that were received from the IGT were passed through to Governmental Funding Entities and other contracted providers and organizations during the fiscal years ended June 30, 2026 and 2025, respectively. Under GASB, the amounts that will be passed through to Governmental Funding Entities are not reported in the statements of revenues, expenses, and changes in net position. CalOptima Health retains a portion of the IGT to support the administration of the program. Prior IGT funds retained by CalOptima Health from 2011 to 2017, must be used to enhance provider reimbursement rates, strengthen the delivery system, and support the administration of the IGT program. The funds expended must be tied to covered medical services provided to CalOptima Health's Medi-Cal beneficiaries. A retainer in the amount of approximately $5,921,000 and $4,505,000 as of June 30, 2026 and 2025, respectively, is included in unearned revenues in the statements of net position.

Directed Payments – DHCS implemented a hospital Directed Payment program with CalOptima Health. The program implements enhanced reimbursement to eligible and participating network hospitals for contracted services. This hospital Directed Payment program is broken into five types: (1) Private Hospital Directed Payment Program (PHDP), (2) Public Hospital Enhanced Payment Program (EPP), (3) Public Hospital Quality Incentive Program (QIP), (4) Skilled Nursing Facility (SNF) Workforce and Quality Incentive Program (WQIP), and (5) Equity and Practice Transformation (EPT). Under the Directed Payment program, approximately $496,483,000 and $383,270,000 of the funds that were received from DHCS were passed through to hospitals as requested by DHCS during the fiscal years ended June 30, 2026 and 2025, respectively. The receipts from DHCS are included in premium revenues, and the payments made to the hospitals are included in other medical expenses in the statements of revenues, expenses, and changes in net position.

Medicare Part D – CalOptima Health covers prescription drug benefits in accordance with Medicare Part D under multiple contracts with CMS. The payments CalOptima Health receives monthly from program premiums, which are determined from its annual bid, represent amounts for providing prescription drug insurance coverage. CalOptima Health recognizes premiums for providing this insurance coverage ratably over the term of its annual contract. CalOptima Health's CMS payment is subject to risk sharing through the Medicare Part D risk corridor provisions. In addition, receipts for reinsurance and low-income cost subsidies, as well as receipts for certain discounts on brand-name prescription drugs in the coverage gap, represent payments for prescription drug costs for which CalOptima Health is not at risk.

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The risk corridor provisions compare costs targeted in CalOptima Health's bids to actual prescription drug costs, limited to actual costs that would have been incurred under the standard coverage as defined by CMS. Variances exceeding certain thresholds may result in CMS making additional payments to CalOptima Health or require CalOptima Health to refund to CMS a portion of the premiums CalOptima Health received. CalOptima Health estimates and recognizes an adjustment to premiums revenue related to these risk corridor provisions based upon pharmacy claims experience to date, as if the annual contract were to terminate at the end of the reporting period. Accordingly, this estimate provides no consideration to future pharmacy claims experience. CalOptima Health records a receivable or payable at the contract level and classifies the amount as current or long-term in the accompanying statements of net position based on the timing of the expected settlement. As of June 30, 2026 and 2025, the Part D payable balance was approximately $2,778,000 and $14,205,000, respectively, and is included in the due to the State of California and CMS line item on the accompanying statements of net position. As of June 30, 2026 and 2025, the Part D receivable balance was approximately $56,117,000 and $65,330,000, respectively, and is included in the premium due from the State and CMS line item on the accompanying statements of net position.

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Income taxes – CalOptima Health operates under the purview of the Internal Revenue Code (IRC), Section 501(a), and corresponding California Revenue and Taxation Code provisions. As such, CalOptima Health is not subject to federal or state taxes on related income. Accordingly, no provision for income tax has been recorded in the accompanying financial statements.

Premium taxes – Effective July 1, 2016, Senate Bill X2-2 (SB X2-2), Managed Care Organization Tax, authorized DHCS to implement a Managed Care Organization (MCO) provider tax subject to approval by CMS. The tax is based on enrollment (total member months) within specified tiers that are assessed different tax rates. The MCO tax was subsequently extended through December 31, 2022.

Assembly Bill 119 (AB 119), as subsequently amended, authorized a MCO provider tax effective April 1, 2023 through December 31, 2026. The current MCO tax is assessed on applicable managed care organizations based on enrollment and is used to support the Medi-Cal program, including provider payment increases and other Medi-Cal expenditures. CMS approved the current MCO tax structure through December 31, 2026.

During 2026, changes in federal requirements for health care-related taxes affected California's ability to continue the existing MCO tax structure beyond its current authorized term. The existing MCO tax remains in effect through December 31, 2026; however, the current tax structure will no longer be federally approvable after that date. DHCS has proposed a modified MCO tax structure effective January 1, 2027 that is intended to comply with the revised federal requirements. The proposed tax would apply to calendar years 2027 through 2029, subject to applicable conditions and federal approval. As of the date the financial statements were available to be issued, federal approval of the proposed MCO tax structure had not been received.

Based on the current approved MCO tax structure, each MCO's total tax liabilities for the fiscal years ended June 30, 2026 and 2025, were calculated. CalOptima Health recognized premium tax expense of approximately $753,195,000 and $863,939,000 as a reduction of premium revenues in the statements of revenue, expenses, and changes in net position for the fiscal years ended June 30, 2026 and 2025, respectively. As of June 30, 2026 and 2025, CalOptima Health's MCO tax liability was approximately $201,148,000 and $201,453,000, respectively, and is included in the due to the State of California and CMS line item on the accompanying statements of net position.

Risk corridors – All risk corridors are subject to certain thresholds of medical expenses compared to premium revenues. Variances exceeding the thresholds may require CalOptima Health to refund premium revenues back to DHCS. CalOptima Health estimates and recognizes an adjustment to premium revenues based on actual membership and capitation rates in effect. As of June 30, 2026 and 2025, CalOptima Health recognized a liability of approximately $344,334,000 and $204,585,000, respectively, related to the risk corridors, which is included in the due to the State of California and CMS line item on the statements of net position. During the fiscal year ended June 30, 2026, the reduction to premium revenue was approximately $139,750,000 and for fiscal year ended June 30, 2025, the decrease of premium revenue was approximately $47,635,000 related to the risk corridors, which is included in premium revenues on the statements of revenues, expenses, and changes in net position. Below is a list of programs with risk corridor accruals as of June 30, 2026 and 2025:

- Research and Prevention Tobacco Tax Act of 2016 (Proposition 56)
- Coordinated Care Initiative (CCI)
- Bridge Period COVID-19
- Enhanced Care Management
- UIS

Pensions – For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions and pension expense, information about the fiduciary net position of CalOptima Health's Miscellaneous Plan of the Orange County Health Authority (the CalPERS Plan) and additions to or deductions from the Organization's fiduciary net position have been determined on the same basis as they are reported by California Public Employees Retirement Systems (CalPERS). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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Subscription-Based Information Technology Arrangements – CalOptima Health is the end user for various SBITAs. Short-term SBITAs, which have a maximum possible term of 12 months, are recognized as an outflow of resources when payment is made. For SBITAs with subscription terms extending beyond one year, CalOptima Health recognizes a right-to-use subscription asset and a corresponding subscription liability. Initial measurement of the subscription asset/liability is calculated at the present value of payments expected to be paid during the subscription term, discounted using the incremental borrowing rate. The right-to-use subscription asset is amortized on a straight-line basis over the subscription term.

Reclassifications – Certain reclassifications have been made to the prior-year amounts to conform to the current-year presentation.

Recent accounting pronouncements – In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements* (GASB 103). The objective of GASB 103 is to improve key components of the financial reporting model. The purposes of the improvements are to (a) enhance the effectiveness of the financial reporting model in providing information that is essential for decision making and assessing a government's accountability and (b) address certain application issues identified through pre-agenda research conducted by the GASB. GASB 103 is effective for CalOptima Health during the fiscal year ending June 30, 2026. CalOptima Health adopted GASB 103 during the fiscal year ending June 30, 2026. The adoption resulted in changes to certain financial statement presentation and disclosures but did not have a material impact on the amounts reported in the financial statements.

In September 2024, GASB issued Statement No. 104, *Disclosure of Certain Capital Assets* (GASB 104). The objective of GASB 104 is to provide users of government financial statements with essential information about certain types of capital assets. GASB 104 requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by GASB Statement No. 34 as well as certain intangible assets to be disclosed separately by major class. GASB 104 also requires additional disclosures for capital assets held for sale. This Statement requires that capital assets held for sale be evaluated each reporting period. GASB 104 is effective for CalOptima Health during the fiscal year ending June 30, 2026. CalOptima Health adopted GASB 104 during the fiscal year ending June 30, 2026. The adoption resulted in changes to the capital asset disclosures but did not have a material impact on the amounts reported in the financial statements.

In December 2025, GASB issued Statement No. 105, *Subsequent Events* (GASB 105). The objective of GASB 105 is to improve the financial reporting requirements for subsequent events, thereby enhancing consistency in their application and better meeting the information needs of financial statement users. GASB 105 defines subsequent events as transactions or other events that occur after the date of the financial statements but before the date the financial statements are available to be issued. GASB 105 also clarifies the subsequent events that constitute recognized and non-recognized events and establishes specific note disclosure requirements for non-recognized events. In addition, GASB 105 requires disclosure of the date through which subsequent events have been evaluated. GASB 105 is effective for CalOptima Health during the fiscal year ending June 30, 2027. CalOptima Health has not yet determined the impact, if any, that the adoption of GASB 105 will have on its financial statements.

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Note 3 – Cash, Cash Equivalents, and Investments

Cash and investments are reported in the statements of net position as follows as of June 30:

	2026	2025
Current assets		
Cash and cash equivalents	$ 365,036,439	$ 475,203,956
Investments	1,860,077,839	1,340,926,602
Total current assets	2,225,114,278	1,816,130,558
Board-designated assets and restricted cash		
Cash and cash equivalents	5,291,865	6,677,329
Investments	1,772,717,051	1,710,130,179
Restricted collateral	546,000	-
Restricted deposit	300,000	300,000
Total board-designated assets and restricted cash	1,778,854,916	1,717,107,508
Total cash, cash equivalent and investments	$4,003,969,194	$3,533,238,066

Board-designated assets and restricted cash were available for the following purposes as of June 30:

	2026	2025
Board-designated assets and restricted cash		
Contingency reserve fund	$ 1,778,008,916	$ 1,716,807,508
Restricted collateral	546,000	-
Restricted deposit with DMHC	300,000	300,000
	$ 1,778,854,916	$ 1,717,107,508

Custodial credit risk deposits – Custodial credit risk is the risk that, in the event of a bank failure, the Organization may not be able to recover its deposits or collateral securities that are in the possession of an outside party. The California Government Code requires that a financial institution secure deposits made by public agencies by pledging securities in an undivided collateral pool held by a depository regulated under the state law. As of June 30, 2026 and 2025, no deposits were exposed to custodial credit risk, as the Organization has pledged collateral to cover the amounts.

Investments – CalOptima Health invests in obligations of the U.S. Treasury, other U.S. government agencies and instrumentalities, state obligations, corporate securities, money market funds and mortgage- or asset-backed securities.

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Interest rate risk – In accordance with its annual investment policy (investment policy), CalOptima Health manages its exposure to declines in fair value from increasing interest rates by matching maturity dates to the extent possible with CalOptima Health's expected cash flow draws. The investment policy limits maturities to five years, while also staggering maturities. CalOptima Health maintains a low-duration strategy, targeting a portfolio duration of three years or less, with the intent of reducing interest rate risk. Portfolios with low duration are less volatile because they are less sensitive to interest rate changes.

As of June 30, 2026 and 2025, CalOptima Health's investments, including cash equivalents had the following modified duration:

	June 30, 2026			
		Investment Maturities (in Years)		
Investment Type	Fair Value	Less Than 1	1–5	More Than 5
U.S. Treasury notes	$ 1,371,829,186	$ 267,447,522	$ 1,104,381,664	$ -
U.S. Agency notes	129,113,460	-	129,113,460	-
Corporate bonds	926,114,429	27,739,140	898,375,289	-
Asset-backed securities	316,513,399	-	316,513,399	-
Mortgage-backed securities	549,353,836	13,630,735	535,723,101	-
Municipal bonds	79,830,461	2,010,308	77,820,153	-
Government-related	2,859,569	-	2,859,569	-
Commercial paper	82,418,550	82,418,550	-	-
Certificates of deposit	148,287,382	138,301,160	9,986,222	-
Cash equivalents	298,818,797	298,818,797	-	-
Cash	15,244,311	15,244,311	-	-
	$ 3,920,383,380	$ 845,610,523	$ 3,074,772,857	$ -
Accrued interest receivable	26,474,621			
	$ 3,946,858,001			

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	June 30, 2025			
		Investment Maturities (in Years)		
Investment Type	Fair Value	Less Than 1	1–5	More Than 5
U.S. Treasury notes	$ 1,056,051,175	$ 91,981,484	$ 964,069,691	$ -
U.S. Agency notes	100,608,023	-	100,608,023	-
Corporate bonds	955,165,722	47,590,754	907,574,968	-
Asset-backed securities	265,439,326	13,414,645	252,024,681	-
Mortgage-backed securities	377,695,982	4,129,370	373,566,612	-
Municipal bonds	93,903,321	19,315,252	74,588,069	-
Government-related	2,861,711	-	2,861,711	-
Commercial paper	76,139,294	76,139,294	-	-
Certificates of deposit	102,167,795	79,670,538	22,497,257	-
Cash equivalents	365,324,032	365,324,032	-	-
Cash	13,341,197	13,341,197	-	-
	$ 3,408,697,578	$ 710,906,566	$ 2,697,791,012	$ -
Accrued interest receivable	21,024,431			
	$ 3,429,722,009			

Investments with fair values highly sensitive to interest rate fluctuations – When interest rates fall, debt is refinanced and paid off early. The reduced stream of future interest payments diminishes the fair value of the investment. The mortgage-backed and asset-backed securities in the CalOptima Health portfolios are of high credit quality, with relatively short average lives that represent limited prepayment and interest rate exposure risk. CalOptima Health's investments included the following investments that are highly sensitive to interest rate and prepayment fluctuations to a greater degree than already indicated in the information provided above as of June 30:

	2026	2025
Asset-backed securities	$ 316,513,399	$ 265,439,326
Mortgage-backed securities	549,353,836	377,695,982
	$ 865,867,235	$ 643,135,308

Credit risk – CalOptima Health's investment policy conforms to the California Government Code as well as to customary standards of prudent investment management. Credit risk is mitigated by investing in only permitted investments. The investment policy sets minimum acceptable credit ratings for investments from the three nationally recognized rating services: Standard and Poor's Corporation (S&P), Moody's Investor Service (Moody's), and Fitch Ratings (Fitch). For an issuer of short-term debt, the rating must be no less than A-1 (S&P), P-1 (Moody's), or F-1 (Fitch), while an issuer of long-term debt shall be rated no less than A.

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As of June 30, 2026, the credit ratings of investments and cash equivalents were as follows:

Investment Type	Fair Value	Minimum Legal Rating	Exempt from Disclosure	Rating as of Year-End					
				AAA or A1/P1	Aa & Aa+	Aa-	A+	A	A-
U.S. Treasury notes	$ 1,457,359,991	N/A	$ 1,457,359,991	$ -	$ -	$ -	$ -	$ -	$ -
U.S. Agency notes	130,158,273	N/A	130,158,273	-	-	-	-	-	-
Corporate bonds	935,475,883	A-	-	14,454,606	65,409,120	196,415,209	248,985,128	260,421,067	149,790,753
Supranational	2,984,475	AA	-	2,984,475	-	-	-	-	-
Asset-backed securities	317,036,283	AA	-	262,920,260	54,116,023	-	-	-	-
Mortgage-backed securities	550,546,372	AA	-	478,596,656	71,949,716	-	-	-	-
Municipal bonds	84,340,861	A-	-	24,206,114	38,965,877	7,764,838	6,570,397	6,833,635	-
Repurchase agreement	10,001,008	A-1	-	-	-	-	-	10,001,008	-
Certificates of deposit	158,462,342	A1/P1	-	81,545,024	-	76,917,318	-	-	-
Commercial paper	285,248,202	A-1	-	25,755,518	124,861,924	74,690,860	-	59,939,900	-
Money market mutual funds	15,244,311	AAA	-	15,244,311	-	-	-	-	-
Total	$ 3,946,858,001		$ 1,587,518,264	$ 905,706,964	$ 355,302,660	$ 355,788,225	$ 255,555,525	$ 337,195,610	$ 149,790,753

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As of June 30, 2025, the credit ratings of investments and cash equivalents were as follows:

Investment Type	Fair Value	Minimum Legal Rating	Exempt from Disclosure	Rating as of Year-End					
				AAA or A1/P1	Aa & Aa+	Aa-	A+	A	A-
U.S. Treasury notes	$ 1,232,188,052	N/A	$ 1,232,188,052	$ -	$ -	$ -	$ -	$ -	$ -
U.S. Agency notes	101,249,488	N/A	101,249,488	-	-	-	-	-	-
Corporate bonds	964,913,168	A-	-	41,172,765	65,791,623	148,143,887	195,576,926	310,128,062	204,099,905
Supranational	2,986,618	A-	-	2,986,618	-	-	-	-	-
Asset-backed securities	265,906,046	AA-	-	259,687,225	6,218,821	-	-	-	-
Mortgage-backed securities	378,464,085	AA-	-	327,529,570	50,934,515	-	-	-	-
Municipal bonds	108,132,906	A-	-	54,909,648	27,573,623	5,087,446	456,838	3,774,131	16,331,220
Certificates of deposit	102,676,170	A1/P1	-	102,676,170	-	-	-	-	-
Commercial paper	259,864,279	A1	-	85,355,082	-	8,026,305	18,960,096	147,522,769	-
Money market mutual funds	13,341,197	AAA	-	13,341,197	-	-	-	-	-
Total	$ 3,429,722,009		$ 1,333,437,540	$ 887,658,275	$ 150,518,582	$ 161,257,638	$ 214,993,860	$ 461,424,962	$ 220,431,125

Concentration of credit risk – Concentration of credit risk is the risk of loss attributed to the magnitude of CalOptima Health's investment in a single issuer. CalOptima Health's investment policy limits no more than 5% of the total fair value of investments in the securities of any one issuer, except for obligations of the U.S. government, U.S. government agencies, or government-sponsored enterprises, and no more than 10% may be invested in one money market mutual fund. As of June 30, 2026 and 2025, all holdings complied with the foregoing limitations.

The Organization categorizes its fair value investments within the fair value hierarchy established by U.S. GAAP. The hierarchy for fair value measurements is based upon the observability of inputs to the valuation of an asset or liability as of the measurement date.

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.

Level 3 – Significant unobservable inputs.

The following is a description of the valuation methodologies used for instruments at fair value on a recurring basis and recognized in the accompanying statements of net position, as well as the general classification of such instruments pursuant to the valuation hierarchy.

Marketable securities – Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows. These securities are classified within Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy. The following table presents the fair value measurements of assets recognized in the accompanying statements of net position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall:

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	Investment Assets at Fair Value as of June 30, 2026			
	Level 1	Level 2	Level 3	Total
U.S. Treasury Notes	$ 1,371,829,186	$ -	$ -	$ 1,371,829,186
U.S. Agencies	-	129,113,460	-	129,113,460
Corporate bonds	-	926,114,429	-	926,114,429
Asset-backed securities	-	316,513,399	-	316,513,399
Mortgaged-backed Securities	-	549,353,836	-	549,353,836
Municipal bonds	-	79,830,461	-	79,830,461
Government-related	-	2,859,569	-	2,859,569
Commercial paper	-	82,418,550	-	82,418,550
Certificates of deposit	-	148,287,382	-	148,287,382
	$ 1,371,829,186	$ 2,234,491,086	$ -	$ 3,606,320,272

	Investment Assets at Fair Value as of June 30, 2025			
	Level 1	Level 2	Level 3	Total
U.S. Treasury notes	$ 1,056,051,175	$ -	$ -	$ 1,056,051,175
U.S. Agency notes	-	100,608,023	-	100,608,023
Corporate bonds	-	955,165,722	-	955,165,722
Asset-backed securities	-	265,439,326	-	265,439,326
Mortgage-backed securities	-	377,695,982	-	377,695,982
Municipal bonds	-	93,903,321	-	93,903,321
Government-related	-	2,861,711	-	2,861,711
Commercial paper	-	76,139,294	-	76,139,294
Certificates of deposit	-	102,167,795	-	102,167,795
	$ 1,056,051,175	$ 1,973,981,174	$ -	$ 3,030,032,349

Note 4 – Capital Assets

Capital assets activity during the fiscal year ended June 30, 2026, consisted of the following:

	June 30, 2025	Additions	Retirements	Transfers	June 30, 2026
Capital assets not being depreciated					
Land	$ 15,439,067	$ -	$ -	$ -	$ 15,439,067
Construction in progress	6,611,588	15,320,041	-	(16,741,105)	5,190,524
Total assets not being depreciated	22,050,655	15,320,041	-	(16,741,105)	20,629,591
Capital assets being depreciated					
Furniture and equipment	9,802,454	-	-	1,339,159	11,141,613
Computers and software	37,909,371	-	-	8,010,339	45,919,710
Leasehold improvements	5,293,622	-	-	189,813	5,483,435
Building	74,188,171	-	-	7,201,794	81,389,965
Subscription assets	38,939,942	17,275,231	(7,018,486)	-	49,196,687
	166,133,560	17,275,231	(7,018,486)	16,741,105	193,131,410
Less: accumulated depreciation for					
Furniture and equipment	8,327,574	567,864	-	-	8,895,438
Computers and software	29,360,597	5,816,656	-	-	35,177,253
Leasehold improvements	5,123,409	85,058	-	-	5,208,467
Building	26,660,547	3,061,570	-	-	29,722,117
Subscription assets	20,089,382	11,416,431	(7,018,486)	-	24,487,327
	89,561,509	20,947,579	(7,018,486)	-	103,490,602
Total depreciable assets, net	76,572,051	(3,672,348)	-	16,741,105	89,640,808
Capital assets, net	$ 98,622,706	$ 11,647,693	$ -	$ -	$ 110,270,399
Subscription assets, net	$ 18,850,560	$ 5,858,800	$ -	$ -	$ 24,709,360
Capital assets, net of subscription assets	$ 79,772,146	$ 5,788,893	$ -	$ -	$ 85,561,039

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Capital asset activity during the fiscal year ended June 30, 2025, consisted of the following:

	June 30, 2024	Additions	Retirements	Transfers	June 30, 2025
Capital assets not being depreciated					
Land	$ 15,439,067	$ -	$ -	$ -	$ 15,439,067
Construction in progress	8,062,076	6,131,045	-	(7,581,533)	6,611,588
Total assets not being depreciated	23,501,143	6,131,045	-	(7,581,533)	22,050,655
Capital assets being depreciated					
Furniture and equipment	9,478,750	-	(401,878)	725,582	9,802,454
Computers and software	40,527,864	-	(9,479,889)	6,861,396	37,909,371
Leasehold improvements	5,312,542	-	(13,475)	(5,445)	5,293,622
Building	69,053,311	5,134,860	-	-	74,188,171
Subscription assets	30,372,133	8,538,377	29,432	-	38,939,942
	154,744,600	13,673,237	(9,865,810)	7,581,533	166,133,560
Less: accumulated depreciation for					
Furniture and equipment	8,007,586	721,866	(401,878)	-	8,327,574
Computers and software	33,795,436	5,045,050	(9,479,889)	-	29,360,597
Leasehold improvements	5,101,443	35,441	(13,475)	-	5,123,409
Building	23,699,000	2,961,547	-	-	26,660,547
Subscription assets	11,081,464	8,978,486	29,432	-	20,089,382
	81,684,929	17,742,390	(9,865,810)	-	89,561,509
Total depreciable assets, net	73,059,671	(4,069,153)	-	7,581,533	76,572,051
Capital assets, net	$ 96,560,814	$ 2,061,892	$ -	$ -	$ 98,622,706
Subscription assets, net	$ 19,290,669	$ (440,109)	$ -	$ -	$ 18,850,560
Capital assets, net of subscription assets	$ 77,270,145	$ 2,502,001	$ -	$ -	$ 79,772,146

The Organization recognized depreciation expense related to capital assets, exclusive of subscription assets of approximately $9,531,000 and $8,764,000 during the fiscal years ended June 30, 2026 and 2025, respectively. During the fiscal years ended June 30, 2026 and 2025, depreciation expense of approximately $138,000 and $122,000, respectively, is included within PACE medical expenses on the accompanying statements of revenues, expenses, and changes in net position. The Organization recognized depreciation expense related to subscription assets of approximately $11,416,000 and $9,008,000 during the fiscal years ended June 30, 2026 and 2025, respectively.

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Note 5 – Medical Claims Liability

Medical claims liability consisted of the following as of June 30:

	2026	2025
Claims payable or pending approval	$ 10,370,789	$ 24,135,099
Provisions for IBNR claims	333,321,429	358,538,240
	$ 343,692,218	$ 382,673,339

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The cost of health care services is recognized in the period in which care is provided and includes an estimate of the cost of services that has been IBNR. CalOptima Health estimates accrued claims payable based on historical claims payments and other relevant information. Unpaid claims adjustment expenses are an estimate of the cost to process the IBNR claims and are included in medical claims liability. Estimates are continually monitored and analyzed and, as settlements are made or estimates adjusted, differences are reflected in current operations.

Such estimates are subject to the impact of changes in the regulatory environment and economic conditions. Given the inherent variability of such estimates, the actual liability could differ significantly from the amounts provided.

The following is a reconciliation of the medical claims liability for the years ended June 30:

	2026	2025
Beginning balance	$ 382,673,339	$ 369,433,596
Incurred		
Current	2,575,391,957	2,495,023,707
Prior	(138,237,762)	(110,308,536)
	2,437,154,195	2,384,715,171
Paid		
Current	2,231,699,739	2,112,350,368
Prior	244,435,577	259,125,060
	2,476,135,316	2,371,475,428
Ending balance	$ 343,692,218	$ 382,673,339

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Amounts incurred related to prior years vary from previously estimated liabilities as the claims are ultimately adjudicated and paid. Liabilities at any year-end are continually reviewed and re-estimated as information regarding actual claim payments becomes known. This information is compared to the originally established prior-reporting-period liability. Negative amounts reported for incurred related to prior years, result from claims being adjudicated and paid for amounts less than originally estimated. The results included a decrease of prior-year incurred of approximately $138,097,000 and $110,309,000 for the fiscal years ended June 30, 2026 and 2025, respectively. Original estimates are increased or decreased as additional information becomes known regarding individual claims.

The amounts accrued in the due to the State of California and CMS line item represent excess payments from DHCS that are primarily due to capitation payments received that do not reflect the current Medi-Cal rates issued by DHCS. DHCS continues to process the recoupments, and the remaining overpayments not yet recouped are included within the due to the State of California and CMS line item on the statements of net position.

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Note 6 – Defined Benefit Pension Plan

Plan description – CalOptima Health's defined benefit pension plan, the CalPERS Plan, provides retirement and disability benefits, annual cost-of-living adjustments (COLAs), and death benefits to plan members and/or beneficiaries. The CalPERS Plan is part of the public agency portion of CalPERS, an agent multiple-employer plan administered by CalPERS, which acts as a common investment and administrative agent for participating public employers within the State. Optional contract provisions are available through the California Public Employees' Retirement Law (PERL). CalOptima Health selects optional benefit provisions by contracting with CalPERS and adopting those benefits through Board of Directors approval (See "Benefits provided" below for more details). CalPERS issues a publicly available financial report that includes financial statements and required supplementary information for CalPERS. Copies of the report can be obtained from CalPERS Executive Office, 400 P Street, Sacramento, California 95814.

Benefits provided – CalPERS provides service retirement and disability benefits, annual COLAs, and death benefits to plan members, who must be public employees and/or beneficiaries. Pension benefits are based on plan members' years of service, age, and final compensation (three-year average) at the time of retirement. Members with five years of total service are eligible to retire at age 50 (Classic Member) or age 52 (New Member) with statutorily reduced benefits. All members are eligible for non-duty disability benefits if they have at least five years of service credit. Optional provisions elected by CalOptima Health include a 3% Cost of Living Allowance (Section 21335), 1959 Survivor Benefit Level 3 (Section 21573), $5,000 Retired Death Benefit (Section 21623.5), 3-Year Final Compensation Period (Section 20037), Pre-Retirement Death Benefits to Continue After Remarriage of Survivor (Section 21551), and service credit purchase options for military and peace corps service (Section 21024 and 21023.5, respectively).

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The CalPERS Plan's provisions and benefits in effect as of June 30, 2026, are summarized as follows:

Hire date	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2 % at 60	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	50 plus	52 plus
Monthly benefits as a % of eligible	1.092%-2.418%	1.0% to 2.5%
Required employee contribution rates	7.00%	8.25%
Required employer contribution rates	8.84%	8.84%

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The following is a summary of plan participants:

	June 30, 2026	June 30, 2025
Active employees	1,664	1,657
Retirees and beneficiaries		
Receiving benefits	314	277
Deferred retirement benefits		
Terminated employees	1,075	1,130
Surviving spouses	8	8
Beneficiaries	3	3

Contributions – Section 20814(c) of the California PERL requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall become effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The active employee contribution rate was 8.25% (PEPRA New Members) and 7.00% (Classic Members) of annual pay for both the fiscal years ended June 30, 2026 and 2025. The employer's contribution rate is 8.84% and 8.80% of annual payroll for the years ended June 30, 2026 and 2025, respectively.

CalOptima Health's net pension liability for the CalPERS Plan is measured as the total pension liability, less the pension plan's fiduciary net position. For the measurement period ended June 30, 2025 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2024, total pension liability. Total pension liabilities were based on the following actuarial methods and assumptions:

Valuation date	June 30, 2024
Measurement date	June 30, 2025
Actuarial cost method	Entry Age Normal
Actuarial assumptions	
Discount rate	6.90%
Inflation	2.30%
Salary increases	Varies by Entry Age and Service
Investment rate of return	6.8% Net of Pension Plan Investment and Administrative Expenses; Includes Inflation
Mortality rate table	Derived using CalPERS' Membership data for all funds
Post-retirement benefit increase	Contract COLA up to 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.30% thereafter

The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 that can be found on the CalPERS website.

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Changes in the net pension liability (asset) during the fiscal year ended June 30, 2026, were as follows:

	Increase (Decreases)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance at June 30, 2025	$ 379,032,159	$ 373,191,167	$ 5,840,992
Changes during the year			
Service cost	26,676,466	-	26,676,466
Interest on the total pension liability	27,522,114	-	27,522,114
Differences between expected and actual experience	10,195,597	-	10,195,597
Contributions from the employer	-	14,807,785	(14,807,785)
Contributions from employees	-	13,364,705	(13,364,705)
Net investment income	-	46,398,440	(46,398,440)
Benefit payments, including refunds of employee contributions	(7,389,543)	(7,389,543)	-
Administrative expenses	-	(266,680)	266,680
Net changes during the year	57,004,634	66,914,707	(9,910,073)
Balance at June 30, 2026	$ 436,036,793	$ 440,105,874	$ (4,069,081)

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Changes in the net pension liability during the fiscal year ended June 30, 2025, were as follows:

	Increase (Decreases)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance at June 30, 2024	$ 317,035,251	$ 271,053,892	$ 45,981,359
Changes during the year			
Service cost	24,542,761	-	24,542,761
Interest on the total pension liability	23,886,852	-	23,886,852
Differences between expected and actual experience	20,191,968	-	20,191,968
Contributions from the employer	-	66,553,158	(66,553,158)
Contributions from employees	-	12,197,909	(12,197,909)
Net investment income	-	30,231,438	(30,231,438)
Benefit payments, including refunds of employee contributions	(6,624,673)	(6,624,673)	-
Administrative expenses	-	(220,557)	220,557
Net changes during the year	61,996,908	102,137,275	(40,140,367)
Balance at June 30, 2025	$ 379,032,159	$ 373,191,167	$ 5,840,992

Discount rate and long-term rate of return – The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Organization's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (i.e., expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 basis points.

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The table below reflects long-term expected real rate of return by asset class.

Asset Class	Assumed Return Allocation	Real Return[(1)]
Public Equity	37.0%	4.56%
Private Equity	17.0%	5.56%
Fixed Income	28.0%	2.53%
Real Assets	15.0%	3.03%
Private Debt	8.0%	4.93%
Strategic Leverage	-5.0%	1.40%

(1) Figures are based on the 2024 Mid-Cycle Asset Liability Management study.
(2) An expected annual rate of price inflation of 2.30% was used for this period.

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The following presents the net pension liability of the CalPERS Plan calculated using the discount rate, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	June 30, 2026		
	Discount Rate -1% 5.90%	Current Discount Rate 6.90%	Discount Rate +1% 7.90%
Net pension liability (asset)	$ 70,585,148	$ (4,069,081)	$ (64,262,486)

	June 30, 2025		
	Discount Rate -1% 5.90%	Current Discount Rate 6.90%	Discount Rate +1% 7.90%
Net pension liability (asset)	$ 71,146,769	$ 5,840,992	$ (46,772,150)

Pension expense and deferred outflows/inflows of resources related to pensions – CalOptima Health recognized pension expense of approximately $18,688,000 and $21,364,000 for the fiscal years ended June 30, 2026 and 2025, respectively. As of June 30, 2026 and 2025, CalOptima Health recognized deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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	June 30, 2026	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions from employers subsequent to the measurement date	$ 1,886,033	$ -
Net differences between projected and actual earnings on plan investments	-	(13,474,595)
Changes in assumptions	3,079,433	-
Differences between expected and actual experiences	24,960,547	(889,598)
	$ 29,926,013	$ (14,364,193)

	June 30, 2025	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions from employers subsequent to the measurement date	$ 94,666	$ -
Net differences between projected and actual earnings on plan investments	2,361,239	-
Changes in assumptions	4,311,207	-
Differences between expected and actual experiences	20,669,960	(1,321,519)
	$ 27,437,072	$ (1,321,519)

The deferred outflows of resources related to employer contributions subsequent to the measurement date was recognized as a reduction of the net pension liability during the fiscal year ended June 30, 2026. The differences reported as deferred outflows and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

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Years Ending June 30,	Deferred Outflows and Inflows of Resources
2027	$ 8,250,499
2028	1,195,283
2029	375,651
2030	1,054,278
2031	2,632,933
Thereafter	167,143
	$ 13,675,787

Note 7 – Employee Benefit Plans

Deferred compensation plan – CalOptima Health sponsors a deferred compensation plan created in accordance with IRC 457 (the 457 Plan) under which employees are permitted to defer a portion of their annual salary until future years. CalOptima Health may make discretionary contributions to the 457 Plan as determined by the Board of Directors. For the fiscal years ended June 30, 2026 and 2025, no discretionary employer contributions were made.

Defined contribution plan – Effective January 1, 1999, CalOptima Health established a supplemental retirement plan for its employees called the CalOptima Public Agency Retirement System Defined Contribution Supplemental Retirement Plan (PARS Plan). CalOptima Health made discretionary employer contributions to the PARS Plan as authorized by the Board of Directors. PARS vesting occurred over 16 quarters of service. Effective January 30, 2025, CalOptima Health transitioned the PARS plan to a 401(a) Defined Contribution plan administered by Empower. Balance and future contributions were transferred and allocated. Participation eligibility remains the same and CalOptima Health continues to make discretionary employer contributions with Board approval. The vesting schedule changed to a vested percentage of 25% per year over four years. For the fiscal years ended June 30, 2026 and 2025, CalOptima Health contributed approximately $7,529,000 and $6,858,000, respectively.

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Note 8 – Postemployment Health Care Plan

Plan description – CalOptima Health sponsors and administers a single-employer defined-benefit postemployment healthcare plan (the Plan) to provide medical, dental, and vision insurance benefits to eligible retired employees and their beneficiaries. Plan members receiving benefits contribute at the same rate as current active employees. Benefit provisions are established and may be amended by the Board of Directors.

Effective January 1, 2004, CalOptima Health terminated postemployment healthcare benefits for employees hired on or after January 1, 2004. For employees hired prior to January 1, 2004, the employee's eligibility for retiree health benefits remains similar to the eligibility requirements for the defined benefit pension plan. Surviving spouses are also eligible for this benefit.

During the fiscal year ended June 30, 2006, CalOptima Health modified the benefits offered to eligible participants, requiring participants to enroll in Medicare and specifying that CalOptima Health would be responsible only for the cost of Medicare supplemental coverage, subject to cost sharing between the participant and CalOptima Health.

For purposes of measuring the total postemployment retirement liability, deferred outflows of resources and deferred inflows of resources related to other postemployment benefits (OPEB), and OPEB expense, information about the fiduciary net position of CalOptima Health's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

U.S. GAAP requires that the reported results must pertain to liability and asset information within certain defined time frames. For this report, the following time frames are used:

Measurement date	June 30, 2025
Measurement period	July 1, 2024 - June 30, 2025
Valuation date	January 1, 2026

Covered employees – The following numbers of participants were covered by the benefit terms as of June 30:

	2026	2025
Inactives currently receiving benefits	81	78
Active employees	50	53
Inactives entitled to but not yet receiving benefits	6	6
Total	137	137

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Contributions – The contribution requirements of plan members and CalOptima Health are established and may be amended by the Board of Directors. CalOptima Health's contribution is based on projected pay-as-you-go financing requirements, with no additional amount to prefund benefits. CalOptima Health contributed approximately $721,000 for the fiscal year ended June 30, 2026. CalOptima Health contributed approximately $637,000, which related to implied subsidies, for the fiscal year ended June 30, 2025. The most recent actuarial report for the Plan was June 30, 2025. As of that point, the actuarial accrued liability and unfunded actuarial accrued liability for benefits was approximately $15,772,000.

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Actuarial assumptions – CalOptima Health's total OPEB liability was measured as of June 30, 2025, and the assumptions used to calculate the total OPEB liability were determined by an actuarial valuation dated January 1, 2026. The actuarial valuation was rolled forward to determine the total OPEB liability as of June 30, 2025, and is based on the following actuarial methods and assumptions:

Salary increases	2.75% per annum, in aggregate
Medical trend	Non-Medicare – 7.35% for 2027, decreasing to an ultimate rate of 3.45% in 2076 Medicare (Non-Kaiser) – 6.50% for 2027, decreasing to an ultimate rate of 3.45% in 2076 Medicare (Kaiser) – 5.45% for 2027, decreasing to an ultimate rate of 3.45% in 2076
Discount rate	5.20% at June 30 2025, Bond Buyer 20 Index 3.93% at June 30 2024, Bond Buyer 20 Index
Mortality, retirement	CalPERS 2000-2023 Experience Study Post-retirement mortality projected fully generational with Scale MP-2021
General inflation	2.50% per annum

Discount rate and long-term rate of return – The discount rate used to measure the total OPEB liability was 5.20% for June 30, 2025. There were no plan investments; as such, the expected long-term rate of return on investment is not applicable.

Changes in the net OPEB liability – Changes in the net OPEB liability during the fiscal years ended June 30, 2026 and 2025, were as follows:

Balance at June 30, 2025	$ 17,249,000
Changes for the year	
Service cost	345,000
Interest	679,000
Actual vs. expected experience	(1,590,000)
Assumption changes	(274,000)
Contributions – employer	(637,000)
Net changes	(1,477,000)
Balance at June 30, 2026	$ 15,772,000

Balance at June 30, 2024	$ 17,370,000
Changes for the year	
Service cost	378,000
Interest	638,000
Assumption changes	(615,000)
Contributions – employer	(522,000)
Net changes	(121,000)
Balance at June 30, 2025	$ 17,249,000

Sensitivity of the net OPEB liability to changes in the discount rate – The following presents the net OPEB liability as of June 30, 2026, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

	1% Decrease (4.20%)	Current Rate (5.20%)	1% Increase (6.20%)
Total OPEB liability	$ 17,588,000	$ 15,772,000	$ 14,240,000

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Sensitivity of the net OPEB liability to changes in health care cost trend rates – The following presents the net OPEB liability as of June 30, 2026, as well as what the net OPEB liability would be if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates:

	1% Decrease	Current Rate	1% Increase
Total OPEB liability	$ 14,008,000	$ 15,772,000	$ 17,846,000

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For the fiscal years ended June 30, 2026 and 2025, CalOptima Health recognized a reduction to OPEB expense of approximately $1,193,000 and $2,733,000, respectively. As of June 30, 2026 and 2025, the reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	June 30, 2026	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 1,910,000
Changes in assumptions	276,000	449,000
Employer contributions made subsequent to measurement date	721,000	-
Total	$ 997,000	$ 2,359,000

	June 30, 2025	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 1,666,000
Changes in assumptions	552,000	1,322,000
Employer contributions made subsequent to measurement date	637,000	-
Total	$ 1,189,000	$ 2,988,000

The $721,000 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2025, measurement date was recognized as a reduction of the total OPEB liability during the fiscal year ended June 30, 2026.

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Other amounts reported as deferred inflows and outflows of resources related to OPEB will be recognized as expense as follows:

Years Ending June 30,	Deferred Inflows and Outflows of Resources
2027	$ (1,334,000)
2028	(688,000)
2029	(61,000)
	$ (2,083,000)

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The required schedule of changes in total OPEB liability and related ratios immediately following the notes to the financial statements presents multiyear trend information about the actuarial accrued liability for benefits.

Note 9 – Restricted Net Position

On June 28, 2000, CalOptima Health became a fully licensed health care service plan under the Act, as required by statutes governing the Healthy Families program. Under the Act, CalOptima Health is required to maintain and meet a minimum level of TNE as of June 30, 2026 and 2025, of $134,332,567 and $129,341,855, respectively. As of June 30, 2026 and 2025, the Organization was in compliance with its TNE requirement.

The Act further requires that CalOptima Health maintain a restricted deposit in the amount of $300,000. CalOptima Health met this requirement as of June 30, 2026 and 2025.

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Note 10 – Lease Commitments

CalOptima Health leases office space and equipment under noncancelable, long-term operating leases, with minimum annual payments as follows:

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	Minimum Lease Payments
Years Ending June 30,	
2027	$ 710,210
2028	768,055
2029	791,097
2030	814,830
2031	839,275
Thereafter	425,839
	$ 4,349,306

Rental expense under operating leases was approximately $721,000 for the fiscal years ended June 30, 2026 and 2025.

Note 11 – Contingencies

Litigation – CalOptima Health is party to various legal actions and is subject to various claims arising in the ordinary course of business. Management believes that the disposition of these matters will not have a material adverse effect on CalOptima Health's financial position or results of operations.

Regulatory matters – The health care industry is subject to numerous laws and regulations of federal, state, and local governments. Violations of these laws and regulations could result in expulsion from government health care programs together with the imposition of significant fines and penalties. Management believes that CalOptima Health is in compliance with fraud- and abuse-related, as well as other applicable government laws and regulations. Compliance with such laws and regulations could be subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time.

Note 12 – Subscription-Based Information Technology Arrangements

CalOptima Health has several subscription contracts that expire at various dates through 2030, with some having certain renewal options. For those contracts where renewal options are reasonably certain to be exercised, CalOptima Health recognizes renewal option periods in the determinations of its intangible right-to-use subscription assets and subscription liabilities. CalOptima Health uses various rates ranging from 3.25% to 8.50% to determine the present value of the subscription liabilities. As of June 30, 2026 and 2025, CalOptima Health recognized approximately $23,198,000 and $17,812,000, respectively, in SBITA subscription liabilities.

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The future subscription payments under SBITAs as of June 30, 2026, are as follows:

	Subscriptions		
	Principal	Interest	Total
Years Ending June 30,			
2027	$ 12,340,996	$ 1,144,777	$ 13,485,773
2028	6,216,158	538,106	6,754,264
2029	4,347,986	228,977	4,576,963
2030	2,276,046	70,936	2,346,982
Total undiscounted cash flows	$ 25,181,186	$ 1,982,796	$ 27,163,982
Less: present value discount			3,965,591
Total subscription liabilities			$ 23,198,391

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Supplementary Information

Orange County Health Authority, A Public Agency dba Orange Prevention and Treatment Integrated Medical Assistance dba CalOptima Health

Schedule of Changes in Net Pension (Asset) Liability and Related Ratios

Years Ended June 30

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	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Total pension liability										
Service cost	$ 26,676,466	$ 24,542,761	$ 19,761,157	$ 17,958,280	$ 16,033,791	$ 15,223,385	$ 14,303,164	$ 13,491,596	$ 13,118,795	$ 10,272,406
Interest	27,522,114	23,886,852	19,987,952	17,450,590	15,591,711	13,770,107	12,107,314	10,431,464	9,136,725	7,702,198
Differences between expected and actual experience	10,195,597	20,191,968	5,143,171	8,006,529	(477,252)	(405,662)	1,904,567	2,812,748	632,642	102,384
Changes in assumptions	-	-	-	(1,930,719)	-	-	-	(4,737,905)	9,163,547	-
Benefit payments, including refunds of employee contributions	(7,389,543)	(6,624,673)	(5,027,500)	(4,332,714)	(3,311,997)	(3,576,922)	(2,841,212)	(2,748,699)	(2,068,356)	(2,111,578)
Net change in total pension liability	57,004,634	61,996,908	39,864,780	37,151,966	27,836,253	25,010,908	25,473,833	19,249,204	29,983,353	15,965,410
Total pension liability – beginning	379,032,159	317,035,251	277,170,471	240,018,505	212,182,252	187,171,344	161,697,511	142,448,307	112,464,954	96,499,544
Total pension liability – ending	436,036,793	379,032,159	317,035,251	277,170,471	240,018,505	212,182,252	187,171,344	161,697,511	142,448,307	112,464,954
Plan fiduciary net position										
Contributions – employer	14,807,785	66,553,158	14,017,949	11,688,269	10,742,812	9,608,656	8,661,466	7,588,200	5,234,580	3,787,544
Contributions – employee	13,364,705	12,197,909	10,478,979	8,634,939	7,981,938	7,518,241	6,853,391	6,213,420	5,793,911	4,951,820
Net investment income	46,398,440	30,231,438	15,053,200	(18,576,662)	42,647,021	8,189,430	9,377,613	10,225,467	11,496,425	498,498
Benefit payments, including refunds of employee contributions	(7,389,543)	(6,624,673)	(5,027,500)	(4,332,714)	(3,311,997)	(3,576,922)	(2,841,212)	(2,748,699)	(2,068,356)	(2,111,578)
Other changes in fiduciary net position	(266,680)	(220,557)	(174,062)	(149,157)	(181,370)	(225,629)	(98,234)	(530,428)	(143,264)	(54,828)
Net change in fiduciary net position	66,914,707	102,137,275	34,348,566	(2,735,325)	57,878,404	21,513,776	21,953,024	20,747,960	20,313,296	7,071,456
Plan fiduciary net position – beginning	373,191,167	271,053,892	236,705,326	239,440,651	181,562,247	160,048,471	138,095,447	117,347,487	97,034,191	89,962,735
Plan fiduciary net position – ending	440,105,874	373,191,167	271,053,892	236,705,326	239,440,651	181,562,247	160,048,471	138,095,447	117,347,487	97,034,191
Plan net pension (asset) liability – ending	$ (4,069,081)	$ 5,840,992	$ 45,981,359	$ 40,465,145	$ 577,854	$ 30,620,005	$ 27,122,873	$ 23,602,064	$ 25,100,820	$ 15,430,763
Plan fiduciary net position as percentage of the total liability	100.93%	98.46%	85.50%	85.40%	99.76%	85.57%	85.51%	85.40%	82.38%	86.28%
Covered-employee payroll	$ 162,463,251	$ 149,196,116	$ 120,641,983	$ 109,836,572	$ 103,913,095	$ 98,088,822	$ 91,587,145	$ 85,764,390	$ 80,217,654	$ 68,583,296
Plan net pension liability as a percentage of covered-employee payroll	-2.50%	3.91%	38.11%	36.84%	0.56%	31.22%	29.61%	27.52%	31.29%	22.50%

See report of independent auditors.

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Orange County Health Authority, A Public Agency dba Orange Prevention and Treatment Integrated Medical Assistance dba CalOptima Health

Schedule of Plan Contributions

Years Ended June 30

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	Years Ended June 30,									
	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Actuarially determined contributions	$ 14,807,785	$ 16,553,441	$ 14,017,949	$ 11,688,269	$ 10,742,812	$ 9,608,656	$ 8,661,466	$ 7,588,200	$ 5,234,580	$ 3,787,544
Contributions in relation to the actuarially determined contribution	(14,807,785)	(66,553,158)	(14,017,949)	(11,688,269)	(10,742,812)	(9,608,656)	(8,661,466)	(7,588,200)	(5,234,580)	(3,787,544)
Contribution deficiency (excess)	$ -	$ (49,999,717)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 162,463,251	$ 149,196,116	$ 120,641,983	$ 109,836,572	$ 103,913,095	$ 98,088,822	$ 91,587,145	$ 85,764,390	$ 80,217,654	$ 68,583,296
Contributions as a percentage of covered-employee payroll	9.11%	11.10%	11.62%	10.64%	10.34%	9.80%	9.46%	8.85%	6.53%	5.52%

See report of independent auditors.

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Orange County Health Authority, A Public Agency dba Orange Prevention and Treatment Integrated Medical Assistance dba CalOptima Health

Schedule of Changes in Total OPEB Liability and Related Ratios

Periods Ended June 30

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	2025-2026 (Measurement Period 2024–2025)	2024-2025 (Measurement Period 2023–2024)	2023-2024 (Measurement Period 2022–2023)	2022-2023 (Measurement Period 2021–2022)	2021-2022 (Measurement Period 2020–2021)	2020-2021 (Measurement Period 2019–2020)	2019–2020 (Measurement Period 2018–2019)	2018–2019 (Measurement Period 2017–2018)
Changes in total OPEB liability								
Service cost	$ 345,000	$ 378,000	$ 472,000	$ 668,000	$ 1,149,000	$ 811,000	$ 832,000	$ 867,000
Interest	679,000	638,000	679,000	487,000	718,000	922,000	977,000	900,000
Actual vs. expected experience	(1,590,000)	-	(3,332,000)	-	(6,241,000)	-	(1,072,000)	-
Assumption changes	(274,000)	(615,000)	1,104,000	(3,829,000)	(4,514,000)	4,623,000	938,000	(1,067,000)
Benefit payments	(637,000)	(522,000)	(528,000)	(529,000)	(544,000)	(570,000)	(556,000)	(560,000)
Net changes	(1,477,000)	(121,000)	(1,605,000)	(3,203,000)	(9,432,000)	5,786,000	1,119,000	140,000
Total OPEB liability (beginning of year)	17,249,000	17,370,000	18,975,000	22,178,000	31,610,000	25,824,000	24,705,000	24,565,000
Total OPEB liability (end of year)	$ 15,772,000	$ 17,249,000	$ 17,370,000	$ 18,975,000	$ 22,178,000	$ 31,610,000	$ 25,824,000	$ 24,705,000
Total OPEB liability	$ 15,772,000	$ 17,249,000	$ 17,370,000	$ 18,975,000	$ 22,178,000	$ 31,610,000	$ 25,824,000	$ 24,705,000
Covered-employee payroll	8,088,069	8,283,000	8,536,000	8,864,000	9,126,000	8,513,000	8,353,000	8,150,000
Total OPEB liability as a percentage of covered-employee payroll	195.0%	208.2%	203.5%	214.1%	243.0%	371.3%	309.2%	303.1%

See report of independent auditors.

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CalOptima Health

2026 Audit Results

Discussion with the Finance and
the Audit Committee (FAC)

September 17, 2026

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1. Scope of Services
2. Summary of Audit Process
3. Significant Risks Identified
4. Matters to Be Communicated to the FAC
5. Your Service Team

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Scope of Services

We have performed the following services for CalOptima Health:

Annual Audit

Annual financial statement audit as of and for the year ended June 30, 2026.

Non-Attest Services

- Assisted management with drafting the financial statements, excluding Management's Discussion and Analysis, as of and for the year ended June 30, 2026.
- Assisting in the completion of the Auditee portion of the Data Collection Form for the single audit as of and for the year ended June 30, 2026.

Summary of Audit Process

Our audit was generally performed in accordance with our initial plan. When the results of a planned audit procedure did not provide sufficient evidence or our original plan was based on an incorrect understanding of a transaction, process, or accounting policy of the entity, we made the necessary adjustments to our audit plan to incorporate the procedures necessary to support our opinion on the financial statements.

We have completed our testing of all significant account balances and classes of transactions.

We will issue our independent auditor's report and will communicate required internal control related matters on September 18, 2026.

The 2026 OMB Compliance Supplement has not yet been issued. The financial statement audit is expected to be completed by September 21, 2026; however, completion of the Single Audit is dependent upon issuance of the 2026 Compliance Supplement and completion of the related audit procedures.

Significant Risks Identified

During the planning of the audit we have identified the following significant risks:

Significant Risks	Procedures
Medical claims liability and claims expense	• Tested the internal controls for claims payments and provider capitation systems • Tested the data used by the actuary to estimate the claims liability and reviewed the experience and qualifications of the actuary • Performed a retrospective review of the prior year's claims liability • No exceptions noted for the procedures performed
Capitation revenue and receivables	• Developed independent expectations of revenue using membership data and rates • Obtained an understanding of management's reserve methodology and validated key inputs through our audit procedures • Verified subsequent receipt of cash and other substantive procedures • No exceptions noted for the procedures performed
Amounts due to the State of California or DHCS	• Tested the provider capitation and other accrual calculations and agreed amounts accrued to subsequent payments • Obtained an understanding of the nature of the amounts payable to the State of California • Tested inputs into the estimates used to calculate the amounts due • No exceptions noted for the procedures performed

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Matters to be Communicated to the FAC

Our responsibility with regard to the financial statement audit under U.S. auditing standards:

We are responsible for forming and expressing an opinion about whether the financial statements that have been prepared by management, with your oversight, are prepared, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your responsibilities.

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Matters to be Communicated to the FAC

Our responsibility with regard to the financial statement audit under U.S. auditing standards:

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS) as well as *Government Auditing Standards*, issued by the Comptroller General of the United States. As part of an audit conducted in accordance with these auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

Matters to be Communicated to the FAC

Our responsibility with regard to the financial statement audit under U.S. auditing standards:

Our audit of the financial statements included obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our consideration of internal control was not designed to identify all deficiencies that might be material weaknesses or significant deficiencies. During our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses; however, material weaknesses or significant deficiencies may exist that were not identified.

Matters to be Communicated to the FAC

Our responsibility with regard to the financial statement audit under U.S. auditing standards:

We are also responsible for communicating significant matters related to the financial statement audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Matters to be Communicated to the FAC

Significant Accounting Practices:

Our views about qualitative aspects of the entity's significant accounting practices, including accounting policies, accounting estimates, and financial statement disclosures

Baker Tilly Comments

The quality of the entity's accounting policies and underlying estimates are discussed throughout this presentation. There were no changes in the entity's approach to applying the critical accounting policies.

- Significant management estimates that impacted the financial statements include the following: **fair value of investments, capital asset lives, actuarially determined accruals for incurred but not reported (IBNR) medical claims liabilities, other non-IBNR medical liabilities, pension, and other postemployment liabilities.**

Matters to be Communicated to the FAC

Significant Accounting Practices:

Our views about qualitative aspects of the entity's significant accounting practices, including accounting policies, accounting estimates, and financial statement disclosures

Baker Tilly Comments

The disclosures in the financial statements are clear and consistent. Certain financial statement disclosures are particularly sensitive because of their significance to financial statements users. We call your attention to the following notes:

- Note 2 – Summary of Significant Accounting Policies
- Note 3 – Cash, Cash Equivalents, and Investments
- Note 5 – Medical Claims Liability
- Note 6 – Defined Benefit Pension Plan
- Note 8 – Postemployment Health Care Plan

Matters to be Communicated to the FAC

Significant Changes – GASB

Statement	Title	Effective
No. 103	*Financial Reporting Model Improvements* – The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. CalOptima Health adopted GASB 103 during the year ending June 30, 2026. The adoption resulted in changes to certain financial statement presentation and disclosures but did not have a material impact on the amounts reported in the financial statements.	Fiscal years beginning after June 15, 2025 (Effective for FY26).
No. 104	*Disclosure of Certain Capital Assets* – State and local governments are required to provide detailed information about capital assets in notes to financial statements. Statement No. 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments, requires certain information regarding capital assets to be presented by major class. CalOptima Health adopted GASB 104 during the year ending June 30, 2026. The adoption resulted in changes to the capital asset disclosures but did not have a material impact on the amounts reported in the financial statements.	Fiscal years beginning after June 15, 2025 (Effective for FY26).

Matters to be Communicated to the FAC

Significant Unusual Transactions:

Baker Tilly Comments

No significant unusual transactions were identified during our audit of the entity's financial statements.

Matters to be Communicated to the FAC

Significant Difficulties Encountered During the Audit:

We are to inform those charged with governance of any significant difficulties encountered in performing the audit. Examples of difficulties may include significant delays by management, an unreasonably brief time to complete the audit, unreasonable management restrictions encountered by the auditor or an unexpected extensive effort required to obtain sufficient appropriate audit evidence.

Baker Tilly Comments

No significant difficulties were encountered during our audit of the entity's financial statements.

Matters to be Communicated to the FAC

Disagreements With Management:

Disagreements with management, whether or not satisfactorily resolved, about matters that individually or in the aggregate could be significant to the entity's financial statements, or the auditor's report.

Baker Tilly Comments

There were no disagreements with management.



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Matters to be Communicated to the FAC

Circumstances that affect the form and content of the auditor's report:

Baker Tilly Comments

There were no circumstances that affected the form and content of the auditor’s report.



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Matters to be Communicated to the FAC

Other findings or issues arising from the audit that are, in the auditor's professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process:

Baker Tilly Comments

There were no other findings or issues arising from the audit to report.



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Matters to be Communicated to the FAC

Uncorrected Misstatements:

Uncorrected misstatements, or matters underlying those uncorrected misstatements, as of and for the year ended June 30, 2026, could potentially cause future-period financial statements to be materially misstated.

Baker Tilly Comments

No uncorrected misstatements were identified.

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Matters to be Communicated to the FAC

Material, Corrected Misstatements:

Material, corrected misstatements that were brought to the attention of management as a result of audit procedures.

Baker Tilly Comments

No material misstatements were identified as a result of our audit.

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Matters to be Communicated to the FAC

Representations Requested of Management

Baker Tilly Comments

We will request certain representations from management that will be included in the management representation letter which will be dated the same date as our audit report.

Matters to be Communicated to the FAC

Management's Consultation with Other Accountants:

When we are aware that management has consulted with other accountants about significant auditing or accounting matters, we discuss with those charged with governance our views about the matters that were the subject of such consultation.

Baker Tilly Comments

We are not aware of instances where management consulted with other accountants about significant auditing or accounting matters.

Matters to be Communicated to the FAC

Significant issues arising from the audit that were discussed, or the subject of correspondence with management:

Baker Tilly Comments

No significant issues arose during the audit that have not been addressed elsewhere in this presentation.



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Matters to be Communicated to the FAC

AU-C 240, *Consideration of Fraud in a Financial Statement Audit*

AU-C 250, *Consideration of Laws and Regulations in an Audit of Financial Statements*

AU-C 265, *Communicating Internal Control Related Matters Identified in an Audit*

AU-C 550, *Related Parties*

AU-C 560, *Subsequent Events and Subsequently Discovered Facts*

AU-C 570, *The Auditor's Consideration of An Entity's Ability to Continue as a Going Concern*

AU-C 600, *Audits of Group Financial Statements (Including the Work of Component Auditors)*

Baker Tilly Comments

Nothing to note.

- There were no material weaknesses noted and no significant deficiencies to communicate.

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Matters to be Communicated to the FAC

AU-C 701, *Communicating Key Audit Matters in the Independent Auditor's Report*

AU-C 705, *Modifications to the Opinion in the Independent Auditor's Report*

AU-C 706, *Emphasis-of-Matter Paragraphs and Other-Matter Paragraphs in the Independent Auditor's Report*

AU-C 720, *The Auditor's Responsibilities Relating to Other Information Included in Annual Reports*

AU-C 730, *Required Supplementary Information*

AU-C 930, *Interim Financial Information*

AU-C 935, *Compliance Audits*

Baker Tilly Comments

Nothing to note.

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Your Service Team



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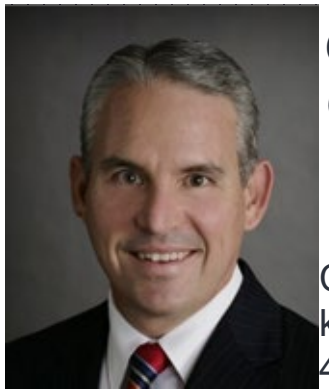

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THANK YOU

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CalOptima Health Board Action Agenda Referral

Action To Be Taken September 17, 2026
Regular Meeting of the CalOptima Health Board of Directors
Finance and Audit Committee

Consent Calendar

6. Recommend the Board of Directors Approve the Revised CalOptima Health Medi-Cal Fiscal Year 2026-27 Operating Budget

Contact

Nancy Huang, Chief Financial Officer, (657) 235-6935

Recommended Action

Recommend that the Board of Directors:

1. Approve the Revised CalOptima Health Medi-Cal Fiscal Year 2026-27 Operating Budget and authorize expenditures and appropriate funds for the items in Revised Attachment A: Revised Fiscal Year 2026-27 Operating Budget for All Lines of Business and Non-Operating Items.

Background

On June 4, 2026, the CalOptima Health Board of Directors (Board) approved the Fiscal Year (FY) 2026-27 Budget, which provided forecasted revenue and spending for the period from July 1, 2026, through June 30, 2027 (June Operating Budget). At the time of approval, staff submitted a comprehensive budget for all lines of business using assumptions based on the best information available and committed to recommend budget revisions for the Board's consideration in the event of material policy, program, or funding changes.

Discussion

The Revised Medi-Cal FY 2026-27 Operating Budget (Revised Medi-Cal Operating Budget) addresses two material changes that require budget revisions to the second half of the current fiscal year (i.e., January 1, 2027, through June 30, 2027), which include the following:

- Transition of Unsatisfactory Immigration Status (UIS) members from the managed care delivery system to the fee-for-service (FFS) system: The FY 2026-27 Enacted State Budget included the transition of UIS members from Medi-Cal managed care to the FFS system, effective January 1, 2027.

- Delay in Private Hospital Directed Payment (PHDP) Program payment methodology transition: The 2024 Managed Care Final Rule prohibits the use of separate payment terms and requires all state directed payments to be included in actuarially sound, prospective capitation rates. H.R. 1 limits new state directed payments to 100% of Medicare rates and beginning in 2028, reduces "grandfathered" state directed payments by 10% per year until the Medicare cap is reached. The June Operating Budget assumed that the transition from separate payment terms to a risk-based

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prospective payment model would begin January 1, 2027. In July 2026, the Department of Health Care Services announced that Calendar Year 2027 will serve as a transition year, with the full transition beginning January 1, 2028.

The following table compares the June Operating Budget and the proposed Revised Medi-Cal Operating Budget.

FY 2026-27 Medi-Cal Operating Budget

	FY 2026-27 Approved Budget	FY 2026-27 Revised Budget	$ Change	% Change
Average Monthly Enrollment	719,232	668,561	(50,671)	-7.0%
Revenue	$4,225,587,197	$3,457,123,258	($768,463,939)	-18.2%
Medical Costs	$3,957,666,037	$3,207,352,064	($750,313,973)	-19.0%
Administrative Expenses	$235,327,631	$235,327,631	--	--
Operating Income/Loss	**$32,593,529**	**$14,443,563**	**($18,149,966)**	**-55.7%**
Medical Loss Ratio (MLR)	93.66%	92.78%	--	-0.88%
Administrative Loss Ratio (ALR)	5.57%	6.81%	--	1.24%

For more information on the budget at the consolidated level, please refer to Revised Attachment A: Revised FY 2026-27 Operating Budget for All Lines of Business and Non-Operating Items.

Revised Medi-Cal Operating Budget Analysis

Enrollment: The Revised Medi-Cal Operating Budget forecasts a 14.6% decrease in Medi-Cal enrollment for the period of January to June 2027 (decrease of 7.0% over 12 months). Staff took the historical forecast and adjusted for the anticipated enrollment decrease. Specifically, staff projects a decrease of 101,342 average members from January to June 2027 due to the UIS member transition.

Revenue: The Revised Medi-Cal Operating Budget reflects a 33.6% decrease in Medi-Cal revenue for the period of January to June 2027 (decrease of 18.2% over 12 months). Staff projects a revenue decrease of $341.2 million from the UIS member transition and $427.2 million from the PHDP payment methodology transition delay.

Medical Costs: The Revised Medi-Cal Operating Budget reflects a 34.8% decrease in Medi-Cal medical costs for the period of January to June 2027 (decrease of 19.0% over 12 months). Staff projects a decrease in medical costs of $323.1 million from the UIS member transition and $427.2 million from the PHDP Program payment methodology transition delay. As such, the revised budget proposes a 92.78% MLR.

Administrative Expenses: There were no changes made to the budget assumptions in the Revised Medi-Cal Operating Budget. Due to the changes in revenue mentioned above, the Administrative Loss Ratio was adjusted to 6.81%.

To the extent there are any other material changes to the budget, management will address such changes in separate Board actions or in future operating budgets.

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Fiscal Impact

The Revised Medi-Cal Operating Budget changes the forecasted operating income from $41.4 million to $23.2 million at the consolidated level.

Rationale for Recommendation

Staff submits the Revised Medi-Cal Operating Budget to address material changes to CalOptima Health's forecasted enrollment, revenue, and medical costs for the Medi-Cal line of business.

Concurrence

Troy R. Szabo, Outside General Counsel, Kennaday Leavitt

Attachments

1. Attachment A: FY 2026-27 Operating Budget for All Lines of Business and Non-Operating Items (Approved by the Board on June 4, 2026)
2. Revised Attachment A: Revised FY 2026-27 Operating Budget for All Lines of Business and Non-Operating Items
3. Revised Medi-Cal FY 2026-27 Operating Budget Presentation

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Attachment A: Fiscal Year 2026-27 Operating Budget for All Lines of Business and Non-Operating Items

	Medi-Cal	OneCare	PACE	CCA	MSSP	Facilities	Consolidated
Member Months	8,630,786	238,672	7,128	116,166	7,056	-	**8,992,752**
Avg Members	719,232	19,889	594	9,681	588	-	**749,396**
Revenue							
Capitation Revenue	$ 4,225,587,197	$ 488,226,827	$ 66,015,079	$ 76,624,656	$ 3,149,328	$ -	**$ 4,859,603,087**
Total	$ 4,225,587,197	$ 488,226,827	$ 66,015,079	$ 76,624,656	$ 3,149,328	$ -	**$ 4,859,603,087**
Medical Costs							
Provider Capitation	$ 1,154,063,413	$ 173,848,853	$ -	$ 10,937,325	$ -	$ -	**$ 1,338,849,590**
Professional, Facility & Ancillary Claims	$ 1,554,983,870	$ 98,900,140	$ 25,489,598	$ 25,036,763	$ -	$ -	**$ 1,704,410,371**
Managed Long-Term Services and Supports (MLTSS)	$ 563,328,283	$ -	$ 1,496,573	$ -	$ 409,413	$ -	**$ 565,234,269**
Prescription Drugs	$ -	$ 134,160,544	$ 8,028,509	$ -	$ -	$ -	**$ 142,189,052**
Other Medical	$ 556,337,154	$ 14,884,493	$ 4,170,817	$ 30,426,400	$ -	$ -	**$ 605,818,863**
Medical Management	$ 128,953,318	$ 15,939,201	$ 21,102,173	$ 1,608,209	$ 2,564,958	$ -	**$ 170,167,859**
Total	$ 3,957,666,037	$ 437,733,230	$ 60,287,670	$ 68,008,697	$ 2,974,371	$ -	**$ 4,526,670,005**
MLR	***93.66%***	***89.66%***	***91.32%***	***88.76%***	***94.44%***		***93.15%***
Gross Margin	$ 267,921,160	$ 50,493,597	$ 5,727,408	$ 8,615,959	$ 174,957	$ -	**$ 332,933,082**
Administrative Expenses							
Salaries, Wages, & Employee Benefits	$ 141,230,337	$ 15,004,548	$ 2,498,603	$ 3,737,791	$ 1,409,792	$ -	**$ 163,881,071**
Non-Salary Operating Expenses	$ 88,596,580	$ 9,666,657	$ 1,454,667	$ 5,342,731	$ 94,500	$ 5,042,302	**$ 110,197,437**
Depreciation & Amortization	$ 13,392,714	$ -	$ 19,465	$ 1,100,000	$ -	$ 2,500,000	**$ 17,012,179**
Indirect Cost Allocation, Occupancy Expense	$ (7,892,000)	$ 14,455,000	$ 217,120	$ 1,155,572	$ 94,000	$ (7,542,302)	**$ 487,390**
Total	$ 235,327,631	$ 39,126,205	$ 4,189,855	$ 11,336,094	$ 1,598,292	$ (0)	**$ 291,578,076**
ALR	***5.57%***	***8.01%***	***6.35%***	***14.79%***	***50.75%***		***6.00%***
Operating Income/(Loss)	**$ 32,593,529**	**$ 11,367,392**	**$ 1,537,553**	**$ (2,720,135)**	**$ (1,423,335)**	**$ 0**	**$ 41,355,006**
							0.85%
Provider Rate Increase							**$ (171,839,842)**
Digital Transformation Strategy							**$ (5,400,000)**
Covered California							**$ (7,747,961)**
Non-Operating							
Net Investment Income							**$ 100,000,000**
500 Building							**$ (1,043,542)**
Street Medicine Support Center							**$ (1,020,535)**
Total Non-Operating Income/(Loss)							**$ 97,935,923**

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Revised Attachment A: Revised Fiscal Year 2026-27 Operating Budget for All Lines of Business and Non-Operating Items

	Medi-Cal	OneCare	PACE	CCA	MSSP	Facilities	Consolidated
Member Months	8,022,733	238,672	7,128	116,166	7,056	-	**8,384,699**
Avg Members	668,561	19,889	594	9,681	588	-	**698,725**
Revenue							
Capitation Revenue	$ 3,457,123,258	$ 488,226,827	$ 66,015,079	$ 76,624,656	$ 3,149,328	$ -	**$ 4,091,139,147**
Total	$ 3,457,123,258	$ 488,226,827	$ 66,015,079	$ 76,624,656	$ 3,149,328	$ -	**$ 4,091,139,147**
Medical Costs							
Provider Capitation	$ 1,056,288,388	$ 173,848,853	$ -	$ 10,937,325	$ -	$ -	**$ 1,241,074,566**
Professional, Facility & Ancillary Claims	$ 1,358,449,606	$ 98,900,140	$ 25,489,598	$ 25,036,763	$ -	$ -	**$ 1,507,876,107**
Managed Long-Term Services and Supports (MLTSS)	$ 541,835,457	$ -	$ 1,496,573	$ -	$ 409,413	$ -	**$ 543,741,443**
Prescription Drugs	$ -	$ 134,160,544	$ 8,028,509	$ -	$ -	$ -	**$ 142,189,052**
Other Medical	$ 121,825,295	$ 14,884,493	$ 4,170,817	$ 30,426,400	$ -	$ -	**$ 171,307,004**
Medical Management	$ 128,953,318	$ 15,939,201	$ 21,102,173	$ 1,608,209	$ 2,564,958	$ -	**$ 170,167,859**
Total	$ 3,207,352,064	$ 437,733,230	$ 60,287,670	$ 68,008,697	$ 2,974,371	$ -	**$ 3,776,356,032**
MLR	***92.78%***	***89.66%***	***91.32%***	***88.76%***	***94.44%***		***92.31%***
Gross Margin	$ 249,771,194	$ 50,493,597	$ 5,727,408	$ 8,615,959	$ 174,957	$ -	**$ 314,783,116**
Administrative Expenses							
Salaries, Wages, & Employee Benefits	$ 141,230,337	$ 15,004,548	$ 2,498,603	$ 3,737,791	$ 1,409,792	$ -	**$ 163,881,071**
Non-Salary Operating Expenses	$ 88,596,580	$ 9,666,657	$ 1,454,667	$ 5,342,731	$ 94,500	$ 5,042,302	**$ 110,197,437**
Depreciation & Amortization	$ 13,392,714	$ -	$ 19,465	$ 1,100,000	$ -	$ 2,500,000	**$ 17,012,179**
Indirect Cost Allocation, Occupancy Expense	$ (7,892,000)	$ 14,455,000	$ 217,120	$ 1,155,572	$ 94,000	$ (7,542,302)	**$ 487,390**
Total	$ 235,327,631	$ 39,126,205	$ 4,189,855	$ 11,336,094	$ 1,598,292	$ (0)	**$ 291,578,076**
ALR	***6.81%***	***8.01%***	***6.35%***	***14.79%***	***50.75%***		***7.13%***
Operating Income/(Loss)	**$ 14,443,563**	**$ 11,367,392**	**$ 1,537,553**	**$ (2,720,135)**	**$ (1,423,335)**	**$ 0**	**$ 23,205,039**
							0.57%
Provider Rate Increase							**$ (171,839,842)**
Digital Transformation Strategy							**$ (5,400,000)**
Covered California							**$ (7,747,961)**
Non-Operating							
Net Investment Income							**$ 100,000,000**
500 Building							**$ (1,043,542)**
Street Medicine Support Center							**$ (1,020,535)**
Total Non-Operating Income/(Loss)							**$ 97,935,923**

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CalOptima Health

Revised Medi-Cal Fiscal Year 2026-27 Operating Budget

Finance and Audit Committee Meeting

September 17, 2026

Nancy Huang, Chief Financial Officer

Our Mission

To serve member health with excellence and dignity, respecting the value and needs of each person.

Our Vision

Provide all members with access to care and supports to achieve optimal health and well-being through an equitable and high-quality health care system.

Agenda

- Two Material Medi-Cal Budget Revisions
  - Unsatisfactory Immigration Status (UIS) Member Transition
    - Enrollment: Trend and Forecast
  - Private Hospital Directed Payment (PHDP) Program Payment Methodology Transition Delay
- FY 2026-27 Revised Medi-Cal Budget
- FY 2026-27 Revised Consolidated Operating Budget
  - Revised Attachment A: Revised Consolidated Income Statement
- Recommended Action

Two Material Medi-Cal Budget Revisions (Effective Jan – June 2027)

Budget Revision	Anticipated Change from June Operating Budget
1. Effective 1/1/27: UIS members will transition from the managed care delivery system and move to Medi-Cal fee-for-service	▼Enrollment ▼Revenue ▼Medical Costs
2. One-year delay to transition PHDP payments into managed care plans' prospective payments (changed from 1/1/27 to 1/1/28)	▼Revenue ▼Medical Costs

- Both revisions impact only the second half of the current fiscal year and are material enough to seek Board approval of a Revised CalOptima Health Medi-Cal FY 2026-27 Operating Budget

1. UIS Member Transition

- Background
  - Sept 2025: CMS released a new interpretation of federal law
  - Requires DHCS to discontinue federal funded coverage of Medicaid emergency services for UIS members through Medi-Cal managed care
  - 1/1/27: DHCS will transition all UIS members in the state to Medi-Cal FFS

- Estimated impact on Jan – June 2027 Budget:
  - Enrollment: Decrease of 101,342 average members
  - Revenue: Decrease of $341.2 million
  - Medical Cost: Decrease of $323.1 million

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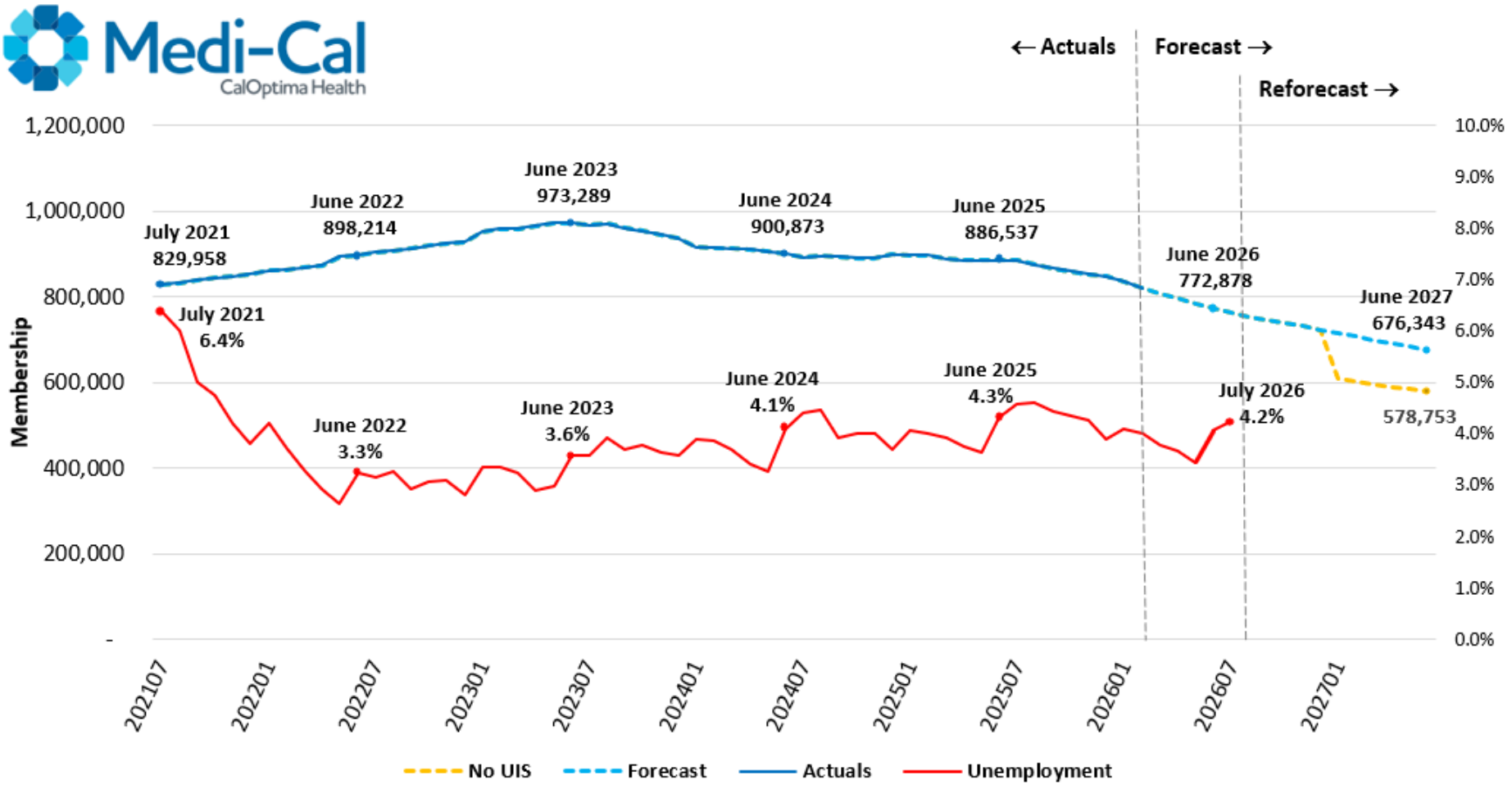
Enrollment: Trend and Forecast



- Medi-Cal enrollment graph as presented at the 6/4/26 CalOptima Health Board of Directors meeting
- Data included in this report are based on member eligibility months rather than booked enrollment (as used in the financials)
- Includes data as of March 2026

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2. PHDP Payment Methodology Transition Delay

- Background
  - 2024 Managed Care Final Rule: Requires that all State Directed Payments (SDP) be included in actuarially sound, prospective rates
    - Prohibits the use of separate payment terms for SDP and retroactive amendments to approvals
  - H.R. 1: Beginning Calendar Year 2028, reduces "grandfathered" SDPs by 10% per year until they reach the Medicare cap (i.e., 100% of Medicare rates)
  - July 2026: DHCS notified plans that the full transition of PHDP payments to capitation rates was delayed to 1/1/28

- Estimated impact on Jan – June 2027 budget:
  - Revenue: Decrease of $427.2 million
  - Medical Cost: Decrease of $427.2 million

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FY 2026-27 Revised Medi-Cal Budget

	FY 2026-27 June Approved Budget	FY 2026-27 Revised Budget*	Change ($)	Change (%)
Average Monthly Enrollment	719,232	668,561	(50,671)	-7.0%
Revenue	$4,225,587,197	$3,457,123,258	($768,463,939)	-18.2%
Medical Costs	$3,957,666,037	$3,207,352,064	($750,313,973)	-19.0%
Administrative Expenses	$235,327,631	$235,327,631	--	--
Operating Income/Loss	**$32,593,529**	$14,443,563	**($18,149,966)**	**-55.7%**
MLR	93.66%	92.78%	--	-0.88%
ALR	5.57%	6.81%	--	1.24%

* Reflects budget changes from Jan - June 2027

CalOptima Health

FY 2026-27 Revised Consolidated Operating Budget

	FY 2026-27 June Approved Budget	FY 2026-27 Revised Budget
Average Enrollment*	749,396	698,725
Revenue	$4,859,603,087	$4,091,139,147
Medical Costs	$4,526,670,005	$3,776,356,032
Medical Loss Ratio (MLR)	*93.15%*	*92.31%*
Administrative Expenses	$291,578,076	$291,578,076
Admin Loss Ratio (ALR)	*6.00%*	*7.13%*
Operating Income/Loss	**$41,355,006 or 0.85%**	**$23,205,039 or 0.57%**

* Average enrollment reflects six months of Covered California operations

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Revised Attachment A: Revised Consolidated Income Statement

	Medi-Cal	OneCare	PACE	CCA	MSSP	Facilities	Consolidated
Member Months	8,022,733	238,672	7,128	116,166	7,056	-	**8,384,699**
Avg Members	668,561	19,889	594	9,681	588	-	**698,725**
Revenue							
Capitation Revenue	$ 3,457,123,258	$ 488,226,827	$ 66,015,079	$ 76,624,656	$ 3,149,328	$ -	**$ 4,091,139,147**
Total	$ 3,457,123,258	$ 488,226,827	$ 66,015,079	$ 76,624,656	$ 3,149,328	$ -	**$ 4,091,139,147**
Medical Costs							
Provider Capitation	$ 1,056,288,388	$ 173,848,853	$ -	$ 10,937,325	$ -	$ -	**$ 1,241,074,566**
Professional, Facility & Ancillary Claims	$ 1,358,449,606	$ 98,900,140	$ 25,489,598	$ 25,036,763	$ -	$ -	**$ 1,507,876,107**
Managed Long-Term Services and Supports (MLTSS)	$ 541,835,457	$ -	$ 1,496,573	$ -	$ 409,413	$ -	**$ 543,741,443**
Prescription Drugs	$ -	$ 134,160,544	$ 8,028,509	$ -	$ -	$ -	**$ 142,189,052**
Other Medical	$ 121,825,295	$ 14,884,493	$ 4,170,817	$ 30,426,400	$ -	$ -	**$ 171,307,004**
Medical Management	$ 128,953,318	$ 15,939,201	$ 21,102,173	$ 1,608,209	$ 2,564,958	$ -	**$ 170,167,859**
Total	$ 3,207,352,064	$ 437,733,230	$ 60,287,670	$ 68,008,697	$ 2,974,371	$ -	**$ 3,776,356,032**
MLR	***92.78%***	***89.66%***	***91.32%***	***88.76%***	***94.44%***		***92.31%***
Gross Margin	$ 249,771,194	$ 50,493,597	$ 5,727,408	$ 8,615,959	$ 174,957	$ -	**$ 314,783,116**
Administrative Expenses							
Salaries, Wages, & Employee Benefits	$ 141,230,337	$ 15,004,548	$ 2,498,603	$ 3,737,791	$ 1,409,792	$ -	**$ 163,881,071**
Non-Salary Operating Expenses	$ 88,596,580	$ 9,666,657	$ 1,454,667	$ 5,342,731	$ 94,500	$ 5,042,302	**$ 110,197,437**
Depreciation & Amortization	$ 13,392,714	$ -	$ 19,465	$ 1,100,000	$ -	$ 2,500,000	**$ 17,012,179**
Indirect Cost Allocation, Occupancy Expense	$ (7,892,000)	$ 14,455,000	$ 217,120	$ 1,155,572	$ 94,000	$ (7,542,302)	**$ 487,390**
Total	$ 235,327,631	$ 39,126,205	$ 4,189,855	$ 11,336,094	$ 1,598,292	$ (0)	**$ 291,578,076**
ALR	***6.81%***	***8.01%***	***6.35%***	***14.79%***	***50.75%***		***7.13%***
Operating Income/(Loss)	**$ 14,443,563**	**$ 11,367,392**	**$ 1,537,553**	**$ (2,720,135)**	**$ (1,423,335)**	**$ 0**	**$ 23,205,039**
							0.57%
Provider Rate Increase							**$ (171,839,842)**
Digital Transformation Strategy							**$ (5,400,000)**
Covered California							**$ (7,747,961)**
Non-Operating							
Net Investment Income							**$ 100,000,000**
500 Building							**$ (1,043,542)**
Street Medicine Support Center							**$ (1,020,535)**
Total Non-Operating Income/(Loss)							**$ 97,935,923**

Recommended Action

Recommend the Board of Directors:

1. Approve the Revised CalOptima Health Medi-Cal Fiscal Year 2026-27 Operating Budget and authorize expenditures and appropriate funds for the items in Revised Attachment A: Revised Fiscal Year 2026-27 Operating Budget for All Lines of Business and Non-Operating Items

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CalOptima Health Board Action Agenda Referral

Action To Be Taken September 17, 2026
Regular Meeting of the CalOptima Health Board of Directors
Finance and Audit Committee

Consent Calendar

7. Recommend Reappointment and Committee Chair Reappointment to the CalOptima Health Board of Directors' Investment Advisory Committee

Contact

Nancy Huang, Chief Financial Officer, (657) 235-6935

Recommended Actions

Recommend that the Board of Directors:

1. Reappoint Rodney Johnson to the Investment Advisory Committee for a two (2)-year term, beginning October 6, 2026, and continuing until October 5, 2028; and
2. Reappoint Rodney Johnson to serve as Chair of the Investment Advisory Committee for a two (2)-year term, beginning October 6, 2026, and continuing until October 5, 2028, or until a successor is appointed.

Background

At a Special Meeting of the CalOptima Health Board of Directors (Board) held on September 10, 1996, the Board authorized the creation of the CalOptima Health Investment Advisory Committee (IAC), established qualifications for IAC members, and directed staff to proceed with the recruitment of the volunteer members of the IAC.

When creating the IAC, the Board specified that the IAC would consist of five (5) members, including one (1) member who would automatically serve by virtue of his or her position as CalOptima Health's Chief Financial Officer. The remaining four (4) members would be Orange County residents who possess experience in one (1) or more of the following areas: investment banking, investment brokerage and sales, investment management, financial management and planning, commercial banking, or financial accounting.

At the September 5, 2000, meeting, the Board approved expanding the composition of the IAC from five (5) members to seven (7) members in order to have more diverse opinions and backgrounds to advise CalOptima Health on its investment activities.

Discussion

The candidate recommended for reappointment, Rodney Johnson, has consistently provided leadership and service to CalOptima Health through his long-time participation as an IAC member.

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Mr. Johnson has served as a member of the IAC since June 6, 2013, and has over 30 years of experience in the field of public finance. He is currently the Treasurer for Los Angeles County Metropolitan Transportation. Mr. Johnson previously worked as the Deputy Treasurer of the Orange County Transportation Authority and has extensive public and private-sector experience, specializing in municipal finance, defined contribution, and defined benefit retirement plans. His responsibilities include all aspects of municipal debt issuance and administration; investment of public funds; and creation, implementation, and management of public policy. Mr. Johnson has a Master of Public Administration degree from California State University, Long Beach and a Bachelor of Arts degree. from California State University, Fullerton.

Fiscal Impact

There is no fiscal impact. An individual appointed to the IAC assists CalOptima Health in suggesting updates to and ensuring compliance with CalOptima Health's Board-approved Annual Investment Policy, and monitors the performance of CalOptima Health's investments, investment advisors, and investment managers.

Rationale for Recommendation

The individual recommended for reappointment to CalOptima Health's IAC and reappointment as the IAC Chair has extensive experience that meets or exceeds the specified qualifications for IAC membership.

Concurrence

Troy R. Szabo, Outside General Counsel, Kennaday Leavitt
Board of Directors' Investment Advisory Committee

Attachments

None.

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CalOptima Health Board Action Agenda Referral

Action To Be Taken September 17, 2026
Regular Meeting of the CalOptima Health Board of Directors
Finance and Audit Committee

Consent Calendar

8. Recommend Reappointment to the CalOptima Health Board of Directors' Investment Advisory Committee

Contact

Nancy Huang, Chief Financial Officer, (657) 235-6935

Recommended Action

Recommend that the Board of Directors:

1. Reappoint the following individuals to the Board of Directors' Investment Advisory Committee for two (2)-year terms beginning October 6, 2026, and continuing until October 5, 2028:
   a. Colleen Clark; and
   b. David Hutchison.

Background

At a Special Meeting of the CalOptima Health Board of Directors (Board) held on September 10, 1996, the Board authorized the creation of the CalOptima Health Investment Advisory Committee (IAC), established qualifications for IAC members, and directed staff to proceed with the recruitment of the volunteer members of the IAC.

When creating the IAC, the Board specified that the IAC would consist of five (5) members, including one (1) member who would automatically serve by virtue of his or her position as CalOptima Health's Chief Financial Officer (CFO). The remaining four (4) members would be Orange County residents who possess experience in one (1) or more of the following areas: investment banking, investment brokerage and sales, investment management, financial management and planning, commercial banking, or financial accounting.

At the September 5, 2000, meeting, the Board approved expanding the composition of the IAC from five (5) members to seven (7) members in order to have more diverse opinions and backgrounds to advise CalOptima Health on its investment activities.

Discussion

The candidates recommended for reappointment have proven leadership and expertise in finance and accounting.

Back to Agenda

Colleen Clark has served as a member of the IAC since October 1, 2020, and has over 27 years of experience and knowledge of public finance, investments, accounting, and government and legislative processes. Ms. Clark was the Director of Public Finance for the County of Orange and worked as the Deputy Chief Executive Officer and Chief Financial Officer (CFO) for the Orange County Great Park. Ms. Clark served as the CFO at the Transportation Corridor Agency in Irvine and is a retired Certified Public Accountant.

David Hutchison, Chartered Financial Analyst (CFA), has served as a member of the IAC since October 1, 2020, and currently works for Triad Investment Management, where he is a Partner and Portfolio Manager. Mr. Hutchison has over 20 years of investment experience and has previously held positions as President of Hutchison Capital, Investment Strategist for Chamberlain Group, and Senior Equity Analyst for Insight Capital Research & Management. He is a member of both the CFA Institute and the CFA Society Orange County.

Fiscal Impact

There is no fiscal impact. Individuals appointed to the IAC assist CalOptima Health in suggesting updates to and ensuring compliance with CalOptima Health's Board-approved Annual Investment Policy, and monitor the performance of CalOptima Health's investments, investment advisor, and investment managers.

Rationale for Recommendation

The individuals recommended for reappointment to CalOptima Health's IAC have extensive experience that meets or exceeds the specified qualifications for IAC membership.

Concurrence

Troy R. Szabo, Outside General Counsel, Kennaday Leavitt
Board of Directors' Investment Advisory Committee

Attachments

None.

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CalOptima Health

Financial Summary
July 31, 2026

Finance and Audit Committee Meeting

September 17, 2026

Nancy Huang, Chief Financial Officer

Our Mission

To serve member health with excellence and dignity, respecting the value and needs of each person.

Our Vision

Provide all members with access to care and supports to achieve optimal health and well-being through an equitable and high-quality health care system.

Financial Highlights Notes: July 2026

- Enrollment in July 2026 was favorable to budget by 19,531 or 2.5%, primarily driven by lower than projected disenrollment trend in Medi-Cal Family and Expansion categories
- Provider Rate Increases approved as part of the Fiscal Year (FY) 2026-27 budget were implemented in July 2026
- $979.6K in Other Non-Operating Expenses due primarily to $802.6K in updated Managed Care Organization (MCO) Taxes

CalOptima Health

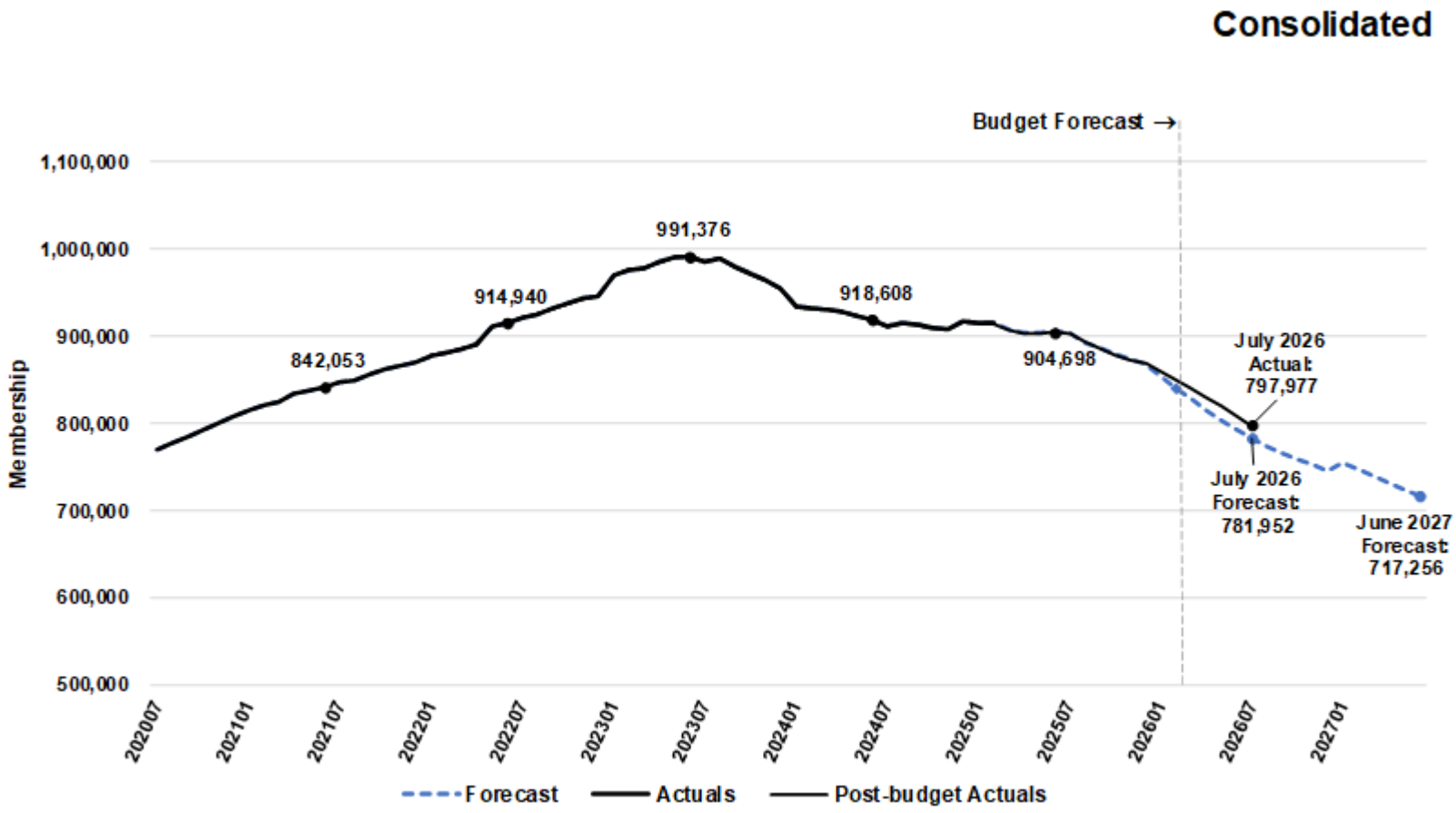
Financial Highlights
July 2026

	July 2026			
	Actual	Budget	$ Variance	% Variance
Member Months	801,483	781,952	19,531	2.5%
Revenues	383,108,590	375,300,818	7,807,772	2.1%
Medical Expenses[1]	360,303,603	363,405,391	3,101,788	0.9%
Administrative Expenses	22,808,051	25,918,873	3,110,822	12.0%
Operating Margin	(3,064)	(14,023,446)	**14,020,382**	**100.0%**
Non-Operating Income (Loss)				
Net Investment Income/Expense	8,548,471	8,333,330	215,141	2.6%
Grant Expense	(739,907)	-	(739,907)	(100.0%)
Community Reinvestment	219,351	-	219,351	100.0%
Other Income/Expense	(975,589)	(172,007)	(803,582)	(467.2%)
Total Non-Operating Income (Loss)	**7,052,327**	**8,161,323**	(1,108,996)	(13.6%)
Change in Net Assets	**7,049,263**	(5,862,123)	**12,911,386**	**220.3%**
Medical Loss Ratio	*94.0%*	*96.8%*	(2.8%)	
Administrative Loss Ratio	*6.0%*	*6.9%*	*1.0%*	
Operating Margin Ratio	(0.0%)	(3.7%)	*3.7%*	
Total Operating	*100.0%*	*100.0%*		

[1]Actual Medical Expenses include the Board-approved Provider Rate increases

CalOptima Health

Actuals v. Budget – Total Membership



Notes:

- Data included in this report are based on member eligibility months rather than booked enrollment (as used in the financials).
- Includes data as of July 10, 2026

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FY 2026-27: Management Summary

- Change in Net Assets Surplus or (Deficit)
  - Month To Date (MTD) July 2026: $7.0 million, favorable to budget $12.9 million or 220.3% driven by favorable enrollment and timing of administrative expense activities

- Enrollment
  - MTD: 801,483 members, favorable to budget 19,531 or 2.5% due to lower-than-expected disenrollment driven by federal and state policy changes and eligibility redetermination

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FY 2026-27: Management Summary (cont.)

- Revenue
  - MTD: $383.1 million, favorable to budget $7.8 million or 2.1% due to:
    - $9.1 million favorable to budget in Medi-Cal (MC) Line of Business (LOB) due to higher enrollment
    - Offset by $1.2 million unfavorable to budget in OneCare (OC) LOB

FY 2026-27: Management Summary (cont.)

- Medical Expenses
  - MTD: $360.3 million, favorable to budget $3.1 million or 0.9% due to:
    - $6.8 million in Facilities Claims due to lower utilization
    - $3.3 million in Medical Management
    - $1.1 million in Incentive Payments
    - Offset by unfavorable variances to budget:
      - $5.2 million in Professional Claims
      - $1.5 million in Managed Long-term Services and Supports (MLTSS)
      - $1.1 million in Provider Capitation

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FY 2026-27: Management Summary (cont.)

- Administrative Expenses
  - MTD: $22.8 million, favorable to budget $3.1 million or 12.0% due to the timing of administrative expense activities
- Non-Operating Income (Loss)
  - MTD: $7.1 million, unfavorable to budget $1.1 million or 13.6% due to:
    - $0.8 million in Net Operating Tax Expense
    - $0.7 million in Grant Expense for Workforce Development

CalOptima Health

FY 2026-27: Key Financial Ratios

- Medical Loss Ratio (MLR)

	Actual	Budget	Variance (%)
MTD	94.0%	96.8%	(2.8%)

- Administrative Loss Ratio (ALR)

	Actual	Budget	Variance (%)
MTD	6.0%	6.9%	1.0%

CalOptima Health

FY 2026-27: Key Financials Ratios (cont.)

- Balance Sheet Ratios
  - Current ratio*: 1.9
  - Board Designated Reserve level: 3.78
  - Statutory Designated Reserve level: 1.05
  - Net-position: $3.1 billion, including required TNE of $134.2 million

*Current ratio compares current assets to current liabilities. It measures CalOptima Health's ability to pay short-term obligations.

CalOptima Health

Enrollment Summary: July 2026

Enrollment (by Aid Category)	July 2026 Actual	Budget	$ Variance	% Variance
FAM	106,020	103,030	2,990	2.9%
CHD	232,888	229,678	3,210	1.4%
MCE	283,253	273,664	9,589	3.5%
LTC	3,004	3,176	(172)	(5.4%)
SPD	148,169	143,874	4,295	3.0%
WCM	8,613	8,580	33	0.4%
Medi-Cal Total	**781,947**	**762,001**	**19,946**	**2.6%**
OneCare	**18,963**	**19,379**	(416)	(2.1%)
PACE	**573**	**572**	**1**	**0.2%**
MSSP*	**566**	**577**	(11)	(1.9%)
CalOptima Health Total	**801,483**	**781,952**	**19,531**	**2.5%**

*MSSP enrollment is included in Medi-Cal total

CalOptima Health

Consolidated Revenue & Expenses: July 2026 MTD

	Medi-Cal	OneCare	PACE	MSSP	Covered CA	Consolidated
MEMBER MONTHS	781,947	18,963	573	566		801,483
REVENUES						
Capitation Revenue	$ 340,143,267	$ 37,475,661	$ 5,255,390	$ 234,272	$ -	$ 383,108,590
Total Operating Revenue	**340,143,267**	**37,475,661**	**5,255,390**	**234,272**	**-**	**383,108,590**
MEDICAL EXPENSES						
Provider Capitation	110,787,432	13,807,844				124,595,276
Facility and Professional Claims	139,563,813	9,568,455	1,927,948			151,060,216
MLTSS	50,252,124		64,852	19,336		50,336,312
Prescription Drugs		10,515,579	561,912			11,077,491
Case Mgmt & Other Medical	18,973,010	2,560,873	1,515,669	184,756		23,234,308
Total Medical Expenses	**319,576,380**	**36,452,750**	**4,070,380**	**204,092**	**-**	**360,303,603**
Medical Loss Ratio	*94.0%*	*97.3%*	*77.5%*	*87.1%*	*0.0%*	*94.0%*
GROSS MARGIN	**20,566,886**	**1,022,911**	**1,185,010**	**30,180**	**-**	**22,804,988**
ADMINISTRATIVE EXPENSES						
Salaries & Benefits	12,390,483	1,144,103	225,151	116,481	274,984	14,151,201
Non-Salary Operating Expenses	3,066,964	438,119	30,786	1,530	278,841	3,816,240
Depreciation & Amortization	1,403,013		1,128			1,404,141
Other Operating Expenses	2,880,991	37,934	7,920	6,783	1,341	2,934,970
Indirect Cost Allocation, Occupancy	(697,296)	1,173,670	17,296	7,830		501,500
Total Administrative Expenses	**19,044,154**	**2,793,826**	**282,281**	**132,624**	**555,167**	**22,808,051**
Administrative Loss Ratio	*5.6%*	*7.5%*	*5.4%*	*56.6%*	*0.0%*	*6.0%*
Operating Income/(Loss)	**1,522,732**	(1,770,915)	**902,729**	(102,443)	(555,167)	(3,064)
Investments and Other Non-Operating	(606,715)					7,052,327
CHANGE IN NET ASSETS	**$ 916,017**	$ (1,770,915)	**$ 902,729**	$ (102,443)	$ (555,167)	**$ 7,049,263**
BUDGETED CHANGE IN NET ASSETS	(11,200,011)	(1,430,025)	49,452	(137,560)	(1,305,301)	(5,862,123)
Variance to Budget - Fav/(Unfav)	$ 12,116,028	$ (340,889)	$ 853,278	$ 35,117	$ 750,135	$ 12,911,386

CalOptima Health

Balance Sheet: As of July 2026

ASSETS	
Current Assets	
Operating Cash	$307,617,458
Short-term Investments	1,766,257,739
Capitation Receivable	604,121,761
Receivables - Other	19,467,547
Prepaid Expenses	20,717,916
Total Current Assets	**2,718,182,421**
Capital Assets	
Capital Assets	219,624,819
Less: Accumulated Depreciation	(105,745,832)
Capital Assets, Net of Depreciation	**113,878,987**
Other Assets	
Restricted Deposit & Other	4,369,081
Board Designated Reserves	1,639,075,098
Statutory Designated Reserves	141,467,152
Total Other Assets	**1,784,911,332**
TOTAL ASSETS	**4,616,972,740**
Deferred Outflows	**30,923,013**
TOTAL ASSETS & DEFERRED OUTFLOWS	**$4,647,895,753**

LIABILITIES & NET POSITION	
Current Liabilities	
Accounts Payable	$103,412,813
Medical Claims Liability	343,092,696
Accrued Payroll Liabilities	26,840,572
Deferred Revenue	43,890,070
Due to State of California and CMS	756,102,881
Capitation and Withholds	127,705,858
Total Current Liabilities	**1,401,044,889**
Other Liabilities	
GASB 96 Subscription Liabilities	25,241,157
Community Reinvestment	66,721,987
Capital Lease Payable	192,481
Post Employment Health Benefits Liability	15,791,312
Net Pension Liabilities	0
Total Other Liabilities	**107,946,937**
TOTAL LIABILITIES	**1,508,991,826**
Deferred Inflows	**16,723,193**
Net Position	
Required TNE	134,233,293
Funds in Excess of TNE	2,987,947,441
TOTAL NET POSITION	**3,122,180,734**
TOTAL LIABILITIES, DEFERRED INFLOWS & NET POSITION	**$4,647,895,753**

CalOptima Health

Board Designated Reserve and TNE Analysis: As of July 2026

Board Designated Reserves

Investment Account Name	Market Value	CalOptima Policy Compliance Level		Variance	
		Low	High	Mkt - Low	Mkt - High
Payden & Rygel Tier One	818,695,221				
MetLife Tier One	820,379,877				
Board Designated Reserves	1,639,075,098	1,082,765,463	1,732,424,741	556,309,635	(93,349,643)
Current Reserve Level (X months of average monthly revenue) [1]	*3.78*	*2.50*	*4.00*		

Statutory Designated Reserves

Investment Account Name	Market Value	CalOptima Policy Compliance Level		Variance	
		Low	High	Mkt - Low	Mkt - High
Payden & Rygel Tier Two	70,797,857				
MetLife Tier Two	70,669,295				
Statutory Designated Reserves	141,467,152	134,233,293	147,656,622	7,233,860	(6,189,470)
Current Reserve Level (X min. TNE) [1]	*1.05*	*1.00*	*1.10*		

[1] *See CalOptima Health Policy GA.3001: Statutory and Board-Designated Reserve Funds for more information.*

CalOptima Health

Spending Plan: As of July 2026

Item Description	Amount (millions)	Approved Initiative	Expense to Date	%
Total Net Position @7/31/2026	**$3,122.2**			**100.0%**
Resources Assigned				
Board Designated Reserve[1]	**$1,639.1**			**52.5%**
Statutory Designated Reserve[1]	**$141.5**			**4.5%**
Capital Assets, net of Depreciation	**$113.9**			**3.6%**
Resources Allocated				
Homeless Health Initiative (HHI)[2]	14.1	63.3	49.2	0.5%
Housing and Homelessness Incentive Program (HHIP)[2]	25.2	87.4	62.2	0.8%
Intergovernmental Transfers (IGT)	34.6	52.1	17.5	1.1%
Digital Transformation and Workplace Modernization[3]	20.3	100.0	79.7	0.6%
CalFresh and Redetermination Outreach Strategy	1.6	6.0	4.4	0.1%
Coalition of Orange County Community Health Centers Grant	10.7	50.0	39.3	0.3%
General Awareness Campaign	0.0	4.7	4.7	0.0%
Member Health Needs Assessment	0.3	1.3	1.0	0.0%
Five-Year Hospital Quality Program Beginning MY 2023	103.3	153.5	50.2	3.3%
Skilled Nursing Facility Access Program	10.0	10.0	-	0.3%
National Alliance for Mental Illness Orange County Peer Support Program Grant	2.0	5.0	3.0	0.1%
Stipend Program for Master of Social Work Students Grant	-	5.0	5.0	0.0%
Wellness & Prevention Program Grant	1.0	2.7	1.7	0.0%
CalOptima Health Provider Workforce Development Fund Grant	38.8	50.0	11.2	1.2%
Garden Grove Bldg. Improvement	16.0	17.5	1.5	0.5%

Spending Plan: As of July 2026 (cont.)

Item Description	Amount (millions)	Approved Initiative	Expense to Date	%
Dyadic Services Program Academy	0.2	1.9	1.7	0.0%
Medi-Cal Provider Rate Increases (07/2024 - 12/2026)	87.7	526.2	438.5	2.8%
Medi-Cal Provider Rate Increases (07/2026 - 12/2028)	415.3	429.6	14.3	13.3%
Homeless Prevention and Stabilization Pilot Program	0.2	0.3	0.1	0.0%
OneCare Member Engagement and Education	0.0	0.3	0.2	0.0%
Medi-Cal Eligibility Outreach Strategy	19.8	21.8	2.0	0.6%
Supplemental food support for Medi-Cal members	3.8	8.0	4.2	0.1%
Orange County Community Health Assessment and Improvement Plan	0.5	1.0	0.5	0.0%
PACE Facility - Irvine	29.1	29.5	0.4	0.9%
Subtotal	**834.4**	**1,627.0**	**792.6**	**26.7%**
Resources Available for New Initiatives				
Unallocated/Unassigned1	**$393.4**			**12.6%**

[1] Total Designated Reserves and unallocated reserve amount can support approximately 192 days of CalOptima Health's current operations.

[2] See HHI and HHIP summaries and Allocated Funds for list of Board Approved Initiatives. Amount reported includes only portion funded by reserves.

[3] On June 6, 2024, the Board of Directors approved an update to the Digital Transformation Strategy which will impact these figures beginning July 2024.

CalOptima Health

Homeless Health Initiative and Allocated Funds: As of July 2026

Summary by Funding Source:	Total Funds	Allocated Amount	Utilized Amount	Remaining Approved Amount	Funds Available for New Initiatives
HHI - IGT'S	61,496,005	61,496,005	49,245,355	12,250,650	-
HHI - Existing Reserves	1,800,000	1,800,000	-	1,800,000	-
HHIP	40,100,000	40,100,000	-	40,100,000	-
Total	**103,396,005**	**103,396,005**	**49,245,355**	**54,150,650**	**-**

Funds Allocation, Approved Initiatives:	Allocated Amount	Utilized Amount	Remaining Approved Amount	Funding Source(s)
Enhanced Medi-Cal Services at the Be Well OC Regional Mental Health and Wellness Campus	11,400,000	11,400,000	-	IGT's
Recuperative Care	6,194,190	6,194,190	-	IGT's
Medical Respite	250,000	250,000	-	IGT's
Day Habilitation (County for HomeKey)[4]	-	-	-	IGT's
Clinical Field Team Start-up & Federally Qualified Health Center (FQHC)	1,600,000	1,600,000	-	IGT's
CalOptima Homeless Response Team	1,681,734	1,681,734	-	IGT's
Homeless Coordination at Hospitals	10,000,000	10,000,000	-	IGT's
CalOptima Health Days, Homeless Clinical Access Program (HCAP) and FQHC Administrative Support[5]	925,540	925,540	-	IGT's
FQHC (Community Health Center) Expansion	21,902	21,902	-	IGT's
HCAP and CalOptima Health Days	9,888,914	5,034,955	4,853,959	IGT's
Vaccination Intervention and Member Incentive Strategy[2]	54,649	54,649	-	IGT's
Street Medicine[3]	14,279,077	9,806,371	4,472,706	IGT's & Existing Reserves
Outreach and Engagement	7,000,000	2,276,015	4,723,985	IGT's
Housing and Homelessness Incentive Program (HHIP)[1]	40,100,000	-	40,100,000	IGT's & Existing Reserves
Subtotal of Approved Initiatives	**103,396,005**	**49,245,355**	**54,150,650**	
Transfer of funds to HHIP[4]	(40,100,000)	-	(40,100,000)	
Program Total	**63,296,005**	**49,245,355**	**14,050,650**	

[1]On September 1, 2022, CalOptima Health's Board of Directors approved reallocation of $40.1 million from HHI to HHIP.

[2]On June 5, 2025, CalOptima Health's Board of Directors approved the close out of the Vaccination Intervention and Member Incentive Strategy program and transfer of the remaining funds of $68,699 to unallocated reserves for new initiatives.

[3]On August 7, 2025, CalOptima Health's Board of Directors approved $9.3 million to expand the Street Medicine Program ($3.2 million remaining from Street Medicine Initiative (from the Homeless Health Initiatives Reserve), $1.8 million from Existing Reserves, and $4.3 million from Intergovernmental Transfer balance resulting from a June 5, 2025, Board action), to fund 2-year grant agreements to Healthcare in Action (Anaheim), Celebrating Life Community Health Center (Costa Mesa), and AltaMed (Santa Ana).

[4]On February 5, 2026, CalOptima Health's Board of Directors approved the closeout of the Day Habilitation (County for HomeKey) and designated the remaining balance of $2.5 million as available for allocation to deliver enhanced services for Medi-Cal members.

[5]On April 2, 2026, CalOptima Health's Board of Directors approved the closeout of the CalOptima Days, HCAP and FQHC Administrative Support and make $37,721 in IGT 8 funds available toward future IGT initiatives to deliver covered services for Medi-Cal members.

CalOptima Health

Housing and Homelessness Incentive Program: As of July 2026

Summary by Funding Source:	Total Funds[1]	Allocated Amount	Utilized Amount	Remaining Approved Amount	Funds Available for New Initiatives
DHCS HHIP Funds	65,931,189	65,931,189	34,733,595	31,197,594	-
Existing Reserves & HHI Transfer	87,384,530	87,384,530	62,153,879	25,230,651	-
Street Medicine Support Center - GG Building[2]	7,000,000	7,000,000	-	7,000,000	-
Total	**160,315,719**	**160,315,719**	**96,887,474**	**63,428,245**	-

Funds Allocation, Approved Initiatives:	Allocated Amount	Utilized Amount	Remaining	Funding Source(s)
Office of Care Coordination	2,200,000	2,056,488	143,512	HHI
Pulse For Good	1,400,000	913,500	486,500	HHI
Equity Grants for Programs Serving Underrepresented Populations	4,621,311	3,821,311	800,001	HHI & DHCS
Infrastructure Projects	5,832,314	5,832,310	4	HHI
Capital Projects	126,247,564	73,640,270	52,607,294	HHI, DHCS & Existing Reserves
System Change Projects	19,314,530	9,968,205	9,346,325	DHCS
Non-Profit Healthcare Academy	700,000	655,391	44,609	DHCS
Total of Approved Initiatives	**160,315,719**	**$96,887,474**	**$63,428,245**	
Transfer of funds to Street Medicine Support Center-GG Building	**(7,000,000)**	**-**	**($7,000,000)**	Existing Reserves
Program Total	**153,315,719**	**96,887,474**	**56,428,245**	

[1]Total funding $160.3 million: $40.1 million Board-approved reallocation from HHI, $47.2 million from CalOptima Health existing reserves and $73.0 million from DHCS HHIP incentive payments.

[2]On October 7, 2025, CalOptima Health's Board of Directors approved up to $7.0 million for general contractor services & furniture, fixtures & equipment for the Street Medicine Support Center.

CalOptima Health

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UNAUDITED FINANCIAL STATEMENTS

July 31, 2026

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CalOptima Health - Consolidated
Financial Highlights
For the One Month Ending July 31, 2026

	July 2026			
	Actual	**Budget**	**$ Variance**	**% Variance**
Member Months	801,483	781,952	19,531	2.5%
Revenues	383,108,590	375,300,818	7,807,772	2.1%
Medical Expenses[1]	360,303,603	363,405,391	3,101,788	0.9%
Administrative Expenses	22,808,051	25,918,873	3,110,822	12.0%
Operating Margin	(3,064)	(14,023,446)	**14,020,382**	**100.0%**
Non-Operating Income (Loss)				
Net Investment Income/Expense	8,548,471	8,333,330	215,141	2.6%
Grant Expense	(739,907)	-	(739,907)	(100.0%)
Community Reinvestment	219,351	-	219,351	100.0%
Other Income/Expense	(975,589)	(172,007)	(803,582)	(467.2%)
Total Non-Operating Income (Loss	**7,052,327**	**8,161,323**	(1,108,996)	(13.6%)
Change in Net Assets	**7,049,263**	(5,862,123)	**12,911,386**	**220.3%**
Medical Loss Ratio	*94.0%*	*96.8%*	(2.8%)	
Administrative Loss Ratio	*6.0%*	*6.9%*	*1.0%*	
Operating Margin Ratio	(0.0%)	(3.7%)	*3.7%*	
Total Operating	*100.0%*	*100.0%*		

[1]Actual Medical Expenses include the Board-approved Provider Rate increases

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CalOptima Health - Consolidated
Full Time Equivalent (FTE) Data
For the One Month Ending July 31, 2026

Total FTE's MTD			
	Actual	Budget	Fav/Unfav
Medi-Cal	1,318	1,411	93
OneCare	169	183	14
PACE	113	121	8
CCA	15	25	10
MSSP	21	24	3
Total	1,637	1,764	127

MM per FTE MTD			
	Actual	Budget	Fav/Unfav
Medi-Cal	593	540	(53)
OneCare	112	106	(6)
PACE	5	5	0
CCA	0	0	0
MSSP	27	24	(3)
Consolidated	490	444	(46)

Open FTE			
	Total	Medical	Admin
Medi-Cal	81	33	48
OneCare	10	4	6
PACE	7	6	1
CCA	25	8	17
MSSP	1	1	0
Total	124	52	72

CalOptima Health - Consolidated - Month to Date
Statement of Revenues and Expenses
For the One Month Ending July 31, 2026

MEMBER MONTHS		801,483		781,952		19,531
	Actual		**Budget**		**Variance**	
REVENUE	**$**	**PMPM**	**$**	**PMPM**	**$**	**PMPM**
Medi-Cal	$340,143,267	$435.00	$331,084,448	$434.49	$9,058,819	$0.51
OneCare	37,475,661	1,976.25	38,699,932	1,997.02	(1,224,271)	(20.77)
PACE	5,255,390	9,171.71	5,258,904	9,193.89	(3,514)	(22.18)
MSSP	234,272	413.91	257,534	446.33	(23,262)	(32.42)
Total Operating Revenue	383,108,590	478.00	375,300,818	479.95	7,807,772	(1.95)
MEDICAL EXPENSES						
Medi-Cal	319,576,380	408.69	321,306,867	421.66	1,730,486	12.97
OneCare	36,452,750	1,922.31	36,821,750	1,900.10	368,999	(22.21)
PACE	4,070,380	7,103.63	4,851,251	8,481.21	780,871	1,377.58
MSSP	204,092	360.59	257,159	445.68	53,067	85.09
Covered CA			168,365		168,365	
Total Medical Expenses	360,303,603	449.55	363,405,391	464.74	3,101,788	15.19
GROSS MARGIN	22,804,988	28.45	11,895,427	15.21	10,909,561	13.24
ADMINISTRATIVE EXPENSES						
Salaries and Benefits	14,151,201	18.10	14,599,064	18.67	447,863	0.57
Professional Fees	1,271,837	1.63	2,016,465	2.58	744,628	0.95
Purchased Services	2,366,598	3.03	2,466,734	3.15	100,136	0.12
Printing & Postage	177,805	0.23	513,323	0.66	335,518	0.43
Depreciation & Amortization	1,404,141	1.80	1,117,682	1.43	(286,459)	(0.37)
Other Expenses	2,934,970	3.75	4,632,765	5.92	1,697,795	2.17
Indirect Cost Allocation, Occupancy	501,500	0.64	572,841	0.73	71,341	0.09
Total Administrative Expenses	22,808,051	28.46	25,918,873	33.15	3,110,822	4.69
NET INCOME (LOSS) FROM OPERATIONS	(3,064)	-	(14,023,446)	(17.93)	14,020,382	17.93
INVESTMENT INCOME						
Interest Income	13,809,547	17.23	8,582,330	10.98	5,227,217	6.25
Realized Gain/(Loss) on Investments	(1,022,349)	(1.28)	-	-	(1,022,349)	(1.28)
Unrealized Gain/(Loss) on Investments	(4,046,869)	(5.05)	-	-	(4,046,869)	(5.05)
Investment Fees	(191,857)	(0.24)	(249,000)	(0.32)	57,143	0.08
Total Investment Income	8,548,471	10.67	8,333,330	10.66	215,141	0.01
NET BUILDING INCOME/EXPENSE	(174,685)	(0.22)	(172,007)	(0.21)	(2,678)	(0.01)
NET MCO TAX	(802,619)	(1.00)	-	-	(802,619)	(1.00)
GRANT EXPENSE	(739,907)	(0.92)	-	-	(739,907)	(0.92)
COMMUNITY REINVESTMENT	219,351	0.27	-	-	219,351	0.27
OTHER INCOME/EXPENSE	1,714	-	-	-	1,714	-
CHANGE IN NET ASSETS	**7,049,263**	**8.80**	(5,862,123)	(7.50)	**12,911,386**	**16.30**
MEDICAL LOSS RATIO	**94.0%**		**96.8%**		(2.8%)	
ADMINISTRATIVE LOSS RATIO	**6.0%**		**6.9%**		**1.0%**	

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CalOptima Health - Consolidated - Month to Date
Statement of Revenues and Expenses by LOB
For the One Month Ending July 31, 2026

	Medi-Cal	OneCare	PACE	MSSP	Covered CA	Consolidated
MEMBER MONTHS	781,947	18,963	573	566		801,483
REVENUES						
Capitation Revenue	$ 340,143,267	$ 37,475,661	$ 5,255,390	$ 234,272	$ -	$ 383,108,590
Total Operating Revenue	**340,143,267**	**37,475,661**	**5,255,390**	**234,272**	**-**	**383,108,590**
MEDICAL EXPENSES						
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Facility and Professional Claims	139,563,813	9,568,455	1,927,948			151,060,216
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Case Mgmt & Other Medical	18,973,010	2,560,873	1,515,669	184,756		23,234,308
Total Medical Expenses	**319,576,380**	**36,452,750**	**4,070,380**	**204,092**	**-**	**360,303,603**
Medical Loss Ratio	*94.0%*	*97.3%*	*77.5%*	*87.1%*	*0.0%*	*94.0%*
GROSS MARGIN	**20,566,886**	**1,022,911**	**1,185,010**	**30,180**	**-**	**22,804,988**
ADMINISTRATIVE EXPENSES						
Salaries & Benefits	12,390,483	1,144,103	225,151	116,481	274,984	14,151,201
Non-Salary Operating Expenses	3,066,964	438,119	30,786	1,530	278,841	3,816,240
Depreciation & Amortization	1,403,013		1,128			1,404,141
Other Operating Expenses	2,880,991	37,934	7,920	6,783	1,341	2,934,970
Indirect Cost Allocation, Occupancy	(697,296)	1,173,670	17,296	7,830		501,500
Total Administrative Expenses	**19,044,154**	**2,793,826**	**282,281**	**132,624**	**555,167**	**22,808,051**
Administrative Loss Ratio	*5.6%*	*7.5%*	*5.4%*	*56.6%*	*0.0%*	*6.0%*
Operating Income/(Loss)	**1,522,732**	(1,770,915)	**902,729**	(102,443)	(555,167)	(3,064)
Investments and Other Non-Operating	(606,715)					7,052,327
CHANGE IN NET ASSETS	**$ 916,017**	$ (1,770,915)	**$ 902,729**	$ (102,443)	$ (555,167)	**$ 7,049,263**
BUDGETED CHANGE IN NET ASSETS	(11,200,011)	(1,430,025)	49,452	(137,560)	(1,305,301)	(5,862,123)
Variance to Budget - Fav/(Unfav)	$ 12,116,028	$ (340,889)	$ 853,278	$ 35,117	$ 750,135	$ 12,911,386

CalOptima Health

Highlights – Consolidated, for the One Month Ending July 31, 2026

MONTH TO DATE RESULTS:

- Change in Net Assets is $7.0 million, favorable to budget $12.9 million
- Operating deficit is $3,064, with a surplus in non-operating income of $7.1 million

Change in Net Assets by Line of Business (LOB) ($ millions):

July 2026			
Operating Income (Loss)	**Actual**	**Budget**	**Variance**
Medi-Cal	1.5	(11.2)	12.7
OneCare	(1.8)	(1.4)	(0.3)
PACE	0.9	0.0	0.9
MSSP	(0.1)	(0.1)	0.0
Covered CA	(0.6)	(1.3)	0.8
Total Operating Income (Loss)	**(0.0)**	**(14.0)**	**14.1**
Non-Operating Income (Loss)			
Net Investment Income/Expense	8.5	8.3	0.2
Other Income/Expense	(1.5)	(0.2)	(1.3)
Total Non-Operating Income/(Loss)	**7.1**	**8.2**	**(1.1)**
TOTAL	**7.0**	**(5.9)**	**12.9**

CalOptima Health - Consolidated
Enrollment Summary
For the One Month Ending July 31, 2026

	July 2026			
Enrollment (by Aid Category)	**Actual**	**Budget**	**$ Variance**	**%Variance**
Adult	106,020	103,030	2,990	2.9%
Child	232,888	229,678	3,210	1.4%
Expansion	283,253	273,664	9,589	3.5%
LTC	3,004	3,176	(172)	(5.4%)
SPD	148,169	143,874	4,295	3.0%
Whole Child Model	8,613	8,580	33	0.4%
Medi-Cal Total	**781,947**	**762,001**	**19,946**	**2.6%**
OneCare	**18,963**	**19,379**	(416)	(2.1%)
PACE	**573**	**572**	**1**	**0.2%**
MSSP	**566**	**577**	(11)	(1.9%)
CalOptima Health Total	**801,483**	**781,952**	**19,531**	**2.5%**
Enrollment (by Network)				
HMO	299,517	289,347	10,170	3.5%
PHC	150,232	145,413	4,819	3.3%
Shared Risk Group	72,623	65,155	7,468	11.5%
Fee for Service	259,575	262,085	(2,510)	(1.0%)
Medi-Cal Total	**781,947**	**762,001**	**19,946**	**2.6%**
OneCare	**18,963**	**19,379**	(416)	(2.1%)
PACE	**573**	**572**	**1**	**0.2%**
MSSP	**566**	**577**	(11)	(1.9%)
CalOptima Health Total	**801,483**	**781,952**	**19,531**	**2.5%**

Note:* Total membership does not include MSSP

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CalOptima Health
Enrollment Trend by Network
Fiscal Year 2027

	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Apr-27	May-27	Jun-27	YTD Actual	YTD Budget	Variance
HMOs															
Adult	56,598												56,598	55,030	1,568
Child	66,323												66,323	65,753	570
Expansion	156,202												156,202	148,375	7,827
SPD	19,058												19,058	18,851	207
Whole Child Model	1,336												1,336	1,338	(2)
Total	299,517												299,517	289,347	**10,170**
PHCs															
Adult	2,971												2,971	2,811	160
Child	118,528												118,528	116,043	2,485
Expansion	18,332												18,332	16,383	1,949
LTC	1												1		1
SPD	4,462												4,462	4,237	225
Whole Child Model	5,938												5,938	5,940	(2)
Total	150,232												150,232	145,413	**4,819**
Shared Risk Groups															
Adult	12,566												12,566	12,403	163
Child	20,692												20,692	20,093	599
Expansion	35,090												35,090	28,329	6,761
LTC	4												4		4
SPD	3,955												3,955	3,938	17
Whole Child Model	316												316	392	(76)
Total	72,623												72,623	65,155	7,468
Fee for Service (Dual)															
Adult	737												737	545	192
Expansion	2,524												2,524	3,106	(582)
LTC	2,679												2,679	2,803	(124)
SPD	107,375												107,375	103,454	3,921
Whole Child Model	10												10	11	(1)
Total	113,325												113,325	109,918	3,407
Fee for Service (Non-Dual - Total)															
Adult	33,148												33,148	32,240	908
Child	27,345												27,345	27,789	(444)
Expansion	71,105												71,105	77,472	(6,367)
LTC	320												320	373	(53)
SPD	13,319												13,319	13,394	(75)
Whole Child Model	1,013												1,013	899	114
Total	146,250												146,250	152,168	(5,918)
Grand Totals															
Total MediCal MM	**781,947**												**781,947**	**762,001**	**19,946**
OneCare	**18,963**												**18,963**	**19,379**	(416)
PACE	**573**												**573**	**572**	**1**
MSSP	**566**												**566**	**577**	(11)
Grand Total	**801,483**												**801,483**	**781,952**	**19,531**

Note:* Total membership does not include MSSP

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ENROLLMENT– JULY MONTH:

Overall, July enrollment was 801,483

- Favorable to budget 19,531 or 2.5%
- Decreased 5,488 or 0.7% from Prior Month (PM) (June 2026)
- Decreased 102,795 or 11.4% from Prior Year (PY) (July 2025)

Medi-Cal enrollment was 781,947

- Favorable to budget 19,946 or 2.6% due to lower-than-expected disenrollment driven by federal and state policy changes and eligibility redetermination
- Medi-Cal Expansion (MCE) enrollment favorable to budget 9,589
- Seniors and Persons with Disabilities (SPD) enrollment favorable to budget 4,295
- Child (CHD) enrollment favorable to budget 3,210
- Adult (FAM) enrollment favorable to budget 2,990
- Whole Child Model (WCM) enrollment favorable to budget 33
- Long-Term Care (LTC) enrollment unfavorable to budget 172
- Decreased 5,489 or 0.7% from PM

OneCare enrollment was 18,963

- Unfavorable to budget 416 or 2.1%
- Increased 5 or 0.0% from PM

PACE enrollment was 573

- Favorable to budget 1 or 0.2%
- Decreased 4 or 0.7% from PM

MSSP enrollment was 566

- Unfavorable to budget 11 or 1.9%
- Decreased 5 or 0.9% from PM

CalOptima Health
Medi-Cal
Statement of Revenues and Expenses
For the One Month Ending July 31, 2026

	July 2026			
	Actual	Budget	$ Variance	% Variance
Member Months	**781,947**	**762,001**	**19,946**	**2.6%**
Revenues				
Capitation Revenue	340,143,267	331,084,448	9,058,819	2.7%
Total Operating Revenue	**340,143,267**	**331,084,448**	**9,058,819**	**2.7%**
Medical Expenses				
Provider Capitation	110,787,432	108,607,804	(2,179,628)	(2.0%)
Facilities Claims	63,273,757	70,565,324	7,291,567	10.3%
Professional Claims	76,290,056	71,239,973	(5,050,083)	(7.1%)
MLTSS	50,252,124	48,666,893	(1,585,232)	(3.3%)
Incentive Payments	6,861,990	8,038,212	1,176,222	14.6%
Medical Management	8,635,908	11,089,909	2,454,001	22.1%
Other Medical Expenses	3,475,113	3,098,752	(376,361)	(12.1%)
Total Medical Expenses	**319,576,380**	**321,306,867**	**1,730,486**	**0.5%**
Gross Margin	**20,566,886**	**9,777,581**	**10,789,305**	**110.3%**
Administrative Expenses				
Salaries, Wages & Employee Benefits	12,390,483	12,322,007	(68,476)	(0.6%)
Professional Fees	1,067,389	1,653,427	586,037	35.4%
Purchased Services	1,903,860	1,676,075	(227,786)	(13.6%)
Printing & Postage	95,714	324,409	228,695	70.5%
Depreciation & Amortization	1,403,013	1,116,060	(286,953)	(25.7%)
Other Operating Expenses	2,880,991	4,543,282	1,662,290	36.6%
Indirect Cost Allocation, Occupancy	(697,296)	(657,667)	39,629	6.0%
Total Administrative Expenses	**19,044,154**	**20,977,592**	**1,933,438**	**9.2%**
Income (Loss) From Operations	**1,522,732**	(11,200,011)	**12,722,743**	**113.6%**
Non-Operating Income (Loss)				
Community Reinvestment	219,351	-	219,351	0.0%
Grant Expense	(25,162)	-	(25,162)	0.0%
Total Operating Tax	(802,619)	-	(802,619)	0.0%
Other Income /Expense	1,714	-	1,714	0.0%
Total Non-Operating Income/(Loss)	(606,715)	**-**	(606,715)	(100.0%)
Change in Net Assets	**916,017**	(11,200,011)	**12,116,028**	**108.2%**
Medical Loss Ratio	***94.0%***	***97.0%***	(3.1%)	
Admin Loss Ratio	***5.6%***	***6.3%***	***0.7%***	

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MEDI-CAL INCOME STATEMENT– JULY MONTH:

REVENUES are $340.1 million, favorable to budget $9.1 million:

- Favorable volume-related variance of $8.7 million
- Favorable price-related variance of $0.4 million

MEDICAL EXPENSES are $319.6 million, favorable to budget $1.7 million:

- Unfavorable volume-related variance of $8.4 million
- Favorable price-related variance of $10.1 million
  - Facilities Claims expense favorable variance of $9.1 million due primarily to decrease in outpatient claims
  - Medical Management expense favorable variance of $2.7 million
  - Incentive Payments expense favorable variance of $1.4 million
  - Provider Capitation expense favorable variance of $0.7 million
  - Offset by:
    - Professional Claims expense unfavorable variance of $3.2 million
    - Managed Long-Term Services and Supports (MLTSS) expense unfavorable variance of $0.3 million
    - Other Medical Expenses unfavorable variance of $0.3 million

ADMINISTRATIVE EXPENSES are $19.0 million, favorable to budget $1.9 million:

- Non-Salary expense favorable to budget $2.0 million
- Salaries, Wages & Employee Benefits expense unfavorable to budget $0.1 million

NON-OPERATING INCOME/(LOSS) is ($0.6) million, unfavorable to budget $0.6 million

CHANGE IN NET ASSETS is $0.9 million, favorable to budget $12.1 million

CalOptima Health
OneCare
Statement of Revenues and Expenses
For the One Month Ending July 31, 2026

	July 2026			
	Actual	Budget	$ Variance	% Variance
Member Months	**18,963**	**19,379**	(416)	(2.1%)
Revenues				
Medicare Part C	26,467,114	27,318,654	(851,540)	(3.1%)
Medicare Part D	11,008,548	11,381,278	(372,731)	(3.3%)
Total Operating Revenue	**37,475,661**	**38,699,932**	(1,224,271)	(3.2%)
Medical Expenses				
Provider Capitation	13,807,844	14,919,069	1,111,226	7.4%
Facilities Claims	6,723,345	5,997,250	(726,095)	(12.1%)
Professional Claims	2,845,109	2,541,480	(303,629)	(11.9%)
Prescription Drugs	10,515,579	10,996,821	481,243	4.4%
Incentive Payments	527,198	465,377	(61,821)	(13.3%)
Medical Management	1,061,534	1,377,360	315,826	22.9%
Other Medical Expenses	972,141	524,391	(447,750)	(85.4%)
Total Medical Expenses	**36,452,750**	**36,821,750**	**368,999**	**1.0%**
Gross Margin	**1,022,911**	**1,878,183**	(855,272)	(45.5%)
Administrative Expenses				
Salaries, Wages & Employee Benefits	1,144,103	1,298,071	153,968	11.9%
Professional Fees	(7,754)	128,800	136,554	106.0%
Purchased Services	363,625	473,247	109,622	23.2%
Printing & Postage	82,248	137,106	54,858	40.0%
Other Operating Expenses	37,934	66,401	28,467	42.9%
Indirect Cost Allocation, Occupancy	1,173,670	1,204,583	30,913	2.6%
Total Administrative Expenses	**2,793,826**	**3,308,208**	**514,382**	**15.5%**
Change in Net Assets	(1,770,915)	(1,430,025)	(340,889)	(23.8%)
Medical Loss Ratio	***97.3%***	***95.1%***	***2.1%***	
Admin Loss Ratio	***7.5%***	***8.5%***	***1.1%***	

ONECARE INCOME STATEMENT – JULY MONTH:

REVENUES are $37.5 million, unfavorable to budget $1.2 million:

- Unfavorable volume-related variance of $0.8 million
- Unfavorable price-related variance of $0.4 million

MEDICAL EXPENSES are $36.5 million, favorable to budget $0.4 million:

- Favorable volume-related variance of $0.8 million
- Unfavorable price-related variance of $0.4 million
  - Facilities Claims expense unfavorable variance of $0.9 million
  - Other Medical expense unfavorable variance of $0.5 million
  - Professional Claims expense unfavorable variance of $0.4 million
  - Incentive Payments expense unfavorable variance of $0.1 million
  - Offset by:
    - Provider Capitation expense favorable variance of $0.8 million
    - Medical Management expense favorable variance of $0.3 million
    - Prescription Drugs expense favorable variance of $0.2 million

ADMINISTRATIVE EXPENSES are $2.8 million, favorable to budget $0.5 million

- Non-Salary expense favorable to budget $0.4 million
- Salaries, Wages & Employee Benefits expense favorable to budget $0.2 million

CHANGE IN NET ASSETS is ($1.8) million, unfavorable to budget $0.3 million

CalOptima Health
PACE
Statement of Revenues and Expenses
For the One Month Ending July 31, 2026

	July 2026			
	Actual	**Budget**	**$ Variance**	**% Variance**
Member Months	**573**	**572**	1	0.2%
Revenues				
Medi-Cal Capitation Revenue	3,975,864	3,936,805	39,059	1.0%
Medicare Part C Revenue	920,938	928,778	(7,841)	(0.8%)
Medicare Part D Revenue	358,588	393,321	(34,733)	(8.8%)
Total Operating Revenue	**5,255,390**	**5,258,904**	(3,514)	(0.1%)
Medical Expenses				
Medical Management	1,515,669	1,812,250	296,582	16.4%
Facilities Claims	859,811	1,081,103	221,292	20.5%
Professional Claims	708,609	901,269	192,660	21.4%
Prescription Drugs	561,912	632,480	70,568	11.2%
MLTSS	64,852	104,432	39,581	37.9%
Patient Transportation	359,528	316,341	(43,187)	(13.7%)
Other Medical Expenses	-	3,375	3,375	100.0%
Total Medical Expenses	**4,070,380**	**4,851,251**	**780,871**	**16.1%**
Gross Margin	**1,185,010**	**407,654**	**777,356**	**190.7%**
Administrative Expenses				
Salaries, Wages & Employee Benefits	225,151	217,266	(7,885)	(3.6%)
Professional Fees	12	10,433	10,421	99.9%
Purchased Services	30,930	76,551	45,621	59.6%
Printing & Postage	(157)	21,801	21,958	100.7%
Depreciation & Amortization	1,128	1,622	494	30.5%
Other Operating Expenses	7,920	12,437	4,517	36.3%
Indirect Cost Allocation, Occupancy	17,296	18,092	796	4.4%
Total Administrative Expenses	**282,281**	**358,202**	**75,921**	**21.2%**
Change in Net Assets	**902,729**	**49,452**	**853,278**	**1725.5%**
Medical Loss Ratio	***77.5%***	***92.2%***	(14.8%)	
Admin Loss Ratio	***5.4%***	***6.8%***	***1.4%***	

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CalOptima Health
MSSP
Statement of Revenues and Expenses
For the One Month Ending July 31, 2026

	July 2026			
	Actual	Budget	$ Variance	% Variance
Member Months	**566**	**577**	(11)	(1.9%)
Revenues				
Medi-Cal Capitation Revenue	234,272	257,534	(23,262)	(9.0%)
Total Operating Revenue	**234,272**	**257,534**	(23,262)	(9.0%)
Medical Expenses				
Medical Management	184,756	223,040	38,284	17.2%
Waiver Services	19,336	34,119	14,783	43.3%
Total Program Expenses	**204,092**	**257,159**	**53,067**	**20.6%**
Gross Margin	**30,180**	**375**	**29,805**	**7948.1%**
Administrative Expenses				
Salaries, Wages & Employee Benefits	116,481	122,228	5,747	4.7%
Professional Fees	1,530	1,583	53	3.4%
Other Operating Expenses	6,783	6,291	(492)	(7.8%)
Indirect Cost Allocation, Occupancy	7,830	7,833	3	0.0%
Total Administrative Expenses	**132,624**	**137,935**	**5,311**	**3.9%**
Change in Net Assets	(102,443)	(137,560)	**35,117**	**25.5%**
Medical Loss Ratio	***87.1%***	***99.9%***	(12.7%)	
Admin Loss Ratio	***56.6%***	***53.6%***	(3.1%)	

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CalOptima Health
Covered California
Statement of Revenues and Expenses
For the One Month Ending July 31, 2026

	July 2026			
	Actual	**Budget**	**$ Variance**	**% Variance**
Member Months	**-**	**-**	**-**	**0.0%**
Revenues				
Commercial Revenue	-	-	-	0.0%
Total Operating Revenue	**-**	**-**	**-**	**0.0%**
Medical Expenses				
Medical Management	-	168,365	168,365	100.0%
Total Medical Expenses	**-**	**168,365**	**168,365**	**100.0%**
Gross Margin	**-**	(168,365)	**168,365**	(100.0%)
Administrative Expenses				
Salaries, Wages & Employee Benefits	274,984	639,492	364,508	57.0%
Professional Fees	210,659	222,222	11,563	5.2%
Purchased Services	68,182	240,861	172,679	71.7%
Printing & Postage	-	30,007	30,007	100.0%
Depreciation & Amortization	-	-	-	0.0%
Other Operating Expenses	1,341	4,354	3,013	69.2%
Indirect Cost Allocation, Occupancy	-	-	-	0.0%
Total Administrative Expenses	**555,167**	**1,136,936**	**581,769**	**51.2%**
Income (Loss) From Operations	(555,167)	(1,305,301)	**750,135**	**57.5%**
Change in Net Assets	(555,167)	(1,305,301)	**750,135**	**57.5%**
Medical Loss Ratio	***0.0%***	***0.0%***	***0.0%***	
Admin Loss Ratio	***0.0%***	***0.0%***	***0.0%***	

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CalOptima Health
Building 505 - City Parkway
Statement of Revenues and Expenses
For the One Month Ending July 31, 2026

	July 2026			
	Actual	Budget	$ Variance	% Variance
Administrative Expenses				
Purchased Services	94,030	29,814	(64,216)	(215.4%)
Depreciation & Amortization	194,267	208,333	14,066	6.8%
Insurance Expense	21,938	23,583	1,645	7.0%
Repair & Maintenance	181,699	305,563	123,864	40.5%
Other Operating Expenses	89,650	61,231	(28,419)	(46.4%)
Indirect Cost Allocation, Occupancy	(581,583)	(628,525)	(46,942)	(7.5%)
Total Administrative Expenses	-	-	-	**100.0%**
Change in Net Assets	-	-	-	(100.0%)

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CalOptima Health
Building 500 - City Parkway
Statement of Revenues and Expenses
For the One Month Ending July 31, 2026

	July 2026			
	Actual	Budget	$ Variance	% Variance
Revenues				
Building Income	147,773	130,249	17,524	13.5%
Total Operating Revenue	**147,773**	**130,249**	**17,524**	**13.5%**
Administrative Expenses				
Purchased Services	69,471	13,350	(56,121)	(420.4%)
Depreciation & Amortization	90,286	116,667	26,381	22.6%
Insurance Expense	7,807	8,417	610	7.2%
Repair & Maintenance	82,376	174,314	91,938	52.7%
Other Operating Expenses	45,364	32,319	(13,045)	(40.4%)
Indirect Cost Allocation, Occupancy	(31,273)	(127,856)	(96,583)	(75.5%)
Total Administrative Expenses	**264,031**	**217,211**	(46,820)	(21.6%)
Change in Net Assets	(116,258)	(86,962)	(29,296)	(33.7%)

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CalOptima Health
Building 7900 Garden Grove Blvd
Statement of Revenues and Expenses
For the One Month Ending July 31, 2026

	July 2026			
	Actual	Budget	$ Variance	% Variance
Administrative Expenses				
Purchased Services	36,260	3,333	(32,927)	(987.9%)
Depreciation & Amortization	9,397	16,667	7,270	43.6%
Insurance Expense	4,984	4,724	(260)	(5.5%)
Repair & Maintenance	6,059	47,868	41,809	87.3%
Other Operating Expenses	1,727	12,454	10,727	86.1%
Total Administrative Expenses	**58,426**	**85,046**	**26,620**	**31.3%**
Change in Net Assets	(58,426)	(85,046)	**26,620**	**31.3%**

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OTHER PROGRAM INCOME STATEMENTS – JULY MONTH:

PACE

- **CHANGE IN NET ASSETS** is $0.9 million, favorable to budget $0.9 million

MSSP

- **CHANGE IN NET ASSETS** is ($102,443), favorable to budget $35,117

Covered CA

- **CHANGE IN NET ASSETS** is ($0.6) million, favorable to budget $0.8 million

NON-OPERATING INCOME STATEMENTS – JULY MONTH:

BUILDING 500 City Parkway

- **CHANGE IN NET ASSETS** is ($116,258), unfavorable to budget $29,296

BUILDING 7900 Garden Grove Blvd

- **CHANGE IN NET ASSETS** is ($58,426), favorable to budget $26,620

INVESTMENT INCOME

- Net Investment Income of $8.5 million due to $13.6 million in net interest income, offset by $5.1 million in realized and unrealized loss on investments

CalOptima Health
Balance Sheet
July 31, 2026

			July-26	June-26	$ Change	% Change
ASSETS						
	Current Assets					
		Operating Cash	307,617,458	365,036,442	(57,418,984)	(15.7%)
		Short-term Investments	1,766,257,739	1,860,077,841	(93,820,102)	(5.0%)
		Receivables - Other	19,467,547	17,142,315	2,325,233	13.6%
		Prepaid Expenses	20,717,916	15,017,558	5,700,358	38.0%
		Capitation Receivables	604,121,761	612,910,006	(8,788,244)	(1.4%)
		Total Current Assets	**2,718,182,421**	**2,870,184,162**	(152,001,741)	(5.3%)
		Total Capital Assets, Net	**113,878,987**	**110,270,395**	**3,608,592**	**3.3%**
	Other Assets					
		Restricted Deposit & Other	4,369,081	4,369,081	-	0.0%
		Total Other Assets	**4,369,081**	**4,369,081**	**-**	**0.0%**
	Board Designated Assets					
		Board Designated Reserves	1,639,075,098	1,636,982,171	2,092,927	0.1%
		Statutory Designated Reserves	141,467,152	141,572,745	(105,593)	(0.1%)
		Total Designated Assets	**1,780,542,251**	**1,778,554,917**	**1,987,334**	**0.1%**
TOTAL ASSETS			**4,616,972,740**	**4,763,378,554**	(146,405,815)	(3.1%)
	Deferred Outflows	GASB 68 - PERS - Contributions	1,886,033	1,886,033	-	0.0%
		GASB 68 - PERS - Difference in Experience	24,960,547	24,960,547	-	0.0%
		GASB 68 - PERS - Changes in Assumptions	3,079,433	3,079,433	-	0.0%
		GASB 68 - PERS - Difference in Earnings		-	-	0.0%
		GASB 75 - OPEB - Contributions	721,000	721,000	-	0.0%
		GASB 75 - OPEB - Changes in Assumptions	276,000	276,000	-	0.0%
		GASB 53 - INVT - Changes in Fair Value		-	-	0.0%
		Advance Discretionary Payment			-	0.0%
TOTAL ASSETS & DEFERRED OUTFLOWS			**4,647,895,753**	**4,794,301,567**	(146,405,815)	(3.1%)
LIABILITIES						
	Current Liabilities	Accounts Payable	103,412,813	225,666,774	(122,253,961)	(54.2%)
		Accrued Payroll Liabilities	26,840,572	33,159,177	(6,318,605)	(19.1%)
		Deferred Revenue	43,890,070	5,921,439	37,968,631	641.2%
		Due to State of California and CMS	756,102,881	805,084,626	(48,981,745)	(6.1%)
		Medical Claims Liabilities				
		Consolidated	500,546	84,132	416,414	495.0%
		Medi-Cal	317,107,620	337,530,839	(20,423,219)	(6.1%)
		MSSP	-	-	-	0.0%
		OneCare Connect	4,065,700	4,065,700	-	0.0%
		OneCare	17,806,387	16,840,249	966,138	5.7%
		PACE	3,612,443	3,958,556	(346,114)	(8.7%)
		Medical Claims Liabilities	343,092,696	362,479,476	(19,386,780)	(5.3%)
		Capitation and Withholds	127,705,858	125,273,074	2,432,785	1.9%
		Total Current Liabilities	**1,401,044,889**	**1,557,584,565**	(156,539,676)	(10.1%)
		GASB 96 Subscription Liabilities	25,241,157	21,952,296	3,288,861	15.0%
		Capital Lease Payable	192,481	196,705	(4,224)	(2.1%)
		Community Reinvestment, Capital Lease Payable	66,721,987	66,941,338	(219,351)	(0.3%)
		Post Employment Health Benefits Liability	15,791,312	15,772,000	19,312	0.1%
		Net Pension Liabilities	-	-	-	0.0%
TOTAL LIABILITIES			**1,508,991,826**	**1,662,446,903**	(153,455,078)	(9.2%)
	Deferred Inflows					
		GASB 68 - PERS - Difference in Experience	889,598	889,598	-	0.0%
		GASB 68 - PERS - Difference in Earnings	13,474,595	13,474,595	-	0.0%
		GASB 75 - OPEB - Changes in Assumptions	449,000	449,000	-	0.0%
		GASB 75 - OPEB - Difference in Experience	1,910,000	1,910,000	-	0.0%
		GASB 53 - INVT - Changes in Fair Value	-	-	-	0.0%
	Required TNE		134,233,293	134,332,567	(99,274)	(0.1%)
	Funds in excess of TNE		2,987,947,441	2,980,798,904	7,148,537	0.2%
	Net Assets		**3,122,180,734**	**3,115,131,471**	**7,049,263**	**0.2%**
TOTAL LIABILITIES & DEFERRED INFLOWS & NET POSITION			**4,647,895,753**	**4,794,301,567**	(146,405,815)	(3.1%)

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BALANCE SHEET – JULY MONTH:

ASSETS of $4.6 billion decreased $146.4 million from June or 3.1%

- Operating Cash and Short-term Investments decreased $151.2 million due primarily to the timing of Managed Care Organization (MCO) tax cash receipt and payment
- Total Capital Assets, Net increased $3.6 million
- Total Designated Assets increased $2.0 million

LIABILITIES of $1.5 billion decreased $153.5 million from June or 9.2%

- Accounts Payable decreased $122.3 million due to the Calendar Year (CY) 2026 MCO tax accrual
- Amounts due to the State of California and the Centers for Medicare & Medicaid Services (CMS) decreased $49.0 million due to payment to the State for the CY 2024 Unsatisfactory Immigration Status (UIS) risk corridor
- Total Claims Liabilities decreased $19.4 million due to variability in claims experience
- Deferred Revenue increased $38.0 million due to the receipt of the August CMS capitation for OneCare

NET ASSETS of $3.1 billion, increased $7.0 million from June or 0.2%

CalOptima Health
Board Designated Reserve and TNE Analysis
as of July 31, 2026

Board Designated Reserves

Investment Account Name	Market Value	CalOptima Policy Compliance Level		Variance	
		Low	High	Mkt - Low	Mkt - High
Payden & Rygel Tier One	818,695,221				
MetLife Tier One	820,379,877				
Board Designated Reserves	1,639,075,098	1,082,765,463	1,732,424,741	556,309,635	(93,349,643)
Current Reserve Level (X months of average monthly revenue) [1]	*3.78*	*2.50*	*4.00*		

Statutory Designated Reserves

Investment Account Name	Market Value	CalOptima Policy Compliance Level		Variance	
		Low	High	Mkt - Low	Mkt - High
Payden & Rygel Tier Two	70,797,857				
MetLife Tier Two	70,669,295				
Statutory Designated Reserves	141,467,152	134,233,293	147,656,622	7,233,860	(6,189,470)
Current Reserve Level (X min. TNE) [1]	*1.05*	*1.00*	*1.10*		

[1] *See CalOptima Health Policy GA.3001: Statutory and Board-Designated Reserve Funds for more information.*

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CalOptima Health
Statement of Cash Flow
July 31, 2026

	July 2026
CASH FLOWS FROM OPERATING ACTIVITIES:	
Change in net assets	7,049,263
Adjustments to reconcile change in net assets	
to net cash provided by operating activities	
Depreciation & Amortization	1,698,091
Changes in assets and liabilities:	
Prepaid expenses and other	(5,700,358)
Capitation receivable	6,463,012
Medical claims liability	(19,386,780)
Deferred revenue	37,968,631
Payable to health networks	2,432,785
Accounts payable	(122,253,961)
Accrued payroll	(6,299,293)
Other accrued liabilities	(45,916,459)
Net cash provided by/(used in) operating activities	(143,945,069)
GASB53, GASB 68, GASB 75 and Advance Discretionary Payment Adjustments	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Net Asset transfer from Foundation	-
Net cash provided by (used in) in capital and related financing activities	-
CASH FLOWS FROM INVESTING ACTIVITIES:	
Change in Investments	93,820,102
Change in Property and Equipment	(5,306,684)
Change in Restricted Deposit & Other	-
Change in Board Designated Reserve	-
Change in Homeless Health Reserve	(1,987,334)
Net cash provided by/(used in) investing activities	86,526,085
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(57,418,984)
CASH AND CASH EQUIVALENTS, beginning of period	365,036,442
CASH AND CASH EQUIVALENTS, end of period	**307,617,458**

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CalOptima Health
Spending Plan
For the One Month Ending July 31, 2026

Item Description	Amount (millions)	Approved Initiative	Expense to Date	%
Total Net Position @7/31/2026	**$3,122.2**			**100.0%**
Resources Assigned				
Board Designated Reserve[1]	**$1,639.1**			**52.5%**
Statutory Designated Reserve[1]	**$141.5**			**4.5%**
Capital Assets, net of Depreciation	**$113.9**			**3.6%**
Resources Allocated				
Homeless Health Initiative[2]	14.1	63.3	49.2	0.5%
Housing and Homelessness Incentive Program[2]	25.2	87.4	62.2	0.8%
Intergovernmental Transfers (IGT)	34.6	52.1	17.5	1.1%
Digital Transformation and Workplace Modernization[3]	20.3	100.0	79.7	0.6%
CalFresh and Redetermination Outreach Strategy	1.6	6.0	4.4	0.1%
Coalition of Orange County Community Health Centers Grant	10.7	50.0	39.3	0.3%
General Awareness Campaign	0.0	4.7	4.7	0.0%
Member Health Needs Assessment	0.3	1.3	1.0	0.0%
Five-Year Hospital Quality Program Beginning MY 2023	103.3	153.5	50.2	3.3%
Skilled Nursing Facility Access Program	10.0	10.0	-	0.3%
National Alliance for Mental Illness Orange County Peer Support Program Grant	2.0	5.0	3.0	0.1%
Stipend Program for Master of Social Work Students Grant	-	5.0	5.0	0.0%
Wellness & Prevention Program Grant	1.0	2.7	1.7	0.0%
CalOptima Health Provider Workforce Development Fund Grant	38.8	50.0	11.2	1.2%
Garden Grove Bldg. Improvement	16.0	17.5	1.5	0.5%
Dyadic Services Program Academy	0.2	1.9	1.7	0.0%
Medi-Cal Provider Rate Increases (07/2024 - 12/2026)	87.7	526.2	438.5	2.8%
Medi-Cal Provider Rate Increases (07/2026 - 12/2028)	415.3	429.6	14.3	13.3%
Homeless Prevention and Stabilization Pilot Program	0.2	0.3	0.1	0.0%
OneCare Member Engagement and Education	0.0	0.3	0.2	0.0%
Medi-Cal Eligibility Outreach Strategy	19.8	21.8	2.0	0.6%
Supplemental food support for Medi-Cal members	3.8	8.0	4.2	0.1%
Orange County Community Health Assessment and Improvement Plan	0.5	1.0	0.5	0.0%
PACE Facility - Irvine	29.1	29.5	0.4	0.9%
Subtotal	**834.4**	**1,627.0**	**792.6**	**26.7%**
Resources Available for New Initiatives				
Unallocated/Unassigned[1]	**$393.4**			**12.6%**

[1] Total Designated Reserves and unallocated reserve amount can support approximately 192 days of CalOptima Health's current operations.

[2] See HHI and HHIP summaries and Allocated Funds for list of Board Approved Initiatives. Amount reported includes only portion funded by reserves.

[3] On June 6, 2024, the Board of Directors approved an update to the Digital Transformation Strategy which will impact these figures beginning July 2024.

CalOptima Health
Key Financial Indicators
As of July 31, 2026

	Item Name	July 2026				
		Actual	Budget	Variance	%	
Income Statement	*Member Months*	801,483	781,952	19,531	2.5%	
	Operating Revenue	383,108,590	375,300,818	7,807,772	2.1%	
	Medical Expenses	360,303,603	363,405,391	3,101,788	0.9%	
	General and Administrative Expense	22,808,051	25,918,873	3,110,822	12.0%	
	Non-Operating Income/(Loss)	7,052,327	8,161,323	(1,108,996)	(13.6%)	
	Summary of Income & Expenses	7,049,263	(5,862,123)	12,911,386	220.3%	
Ratios	**Medical Loss Ratio (MLR)**	**Actual**	**Budget**	**Variance**		
	Consolidated	94.0%	96.8%	(2.8%)		
	Administrative Loss Ratio (ALR)	**Actual**	**Budget**	**Variance**		
	Consolidated	6.0%	6.9%	1.0%		

Investment	**Investment Balance (excluding CCE)**	**Current Month**	**Prior Month**	**Change**	**%**
	@7/31/2026	3,511,712,027	3,606,320,271	(94,608,244)	(2.6%)
	Unallocated/Unassigned Reserve Balance	**Current Month @July 2026**	**Fiscal Year Ending June 2026**	**Change**	**%**
	Consolidated	393,357,885	357,469,971	35,887,914	10.0%
	*Days Cash On Hand**	192			

*Total Designated Reserves and unallocated reserve amount can support approximately 192 days of CalOptima Health's current operations.

KEY:
> 0%
> -20%, < 0%
< -20%

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CalOptima Health
Digital Transformation Strategy ($100 million total reserve)
Funding Balance Tracking Summary
For the One Month Ending July 31, 2026

	July 2026				All Time to Date			
	Actual Spend	Approved Budget	Variance $	Variance %	Actual Spend	Approved Budget	Variance $	Variance %
Capital Assets (Cost, Information Only):								
Total Capital Assets	**223,150**	**746,249**	**523,099**	**70.1%**	**17,967,278**	**18,631,784**	**664,506**	**3.6%**
Operating Expenses:								
Salaries, Wages & Benefits	-	-	-	0.0%	17,826,058	17,826,058	-	0.0%
Professional Fees	-	283,333	283,333	100.0%	10,404,073	10,687,406	283,333	2.7%
Purchased Services	-	-	-	0.0%	1,190,915	1,190,915	-	0.0%
GASB 96 Amortization Expenses	-	-	-	0.0%	2,563,169	2,563,169	-	0.0%
Other Expenses	-	166,667	166,667	100.0%	25,842,657	26,009,324	166,667	0.6%
Medical Management	-	-	-	0.0%	5,502,156	5,502,156	-	0.0%
Total Operating Expenses	**-**	**450,000**	**450,000**	**100.0%**	**63,329,028**	**63,779,028**	**450,000**	**0.7%**

Funding Balance Tracking: July 2025	**Approved Budget**	**Actual Spend**	**Variance**
Beginning Funding Balance	100,000,000	100,000,000	-
Less:			
Capital Assets[1]	28,715,951	17,967,278	10,748,673
FY2023 Operating Budget[2]	8,381,011	8,381,011	-
FY2024 Operating Budget	22,788,092	22,788,092	-
FY2025 Operating Budget	23,951,502	23,951,502	-
FY2026 Operating Budget	8,208,424	8,208,424	-
FY2027 Operating Budget	5,400,000	-	5,400,000
Ending Funding Balance	**2,555,020**	**18,703,693**	**16,148,673**
Add: Prior year unspent Operating Budget	**-**		
Total available Funding	**2,555,020**		

[1] Staff will continue to monitor the project status of DTS' Capital Assets
[2] Unspent budget from this period is added back to available DTS funding
[3] On June 6, 2024, the Board of Directors approved an update to the Digital Transformation Strategy which will impact these figures beginning July 2024

Note: Report includes applicable transactions for GASB 96, Subscriptions - Based Information Technology Arrangements.

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CalOptima Health
Summary of Homeless Health Initiatives (HHI) and Allocated Funds
As of July 31, 2026

Summary by Funding Source:	Total Funds	Allocated Amount	Utilized Amount	Remaining Approved Amount	Funds Available for New Initiatives
HHI - IGT'S	61,496,005	61,496,005	49,245,355	12,250,650	-
HHI - Existing Reserves	1,800,000	1,800,000	-	1,800,000	-
HHIP	40,100,000	40,100,000	-	40,100,000	-
Total	**103,396,005**	**103,396,005**	**49,245,355**	**54,150,650**	**-**

Funds Allocation, Approved Initiatives:	Allocated Amount	Utilized Amount	Remaining Approved Amount	Funding Source(s)
Enhanced Medi-Cal Services at the Be Well OC Regional Mental Health and Wellness Campus	11,400,000	11,400,000	-	IGT's
Recuperative Care	6,194,190	6,194,190	-	IGT's
Medical Respite	250,000	250,000	-	IGT's
Day Habilitation (County for HomeKey)[4]	-	-	-	IGT's
Clinical Field Team Start-up & Federally Qualified Health Center (FQHC)	1,600,000	1,600,000	-	IGT's
CalOptima Homeless Response Team	1,681,734	1,681,734	-	IGT's
Homeless Coordination at Hospitals	10,000,000	10,000,000	-	IGT's
CalOptima Health Days, Homeless Clinical Access Program (HCAP) and FQHC Administrative Support[5]	925,540	925,540	-	IGT's
FQHC (Community Health Center) Expansion	21,902	21,902	-	IGT's
HCAP and CalOptima Health Days	9,888,914	5,034,955	4,853,959	IGT's
Vaccination Intervention and Member Incentive Strategy[2]	54,649	54,649	-	IGT's
Street Medicine[3]	14,279,077	9,806,371	4,472,706	IGT's & Existing Reserves
Outreach and Engagement	7,000,000	2,276,015	4,723,985	IGT's
Housing and Homelessness Incentive Program (HHIP)[1]	40,100,000	-	40,100,000	IGT's & Existing Reserves
Subtotal of Approved Initiatives	**103,396,005**	**49,245,355**	**54,150,650**	
Transfer of funds to HHIP[4]	(40,100,000)	-	(40,100,000)	
Program Total	**63,296,005**	**49,245,355**	**14,050,650**	

[1]On September 1, 2022, CalOptima Health's Board of Directors approved reallocation of $40.1 million from HHI to HHIP.

[2]On June 5, 2025, CalOptima Health's Board of Directors approved the close out of the Vaccination Intervention and Member Incentive Strategy program and transfer of the remaining funds of $68,699 to unallocated reserves for new initiatives.

[3]On August 7, 2025, CalOptima Health's Board of Directors approved $9.3 million to expand the Street Medicine Program ($3.2 million remaining from Street Medicine Initiative (from the Homeless Health Initiatives Reserve), $1.8 million from Existing Reserves, and $4.3 million from Intergovernmental Transfer balance resulting from a June 5, 2025, Board action), to fund 2-year grant agreements to Healthcare in Action (Anaheim), Celebrating Life Community Health Center (Costa Mesa), and AltaMed (Santa Ana).

[4]On February 5, 2026, CalOptima Health's Board of Directors approved the closeout of the Day Habilitation (County for HomeKey) and designated the remaining balance of $2.5 million as available for allocation to deliver enhanced services for Medi-Cal members.

[5]On April 2, 2026, CalOptima Health's Board of Directors approved the closeout of the CalOptima Days, HCAP and FQHC Administrative Support and make $37,721 in IGT 8 funds available toward future IGT initiatives to deliver covered services for Medi-Cal members.

CalOptima Health
Summary of Housing and Homelessness Incentive Program (HHIP) and Allocated Funds
As of July 31, 2026

Summary by Funding Source:	Total Funds[1]	Allocated Amount	Utilized Amount	Remaining Approved Amount	Funds Available for New Initiatives
DHCS HHIP Funds	65,931,189	65,931,189	34,733,595	31,197,594	-
Existing Reserves & HHI Transfer	87,384,530	87,384,530	62,153,879	25,230,651	-
Street Medicine Support Center - GG Building[2]	7,000,000	7,000,000	-	7,000,000	-
Total	**160,315,719**	**160,315,719**	**96,887,474**	**63,428,245**	-

Funds Allocation, Approved Initiatives:	Allocated Amount	Utilized Amount	Remaining Approved Amount	Funding Source(s)
Office of Care Coordination	2,200,000	2,056,488	143,512	HHI
Pulse For Good	1,400,000	913,500	486,500	HHI
Equity Grants for Programs Serving Underrepresented Populations	4,621,311	3,821,311	800,001	HHI & DHCS
Infrastructure Projects	5,832,314	5,832,310	4	HHI
Capital Projects	126,247,564	73,640,270	52,607,294	HHI, DHCS & Existing Reserves
System Change Projects	19,314,530	9,968,205	9,346,325	DHCS
Non-Profit Healthcare Academy	700,000	655,391	44,609	DHCS
Total of Approved Initiatives	**$160,315,719[1]**	**$96,887,474**	**$63,428,245**	
Transfer of funds to Street Medicine Support Center-GG Building	**(7,000,000)**	**-**	**($7,000,000)**	Existing Reserves
Program Total	**$153,315,719**	**$96,887,474**	**$56,428,245**	

[1]Total funding $160.3 million: $40.1 million Board-approved reallocation from HHI, $47.2 million from CalOptima Health existing reserves and $73.0 million from DHCS HHIP incentive payments

[2]On October 7, 2025, CalOptima Health's Board of Directors approved up to $7.0 million for general contractor services & furniture, fixtures & equipment for the Street Medicine Support Center

CalOptima Health
Fiscal Year 2026-27 Budget Allocation Changes
Reporting Changes as of July 31, 2026

Transfer Month	Line of Business	From	To	Amount	Reason to Re-Allocate Funds
July	Medi-Cal	IT - Clinical Technology - Professional Fees - Managed Services	IT - Clinical Technology - Maintenance HW/SW	$177,000	For Referral Platform
July	Medi-Cal	Communications - Consulting - Website Content and Media Outreach	Communications - Advertising - Equity and Community Health Campaign	$35,000	For Advertising Costs
July	Medi-Cal	Human Resources - Consulting - Employee Engagement	Human Resources - Training & Seminars	$60,000	For Training
July	Medi-Cal	Human Resources - Purchased Services - LiveScan Fingerprinting	Human Resources - Training & Seminars	$25,000	For Training
July	Medi-Cal	IT - Applications Management - Other Operating Expenses	IT - Applications Management - Professional Fees	$90,000	For Consulting

This report summarizes budget transfers between general ledger classes that are greater than $10,000 and less than $250,000.
This is the result of Board Resolution No. 12-0301-01 which permits the CEO to make budget allocation changes within certain parameters.

CalOptima Health

Quarterly Operating and Capital Budget Update

April 1, 2026 to June 30, 2026

Board of Directors' Finance and Audit Committee Meeting
September 17, 2026

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Quarterly Operating Budget Update

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F Y 2025-26 Operating Budget Update

The reports are prepared by the Budget Department

Fiscal Year 2025-26 Operating Budget for All Lines of Business and Non-Operating Items 5

* *The report is the Operating Budget that was approved by the Board of Directors in June annually. The budget provides information by line of business and non-operating items.*

Board Action Approval Details and Summary for Administrative Budget……..……..…..…...6

* *The report lists separate Board actions that resulted in budget adjustments (e.g., budget reallocations, Board-approved reserve funded items) or budget adjustments that are beyond the CEO's approval authority of $250,000 (as defined in CalOptima Health Policy GA.5003: Budget Approval and Budget Reallocation).*

CEO Administrative Budget Allocation Changes 7-9

* *The report lists budget allocation changes approved by the CEO that are up to $250,000 (as defined in CalOptima Health Policy GA.5003: Budget Approval and Budget Reallocation).*

Revised Fiscal Year 2025-26 Operating Budget for All Lines of Business and Non-Operating Items...10

* *The report provides a revised version of Fiscal Year 2025-26 Operating Budget for All Lines of Business and Non-Operating Items after the budget adjustments detailed in Board Action Approved Details and Summary for Administrative Budget and CEO Administrative Budget Allocation changes are made.*

Administrative Expense Summary by Category…….....…….11

* *The report is based on the Accounting Department's financial statements. It reports actual and budget data on administrative expenses by budget expense category and line of business to gauge performance each quarter.*

Fiscal Year 2025-26 Operating Budget for All Lines of Business and Non-Operating Items

	Medi-Cal	OneCare	PACE	MSSP	Facilities	Consolidated
Member Months	10,394,204	215,313	6,612	6,696	-	**10,616,129**
Avg Members	866,184	17,943	551	558	-	**884,677**
Revenue						
Capitation Revenue	$ 4,161,142,347	$ 467,699,407	$ 60,154,226	$ 2,988,648	$ -	**$ 4,691,984,627**
Total	$ 4,161,142,347	$ 467,699,407	$ 60,154,226	$ 2,988,648	$ -	**$ 4,691,984,627**
Medical Costs						
Provider Capitation	$ 1,337,726,855	$ 199,375,507	$ -	$ -	$ -	**$ 1,537,102,362**
Professional, Facility & Ancillary Claims	$ 1,680,673,393	$ 86,333,433	$ 19,898,669	$ -	$ -	**$ 1,786,905,495**
Managed Long-Term Services and Supports (MLTSS)	$ 597,571,457	$ -	$ 527,852	$ 395,487	$ -	**$ 598,494,795**
Prescription Drugs	$ -	$ 128,351,163	$ 8,875,230	$ -	$ -	**$ 137,226,393**
CalAIM & Other Medical	$ 135,707,207	$ 8,972,139	$ 3,519,679	$ -	$ -	**$ 148,199,026**
Medical Management	$ 132,698,285	$ 18,088,457	$ 19,056,585	$ 2,329,601	$ -	**$ 172,172,928**
Total	$ 3,884,377,197	$ 441,120,700	$ 51,878,014	$ 2,725,088	$ -	**$ 4,380,101,000**
MLR	***93.35%***	***94.32%***	***86.24%***	***91.18%***		***93.35%***
Gross Margin	$ 276,765,150	$ 26,578,707	$ 8,276,211	$ 263,560	$ -	**$ 311,883,628**
Administrative Expenses						
Salaries, Wages, & Employee Benefits	$ 148,352,599	$ 14,546,479	$ 2,229,017	$ 1,495,721	$ -	**$ 166,623,816**
Non-Salary Operating Expenses	$ 84,488,130	$ 9,427,166	$ 1,398,017	$ 120,250	$ 4,004,795	**$ 99,438,358**
Depreciation & Amortization	$ 11,372,543	$ -	$ 19,465	$ -	$ 2,299,716	**$ 13,691,724**
Indirect Cost Allocation, Occupancy Expense	$ (8,896,501)	$ 14,378,000	$ 209,920	$ 91,000	$ (6,304,511)	**$ (522,092)**
Total	$ 235,316,770	$ 38,351,645	$ 3,856,419	$ 1,706,971	$ -	**$ 279,231,806**
ALR	***5.66%***	***8.20%***	***6.41%***	***57.12%***		***5.95%***
Operating Income/(Loss) Including Provider Rate Increases	**$ 41,448,379**	**$ (11,772,938)**	**$ 4,419,793**	**$ (1,443,412)**	**$ -**	**$ 32,651,822**
						0.70%
Covered California						**$ (10,764,679)**
Digital Transformation Strategy						**$ (5,187,500)**
Non-Operating						
Net Investment Income						**$ 100,000,000**
500 Building						**$ (1,156,469)**
Street Medicine Support Center						**$ (506,847)**
Total Non-Operating Income/(Loss)						**$ 98,336,684**

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Board Action Approval Details and Summary for Administrative Budget

CalOptima Health Fiscal Year 2025-26 Budget
Board Action Approval Details

Board Action Approval Details:		Medi-Cal	OneCare	PACE	MSSP	Facilities	Net Impact
1 BOD Date - June 5, 2025							
Report Item No. 33							
From: Reserve	$	-					**$ -**
To: Professional Fees	$	650,000					**$ 650,000**
2 BOD Date - June 5, 2025							
Report Item No. 17							
From: Reserve							
To: Salaries, Wages, & Employee Benefits	$	85,000					**$ 85,000**
To: Other Operating Expenses	$	50,500					**$ 50,500**
3 BOD Date - February 5, 2026							
Report Item No. 15							
From: Reserve	$	-					**$ -**
To: Professional Fees	$	500,000					**$ 500,000**
4 BOD Date - May 7, 2026							
Report Item No. 16							
From: Reserve	$	-					**$ -**
To: Professional Fees	$	261,000					**$ 261,000**

CalOptima Health Fiscal Year 2025-26 Budget
Board Action Approval Summary

Board Action Approval Summary	Medi-Cal	OneCare	PACE	MSSP	Facilities	Net Impact
Avg Members				-		-
Revenues	$ -	$ -	$ -	$ -	$ -	$ -
Medical Costs	$ -	$ -	$ -	$ -	$ -	$ -
Administrative Expenses						
Salaries, Wages, & Employee Benefits	$ 85,000	$ -	$ -	$ -	$ -	$ 85,000
Non-Salary Operating Expenses	$ 1,461,500	$ -	$ -	$ -	$ -	$ 1,461,500
Professional Fees	$ 1,411,000	$ -	$ -	$ -	$ -	$ 1,411,000
Purchased Services	$ -	$ -	$ -	$ -	$ -	$ -
Printing & Postage	$ -	$ -	$ -	$ -	$ -	$ -
Other Operating Expenses	$ 50,500	$ -	$ -	$ -	$ -	$ 50,500
Depreciation & Amortization	$ -	$ -	$ -	$ -	$ -	$ -
Indirect Cost Allocation, Occupancy	$ -	$ -	$ -	$ -	$ -	$ -
Total	$ 1,546,500	$ -	$ -	$ -	$ -	$ 1,546,500
Grant Expense	$ -	$ -	$ -	$ -	$ -	$ -
Net Impact	**$ 1,546,500**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 1,546,500**

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CEO Administrative Budget Allocation Changes

CalOptima Health
Fiscal Year 2025-26 Budget Allocation Changes
Reporting Changes as of June 30, 2026

Transfer Month	Line of Business	From	To	Amount	Reason
July	Medi-Cal	Human Resources - Training and Seminar - Participant Guides	Human Resources - Cert./Cont. Education - Educational Reimbursement	$90,000	For Educational Reimbursement
July	Medi-Cal	Human Resources - Professional Fees - Executive Recruiters, Direct Hire and Conversion Fees	Human Resources - Advertising - Combined: Recruitment and Job Postings Network	$90,000	For Job Posting Advertising
July	Medi-Cal	ITS - Infrastructure - Maintenance HW/SW - Software License	ITS - Infrastructure - Maintenance HW/SW - Server - Maintenance Coverage for On-Premises Physical Servers, Storage and SAN Switches	$28,150	For Server Maintenance Coverage
July	Medi-Cal	ITS - Application Development - Professional Fees - Development and QA Professional Services	ITS - Application Development - Purchased Services - General - Managed Services for Website Support	$120,250	For Website Maintenance Support
August	Medi-Cal	ITS - Infrastructure - Other Operating Expenses - Software License	ITS - Infrastructure - Other Operating Expenses - Server Connectivity Maintenance	$140,238	For Server Maintenance
August	Medi-Cal	ITS - Infrastructure - Other Operating Expenses - Maintenance for Firewalls and IPSEC VPNS	ITS - Infrastructure - Professional Fees - IT Advisory Subscription	$162,890	For Professional Services
August	Medi-Cal	ITS - Application Development - Automation Application for the Board and Committee Material Preparation	ITS - Application Development - Policies and Regulation Compliance Identification - Readily Compliance Project	$65,000	For Readily Compliance Project
September	Medi-Cal	ITS - Infrastructure - Maintenance HW/SW Network Connectivity Maintenance and Support	ITS - Infrastructure - Maintenance HW/SW Maintenance of Operations and Desktop Application Software and Hardware	$52,420	For Right Fax
September	Medi-Cal	Customer Service - Printing and Postage - Member Communication	Human Resources - Professional Fees - Employee Feedback	$70,000	For Leadership Development
October	Medi-Cal	ITS - Infrastructure - Other Operating Expenses - Annual Volume License Adjustment	ITS - Infrastructure - Other Operating Expenses - Enterprise Monitoring for On-Premise and Cloud Instances	$34,415	For On-Premise and Cloud Database Monitoring
October	Medi-Cal	ITS - Infrastructure - Other Operating Expense - Annual Volume Licenses Contract	ITS - Applications Management - Interest - GASB 96	$41,558	For License Agreement Renewal
October	Medi-Cal	ITS - Applications Management - Interest - GASB 96	ITS - Applications Management - Other Operating Expenses - Subscription-Based Information Technology Arrangements (SBITAs)	$41,558	For Increase Against Original Contract
October	Medi-Cal	ITS - Infrastructure - Other Operating Expenses - Annual Volume License Adjustment	ITS - Applications Management - Other Operating Expenses - TeamDynamix	$26,780	For TeamDynamix Solutions
November	Medi-Cal	ITS - Infrastructure - Other Operating Expenses - Annual Volume License Adjustment	ITS - Infrastructure - Other Operating Expenses - Data Backup and Protection	$249,999	For Infrastructure Maintenance
November	Medi-Cal	ITS - Infrastructure - Other Operating Expenses - Domain Names and IP Addresses	ITS - Infrastructure - Other Operating Expenses - Data Backup and Protection	$29,472	For Maintenance and Data Protection
December	Medi-Cal	ITS - Infrastructure - Other Operating Expenses - Network Firewall Upgrade and Enhancement	ITS - Infrastructure - Other Operating Expenses - Capital Software Expense	$15,000	For Capital Software
December	OneCare	Operations Management - Professional Fees - OneCare Consulting Services	ITS - Applications Management - Other Operating Expenses - Predictive Analytics Modeling	$18,000	For Application Development
December	OneCare	Communications - Purchased Services - Print Advertising	Communications - Printing and Postage - Direct Mail to Prospective Members	$75,000	For OneCare Direct Mail
December	Medi-Cal	ITS - Applications Management - Other Operating Expenses - Corporate Application SW	ITS - Applications Management - Other Operating Expenses - Writing Assistance Tool	$54,800	For Writing Assistance Tool
December	Medi-Cal	Accounting - Professional Fees - Investment Advisory Services	Accounting - Professional Fees - OPEB Valuation	$15,000	For Actuarial Services
January	Medi-Cal	ITS - Infrastructure - Other Operating Expenses - Additional Software License	ITS - Applications Management - Other Operating Expenses - CRM Licenses	$100,000	For Additional CRM Licenses
January	Medi-Cal	Human Resources - Other Operating Expenses - Employee Engagement Events and Logo Apparel	Human Resources - Professional Fees - Employee Feedback	$34,000	For Consulting Services
January	Medi-Cal	Human Resources - Purchased Services - Background Screening	Human Resources - Other Operating Expenses - Tuition Reimbursement	$20,000	For Educational Reimbursement
January	Medi-Cal	ITS - Infrastructure - Other Operating Expenses - Volume Licenses Contract	ITS - Infrastructure - Professional Fees - Consulting	$50,000	For Consulting Services

This report summarizes budget transfers between general ledger classes that are greater than $10,000 and less than $250,000.
This is the result of Board Resolution No. 12-0301-01 which permits the CEO to make budget allocation changes within certain parameters.

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CEO Administrative Budget Allocation Changes (Cont'd)

Transfer Month	Line of Business	From	To	Amount	Reason
January	Medi-Cal	ITS - Application Development - Purchased Services to Med - Managed Service Support	ITS - Applications Management - Purchased Services to Med - Closed Loop Referral System and Support	$155,000	For Closed Loop Referral System and System
January	Medi-Cal	ITS - Applications Management - Maintenance HW/SW to Med - Software License	ITS - Applications Management - Purchased Services to Med - Closed Loop Referral System and Support	$22,000	For Closed Loop Referral System and System
January	Medi-Cal	ITS - Infrastructure - Other Operating Expenses - Additional Software License	Medi-Cal and CalAIM - Professional Fees - Grant Consulting	$50,000	For Grant Consulting Services
February	PACE	PACE Marketing - Printing and Postage - Member Communication - Direct Mail and Marketing Materials	PACE Marketing - Purchased Services - Advertising - Outdoor Ads	$23,000	For Advertising Campaigns
February	Medi-Cal	ITS - Application Development - Other Operating Expenses - Capital Software Expense	ITS - Application Development - Professional Fees - Development and QA Profession Services	$230,000	For Management Contractor for Operations
February	Medi-Cal	ITS - Infrastructure - Other Operating Expenses - Annual Volume License	ITS - Applications Management - Other Operating Expenses - GASB 96 Variable Expenses	$89,100	For Volume License Supplement
February	Medi-Cal	Facilities - Printing and Postage - General Postage for Outgoing Mail	Facilities - Other Operating Expenses - Purchases and Installation of Office Furniture	$50,000	For Supplies and Minor Equipment
February	Medi-Cal	Executive Office - Other Operating Expenses - Travel	Executive Office - Other Operating Expenses - Training and Seminar	$15,000	For Professional Development
February	Medi-Cal	ITS - Cyber Security - Professional Fees - AI Implementation Services for Security Controls	Accounting - Professional Fees - Accounting and Finance System Support	$100,000	For System Support
March	Medi-Cal	Communications - Other Operating Expenses - Promotional Items	Communications - Purchased Services - Regulatory Compliance Remediation Services	$60,000	For Document Remediation Services
March	Covered California	ITS - Enterprise Data and System - Regulatory Enrollment Transactions	ITS - Applications Management - Core System Configuration	$120,000	For Facets Implementation
March	Medi-Cal	ITS - Infrastructure - Other Operating Expenses - User Licenses	ITS - Application Development - Other Operating Expenses - Office Software Suite License Costs	$50,000	For Office Software Suite License Costs
March	Medi-Cal	ITS - Infrastructure - Other Operating Expenses - User Licenses	ITS - Applications Management - Other Operating Expenses - Finance Software Maintenance	$50,000	For Finance Software Maintenance
March	Medi-Cal	ITS - Infrastructure - Other Operating Expenses - Network Connectivity Expenses	ITS - Application Development - Other Operating Expenses - Application Software Maintenance	$75,000	For Testing Tool
March	Medi-Cal	ITS - Infrastructure - Other Operating Expenses - Network Connectivity Expenses	ITS - Infrastructure - Other Operating Expenses - Office Software Suite License Costs	$52,000	For Office Software Suite License Costs
March	Medi-Cal	ITS - Infrastructure - Other Operating Expenses - Network Connectivity Expenses	ITS - Applications Management - User Licenses for Customer Relationship Management Software	$52,000	For Customer Relationship Management Software
March	Medi-Cal	ITS - Infrastructure - Professional Fees - Process Enhancements	ITS - Application Development - Professional Fees - Development Enhancement	$200,000	For Development Enhancement
March	OneCare	Customer Service - Printing and Postage - Marketing Materials	Cultural and Linguistics Services - Purchased Services - Translations and Interpreter Services	$100,000	For Translations and Interpreter Services
March	Medi-Cal	ITS - Enterprise Data and System - Other Operating Expenses - Application Software Maintenance	ITS - Infrastructure - Other Operating Expenses - User Licenses and Other Minor Computer Equipment	$15,855	For Computer Equipment
March	Medi-Cal	ITS - Enterprise Data and System - Other Operating Expenses - Application Software Maintenance	ITS - Enterprise Architecture - Professional Fees - External Consultant for Core Labor Work Support	$15,000	For External Consultant
April	Medi-Cal	ITS - Cyber Security - Other Operating Expenses - File Level Encryption	Human Resources - Professional Fees - Employee Feedback	$61,000	For Emergent Success
April	Medi-Cal	Procurement and Vendor Management - Purchased Services - Procurement Platform	Procurement and Vendor Management - Other Operating Expenses - Subscription Fees	$17,000	For Service Subscription
April	Medi-Cal	Claims Administration - Purchased Services - Change Healthcare EDI Clearinghouse	Claims Administration - Professional Fees - External Medical Review	$117,000	For Medical Reviews
April	Medi-Cal	ITS - Enterprise Data and System - Other Operating Expenses - Software Maintenance	ITS - Application Development - Other Operating Expenses - Workflow Software Solution	$12,766	For Workflow Solution
April	Medi-Cal	ITS - Infrastructure - Other Operating Expenses - Maintenance for Replacements	ITS - Applications Management - Professional Fees - Facets Technical Support	$200,400	For Facets Technical Support Consulting
April	Medi-Cal	ITS - Enterprise Data and System - Other Operating Expenses - Software Maintenance	ITS - Application Development - Other Operating Expenses - Subscription Service	$24,000	For ITS Subscription Service

This report summarizes budget transfers between general ledger classes that are greater than $10,000 and less than $250,000.
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CEO Administrative Budget Allocation Changes (Cont'd)

Transfer Month	Line of Business	From	To	Amount	Reason
April	Medi-Cal	ITS - Enterprise Data and System - Other Operating Expenses - Software Maintenance	ITS - Application Development - Other Operating Expenses - SurveyMonkey License	$31,432	For SurveyMonkey License
April	Medi-Cal	ITS - Enterprise Data and System - Other Operating Expenses - Software Maintenance	ITS - Application Development - Other Operating Expenses - Management Training Software	$45,500	For Management Training Software
April	Medi-Cal	ITS - Cyber Security - Other Operating Expenses - Intrusion Prevention System	ITS - Application Development - Professional Fees - Cloud Platform Assistance	$100,000	For Cloud Platform Enhancement
April	Medi-Cal	Accounting - Other Operating Expenses - Training and Seminar	Accounting - Purchased Services - Tax Form Processing Fees	$20,000	For TIN Matching Add-On Services
May	Medi-Cal	ITS - Infrastructure - Purchased Services - Business Workflow Platform	ITS - Infrastructure - Professional Fees - External Consulting	$50,000	For Consulting Services
May	Medi-Cal	ITS - Applications Management - Other Operating Expenses - Licenses and Platform	ITS - Enterprise Architecture - Professional Fees - External Consulting	$45,000	For Consulting Services
May	Medi-Cal	ITS - Infrastructure - Other Operating Expenses - Network Connectivity Expenses	ITS - Infrastructure - Other Operating Expenses - Minor Computer Equipment	$40,000	For Hardware Equipment
May	Medi-Cal	Facilities - Other Operating Expenses - Office Supplies	Facilities - Other Operating Expenses - Purchases and Installation of Office Furniture	$60,000	For Minor Equipment
May	Medi-Cal	Facilities - Other Operating Expenses - Office Supplies	Facilities - Other Operating Expenses - Purchases and Installation of Office Furniture	$16,000	For Minor Equipment
May	Medi-Cal	ITS - Applications Management - Other Operating Expenses - Travel	ITS - Applications Management - Other Operating Expenses - Training and Seminar	$20,000	For Training and Seminar
June	Medi-Cal	Communications - Printing and Postage - Community Relations Communications	Communications - Other Operating Expenses - Promotional Items	$29,000	For Public Activities
June	Medi-Cal	ITS - Infrastructure - Other Operating Expenses - Software License	ITS - Infrastructure - Other Operating Expenses - Telecommunications Expenses	$98,010	For Telephone Bills
June	Medi-Cal	ITS - Infrastructure - Other Operating Expenses - Data Masking	ITS - Infrastructure - Purchased Services - Printing Support	$12,000	For Printer Lease
June	Medi-Cal	ITS - Infrastructure - Other Operating Expenses - Network Connectivity Maintenance	ITS - Infrastructure - Other Operating Expenses - Technology Equipment	$21,854	For Equipment
June	Medi-Cal	Accounting - Professional Fees - Investment Advisory Services - Accounting System Support	ITS - Application Development - Professional Fees - Software Development Support	$63,000	For Additional Enhancement
June	Medi-Cal	Accounting - Purchased Services - Checking Printing and Mailing Fees	Accounting - Professional Fees - Accounting and Finance System Support	$120,000	For Additional Enhancement
June	Medi-Cal	Community Relations - Other Operating Expenses - Travel Costs	Community Relations - Other Operating Expenses - Community Events Fees	$100,000	For Public Activities
June	Medi-Cal	ITS - Infrastructure - Other Operating Expenses - Numerical Caller ID	ITS - Infrastructure - Other Operating Expenses - Telecommunications Expenses	$13,000	For Paging System

This report summarizes budget transfers between general ledger classes that are greater than $10,000 and less than $250,000.
This is the result of Board Resolution No. 12-0301-01 which permits the CEO to make budget allocation changes within certain parameters.

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Revised Fiscal Year 2025-26 Operating Budget for All Lines of Business and Non-Operating Items

	Medi-Cal	OneCare	PACE	MSSP	Facilities	Consolidated
Member Months	10,394,204	215,313	6,612	6,696	-	**10,616,129**
Avg Members	866,184	17,943	551	558	-	**884,677**
Revenues						
Capitation revenue	$ 4,161,142,347	$ 467,699,407	$ 60,154,226	$ 2,988,648	$ -	**$ 4,691,984,627**
Total	$ 4,161,142,347	$ 467,699,407	$ 60,154,226	$ 2,988,648	$ -	**$ 4,691,984,627**
Medical Costs						
Provider Capitation	$ 1,337,726,855	$ 199,375,507	$ -	$ -	$ -	**$ 1,537,102,362**
Claims Payments	$ 1,680,673,393	$ 86,333,433	$ 19,898,669	$ -	$ -	**$ 1,786,905,495**
Managed Long-Term Services and Supports (MLTSS)	$ 597,571,457	$ -	$ 527,852	$ 395,487	$ -	**$ 598,494,795**
Prescription Drugs	$ -	$ 128,351,163	$ 8,875,230	$ -	$ -	**$ 137,226,393**
CalAIM & Other Medical	$ 135,707,207	$ 8,972,139	$ 3,519,679	$ -	$ -	**$ 148,199,026**
Medical Management	$ 132,698,285	$ 18,088,457	$ 19,056,585	$ 2,329,601	$ -	**$ 172,172,928**
Total	$ 3,884,377,197	$ 441,120,700	$ 51,878,014	$ 2,725,088	$ -	**$ 4,380,101,000**
MLR	***93.35%***	***94.32%***	***86.24%***	***91.18%***		***93.4%***
Gross Margin	$ 276,765,150	$ 26,578,707	$ 8,276,211	$ 263,560	$ -	**$ 311,883,628**
Administrative Expenses						
Salaries, Wages, & Employee Benefits	$ 148,437,599	$ 14,546,479	$ 2,229,017	$ 1,495,721	$ -	**$ 166,708,816**
Non-Salary Operating Expenses	$ 85,949,630	$ 9,427,166	$ 1,398,017	$ 120,250	$ 4,004,795	**$ 100,899,858**
Depreciation & Amortization	$ 11,372,543	$ -	$ 19,465	$ -	$ 2,299,716	**$ 13,691,724**
Indirect Cost Allocation, Occupancy Expense	$ (8,896,501)	$ 14,378,000	$ 209,920	$ 91,000	$ (6,304,511)	**$ (522,092)**
Total	$ 236,863,270	$ 38,351,645	$ 3,856,419	$ 1,706,971	$ -	**$ 280,778,306**
ALR	***5.69%***	***8.20%***	***6.41%***	***57.12%***		***5.98%***
Operating Income/(Loss) Including Provider Rate Increases	**$ 39,901,879**	**$ (11,772,938)**	**$ 4,419,793**	**$ (1,443,412)**	**$ -**	**$ 31,105,322**
Covered California						**$ (10,764,679)**
Digital Transformation Strategy						**$ (5,187,500)**
Non-Operating						
Net Investment Income						**$ 100,000,000**
500 Building						**$ (1,156,469)**
Street Medicine Support Center						**$ (506,847)**
Total Non-Operating Income/(Loss)						**$ 98,336,684**

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Administrative Expense Summary by Category

Administrative Expense Summary by Category as of June 30, 2026

LOB	June MTD Actual	June MTD Budget	Variance $	Variance %	YTD Actual	YTD Budget	Variance $	Variance %	FY 2026 Budget
MC	$ 22,732,948	$ 21,206,005	$ (1,526,943)	-7%	$ 218,038,731	$ 249,607,760	$ 31,569,029	13%	$ 249,607,760
OC	$ 1,932,701	$ 2,039,720	$ 107,019	5%	$ 21,054,622	$ 24,223,645	$ 3,169,023	13%	$ 24,223,645
PACE	$ 324,750	$ 304,746	$ (20,004)	-7%	$ 3,575,988	$ 3,627,034	$ 51,046	1%	$ 3,627,034
MSSP	$ 120,199	$ 136,519	$ 16,320	12%	$ 1,389,347	$ 1,615,971	$ 226,624	14%	$ 1,615,971
CCA	$ 684,401	$ 898,867	$ 214,466	24%	$ 5,148,288	$ 10,224,873	$ 5,076,585	50%	$ 10,224,873
Total	**$ 25,794,999**	**$ 24,585,857**	**$ (1,209,141)**	**-5%**	**$ 249,206,976**	**$ 289,299,283**	**$ 40,092,307**	**14%**	**$ 289,299,283**

Professional Fees

LOB	June MTD Actual	June MTD Budget	Variance $	Variance %	YTD Actual	YTD Budget	Variance $	Variance %	FY 2026 Budget
MC	$ 3,341,172	$ 2,116,913	$ (1,224,259)	-58%	$ 15,939,764	$ 18,680,257	$ 2,740,493	15%	$ 18,680,257
OC	$ 100,322	$ 115,474	$ 15,152	13%	$ 1,031,484	$ 1,394,600	$ 363,116	26%	$ 1,394,600
PACE	$ 17,581	$ 13,949	$ (3,632)	-26%	$ 168,960	$ 167,092	$ (1,868)	-1%	$ 167,092
MSSP	$ 1,457	$ 1,500	$ 43	3%	$ 17,484	$ 18,000	$ 516	3%	$ 18,000
CCA	$ 393,169	$ 418,337	$ 25,168	6%	$ 3,498,262	$ 5,020,000	$ 1,521,738	30%	$ 5,020,000
Total	**$ 3,853,701**	**$ 2,666,173**	**$ (1,187,528)**	**-45%**	**$ 20,655,954**	**$ 25,279,949**	**$ 4,623,995**	**18%**	**$ 25,279,949**

Purchased Services

LOB	June MTD Actual	June MTD Budget	Variance $	Variance %	YTD Actual	YTD Budget	Variance $	Variance %	FY 2026 Budget
MC	$ 1,173,991	$ 1,981,574	$ 807,583	41%	$ 18,457,281	$ 25,890,516	$ 7,433,235	29%	$ 25,890,516
OC	$ 568,177	$ 505,573	$ (62,604)	-12%	$ 4,855,118	$ 5,432,230	$ 577,112	11%	$ 5,432,230
PACE	$ 95,310	$ 80,257	$ (15,053)	-19%	$ 874,066	$ 867,739	$ (6,327)	-1%	$ 867,739
MSSP	$ 2	$ -	$ (2)		$ 40	$ -	$ (40)		$ -
CCA	$ 1,500	$ 52,000	$ 50,500	97%	$ 26,500	$ 624,000	$ 597,500	96%	$ 624,000
Total	**$ 1,838,981**	**$ 2,619,404**	**$ 780,423**	**30%**	**$ 24,213,005**	**$ 32,814,485**	**$ 8,601,480**	**26%**	**$ 32,814,485**

Printing and Postage

LOB	June MTD Actual	June MTD Budget	Variance $	Variance %	YTD Actual	YTD Budget	Variance $	Variance %	FY 2026 Budget
MC	$ 545,093	$ 438,849	$ (106,244)	-24%	$ 4,285,114	$ 5,671,294	$ 1,386,180	24%	$ 5,671,294
OC	$ 70,894	$ 33,849	$ (37,045)	-109%	$ 1,314,808	$ 1,355,286	$ 40,478	3%	$ 1,355,286
PACE	$ 20,873	$ 11,183	$ (9,690)	-87%	$ 218,024	$ 232,440	$ 14,416	6%	$ 232,440
MSSP	$ -	$ -	$ -		$ -	$ -	$ -		$ -
CCA	$ -	$ 19	$ 19	100%	$ -	$ 250	$ 250	100%	$ 250
Total	**$ 636,861**	**$ 483,900**	**$ (152,961)**	**-32%**	**$ 5,817,946**	**$ 7,259,270**	**$ 1,441,324**	**20%**	**$ 7,259,270**

Other Operating Expenses

LOB	June MTD Actual	June MTD Budget	Variance $	Variance %	YTD Actual	YTD Budget	Variance $	Variance %	FY 2026 Budget
MC	$ 5,115,250	$ 4,091,970	$ (1,023,280)	-25%	$ 38,883,378	$ 50,928,091	$ 12,044,713	24%	$ 50,928,091
OC	$ 89,962	$ 153,679	$ 63,717	41%	$ 1,371,668	$ 1,495,050	$ 123,382	8%	$ 1,495,050
PACE	$ 14,244	$ 11,106	$ (3,138)	-28%	$ 133,743	$ 130,746	$ (2,997)	-2%	$ 130,746
MSSP	$ 10,083	$ 8,530	$ (1,553)	-18%	$ 97,015	$ 102,250	$ 5,235	5%	$ 102,250
CCA	$ 1,423	$ 43,219	$ 41,796	97%	$ 1,854	$ 518,650	$ 516,796	100%	$ 518,650
Total	**$ 5,230,962**	**$ 4,308,504**	**$ (922,458)**	**-21%**	**$ 40,487,659**	**$ 53,174,787**	**$ 12,687,128**	**24%**	**$ 53,174,787**

Salaries, Wages & Benefits

LOB	June MTD Actual	June MTD Budget	Variance $	Variance %	YTD Actual	YTD Budget	Variance $	Variance %	FY 2026 Budget
MC	$ 12,557,441	$ 12,576,699	$ 19,258	0%	$ 140,473,194	$ 148,437,602	$ 7,964,408	5%	$ 148,437,602
OC	$ 1,103,346	$ 1,231,145	$ 127,799	10%	$ 12,481,545	$ 14,546,479	$ 2,064,934	14%	$ 14,546,479
PACE	$ 176,742	$ 188,251	$ 11,509	6%	$ 2,181,194	$ 2,229,017	$ 47,823	2%	$ 2,229,017
MSSP	$ 108,657	$ 126,489	$ 17,832	14%	$ 1,274,808	$ 1,495,721	$ 220,913	15%	$ 1,495,721
CCA	$ 288,309	$ 385,292	$ 96,983	25%	$ 1,621,672	$ 4,061,973	$ 2,440,301	60%	$ 4,061,973
Total	**$ 14,234,494**	**$ 14,507,876**	**$ 273,382**	**2%**	**$ 158,032,412**	**$ 170,770,792**	**$ 12,738,380**	**7%**	**$ 170,770,792**

Note: This report includes expenses related to Board-approved initiatives and Digital Transformation Strategy (DTS). Please note that the Administrative Expense Summary by Category does not include expenditures and budget for Facilities.

Personnel Budget Update

Personnel Budget Summary …….....13

* *The report is prepared by the Budget Department and shows total full-time equivalent counts by line of business and open/filled status.*

Salary Adjustments……14

* *The report is prepared by the Human Resources Department and includes Job Re-evaluations, Market Adjustments and Changes to Executive Compensation.*

Personnel Budget Summary

	FY 2025-26 Personnel (FTEs) - June 30, 2026			
Line of Business	**Filled**	**Open**	**Total**	**Vacancy %**
Medi-Cal	1,312.0	93.8	1,405.8	6.7%
OC	174.0	8.3	182.3	4.5%
PACE	114.0	6.0	120.0	5.0%
MSSP	22.8	1.0	23.8	4.2%
CCA	14.0	15.0	29.0	51.7%
Total	**1,636.8**	**124.0**	**1,760.8**	**7.0%**

Notes:
FTE count is based on position control reconciliation.
FTE count includes both medical and administrative positions.

Salary Adjustments

Report Description	F Y 2025-26 Quarter	Financial Impact	Complies with Compensation Guideline	Funded within Operating Budget
Job Re-Evaluation	Q1	$ 366,546.76	Yes	Yes
Off-Cycle Job Re-Evaluation	Q1	$ -		
Market Adjustment	Q1	$ -		
Change to Executive Compensation	Q1	$ -		
Job Re-Evaluation	Q2	$ 4,359.55	Yes	Yes
Off-Cycle Job Re-Evaluation	Q2	$ -		
Market Adjustment	Q2	$ -		
Change to Executive Compensation	Q2	$ -		
Job Re-Evaluation	Q3	$ 44,394.51	Yes	Yes
Off-Cycle Job Re-Evaluation	Q3	$ -		
Market Adjustment	Q3	$ 39,253.09	Yes	Yes
Change to Executive Compensation	Q3	$ -		
Job Re-Evaluation	Q4	$ 14,496.01	Yes	Yes
Off-Cycle Job Re-Evaluation	Q4	$ -		
Market Adjustment	Q4	$ -		
Change to Executive Compensation	Q4	$ -		

Source: Reclassification/Re-Evaluation provided by the Human Resources Department.

Quarterly Capital Budget Update

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Quarterly Capital Budget Update

The reports are prepared by the Budget Department

Fiscal Year 2025-26 Routine Capital Budget by Project ……..……..17-18

* *The report is the original Capital Budget that was approved by the Board of Directors in June annually. The budget provides information by Capital Budget Areas.*

Board Action and CEO Approval Details for Routine Capital Project.....19

* *The report lists separate Board actions that resulted in budget adjustments (e.g., budget reallocations, Board-approved reserve funded projects) or budget adjustments that are beyond the CEO's approval authority of $250,000 and budget allocation changes approved by the CEO that are up to $250,000 (as defined in CalOptima Health Policy GA.5003: Budget Approval and Budget Reallocation).*

Revised Fiscal Year 2025-26 Routine Capital Budget by Project 20-21

* *The report provides a revised version of Fiscal Year 2025-26 Routine Capital Budget by Project after the budget adjustments detailed in Board Action and CEO Approval Details for Routine Capital Project are made.*

Fiscal Year 2025-26 Routine Capital Expenditure Summary ……...22-23

* *The report provides the budget and expenditure information for each routine capital project.*

Fiscal Year 2025-26 Covered California Capital Budget by Project ……..…..…….24

* *The report is the original Covered California Budget that was approved by the Board of Directors in June annually. The budget provides information about Covered California capital budget by project.*

Board Action and CEO Approval Details for Covered California Capital Project.....25

* *The report lists separate Board actions that resulted in budget adjustments (e.g., budget reallocations, Board-approved reserve funded projects) or budget adjustments that are beyond the CEO's approval authority of $250,000 and budget allocation changes approved by the CEO that are up to $250,000 (as defined in CalOptima Health Policy GA.5003: Budget Approval and Budget Reallocation).*

Revised Fiscal Year 2025-26 Covered California Capital Budget by Project 26

* *The report provides a revised version of Fiscal Year 2025-26 Covered California Capital Budget by Project after the budget adjustments detailed in Board Action and CEO Approval Details for Covered California Capital Project are made.*

Fiscal Year 2025-26 Covered California Capital Expenditure Summary ……27

* *The report provides the budget and expenditure information for each Covered California capital project.*

Fiscal Year 2025-26 Routine Capital Budget by Project

INFRASTRUCTURE	TOTAL CAPITAL
Hardware and Software Network Firewall Upgrades	1,905,000
Disaster Recovery System Upgrades and Protection Points	1,765,000
Employee Computer and Server Operating System Upgrades	1,644,500
Enterprise Data Masking to Protect Health Information	1,255,000
Cyber Security and Vulnerability System Remediation	1,195,000
Service Desk and Workforce Workflow Enhancements	733,000
On-Premise to Cloud Infrastructure Migrations	300,000
Member Contact Outbound Caller Identification	150,000
Physical and Electronic Security Controls Upgrade at the Orange County CalOptima Health Data Center	100,000
TOTAL INFRASTRUCTURE	**$ 9,047,500**

APPLICATIONS MANAGEMENT	TOTAL CAPITAL
Automation of Member and Provider Letter Print and Fulfillment	1,750,000
Enterprise Claims and Encounters Data Management Solution	900,000
Core Operational Application Software Upgrades	703,000
Clinical Operational Application Software Upgrades	628,000
TOTAL APPLICATIONS MANAGEMENT	**$ 3,981,000**

ENTERPRISE DATA AND SYSTEMS INTEGRATION	TOTAL CAPITAL
Regulatory Reporting and Compliance Enhancements	500,000
Data Integration Upgrades for Quality Stars and HEDIS Measurements	450,000
TOTAL ENTERPRISE DATA AND SYSTEMS INTEGRATION	**$ 950,000**

APPLICATIONS DEVELOPMENT	TOTAL CAPITAL
CalOptima Health Public Website Enhancements (Phase II)	1,125,000
Member and Provider Portal Workflow and Privacy Enhancements	1,030,000
Automation Application for the Board and Committee Material Preparation	625,000
Replace Corporate Legacy Workflow Applications for Enterprise Workflow Product	375,000
Portal Online User Identity Management Upgrade	200,000
TOTAL APPLICATIONS DEVELOPMENT	**$ 3,355,000**

Fiscal Year 2025-26 Routine Capital Budget by Project (Cont'd)

505 BUILDING IMPROVEMENTS	TOTAL CAPITAL
Lighting Retrofit	1,200,000
Tenant Improvements	950,000
Building Window Film	900,000
Carpet Replacement	675,000
Office Furniture	450,000
Fire Panel Upgrade	150,000
Security Camera Upgrades	100,000
Rooftop Signage Structural Upgrade	100,000
1st Floor Elevator Fire Curtains	80,000
Air Conditioning System for Computer Room	70,000
Chiller Equipment Refurbishment	70,000
Cooling Tower Refurbishment	35,000
TOTAL 505 BUILDING IMPROVEMENTS	**$ 4,780,000**

500 BUILDING IMPROVEMENTS	TOTAL CAPITAL
Tenant Improvements Suites 100, 110, 120	3,595,000
Lighting Retrofit	250,000
Accessibility Code Upgrades for Path of Travel	200,000
Security Desk and Camera System Upgrades	200,000
Parking Lot Restripe	175,000
Fire Alarm System Upgrades	165,000
Rooftop Signage Structural Upgrade	100,000
Tenant Improvements Suite 250	75,000
Air Conditioning System for Computer Room	70,000
TOTAL 500 BUILDING IMPROVEMENTS	**$ 4,830,000**

PACE CENTER	TOTAL CAPITAL
Electronic Health Record (EHR) System	872,500
Lighting Retrofit	150,000
Exterior Building Signage Update	125,000
Rooftop Air Conditioning Unit Replacement	60,000
Equipment Upgrades and Replacement	50,000
Exterior Landscape Upgrade	30,000
Wander Guard System	30,000
Security Camera Upgrades	25,000
TOTAL PACE CENTER	**$ 1,342,500**

STREET MEDICINE SUPPORT CENTER	TOTAL CAPITAL
Street Medicine Support Center Redevelopment	250,000
STREET MEDICINE SUPPORT CENTER	**$ 250,000**

TOTAL FY 2025-26 ROUTINE CAPITAL BUDGET	**$ 28,536,000**

Board Action and CEO Approval Details for Routine Capital Project

CEO Approved Action Details			TOTAL CAPITAL
1 CEO Date 08/22/2025			
From	Applications Development	Automation Application for the Board and Committee Material Preparation	(65,000)
To	Applications Development	Policy and Regulatory Compliance Identification - Readily Compliance Project	65,000
2 CEO Date 02/17/2026			
From	PACE Center	Exterior Landscape Upgrade	(400)
To	PACE Center	Wander Guard System	400
3 CEO Date 04/20/2026			
From	505 Building Improvements	Rooftop Signage Structural Upgrade	(20,000)
To	505 Building Improvements	Security Camera Upgrades	20,000
4 CEO Date 04/20/2026			
From	PACE Center	Rooftop Air Conditioning Unit Replacement	(50,000)
To	PACE Center	Security Camera Upgrades	50,000
5 CEO Date 04/30/2026			
From	505 Building Improvements	Fire Panel Upgrade	(10,000)
To	505 Building Improvements	Chiller Equipment Refurbishment	10,000
6 CEO Date 05/12/2026			
From	PACE Center	Electronic Health Record System	(80,000)
To	PACE Center	Lighting Retrofit	80,000
7 CEO Date 05/12/2026			
From	PACE Center	Exterior Building Signage	(50,000)
To	PACE Center	Lighting Retrofit	50,000
8 CEO Date 05/12/2026			
From	PACE Center	Exterior Landscape Upgrade	(29,000)
To	PACE Center	Lighting Retrofit	29,000
TOTAL CEO Approved Action			**$ -**

Board Approved Action Details	TOTAL CAPITAL
There were no FY 2025-26 Board Approved Actions on Capital Projects to report in the Fourth Quarter.	
TOTAL Board Approved Action	**$ -**

Revised Fiscal Year 2025-26 Routine Capital Budget by Project

INFRASTRUCTURE	TOTAL CAPITAL
Hardware and Software Network Firewall Upgrades	1,905,000
Disaster Recovery System Upgrades and Protection Points	1,765,000
Employee Computer and Server Operating System Upgrades	1,644,500
Enterprise Data Masking to Protect Health Information	1,255,000
Cyber Security and Vulnerability System Remediation	1,195,000
Service Desk and Workforce Workflow Enhancements	733,000
On-Premise to Cloud Infrastructure Migrations	300,000
Member Contact Outbound Caller Identification	150,000
Physical and Electronic Security Controls Upgrade at the Orange County CalOptima Health Data Center	100,000
TOTAL INFRASTRUCTURE	**$ 9,047,500**

APPLICATIONS MANAGEMENT	TOTAL CAPITAL
Automation of Member and Provider Letter Print and Fulfillment	1,750,000
Enterprise Claims and Encounters Data Management Solution	900,000
Core Operational Application Software Upgrades	703,000
Clinical Operational Application Software Upgrades	628,000
TOTAL APPLICATIONS MANAGEMENT	**$ 3,981,000**

ENTERPRISE DATA AND SYSTEMS INTEGRATION	TOTAL CAPITAL
Regulatory Reporting and Compliance Enhancements	500,000
Data Integration Upgrades for Quality Stars and HEDIS Measurements	450,000
TOTAL ENTERPRISE DATA AND SYSTEMS INTEGRATION	**$ 950,000**

APPLICATIONS DEVELOPMENT	TOTAL CAPITAL
CalOptima Health Public Website Enhancements (Phase II)	1,125,000
Member and Provider Portal Workflow and Privacy Enhancements	1,030,000
Automation Application for the Board and Committee Material Preparation	560,000
Replace Corporate Legacy Workflow Applications for Enterprise Workflow Product	375,000
Portal Online User Identity Management Upgrade	200,000
Policy and Regulatory Compliance Identification - Readily Compliance Project	65,000
TOTAL APPLICATIONS DEVELOPMENT	**$ 3,355,000**

Revised Fiscal Year 2025-26 Routine Capital Budget by Project (Cont'd)

505 BUILDING IMPROVEMENTS	TOTAL CAPITAL
Lighting Retrofit	1,200,000
Tenant Improvements	950,000
Building Window Film	900,000
Carpet Replacement	675,000
Office Furniture	450,000
Fire Panel Upgrade	140,000
Security Camera Upgrades	120,000
Rooftop Signage Structural Upgrade	80,000
Chiller Equipment Refurbishment	80,000
1st Floor Elevator Fire Curtains	80,000
Air Conditioning System for Computer Room	70,000
Cooling Tower Refurbishment	35,000
TOTAL 505 BUILDING IMPROVEMENTS	**$ 4,780,000**

500 BUILDING IMPROVEMENTS	TOTAL CAPITAL
Tenant Improvements Suites 100, 110, 120	3,595,000
Lighting Retrofit	250,000
Accessibility Code Upgrades for Path of Travel	200,000
Security Desk and Camera System Upgrades	200,000
Parking Lot Restripe	175,000
Fire Alarm System Upgrades	165,000
Rooftop Signage Structural Upgrade	100,000
Tenant Improvements Suite 250	75,000
Air Conditioning System for Computer Room	70,000
TOTAL 500 BUILDING IMPROVEMENTS	**$ 4,830,000**

PACE CENTER	TOTAL CAPITAL
Electronic Health Record (EHR) System	792,500
Lighting Retrofit	309,000
Exterior Building Signage Update	75,000
Security Camera Upgrades	75,000
Equipment Upgrades and Replacement	50,000
Wander Guard System	30,400
Rooftop Air Conditioning Unit Replacement	10,000
Exterior Landscape Upgrade	600
TOTAL PACE CENTER	**$ 1,342,500**

STREET MEDICINE SUPPORT CENTER	TOTAL CAPITAL
Street Medicine Support Center Redevelopment	250,000
STREET MEDICINE SUPPORT CENTER	**$ 250,000**

TOTAL FY 2025-26 ROUTINE CAPITAL BUDGET	**$ 28,536,000**

Fiscal Year 2025-26 Routine Capital Expenditure Summary

Expenditures Summary through June 30, 2026

INFRASTRUCTURE	TOTAL CAPITAL	EXPENSE	REMAINING
Hardware and Software Network Firewall Upgrades	1,905,000	289,177	1,615,823
Disaster Recovery System Upgrades and Protection Points	1,765,000	-	1,765,000
Employee Computer and Server Operating System Upgrades	1,644,500	246,457	1,398,043
Enterprise Data Masking to Protect Health Information	1,255,000	302,000	953,000
Cyber Security and Vulnerability System Remediation	1,195,000	-	1,195,000
Service Desk and Workforce Workflow Enhancements	733,000	-	733,000
On-Premise to Cloud Infrastructure Migrations	300,000	21,000	279,000
Member Contact Outbound Caller Identification	150,000	-	150,000
Physical and Electronic Security Controls Upgrade at the Orange County CalOptima Health Data Center	100,000	-	100,000
TOTAL INFRASTRUCTURE	**$ 9,047,500**	**$ 858,634**	**$ 8,188,866**

APPLICATIONS MANAGEMENT	TOTAL CAPITAL	EXPENSE	REMAINING
Automation of Member and Provider Letter Print and Fulfillment	1,750,000	-	1,750,000
Enterprise Claims and Encounters Data Management Solution	900,000	395,548	504,452
Core Operational Application Software Upgrades	703,000	-	703,000
Clinical Operational Application Software Upgrades	628,000	174,528	453,472
TOTAL APPLICATIONS MANAGEMENT	**$ 3,981,000**	**$ 570,076**	**$ 3,410,924**

ENTERPRISE DATA AND SYSTEMS INTEGRATION	TOTAL CAPITAL	EXPENSE	REMAINING
Regulatory Reporting and Compliance Enhancements	500,000	-	500,000
Data Integration Upgrades for Quality Stars and HEDIS Measurements	450,000	-	450,000
TOTAL ENTERPRISE DATA AND SYSTEMS INTEGRATION	**$ 950,000**	**$ -**	**$ 950,000**

APPLICATIONS DEVELOPMENT	TOTAL CAPITAL	EXPENSE	REMAINING
CalOptima Health Public Website Enhancements (Phase II)	1,125,000	47,704	1,077,296
Member and Provider Portal Workflow and Privacy Enhancements	1,030,000	-	1,030,000
Automation Application for the Board and Committee Material Preparation	560,000	-	560,000
Replace Corporate Legacy Workflow Applications for Enterprise Workflow Product	375,000	-	375,000
Portal Online User Identity Management Upgrade	200,000	-	200,000
Policy and Regulatory Compliance Identification - Readily Compliance Project	65,000	-	65,000
TOTAL APPLICATIONS DEVELOPMENT	**$ 3,355,000**	**$ 47,704**	**$ 3,307,296**

Fiscal Year 2025-26 Routine Capital Expenditure Summary (Cont'd)

505 BUILDING IMPROVEMENTS	TOTAL CAPITAL	EXPENSE	REMAINING
Lighting Retrofit	1,200,000.00	77,208	1,122,792
Tenant Improvements	950,000.00	230,689	719,311
Building Window Film	900,000.00	-	900,000
Carpet Replacement	675,000.00	5,156	669,844
Office Furniture	450,000.00	177,326	272,674
Fire Panel Upgrade	140,000.00	32,749	107,251
Security Camera Upgrades	120,000.00	-	120,000
1st Floor Elevator Fire Curtains	80,000.00	-	80,000
Chiller Equipment Refurbishment	80,000.00	-	80,000
Rooftop Signage Structural Upgrade	80,000.00	41,338	38,662
Air Conditioning System for Computer Room	70,000.00	-	70,000
Cooling Tower Refurbishment	35,000.00	-	35,000
TOTAL 505 BUILDING IMPROVEMENTS	**$ 4,780,000**	**$ 564,466**	**$ 4,215,534**

500 BUILDING IMPROVEMENTS	TOTAL CAPITAL	EXPENSE	REMAINING
Tenant Improvements Suites 100, 110, 120	3,595,000	21,497	3,573,503
Lighting Retrofit	250,000	27,187	222,813
Accessibility Code Upgrades for Path of Travel	200,000	-	200,000
Security Desk and Camera System Upgrades	200,000	3,800	196,200
Parking Lot Restripe	175,000	98,790	76,210
Fire Alarm System Upgrades	165,000	23,554	141,446
Rooftop Signage Structural Upgrade	100,000	-	100,000
Tenant Improvements Suite 250	75,000	-	75,000
Air Conditioning System for Computer Room	70,000	-	70,000
TOTAL 500 BUILDING IMPROVEMENTS	**$ 4,830,000**	**$ 174,828**	**$ 4,655,172**

PACE CENTER	TOTAL CAPITAL	EXPENSE	REMAINING
Electronic Health Record (EHR) System	792,500	66,252	726,248
Lighting Retrofit	309,000	15,725	293,275
Security Camera Upgrades	75,000	-	75,000
Exterior Building Signage Update	75,000	36,025	38,975
Equipment Upgrades and Replacement	50,000	12,500	37,500
Wander Guard System	30,400	30,348	52
Rooftop Air Conditioning Unit Replacement	10,000	-	10,000
Exterior Landscape Upgrade	600	-	600
TOTAL PACE CENTER	**$ 1,342,500**	**$ 160,850**	**$ 1,181,650**

STREET MEDICINE SUPPORT CENTER	TOTAL CAPITAL	EXPENSE	REMAINING
Street Medicine Support Center Redevelopment	250,000	-	250,000
TOTAL STREET MEDICINE SUPPORT CENTER	**$ 250,000**	**$ -**	**$ 250,000**

TOTAL FY 2025-26 ROUTINE CAPITAL BUDGET	**$ 28,536,000**	**$ 2,376,557**	**$ 26,159,443**

Fiscal Year 2025-26 Covered California Capital Budget by Project

APPLICATIONS MANAGEMENT		TOTAL CAPITAL
Core System Configuration		885,000
TOTAL FY 2025-26 COVERED CALIFORNIA CAPITAL BUDGET	**$**	**885,000**

ENTERPRISE DATA AND SYSTEMS INTEGRATION		TOTAL CAPITAL
Regulatory Enrollment Transactions and Reporting		825,000
Regulatory Operational Reconciliation Reporting		525,000
TOTAL FY 2025-26 COVERED CALIFORNIA CAPITAL BUDGET	**$**	**1,350,000**

APPLICATIONS DEVELOPMENT		TOTAL CAPITAL
Online Billing and Collection Platform for Member Premiums		755,520
Online Broker Sales Platform and Website Enhancements		725,000
TOTAL FY 2025-26 COVERED CALIFORNIA CAPITAL BUDGET	**$**	**1,480,520**

TOTAL FY 2025-26 COVERED CALIFORNIA CAPITAL BUDGET	**$**	**3,715,520**

Board Action and CEO Approval Details for Covered California Capital Project

CEO Approved Action Details			TOTAL CAPITAL
1 CEO Date 03/03/2026			
From	Enterprise Data and Systems Integrations	Regulatory Enrollment Transactions and Reporting	(120,000)
To	Applications Management	Core System Configuration	120,000
TOTAL CEO Approved Actions			**$ -**

Board Approved Action Details	TOTAL CAPITAL
There were no FY 2025-26 Board Approved Actions on Capital Projects to report in the Fourth Quarter.	
TOTAL Board Approved Actions	**$ -**

Revised Fiscal Year 2025-26 Covered California Capital Budget by Project

APPLICATIONS MANAGEMENT		TOTAL CAPITAL
Core System Configuration		1,005,000
TOTAL FY 2025-26 COVERED CALIFORNIA CAPITAL BUDGET	**$**	**1,005,000**

ENTERPRISE DATA AND SYSTEMS INTEGRATION		TOTAL CAPITAL
Regulatory Enrollment Transactions and Reporting		705,000
Regulatory Operational Reconciliation Reporting		525,000
TOTAL FY 2025-26 COVERED CALIFORNIA CAPITAL BUDGET	**$**	**1,230,000**

APPLICATIONS DEVELOPMENT		TOTAL CAPITAL
Online Billing and Collection Platform for Member Premiums		755,520
Online Broker Sales Platform and Website Enhancements		725,000
TOTAL FY 2025-26 COVERED CALIFORNIA CAPITAL BUDGET	**$**	**1,480,520**

TOTAL FY 2025-26 COVERED CALIFORNIA CAPITAL BUDGET	**$**	**3,715,520**

Fiscal Year 2025-26 Covered California Capital Expenditure Summary

Expenditures Summary through June 30, 2026

APPLICATIONS MANAGEMENT	TOTAL CAPITAL	EXPENSE	REMAINING
Core System Configuration	1,005,000	711,420	293,580
TOTAL APPLICATIONS MANAGEMENT	**$ 1,005,000**	**$ 711,420**	**$ 293,580**

ENTERPRISE DATA AND SYSTEMS INTEGRATION	TOTAL CAPITAL	EXPENSE	REMAINING
Regulatory Enrollment Transactions and Reporting	705,000	184,940	520,060
Regulatory Operational Reconciliation Reporting	525,000	58,420	466,580
TOTAL ENTERPRISE DATA AND SYSTEMS INTEGRATION	**$ 1,230,000**	**$ 243,360**	**$ 986,640**

APPLICATIONS DEVELOPMENT	TOTAL CAPITAL	EXPENSE	REMAINING
Online Billing and Collection Platform for Member Premiums	755,520	227,677	527,843
Online Broker Sales Platform and Website Enhancements	725,000	59,318	665,683
TOTAL APPLICATIONS DEVELOPMENT	**$ 1,480,520**	**$ 286,995**	**$ 1,193,525**

TOTAL FY 2025-26 COVERED CALIFORNIA CAPITAL BUDGET	**$ 3,715,520**	**$ 1,241,775**	**$ 2,473,745**

Quarterly Purchasing Report Update

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Quarterly Purchasing Report Update

Fiscal Year 2025-26 Fourth Quarter Purchasing Report……..…....30-33

* *The report is prepared by the Budget and Procurement & Vendor Management Departments. It provides a list of major commitments over $100,000 and open bids that are in process and anticipated to exceed $100,000.*

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Fiscal Year 2025-26 Fourth Quarter Purchasing Report

Quarterly Purchase Report
April 1, 2026 through June 30, 2026
Completed Major Commitments Over $100,000

Nature of Services	*Purchase or Contract Highlights*	*Bidding Outcome*	*Previous Vendor*	*Contract Amount*	*Remaining Amount on Contract*
505 10th Floors Studio Upgrade	Supreme Building Innovators, Inc.	IFB 26-026	N/A	$ 100,029	$ 100,029
Claims Payment Integrity Audit Services	Integrity Advantage Solutions, LLC	Informal Quotes	N/A	$ 100,917	$ 33,639
Interpreting and Translation Services	Big Language Solutions Holdings LLC	COBAR	Multiple	$ 112,000	$ 47,538
Employee Performance Review Software	Silk Road Technology Inc	COBAR	N/A	$ 124,630	$ 124,630
Data Strategy & EDW Enhancements - Task Order	Arete LLC	RFP 26-016	N/A	$ 125,000	$ 73,320
OCTA Bus Advertisements	Vector Media Holding Group	Sole Source	N/A	$ 142,426	$ 142,426
LogRhythm Services	NDM Technologies	Incumbent via Previous RFP	N/A	$ 150,000	$ 91,464
ServiceNow Roll-Out - Task Order	Accenture LLP	RFP 26-016	N/A	$ 150,000	$ 150,000
MS Dynamics 365 Support	Crowe LLP	Incumbent via Previous RFP	RSM	$ 159,145	$ 56,854
Cancer Awareness Campaign	Wilkins Media LLC	Informal Quotes	N/A	$ 160,000	$ 160,000
Online Job Posting Site	Jobelephant.Com Inc	Sole Source	Multiple	$ 165,000	$ 165,000
CCA FACETs - Task Order	Cognizant Trizetto Software Group, Inc	RFP 26-016	N/A	$ 168,407	$ 168,407
Data Strategy & EDW Enhancements - Task Order	Arete LLC	RFP 26-016	N/A	$ 179,520	$ 179,520
MPR Audio Upgrades	Conference Technologies, Inc	CMAS Piggyback	N/A	$ 182,795	$ 182,795
HPE Server Support	Nth Generation Computing Inc	Incumbent via Previous RFP	Themselves	$ 191,899	$ 191,899
Future State Gaps - Task Order	Accenture LLP	RFP 26-016	N/A	$ 200,000	$ 200,000
MC HN Provider Directory	I Color Printing & Mailing Inc.	RFP 26-002	N/A	$ 200,000	$ 200,000

Source: Quarterly Purchasing Report provided by the Procurement and Vendor Management Department.

Fiscal Year 2025-26 Fourth Quarter Purchasing Report (Cont'd)

Nature of Services	*Purchase or Contract Highlights*	*Bidding Outcome*	*Previous Vendor*	*Contract Amount*	*Remaining Amount on Contract*
FACETs Consulting Services	Catalyst Solutions LLC	COBAR	N/A	$ 200,400	$ 48,325
MuleSoft Migration Assessment & Foundations - Task Order	Accenture LLP	RFP 26-016	N/A	$ 207,000	$ 149,880
Adobe Enterprises SW Renewal	Saitech Inc	Informal Quotes	N/A	$ 207,799	$ 207,799
505 Main Lobby Refresh	Seashore Construction Inc	IFB 26-022	N/A	$ 210,580	$ 210,580
MC CS Daily Mailing	I Color Printing & Mailing Inc.	RFP 26-002	Multiple	$ 250,000	$ 250,000
Gartner Annual Subscription	Gartner Inc	Sole Source	N/A	$ 250,793	$ 250,793
PACE Lighting Retrofit	LogicLamp Technologies LLC	IFB 26-031	N/A	$ 267,966	$ 267,966
MS Dynamics 365 Support	Crowe LLP	Incumbent via Previous RFP	RSM	$ 281,075	$ 160,900
RPA Professional Services	Carahsoft Technology Corp	NASPO Piggyback	N/A	$ 294,724	$ 294,724
Telco Monthly Payments	Verizon	Sole Source	N/A	$ 360,000	$ 360,000
CyberArk Privileged Access Mgmt	Frontier Technology LLC	Incumbent via Previous RFP	N/A	$ 361,306	$ 361,306
CC QHP Reporting Support - Task Order	Arete LLC	RFP 26-016	N/A	$ 386,280	$ 386,280
Health Reward Incentives	Target Corp	Sole Source	N/A	$ 450,008	$ 450,008
CRM Production Services - Task Order	Accenture LLP	RFP 26-016	N/A	$ 640,000	$ 453,378
PACE Rent	Young S Kim & Soon Y Kim	N/A	N/A	$ 710,210	$ 710,210
CS Overflow and After Hours Call Center Support Member Engage	Harte-Hanks Response Management/Austin, Inc.	RFP 26-011	CareNet	$ 903,695	$ 903,695
CAHPS Predictive Analytics Software and Services	Mpulse Mobile, Inc.	RFP 26-009	N/A	$ 963,000	$ 963,000
Investment Management Services	Payden & Rygel	Incumbent via Previous RFP	N/A	$ 1,536,000	$ 1,536,000

Source: Quarterly Purchasing Report provided by the Procurement and Vendor Management Department.

Quarterly Purchasing Report
April 1, 2026 through June 30, 2026 - FY26 - Q4
IN PROCESS: Open Bids Anticipated to Exceed $100,000

Nature of Services	*Procurement Status*
New For Q4-FY26	
Enterprise Cloud Data Platform Modernization RFP 26-038	RFP Issued 4/7/2026 16 Proposals Received Staff Reviewing Proposals
Multi-benefit Card and Rewards Administration Solution RFP 26-045	RFP Issued 5/5/2026 7 Proposals Received Staff Reviewing Proposals
Crowdstrike Renewal IFB 26-047	IFB Issued 4/6/2026 11 Bids Received IFB Closed - Contract Executed
CEO Recruitment RFP 26-048	RFP Issued 4/10/2026 12 Proposals Received RFP Closed - Contract Executed
QI Credentialing Technology & Services RFP 26-050	RFP Issued 4/30/2026 5 Proposals Received Staff Reviewing Proposals
Tableau Renewal IFB 26-051	IFB Issued 5/13/2026 2 Proposals Received Staff Reviewing Bids
Collibra Renewal IFB 26-052	IFB Issued 5/13/2026 8 Proposals Received Staff Reviewing Bids
Ongoing from Previous Quarters	
Claims Payment & Communication Services RFP 26-002	RFP Issued 8/13/2025 7 Proposals Received RFP Closed - Contract Executed
CAHPS Predictive Analytics Software RFP 26-009	RFP Issued 9/19/2025 10 Proposals Received RFP Closed - Contract Executed
Overflow and After-Hours Customer Service Call Center Support and Member Engagement Strategies RFP 26-011	RFP Issued 9/22/2025 11 Proposals Received RFP Closed - Contract Executed
Claims Editing Software RFP 26-015	RFP Issued 12/4/2025 12 Proposals Received Staff Negotiating Contract
Tenant Improvement for 505 Building - Main Lobby Refresh IFB 26-022	IFB Issued 1/26/2026 3 Bids Received IFB Closed - Contract Executed
Internal Audit Services RFP 26-025	RFP Issued 1/12/2026 5 Proposals Received RFP Closed - Contract Executed
505 Building - 10th Floor Studio Upgrades IFB 26-026	IFB Issued 1/26/2026 3 Bids Received IFB Closed - Contract Executed

Source: Quarterly Purchasing Report provided by the Procurement and Vendor Management Department.

Fiscal Year 2025-26 Fourth Quarter Purchasing Report (Cont'd)

Nature of Services	*Procurement Status*
OneCare Supplemental Benefit: Fitness RFP 26-029	RFP Issued 1/15/2026 2 Proposals Received RFP Closed - Contract Executed
PACE Lighting Retrofit IFB 26-031	IFB Issued 3/17/2026 4 Bids Received IFB Closed - Contract Executed
Health Network Medical Loss Ratio (MLR) Review Services RFP 26-036	RFP Issued 2/26/2026 2 Proposals Received RFP Closed - Contract Executed
SecureAuth Renewal RFQ 26-039	RFQ Issued 2/23/2026 4 Bids Received RFQ Closed - Contract Executed
Symantec Cloud/DLP/Oracle 26-040	RFQ Issued 2/23/2026 3 Bids Received RFQ Closed - Contract Executed

Source: Quarterly Purchasing Report provided by the Procurement and Vendor Management Department.

IGT Project Report

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IGT Project Report

IGT Project Update as of June 30, 2026 …….…….....36-42

* *The report is prepared by the Accounting Department and provides a list of Intergovernmental Transfer (IGT) funded projects and expenditures for IGTs 1 through 10.*

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IGT Project Update as of June 30, 2026

#	IGT Projects	IGT	First Payment Dispersed Date	COBAR Project End Date	Budget	Spend	% Spent	Balance	Grant Disbursement Date
IGT 1 (Funds Received: September 2012)									
1	Case Management System (Altruista)	1	04/07/2014	12/31/2016	$ 2,095,380	$ 2,095,380	**100%**	$ -	Non-Grant Project
2	Telemedicine [Funds Reallocated]	1	04/07/2014	12/01/2016	$ 30,810	$ 30,810	**100%**	$ -	Non-Grant Project
3	Strategies to Reduce Readmission	1	12/28/2014	12/31/2016	$ 611,421	$ 611,421	**100%**	$ -	Non-Grant Project
4	OneCare PCCs	1	04/16/2014	06/30/2017	$ 3,850,000	$ 3,850,000	**100%**	$ -	Non-Grant Project
5	OneCare Connect PCCs	1	08/18/2015	06/30/2017	$ 3,550,000	$ 3,550,000	**100%**	$ -	Non-Grant Project
6	Case Management Consulting	1	10/01/2014	12/31/2017	$ 866,415	$ 866,415	**100%**	$ -	Non-Grant Project
7	Depression Screenings	1	02/28/2018	Reallocated per 12/01/2016 COBAR	$ 455,000	$ 455,000	**100%**	$ -	Non-Grant Project
8	Shape Your Life Program	1	04/28/2017	Reallocated per 6/5/25 COBAR	$ 499,980	$ 499,980	**100%**	$ -	Non-Grant Project
SUBTOTAL[1]					**$ 11,959,006**	**$ 11,959,006**	**100%**	**$ -**	
IGT 2 (Funds Received: June 2013)									
1	FQHC Support Phase 1 (to support FQHC attainment)	2	07/06/2015	08/01/2017	$ 200,000	$ 200,000	**100%**	$ -	First: 07/2015; Last: 08/2016
2	FQHC Support Phase 2 (to support FQHC readiness analysis)	2	07/06/2015	12/31/2016	$ 202,091	$ 202,091	**100%**	$ -	First: 10/2015; Last: 11/2016
3	FQHC Support Phase 3 (behavioral/dental expansion)	2	07/06/2015	06/30/2017	$ 875,000	$ 875,000	**100%**	$ -	First: 03/2016; Last: 05/2017
4	Children's Dental Services	2	07/02/2015	07/01/2017	$ 400,000	$ 400,000	**100%**	$ -	First: 06/2015; Last: 08/2016

[1] Rounded to the nearest percentage; remaining funds will be reallocated as appropriate.

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IGT Project Update as of June 30, 2026 (Cont'd)

#	IGT Projects	IGT	First Payment Dispersed Date	COBAR Project End Date	Budget	Spend	% Spent	Balance	Grant Disbursement Date
5	Children's Vision Services	2	09/08/2015	08/01/2017	$ 500,000	$ 500,000	100%	$ -	First: 09/2015; Last: 08/2016
6	Security Audit Remediation	2	06/28/2014	07/01/2015	$ 98,000	$ 98,000	100%	$ -	Non-Grant Project
7	PACE EHR Implementation	2	05/16/2016	12/31/2016	$ 80,000	$ 80,000	100%	$ -	Non-Grant Project
8	Facets Upgrade, Expansion, and Reconfiguration	2	06/18/2014	06/30/2017	$ 1,756,620	$ 1,756,620	100%	$ -	Non-Grant Project
9	Continuation of COREC	2	11/03/2014	12/31/2017	$ 970,000	$ 970,000	100%	$ -	Non-Grant Project
10	Recuperative Care	2	06/01/2015	12/31/2018	$ 500,000	$ 500,000	100%	$ -	Non-Grant Project
11	OneCare Connect PCCs (Continued)	2	06/28/2017	12/31/2018	$ 2,400,000	$ 2,400,000	100%	$ -	Non-Grant Project
12	Autism Screening	2	08/03/2016	Reallocated to IGT 5	$ 51,600	$ 51,600	100%	$ -	Non-Grant Project
13	Project Management	2	07/02/2015	07/01/2017	$ 100,000	$ 100,000	100%	$ -	Non-Grant Project
SUBTOTAL					**$ 8,133,311**	**$ 8,133,311**	100%	**$ -**	
IGT 3 (Funds Received: September 2014)									
1	Personal Care Coordinators	3	05/15/2017	05/31/2018	$ 3,450,000	$ 3,450,000	100%	$ -	Non-Grant Project
2	Recuperative Care (Phase 2)	3	08/16/2018	Reallocated to IGT 6	$ 499,750	$ 499,750	100%	$ -	Non-Grant Project
3	Data Warehouse Expansion	3	02/14/2017	Reallocated per 6/5/25 COBAR	$ 735,200	$ 735,200	100%	$ -	Reallocated
4	Project Management	3	02/14/2017	12/31/2019	$ 165,000	$ 165,000	100%	$ -	Pending Reallocation
SUBTOTAL[1]					**$ 4,849,950**	**$ 4,849,950**	100%	**$ -**	

[1] Rounded to the nearest percentage; remaining funds will be reallocated as appropriate.

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IGT Project Update as of June 30, 2026 (Cont'd)

#	IGT Projects	IGT	First Payment Dispersed Date	COBAR Project End Date	Budget	Spend	% Spent	Balance	Grant Disbursement Date
IGT 3 (Funds Received: September 2014)									
1	Personal Care Coordinators	3	05/15/2017	05/31/2018	$ 3,450,000	$ 3,450,000	100%	$ -	Non-Grant Project
2	Recuperative Care (Phase 2)	3	08/16/2018	Reallocated to IGT 6	$ 499,750	$ 499,750	100%	$ -	Non-Grant Project
3	Data Warehouse Expansion	3	02/14/2017	Reallocated per 6/5/25 COBAR	$ 735,200	$ 735,200	100%	$ -	Reallocated
4	Project Management	3	02/14/2017	12/31/2019	$ 165,000	$ 165,000	100%	$ -	Pending Reallocation
SUBTOTAL[1]					**$ 4,849,950**	**$ 4,849,950**	100%	**$ -**	
IGT 4 (Funds Received: October 2015/March 2016)									
1	Member Health Needs Assessment	4	04/20/2017	12/31/2017	$ 500,000	$ 500,000	100%	$ -	Non-Grant Project
2	Personal Care Coordinators	4	01/17/2018	05/31/2018	$ 3,550,000	$ 3,550,000	100%	$ -	Non-Grant Project
3	UCI Observation Stay Payment Pilot	4	02/07/2018	Reallocated to IGT 6	$ 744,600	$ 744,600	100%	$ -	Non-Grant Project
4	Provider Portal Communications & Interconnectivity	4	05/09/2017	Reallocated to IGT 6	$ 1,456,510	$ 1,456,510	100%	$ -	Non-Grant Project
5	Member Health Homes Program	4	09/07/2017	Reallocated to IGT 6	$ 177,809	$ 177,809	100%	$ -	Non-Grant Project
6	IGT PROGRAM ADMINISTRATION	4			$ 529,608	$ 529,608	100%	$ -	Non-Grant Project
SUBTOTAL					**$ 6,958,527**	**$ 6,958,527**	100%	**$ -**	

[1] Rounded to the nearest percentage; remaining funds will be reallocated as appropriate.

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IGT Project Update as of June 30, 2026 (Cont'd)

#	IGT Projects	IGT	First Payment Dispersed Date	COBAR Project End Date	Budget	Spend	% Spent	Balance	Grant Disbursement Date
IGT 5 (Funds Received: December 2016)									
1	Be Well OC Regional Wellness Hub	5	07/10/2019	N/A	$ 11,400,000	$ 11,400,000	**100%**	$ -	12/6/2018 (COBAR)
2	Access to Adult Dental Services (Grant RFP: Korean Community Services)	5	12/05/2019	N/A	$ 1,000,000	$ 1,000,000	**100%**	$ -	Awarded on 8/1/19
3	Access to Children's Dental Services (Grant RFP)	5	01/15/2020	N/A	$ 1,000,000	$ 1,000,000	**100%**	$ -	Awarded on 10/3/19
4	Primary Care Services and Programs Addressing Social Determinants of Health (Grant RFP: Santa Ana Unified School District)	5	12/04/2019	Reallocated per 6/5/25 COBAR	$ 1,400,000	$ 1,400,000	**100%**	$ -	Awarded on 8/1/19
SUBTOTAL					**$ 14,800,000**	**$ 14,800,000**	**100%**	**$ -**	
IGT 6 & 7 (Funds Received: September 2017/May 2018)									
1	Post-WPC Medical Respite Program	6	TBD	N/A	$ 250,000	$ 250,000	**100%**	$ -	4/4/2019 (COBAR)
2	Expand Access to Outpatient Children's Mental Health Services (Grant RFP: Children's Bureau of Southern California; Orange County Asian & Pacific Islander Community Alliances, Inc,; Boys & Girls Clubs of Garden Grove; Jamboree Housing Corporation)	6	10/28/2019	06/30/2023	$ 4,188,990	$ 4,188,990	**100%**	$ -	Awarded on 8/1/19
3	Whole Child Model Assistance for Implementation & Development [1]	6	04/02/2020	Reallocated per 6/5/25 COBAR	$ 1,749,982	$ 1,749,982	**100%**	$ -	Non-Grant Project
4	Homekey Program	6	TBD	N/A	$ -	$ -	**0%**	$ -	11/5/2020 (COBAR)
5	WPC Housing Navigation and Support Services	6	TBD	N/A	$ 640,000	$ 640,000	**100%**	$ -	6/3/2021 (COBAR)
6	WPC Recuperative Care	6	06/20/2019	12/31/2021	$ 5,194,440	$ 5,194,440	**100%**	$ -	8/2/2018 (COBAR)
7	Master Electronic Health Record System	6	08/07/2020	Reallocated per 6/5/25 COBAR	$ 68,793	$ 68,793	**100%**	$ -	Non-Grant Project

[1] Rounded to the nearest percentage; remaining funds will be reallocated as appropriate.

IGT Project Update as of June 30, 2026 (Cont'd)

#	IGT Projects	IGT	First Payment Dispersed Date	COBAR Project End Date	Budget	Spend	% Spent	Balance	Grant Disbursement Date
8	IGT PROGRAM ADMINSTRATION	6	08/07/2020	N/A	$ 474,612	$ 474,612	100%	$ -	Non-Grant Project
9	FY16 HCAP & HCAP Expansion	6	02/01/2023	N/A	$ 2,055,560	$ 1,899,755	92%	$ 155,805	02/02/23 COBAR
10	Clinical Field Team Pilot Program	7	04/08/2019	N/A	$ 1,600,000	$ 1,600,000	100%	$ -	4/8/2019
11	Expand Access to Food Distribution Services Focused on Children and Families (Grant RFP: Serve the People)	7	12/11/2019	09/30/2022	$ 1,000,000	$ 1,000,000	100%	$ -	Awarded on 8/1/19
12	Integrate Children's Mental Health Services Into Primary Care Settings (Grant RFP: CHOC Children's; Friends of Family Health Center)	7	12/04/2019	Reallocated per 6/5/25 COBAR	$ 4,628,325	$ 4,628,325	100%	$ -	Awarded on 8/1/19
13	Increase Access to Medication-Assisted Treatment (Grant RFP: Coalition of Orange County Community Health Center)	7	12/04/2019	06/30/2023	$ 2,983,291	$ 2,983,291	100%	$ -	Awarded on 8/1/19
14	Expand Access to Outpatient Children's Mental Health Services (Grant RFP: Children's Bureau of Southern California; Orange County Asian & Pacific Islander Community Alliances, Inc,; Boys & Girls Clubs of Garden Grove; Jamboree Housing Corporation)	7	02/02/2021	Reallocated per 6/5/25 COBAR	$ 642,301	$ 642,301	100%	$ -	Awarded on 8/1/19
SUBTOTAL					**$ 25,476,294**	**$ 25,320,489**	99%	**$ 155,805**	
IGT Reallocation for enhanced services for Medi-Cal members									
1	IGT Reallocation for enhanced services for Medi-Cal members	1-7	TBD	N/A	$ 6,365,634	$ 6,365,634	100%	$ -	06/05/25 COBAR
SUBTOTAL					**$ 6,365,634**	**$ 6,365,634**	100%	**$ -**	
GRAND TOTAL					**$ 78,542,722**	**$ 78,386,916**	100%	**$ 155,805**	

[1] Rounded to the nearest percentage; remaining funds will be reallocated as appropriate.

IGT Project Update as of June 30, 2026 (Cont'd)

#	IGT Projects	IGT	Budget	Spend	% Spent	Balance	Board Approval Date
IGT 8 (Funds Received: March 2019/April 2019)							
1	**Homeless Health Initiative (HHI)**						
1.1	Vaccination Intervention and Member Incentive Strategy	8	$ 54,649	$ 54,649	**100%**	$ -	6/5/25 COBAR transfer funds to unallocated reserves
1.2	CalOptima Days & QI Program - HCAP and HCAP Expansion	8	$ 7,833,104	$ 3,135,200	**40%**	$ 4,697,904	8/1/2019; 4/16/2020
1.3	Homeless Coordination at Hospitals	8	$ 10,000,000	$ 10,000,000	**100%**	$ -	4/4/2019
1.4	HHI - PI, QI & CM Support/Staffing	8	$ 925,540	$ 925,540	**100%**	$ -	8/1/2019
1.5	Homeless Response Team	8	$ 1,681,734	$ 1,681,734	**100%**	-	4/4/2019
1.6	CFT & FQHC Expansion Claims	8	$ 21,902	$ 21,902	**100%**	$ -	8/1/2019; 4/16/2020
1.7	Street Medicine	8	$ 8,345,351	$ 8,085,424	**97%**	$ 259,927	3/17/2022
1.8	Outreach and Engagement	8	$ 7,000,000	$ 2,276,015	**33%**	$ 4,723,985	4/7/2022
1.9	Housing and Homelessness Incentive Program (HHIP)	8	$ 6,692,004	$ 6,692,004	**100%**	$ -	9/1/2022
SUBTOTAL			**$ 42,554,283**	**$ 32,872,467**	**77%**	**$ 9,681,816**	
IGT 9 (Funds Received: April 2020)							
1	UCI COVID-19 Skilled Nursing Facility Prevention Program	9	$ 629,723	$ 629,723	**100%**	$ -	5/7/2020
2	Whole Child Model (WCM) Program	9	$ 12,842,165	$ 12,842,165	**100%**	$ -	4/2/2020 *WCM claims were reconciled for FY20*
3	Post-Acute Infection Prevention (PIPQI)	9	$ 2,724,967	$ 2,724,967	**100%**	$ -	6/5/25 COBAR transfer funds to unallocated reserves
4	Text Messaging Solutions for Members	9	$ 3,006,033	$ 3,006,033	**100%**	$ -	6/5/25 COBAR transfer funds to unallocated reserves

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IGT Project Update as of June 30, 2026 (Cont'd)

#	IGT Projects	IGT	Budget	Spend	% Spent	Balance	Board Approval Date
5	Hospital Data Exchange Incentive	9	$ -	$ -	100%	$ -	6/5/25 COBAR transfer funds to unallocated reserves
6	IGT Program Administration	9	$ 2,000,000	$ 1,295,730	65%	$ 704,270	4/2/2020
7	Comprehensive Community Cancer Screening and Support Program	9	$ 19,134,815	$ 16,036,717	84%	$ 3,098,098	12/1/2022
SUBTOTAL			**$ 40,337,703**	**$ 36,535,335**	**91%**	**$ 3,802,368**	
IGT 10 (Funds Received: May 2020/December 2021/March 2022)							
1	Orange County COVID-19 Nursing Home Prevention Program (Expansion & Extension)	10	$ 1,261,001	$ 1,261,001	100%	$ -	1/7/2021
2	COVID-19 Vaccination Incentive Program (VIP) CY2021	10	$ 31,684,325	$ 31,684,325	100%	$ -	6/5/25 COBAR transfer funds to unallocated reserves
3	COVID-19 Vaccination Incentive Program (VIP) CY2021 - Staffing	10	$ 409,913	$ 409,913	100%	$ -	6/5/25 COBAR transfer funds to unallocated reserves
4	Comprehensive Community Cancer Screening and Support Program	10	$ 30,916,053	$ -	0%	$ 30,916,053	11/3/2022
SUBTOTAL			**$ 64,271,292**	**$ 33,355,239**	**52%**	**$ 30,916,053**	
IGT Amount Transferred back to reserves for new incentives/initiatives							
1	IGT Amount Transferred back to reserves for new incentives/initiatives	8-10	$ 7,223,528.48	$ 5,193,103.00	72%	$ 2,030,425	06/05/25 COBAR
SUBTOTAL			**$ 7,223,528**	**$ 5,193,103**	**72%**	**$ 2,030,425**	
GRAND TOTAL			**$ 154,386,806**	**$107,956,143**	**70%**	**$ 46,430,663**	

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Digital Transformation Strategy (DTS) Report

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Digital Transformation Strategy (DTS) Update

DTS Funding Balance Tracking Summary…….…….……...…..45

* *The report is prepared by the Accounting Department and is included in the monthly financial statements for the Board. It provides the overall DTS budget, expenditures and funding balance information.*

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Fiscal Year 2025-26 DTS Year One through Three and Year Four Capital Budget by Project.....46

* *The report is prepared by the Budget Department and is the original DTS Capital Budget that was approved by the Board of Directors in June annually. The budget provides information about DTS capital budgets by project for Years One through Four.*

Board Action and CEO Approval Details for DTS Year One through Three and Year Four Capital Project……...47

* *The report is prepared by Budget Department. It lists separate Board actions that resulted in budget adjustments (e.g., budget reallocations, Board-approved reserve funded projects), budget adjustments that are beyond the CEO's approval authority of $250,000 and budget allocation changes approved by the CEO that are up to $250,000 (as defined in CalOptima Health Policy GA.5003: Budget Approval and Budget Reallocation).*

Revised Fiscal Year 2025-2026 DTS Year One through Three and Year Four Capital Budget by Project……...48

* *The report is prepared by Budget Department. It provides a revised version of the report Fiscal Year 2025-26 DTS Year One through Three and Year Four Capital Budget by Project after the budget adjustments detailed in Board Action and CEO Approval Detail for DTS Year One through Three and Year Four Capital Project are made.*

DTS Funding Balance Tracking Summary

CalOptima Health
Digital Transformation Strategy ($100 million total reserve)
Funding Balance Tracking Summary
For the Twelve Months Ending June 30, 2026

	FY 2026 Month-to-Date				FY 2026 Year-to-Date				All Time to Date			
	Actual Spend	Approved Budget	Variance $	Variance %	Actual Spend	Approved Budget	Variance $	Variance %	Actual Spend	Approved Budget	Variance $	Variance %
Capital Assets (Cost, Information Only):												
Total Capital Assets	**268,572**	**7,612,936**	**7,344,365**	**96.5%**	**2,274,584**	**12,161,000**	**9,886,416**	**81.3%**	**17,885,535**	**38,931,116**	**21,045,581**	**54.1%**
					2,274,584				**17,885,535**			
Operating Expenses:												
Salaries, Wages & Benefits	-	-	-	0.0%	-	-	-	0.0%	17,826,058	17,826,058	-	0.0%
Professional Fees	1,096,934	250,000	(846,934)	-338.8%	3,603,262	3,000,000	(603,262)	-20.1%	10,404,073	9,800,811	(603,262)	-6.2%
Purchased Services	-	-	-	0.0%	(141,754)	-	141,754	0.0%	1,190,915	1,332,669	141,754	10.6%
GASB 96 Amortization Expenses	-	-	-	0.0%	-	-	-	0.0%	2,563,169	2,563,169	-	0.0%
Other Expenses	282,747	4,355,057	4,072,310	93.5%	4,746,916	6,360,269	1,613,353	25.4%	25,842,657	27,456,010	1,613,353	5.9%
Medical Management	-	-	-	0.0%	-	-	-	0.0%	5,502,156	5,502,156	-	0.0%
Total Operating Expenses	**1,379,681**	**4,605,057**	**3,225,376**	**70.0%**	**8,208,424**	**9,360,269**	**1,151,845**	**12.3%**	**63,329,030**	**64,480,875**	**1,151,845**	**1.8%**

Funding Balance Tracking: July 2025	**Approved Budget**	**Actual Spend**	**Variance**
Beginning Funding Balance	100,000,000	100,000,000	-
Less:			
Capital Assets[1]	38,931,116	17,885,535	21,045,581
FY2023 Operating Budget[2]	8,381,011	8,381,011	-
FY2024 Operating Budget	22,788,092	22,788,092	-
FY2025 Operating Budget	24,289,000	23,951,502	337,498
FY2026 Operating Budget	5,187,500	8,208,424	(3,020,924)
Ending Funding Balance	**423,281**	**18,785,436**	**18,362,155**
Add: Prior year unspent Operating Budget	**337,498**		
Total available Funding	**760,779**		

[1] Staff will continue to monitor the project status of DTS' Capital Assets
[2] Unspent budget from this period is added back to available DTS funding
[3] On June 6, 2024, the Board of Directors approved an update to the Digital Transformation Strategy which will impact these figures beginning July 2024.

Note: 1. Report includes applicable transactions for GASB 96, Subscriptions - Based Information Technology Arrangements.

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Fiscal Year 2025-26 DTS Year One through Three and Year Four Capital Budget by Project

INFRASTRUCTURE	YEAR ONE UPDATE	YEAR TWO UPDATE	YEAR THREE UPDATE	YEAR FOUR UPDATE	TOTAL CAPITAL
On-Premise Fax Server Replacement to a Supported Digital Cloud Fax Solution	75,000	75,000	-	50,000	200,000
TOTAL INFRASTRUCTURE	**$ 75,000**	**$ 75,000**	**$ -**	**$ 50,000**	**$ 200,000**

APPLICATIONS MANAGEMENT	YEAR ONE UPDATE	YEAR TWO UPDATE	YEAR THREE UPDATE	YEAR FOUR UPDATE	TOTAL CAPITAL
Provider Credential and Contracting Implementation to Enhance Workflow and Reduce Transactional Backlogs	1,636,000	1,964,000	-	3,875,000	7,475,000
Customer Relationship Management Platform Development to Automate Member and Provider Call Center Experience	231,250	2,000,000	-	2,790,000	5,021,250
Clinical Care Management Platform for Member Care Assessments and Engagement with Providers	1,851,000	500,000	249,000	-	2,600,000
Enterprise Finance System	556,000	-	1,150,000	-	1,706,000
Robotic Automation Processes Development and Implementation for Operational Processes in Member and Provider Systems	1,500,000	-	-	200,000	1,700,000
Digitize Authorization Faxes into the Clinical Platform Workflow for Automated Treatment Authorization with Providers	-	-	-	1,275,000	1,275,000
TOTAL APPLICATIONS MANAGEMENT	**$ 5,774,250**	**$ 4,464,000**	**$ 1,399,000**	**$ 8,140,000**	**$ 19,777,250**

ENTERPRISE DATA AND SYSTEMS INTEGRATION	YEAR ONE UPDATE	YEAR TWO UPDATE	YEAR THREE UPDATE	YEAR FOUR UPDATE	TOTAL CAPITAL
Enhancement of Data Warehouse Ecosystem to Enterprise Level Data Strategy and Management	275,000	-	2,700,000	415,000	3,390,000
Health Information Data Exchange for Provider Access and Member Care	-	-	-	1,020,000	1,020,000
Enterprise Application Data Exchange Platform Enhancement	-	-	-	755,000	755,000
Retire the End of Life Reporting Platform and Migrate to the Cloud Reporting Application	25,500	300,000	-	135,000	460,500
TOTAL ENTERPRISE DATA AND SYSTEMS INTEGRATION	**$ 300,500**	**$ 300,000**	**$ 2,700,000**	**$ 2,325,000**	**$ 5,625,500**

APPLICATIONS DEVELOPMENT	YEAR ONE UPDATE	YEAR TWO UPDATE	YEAR THREE UPDATE	YEAR FOUR UPDATE	TOTAL CAPITAL
New Member Experience Application	-	-	2,000,000	1,325,000	3,325,000
Website Content Management Controls Migration to the Cloud	750,000	1,567,100	70,000	85,000	2,472,100
Human Capital Management System	-	350,000	100,000	-	450,000
TOTAL APPLICATIONS DEVELOPMENT	**$ 750,000**	**$ 1,917,100**	**$ 2,170,000**	**$ 1,410,000**	**$ 6,247,100**

CYBER SECURITY	YEAR ONE UPDATE	YEAR TWO UPDATE	YEAR THREE UPDATE	YEAR FOUR UPDATE	TOTAL CAPITAL
Secure File Encryption Platform Upgrade	-	-	200,000	25,000	225,000
TOTAL CYBER SECURITY	**$ -**	**$ -**	**$ 200,000**	**$ 25,000**	**$ 225,000**

TOTAL Update to Digital Transformation Years One through Four Capital Budgets by Project	**$ 6,899,750**	**$ 6,756,100**	**$ 6,469,000**	**$ 11,950,000**	**$ 32,074,850**

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Board Action and CEO Approval Details for DTS Year One Through Three and Year Four Capital Project

CEO Approved Action Details		TOTAL CAPITAL
1 CEO Date - 05/06/2026		
From	Provider Credential and Contracting Implementation to Enhance Workflow and Reduce Transactional Backlogs	(33,000)
To	Enterprise Finance System	33,000
2 CEO Date - 06/24/2026		
From	Provider Credential and Contracting Implementation to Enhance Workflow and Reduce Transactional Backlogs	(110,000)
To	Enterprise Finance System	110,000
TOTAL CEO Approved Actions		**$ -**

Board Approved Action Details		TOTAL CAPITAL
1 COBAR Date - 08/07/2025		
From	Reserve	(211,000)
To	On-Premise Fax Server Replacement to a Supported Digital Cloud Fax Solution	211,000
TOTAL Board Approved Actions		**$ -**

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Revised Fiscal Year 2025-26 DTS Year One Through Three and Year Four Capital Budget by Project

INFRASTRUCTURE	YEAR ONE UPDATE	YEAR TWO UPDATE	YEAR THREE UPDATE	YEAR FOUR UPDATE	TOTAL CAPITAL
On-Premise Fax Server Replacement to a Supported Digital Cloud Fax Solution	75,000	75,000	-	261,000	411,000
TOTAL INFRASTRUCTURE	**$ 75,000**	**$ 75,000**	**$ -**	**$ 261,000**	**$ 411,000**

APPLICATIONS MANAGEMENT	YEAR ONE UPDATE	YEAR TWO UPDATE	YEAR THREE UPDATE	YEAR FOUR UPDATE	TOTAL CAPITAL
Provider Credential and Contracting Implementation to Enhance Workflow and Reduce Transactional Backlogs	1,636,000	1,964,000	-	3,732,000	7,332,000
Customer Relationship Management Platform Development to Automate Member and Provider Call Center Experience	231,250	2,000,000	-	2,790,000	5,021,250
Clinical Care Management Platform for Member Care Assessments and Engagement with Providers	1,851,000	500,000	249,000	-	2,600,000
Enterprise Finance System	556,000	-	1,150,000	143,000	1,849,000
Robotic Automation Processes Development and Implementation for Operational Processes in Member and Provider Systems	1,500,000	-	-	200,000	1,700,000
Digitize Authorization Faxes into the Clinical Platform Workflow for Automated Treatment Authorization with Providers	-	-	-	1,275,000	1,275,000
TOTAL APPLICATIONS MANAGEMENT	**$ 5,774,250**	**$ 4,464,000**	**$ 1,399,000**	**$ 8,140,000**	**$ 19,777,250**

ENTERPRISE DATA AND SYSTEMS INTEGRATION	YEAR ONE UPDATE	YEAR TWO UPDATE	YEAR THREE UPDATE	YEAR FOUR UPDATE	TOTAL CAPITAL
Enhancement of Data Warehouse Ecosystem to Enterprise Level Data Strategy and Management	275,000	-	2,700,000	415,000	3,390,000
Health Information Data Exchange for Provider Access and Member Care	-	-	-	1,020,000	1,020,000
Enterprise Application Data Exchange Platform Enhancement	-	-	-	755,000	755,000
Retire the End of Life Reporting Platform and Migrate to the Cloud Reporting Application	25,500	300,000	-	135,000	460,500
TOTAL ENTERPRISE DATA AND SYSTEMS INTEGRATION	**$ 300,500**	**$ 300,000**	**$ 2,700,000**	**$ 2,325,000**	**$ 5,625,500**

APPLICATIONS DEVELOPMENT	YEAR ONE UPDATE	YEAR TWO UPDATE	YEAR THREE UPDATE	YEAR FOUR UPDATE	TOTAL CAPITAL
New Member Experience Application	-	-	2,000,000	1,325,000	3,325,000
Website Content Management Controls Migration to the Cloud	750,000	1,567,100	70,000	85,000	2,472,100
Human Capital Management System	-	350,000	100,000	-	450,000
TOTAL APPLICATIONS DEVELOPMENT	**$ 750,000**	**$ 1,917,100**	**$ 2,170,000**	**$ 1,410,000**	**$ 6,247,100**

CYBER SECURITY	YEAR ONE UPDATE	YEAR TWO UPDATE	YEAR THREE UPDATE	YEAR FOUR UPDATE	TOTAL CAPITAL
Secure File Encryption Platform Upgrade	-	-	200,000	25,000	225,000
TOTAL CYBER SECURITY	**$ -**	**$ -**	**$ 200,000**	**$ 25,000**	**$ 225,000**

TOTAL Update to Digital Transformation Years One through Four Capital Budgets by Project	**$ 6,899,750**	**$ 6,756,100**	**$ 6,469,000**	**$ 12,161,000**	**$ 32,285,850**

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Board of Directors' Finance and Audit Committee Meeting
September 17, 2026

CalAIM Program Summary (January 1, 2022, through June 30, 2026)

Category	# of Members with Service	Total Paid	AVG $ Per Member
Grand Total	108,984	$458,101,378	$3,999
Assisted Living Facility Transitions	1,231	$16,799,881	$13,647
Asthma Remediation	1,071	$2,545,222	$2,376
Community Transition Services/Nursing Facility Transiti..	514	$566,500	$1,102
Day Habilitation Programs	2,938	$4,412,271	$1,502
ECM*	19,791	$71,925,456	$2,614
Environmental Accessibility Adaptations	2,058	$3,598,123	$1,748
Housing Deposit	6,097	$20,710,942	$3,397
Housing Navigation	19,727	$48,505,064	$2,459
Housing Tenancy and Sustaining Services	6,314	$27,519,776	$4,359
Medically-Supportive Food/Meals/Medically Tailored M..	78,519	$111,789,356	$1,424
Nursing Facility Transition/Diversion to Assisted ..	27	$142,423	$5,275
Personal Care/Homemaker Services	3,532	$71,813,401	$20,332
Recuperative Care	2,936	$48,703,208	$16,588
Respite Services	2,009	$21,077,310	$10,491
Short-Term Post-Hospitalization Housing	747	$7,475,232	$10,007
Sobering Centers	1,083	$517,212	$478
Transitional Rent	1	$0	$0

Notes:

- Medi-Cal Enhanced Case Management (ECM) benefit began January 2022. Community Support (CS) services (formerly In Lieu-of Services) were launched in multiple phases beginning in January 2022.
- "Total Paid" reflects program costs since the various ECM and CS services began.
- Report reflects the 16 CS services plus ECM.
- Transitional rent benefit began 1/1/26; data may not reflect true utilization due to time lags with county reporting and billing.
- Includes data as of August 28, 2026

Net Asset Analysis

Reserve Summary (as of June 30, 2026)

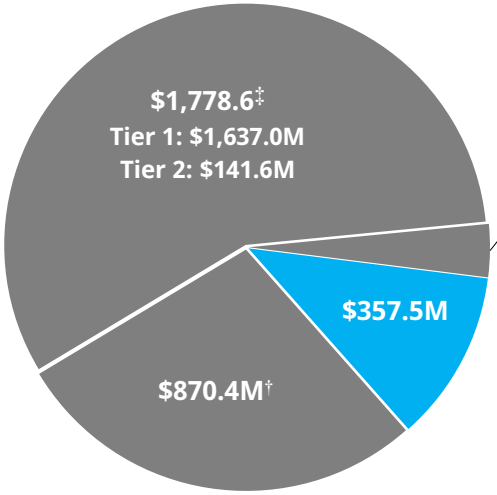
	Amount (in millions)
Total Net Assets	**$3,116.8**
Statutory and Board Designated Reserves*	$1,778.6
Capital Assets (Net of depreciation)	$110.4
Resources Committed by the Board	$870.4
Unallocated Resources*	**$357.5**

Total Designated reserves and unallocated resources can support approximately 183 days of CalOptima Health's current operations.

Details on Reserves

Statutory and Board Designated Reserves

- Tier 1: Board Designated Reserves level at 2.5 to 4.0 months of capitation ($1,637.0M is 3.77 months of capitation)
- Tier 2: Statutory Designated Reserves to meet TNE Requirement ($141.6M is 105% of TNE)



Capital Assets

- 505 and 500 Buildings
- Street Medicine Support Center
- Furniture, Equipment and Building Improvements

Committed by the Board

- Provider Rate Increases - Jul 24 to Dec 26 ($105.2M of $526.2M approved)
- Provider Rate Increases - Jul 26 to Dec 28 ($429.6M of $429.6M approved)
- Other Board Initiatives
  - Community Outreach and Investments
  - Quality Incentive Programs
  - Infrastructure and Capacity Building

Unallocated Resources

- Board may use funds for new commitments
- Management may transfer funds to maintain adequate reserves

† Please see Exhibit 1 for information on Resources Committed by the Board. Of the $870.4M, $735.0M is tied to an obligation and $135.4M is not yet committed.
‡ Please see Exhibit 2 for Reserve Level Landscape Analysis

CalOptima Health

Net Asset Analysis

Exhibit 1: Board-Approved Initiatives (as of June 30, 2026)

Board-approved Initiatives	Program Status	Board Approved Amount	Amounts Committed[1]	Resource Available[2]	Duration	
Community Outreach and Investments					From	To
CalFresh and Redetermination Outreach	In progress	6.0	4.5	1.5	02/02/23	Ongoing
Coalition of Orange County Community Health Centers	In progress	50.0	50.0	-	06/01/22	06/30/27
Garden Grove Recovery Center Development and Maintenance	In progress	17.5	1.9	15.7	09/01/23	07/01/27
General Awareness and Brand Development	Complete	4.7	4.7	-	04/01/23	06/30/26
Homeless Health Initiative	In progress	63.3	61.3	2.0	07/01/19	Ongoing
Housing and Homelessness Incentive Program	In progress	87.4	80.6	6.8	04/01/22	Ongoing
Member and Population Health Needs Assessment	In progress	1.3	1.2	0.1	03/14/25	07/31/26
Mind OC Grant (Irvine)	Complete	15.0	15.0	-	12/01/22	04/30/26
NAMI Orange County Peer Support Program	In progress	5.0	5.0	-	01/01/23	12/31/27
Medi-Cal Eligibility Outreach Strategy	In progress	21.8	3.8	18.1	09/05/25	12/31/28
OneCare Member Engagement and Education - Star Rating	Complete	0.3	0.3	-	04/01/25	06/30/26
Community Health Assessment and Improvement Plan	In progress	1.0	1.0	-	01/01/26	12/31/26
Provider Workforce Development	In progress	50.0	30.1	19.9	12/01/23	12/31/30
Stipend Program for Masters of Social Work	In progress	5.0	5.0	-	08/01/23	07/31/28
Wellness Prevention Program	In progress	2.7	2.7	-	07/01/24	06/30/28
Homeless Prevention and Stabilization Pilot Program	In progress	0.3	0.3	-	01/01/25	01/01/28
Supplemental Food Support for Medi-Cal Members	In progress	8.0	4.2	3.8	11/01/25	02/28/27
PACE Facility - Irvine	In progress	29.5	29.5	-	06/11/26	Ongoing
Subtotal		*$ 368.8*	*$ 301.0*	*$ 67.8*		
Quality Incentive Programs						
Comprehensive Community Cancer Screening[4]	In progress	50.1	20.8	29.3	12/02/22	12/31/27
Dyadic Services Program Academy	In progress	1.9	1.9	-	06/01/24	05/31/27
Five-Year Hospital Quality Program	In progress	153.5	125.6	27.9	01/01/23	12/31/28
Subtotal		*205.4*	*148.3*	*$ 57.1*		
Infrastructure and Capacity Building						
Digital Transformation Strategy (DTS)[3]	In progress	100.0	99.6	0.4	07/01/21	06/30/27
IGT Administrative Withhold (staff to support IGT Program)[4]	In progress	2.0	2.0	-	01/01/21	Ongoing
Medi-Cal Provider Rate Increases (FY24)	In progress	526.2	526.2	-	07/01/24	12/31/26
Medi-Cal Provider Rate Increases (FY27)	Not yet started	429.6	429.6	-	07/01/26	12/31/28
Skilled Nursing Facility Access Program	In progress	10.0	-	10.0	03/01/26	03/01/28
Subtotal		*$ 1,067.8*	*$ 1,057.4*	*$ 10.4*		
Total		**$ 1,642.0**	**$ 1,506.6**	**$ 135.4**		

[1] Amounts Committed include payments and remaining balance of open Purchase Orders and/or an estimation of amounts committed

[2] Resource Available is the amount available for new initiatives after deduction of the Spent Amount and the Additional Amounts Committed from the Board Approved Amount

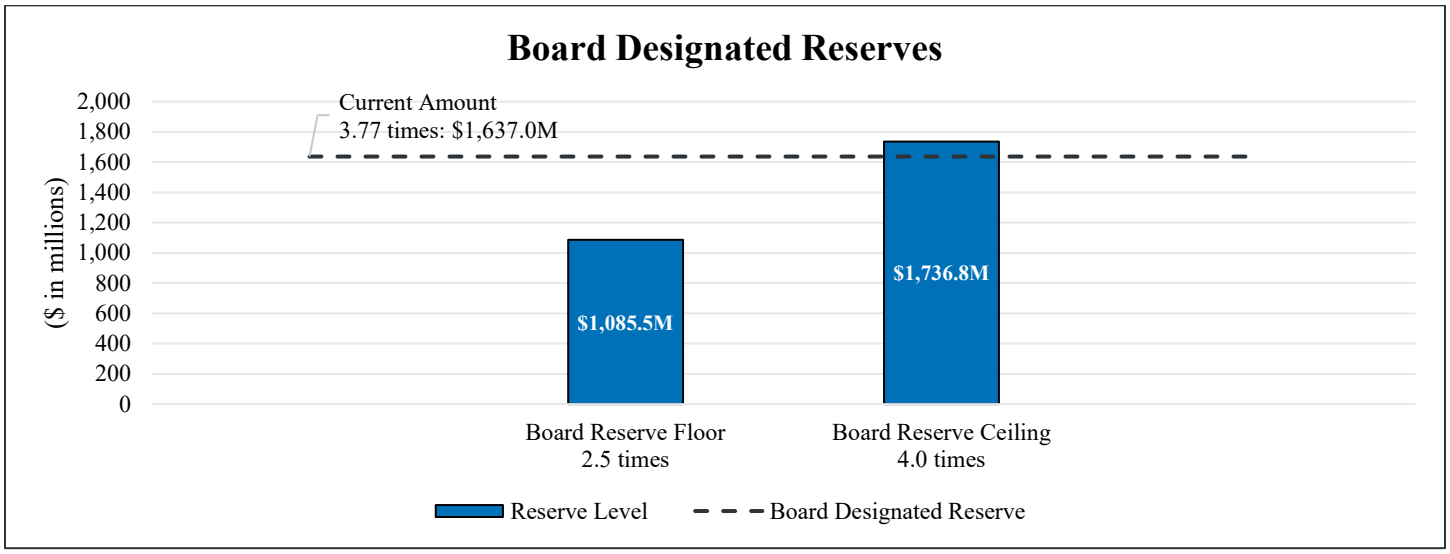
[3] Additional Amounts Committed for DTS are preliminary estimates

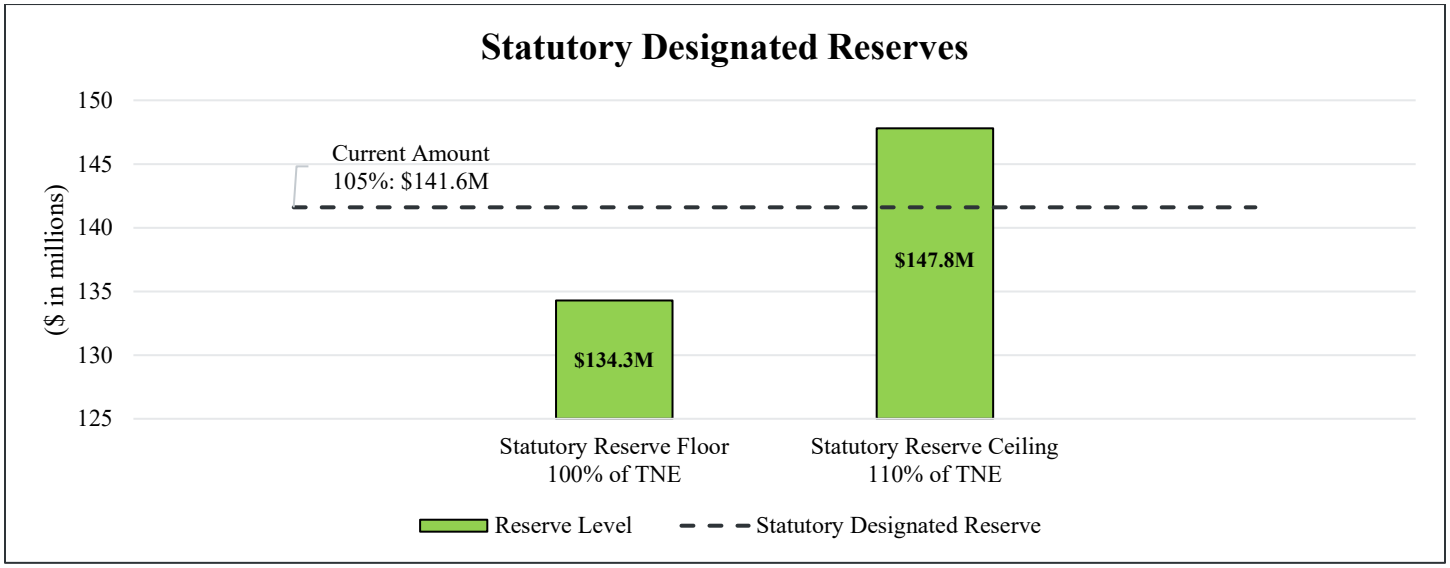
[4] Initiatives funded by IGT dollars

Note: Totals may not add due to rounding

Exhibit 2: Reserve Level Landscape Analysis (as of June 30, 2026)

At the April 3, 2025, meeting, the Board approved the modification of CalOptima Health Policy GA.3001: Statutory and Board-Designated Reserve Funds. The updated policy increased the Board-designated reserve levels to a range of 2.5 to 4.0 months of consolidated monthly revenue and created a separate reserve fund to ensure compliance with TNE requirements. The charts below provide information on the levels of these reserve funds as of June 30, 2026.





CalOptima Health

Enrollment Trend Analysis

(Through September 1, 2026)

Finance and Audit Committee

September 17, 2026

Nancy Huang, Chief Financial Officer

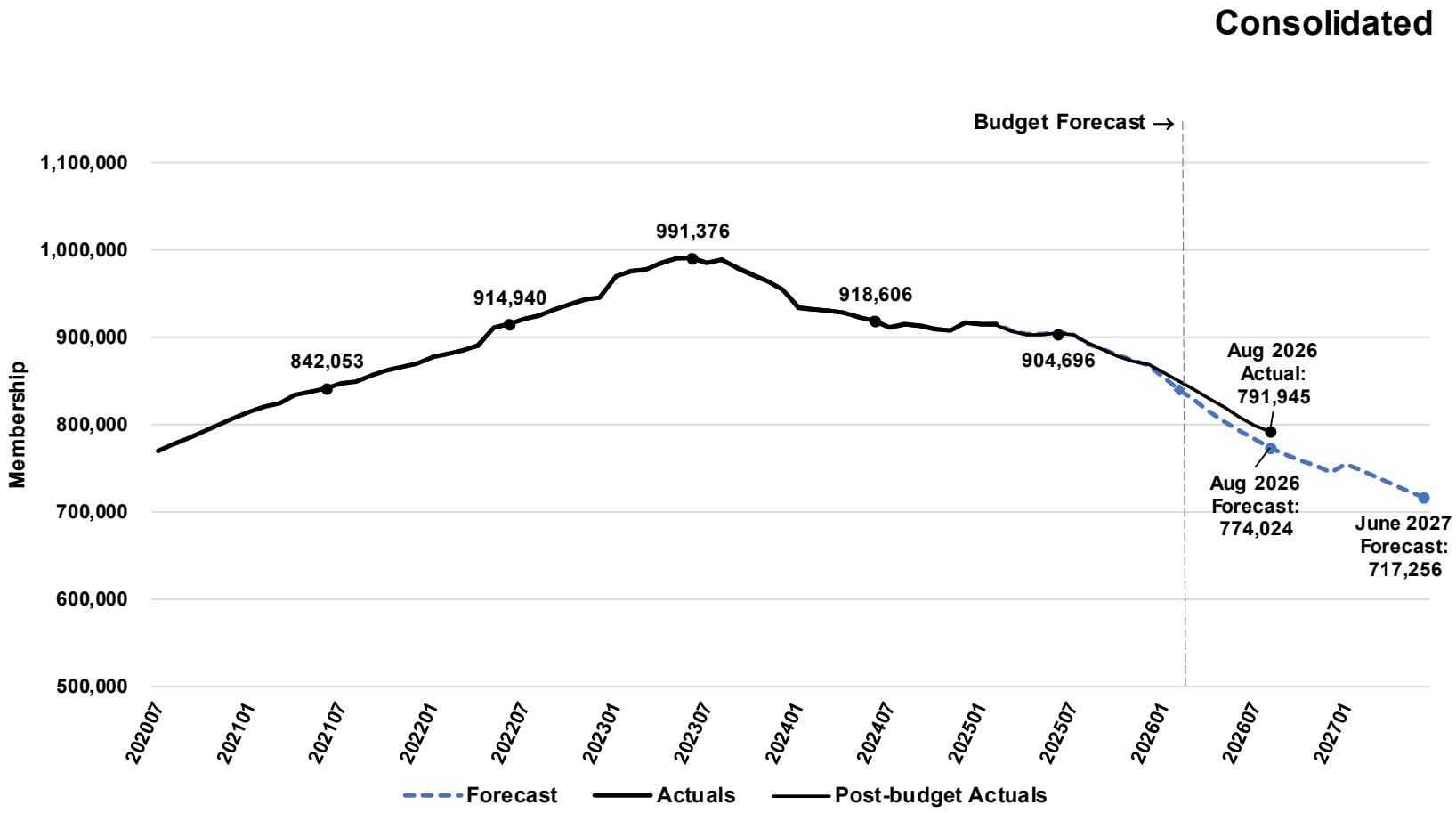
Our Mission

To serve member health with excellence and dignity, respecting the value and needs of each person.

Our Vision

Provide all members with access to care and supports to achieve optimal health and well-being through an equitable and high-quality health care system.

Actuals v. Budget – Total Membership



Notes:

- Data included in this report are based on member eligibility months rather than booked enrollment (as used in the financials).
- Includes data as of September 1, 2026

CalOptima Health

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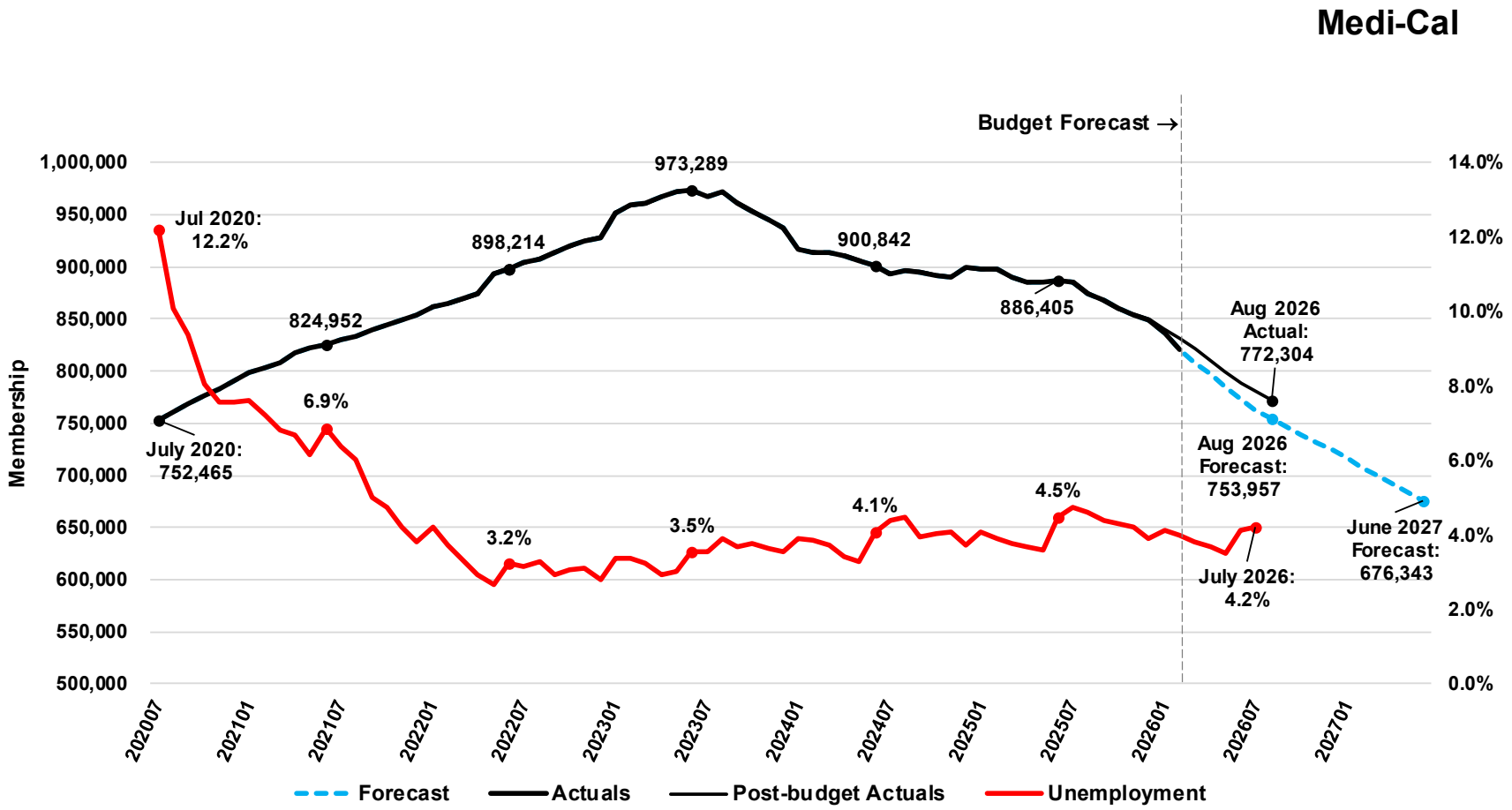
Actuals v. Budget – Medi-Cal



Notes:

- Medi-Cal specific aggregate enrollment forecast
- Overlay of Orange County unemployment rate
- Includes data as of September 1, 2026

CalOptima Health

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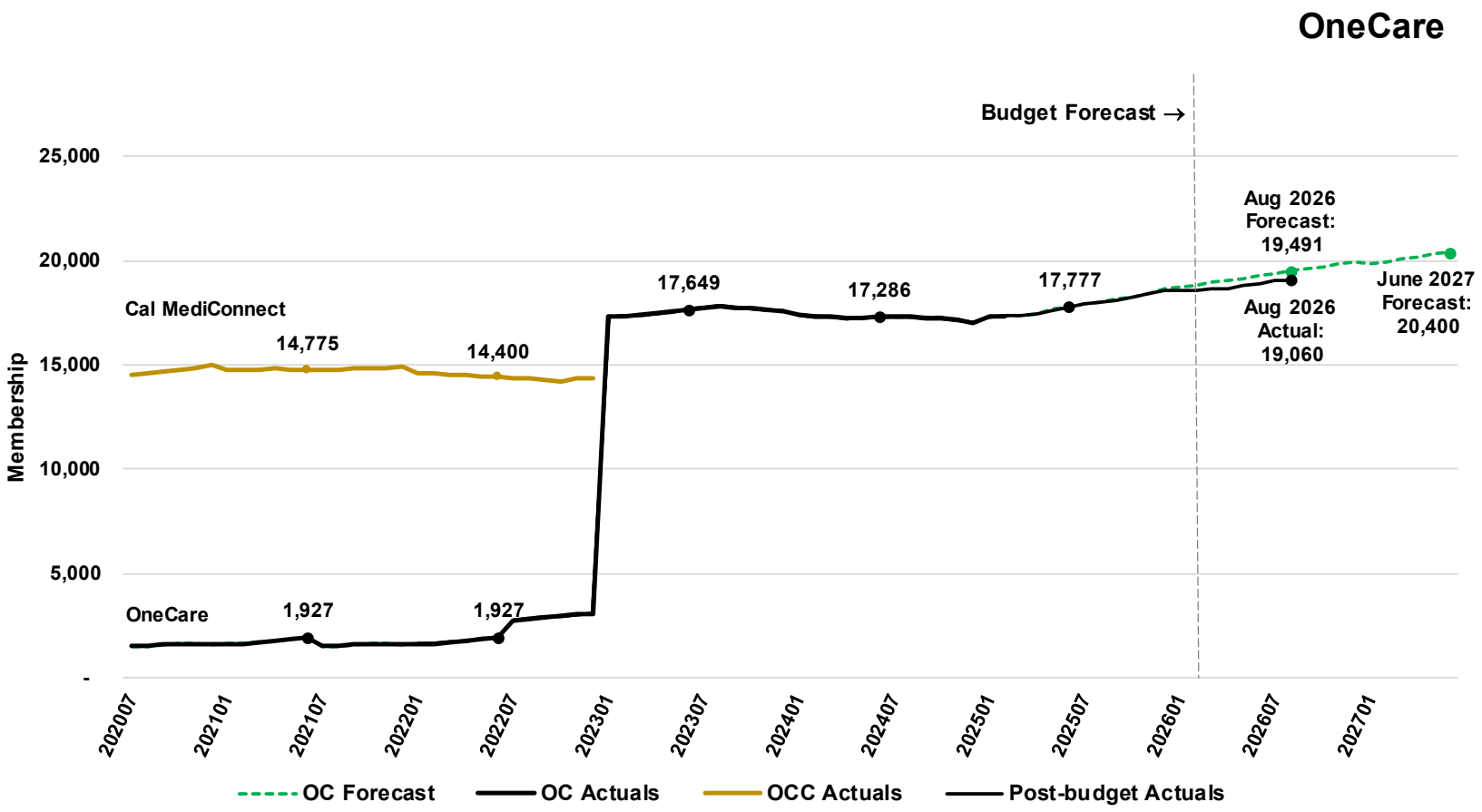
Actuals v. Budget – OneCare



Note: Includes data as of September 1, 2026

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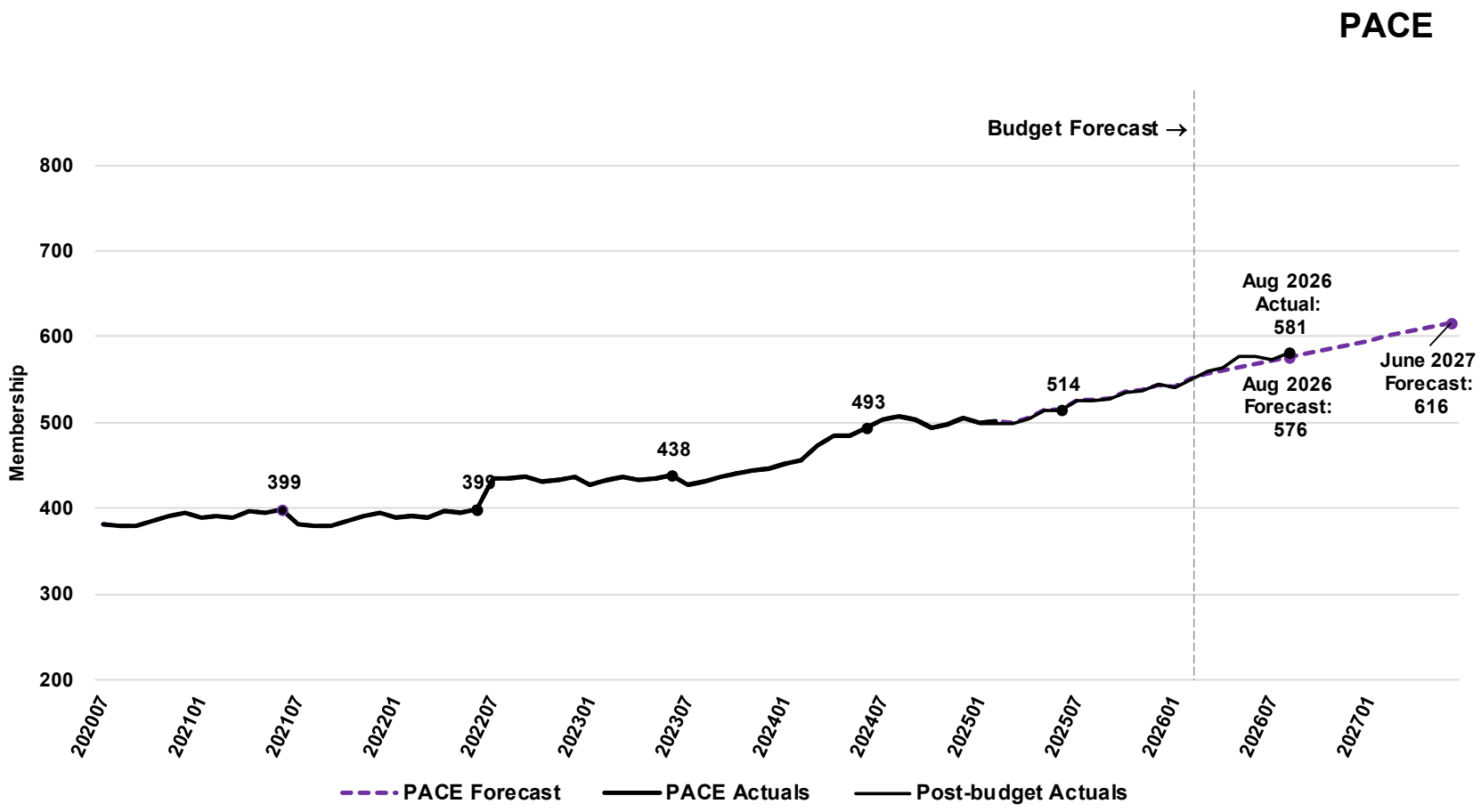
Actuals v. Budget – PACE



Note: Includes data as of September 1, 2026

CalOptima Health

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Board of Directors' Finance and Audit Committee Meeting
September 17, 2026

Shared Risk Pool Performance Update

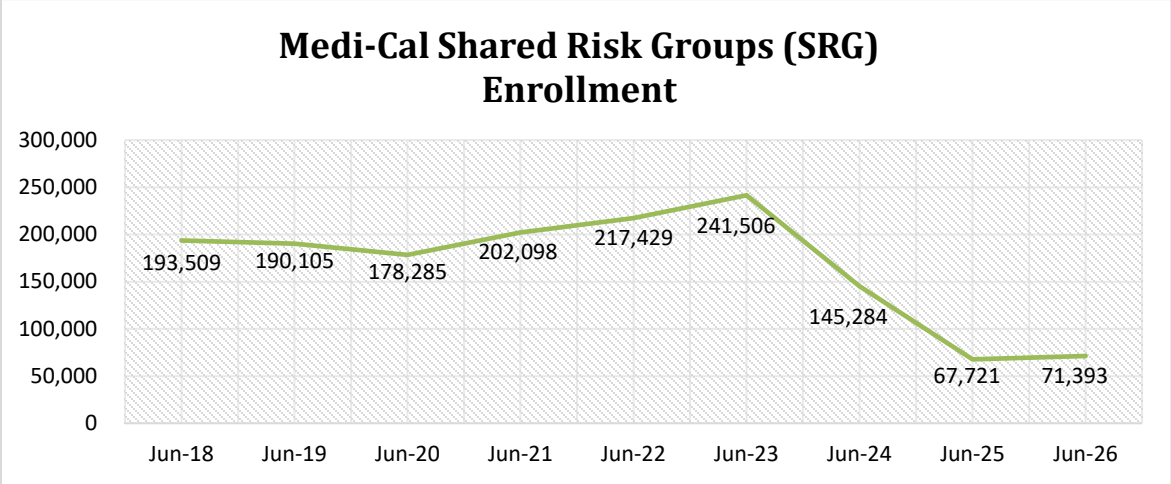
Medi-Cal: As of June 30, 2026, Medi-Cal has three (3) Shared Risk Groups (SRGs).

Effective Dates:

- Noble – January 2008
- UCMG – July 2008
- Providence Medical Foundation – Nov 2025

Enrollment

SRGs serve approximately 71,300 members. It represents about 9% of Medi-Cal enrollment.



Notes:
- Arta and Talbert were consolidated with Monarch into one HMO group, Optum, effective January 2024
- AltaMed was an SRG from March 2014 to October 2024, and became an HMO group in November 2024
- Providence became a new SRG network in November 2025

Pool Performance - (Medi-Cal Classic + Expansion)

Fiscal Year	Gross Deficit	Gross Surplus	CalOptima Health Share (40%)	Group Share (60%)	Number of SRGs		
					Total	In Deficit	In Surplus
2018	-	111,191,833	44,476,733	66,715,100	5	0	5
2019	-	98,625,485	39,450,194	59,175,291	5	0	5
2020	-	56,137,205	22,454,882	33,682,323	5	0	5
2021	-	45,493,299	18,197,320	27,295,979	5	0	5
2022	-	40,209,384	16,083,753	24,125,630	5	0	5
2023	-	61,756,925	24,702,770	37,054,155	5	0	5
2024	-	41,076,803	16,430,721	24,646,082	5	0	5
2025	-	25,870,963	10,348,385	15,522,578	3	0	3
2026Q4	-	13,601,424	5,440,570	8,160,855	3	0	3
	-	$493,963,321	$197,585,329	$296,377,994			

Note: IBNR is calculated based on the paid claims experience. Medi-Cal Shared Risk Pool data for fiscal years prior to 2018 have been archived.

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OneCare: As of June 30, 2026, OneCare has four (4) SRGs.

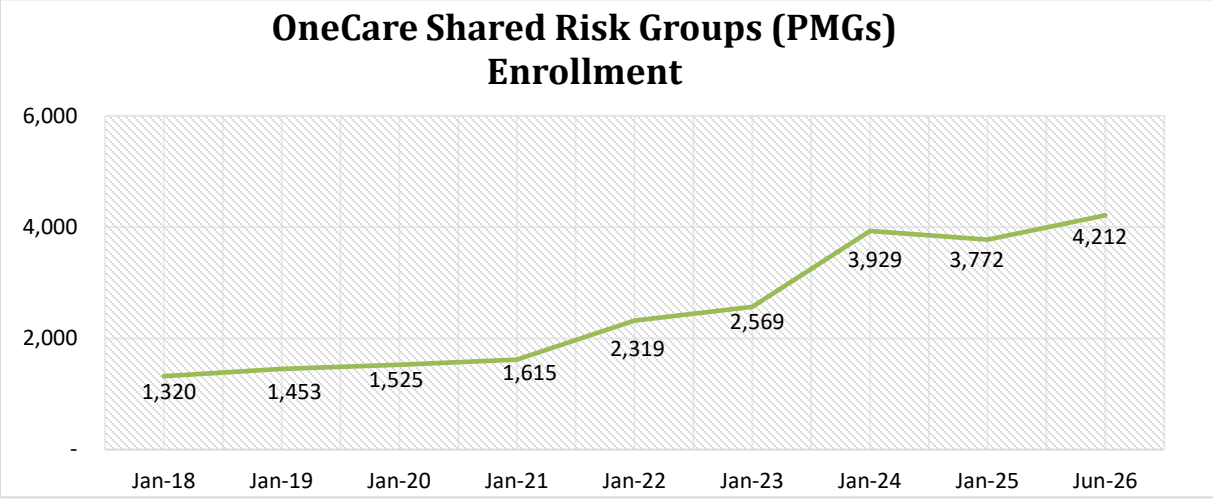
Effective Dates:

- Family Choice – October 2005
- Noble – December 2012
- AltaMed – August 2008
- UCMG – January 2013

Notes:
- Monarch was an SRG from October 2005 to December 2022; became an HMO group in January 2023
- AMVI/Prospect was an SRG from October 2005 to December 2022; became an HMO group in January 2023
- Arta and Talbert were consolidated with Monarch into one HMO group, Optum, effective January 2024

Enrollment

SRGs are serving approximately 4,200 members. It represents about 22% of OneCare enrollment.



Notes:
- OneCare Connect members transitioned to the OneCare program effective January 1, 2023

Pool Performance

Calendar Year	Gross Deficit	Gross Surplus	CalOptima Health Share (50%)	Group Share (50%)	Total	In Deficit	In Surplus
2018	(648,012)	905,714	(148,420)	406,122	8	3	5
2019	(283,379)	553,739	11,785	258,574	8	3	5
2020	(52,626)	1,584,991	741,485	790,880	8	1	7
2021	(1,439,612)	356,683	(1,179,903)	96,973	8	6	2
2022	(731,231)	1,519,370	66,244	721,895	8	3	5
2023	(1,618,867)	5,577,690	1,226,738	2,732,085	6	1	5
2024	(826,670)	2,654,791	578,636	1,249,485	4	2	2
2025	(1,073,634)	3,509,169	761,951	1,673,585	4	2	2
2026Q2	(222,410)	1,338,497	456,034	660,054	4	1	3
	($6,896,441)	$18,000,644	$2,514,550	$8,589,653			

Note: Group share deficit is limited to $5.00 PMPM. Estimated RAPS recoupment is excluded from the above data. OneCare Shared Risk Pool data for months prior to January 2018 have been archived.

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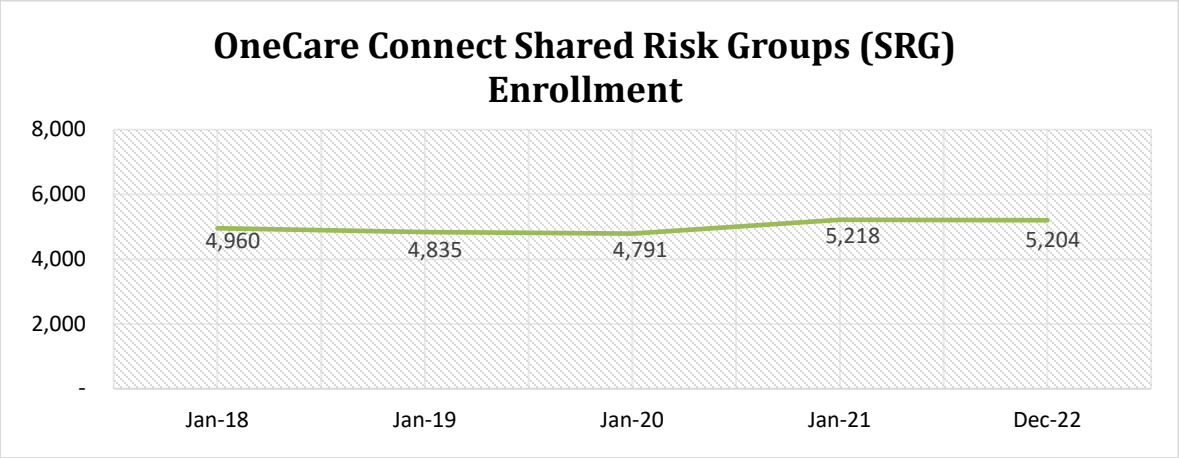
OneCare Connect: As of December 31, 2022, OneCare Connect had six (6) SRGs.

Effective Dates:

- Noble – July 2015
- UCMG – July 2015
- AltaMed – July 2015
- FCMG – January 2016
- Talbert – January 2016
- Arta Western – January 2016

Enrollment

Effective January 1, 2023, the OneCare Connect program ended. OneCare Connect enrollment transitioned to the OneCare program.



Notes:
- Monarch was an SRG from July 2015 to January 2017; became an HMO group in February 2017
- Prospect was an SRG from July 2015 to June 2017; became an HMO group in July 2017

Pool Performance

The final OneCare Connect shared risk pool report will be released to SRGs after the final close-out settlement is issued by the Centers for Medicare & Medicaid Services (CMS) to CalOptima Health.

Calendar Year	Gross Deficit	Gross Surplus	CalOptima Health Share (50%)	Group Share (50%)	Total	In Deficit	In Surplus
2018	-	9,952,022	4,976,011	4,976,011	6	0	6
2019	(39,792)	7,941,153	3,950,680	3,950,680	6	1	5
2020	-	11,577,166	5,788,583	5,788,583	6	0	6
2021	(101,572)	7,094,718	3,481,731	3,511,414	6	1	5
2022	(2,001,796)	1,254,098	(1,215,583)	467,885	6	3	3
	$(2,143,160)	$37,819,157	$16,981,422	$18,694,573			

Note: Group share deficit is limited to $5.00 PMPM. QI withhold reimbursement and estimated RAPS recoupment are excluded from the above data.

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Board of Directors' Finance and Audit Committee Meeting
September 17, 2026

Delegated Entities Financial Compliance Review Update

On a quarterly basis, CalOptima Health reviews the unaudited financial statements of the capitated Physician Groups, Hospitals and HMOs that comprise CalOptima Health's health networks, and other delegated entities. After internal review, CalOptima Health's financial staff makes a determination as to whether the delegated entity has the ability to assume the risk of a capitated contract. The following provides an overview of the review criteria:

1. Physician Groups, and Other Delegated Entities: These entities are required to pass the following tests:
   - Current ratio must be greater than or equal to 1.0;
   - Tangible net equity (TNE) must be greater than or equal to 1.0; and
   - Cash to claims ratio must be greater than or equal to 0.75.

   Hospitals: These entities are required to have a current ratio greater than or equal to 1.0

   HMOs: These entities are required to have a TNE greater of (a) $1.0 million; (b) percent of premium revenues; or (c) percent of healthcare expenses.

2. Financial Security Reserves and Withhold: Health networks and hospitals are required to meet the current financial security reserve and withhold levels pursuant to CalOptima Health policy.

Results of June 30, 2026, Financial Compliance Review: CalOptima Health reviewed the unaudited financial statements for each entity for the period ending June 30, 2026, and found that all entities were in compliance.

	Physician Groups	Other Delegated Entities	Hospitals	HMOs
Total	7	1	2	5
Passed Review	7	1	2	5
Failed Review	0	0	0	0
On Notice	0	0	0	0
Did Not Submit Statements	0	0	0	0