




Golden
LEAF
FOUNDATION

Finance Committee
October 3, 2024

Finance Committee Agenda

- Approve Minutes of August 2024 Meeting
 - Review August Financial Results/Presentation
 - Grants Budget Adjustment
- 

Statements of Position

	<u>August 31, 2024</u>	<u>June 30, 2024</u>	<u>\$ Variance</u>
Assets			
Cash and cash equivalents	\$ 1,042,794	\$ 596,297	\$ 446,497
Investments	1,417,343,771	1,384,663,139	32,680,632
Investments - Coronavirus Relief	16,194,766	16,054,443	140,323
Accounts receivable	2,063,994	2,476,350	(412,356)
Notes receivable	14,866	14,866	-
Prepaid items	166,032	132,070	33,962
Fixed assets:			
Land	900,256	900,256	-
Land improvements	3,650	3,650	-
Buildings	3,352,516	3,352,516	-
Equipment	147,289	141,014	6,275
Furniture and fixtures	156,158	156,158	-
	<u>4,559,869</u>	<u>4,553,594</u>	<u>6,275</u>
Accumulated depreciation	<u>(1,637,534)</u>	<u>(1,618,431)</u>	<u>(19,103)</u>
Net fixed assets	<u>2,922,335</u>	<u>2,935,163</u>	<u>(12,828)</u>
Total assets	<u>\$ 1,439,748,558</u>	<u>\$ 1,406,872,328</u>	<u>\$ 32,876,230</u>
Liabilities			
Accounts payable	\$ 113,879	\$ 161,634	\$ (47,755)
Accrued liabilities	119,444	68,780	50,664
Grants payable	254,455,616	245,340,354	9,115,262
Total liabilities	254,688,939	245,570,768	9,118,171
Net position			
Invested in capital assets	2,922,335	2,935,163	(12,828)
Restricted for flood mitigation	194,296	194,296	-
Restricted for shell building	37,481	9,653,785	(9,616,304)
Restricted for broadband projects	-	-	-
Restricted for disaster recovery projects	428,951	428,951	0
Restricted for food distribution	-	-	-
Unassigned/unrestricted	<u>1,181,476,555</u>	<u>1,148,089,365</u>	<u>33,387,190</u>
Net position	<u>1,185,059,619</u>	<u>1,161,301,560</u>	<u>23,758,060</u>
Total liabilities and net position	<u>\$ 1,439,748,558</u>	<u>\$ 1,406,872,328</u>	<u>\$ 32,876,231</u>

Cash and Cash Equivalents

	<u>YTD FY 2025</u>
Transfers from investments	\$ 12,225,000
Grant returns/receivable payments	425,707
Grant payments	(10,107,888)
Grant payments – Food Distribution Assistance	(1,171,308)
Net Community Bank CD activity	(75,000)
Administrative / other	<u>(850,014)</u>
Total change in cash and cash equivalents	\$ <u>446,497</u>

Investments

		<u>YTD FY 2025</u>
Investment income (loss)	\$	44,830,632
Net Community Bank CD activity		75,000
Transfers to operating cash		<u>(12,225,000)</u>
Total change in investments	\$	<u>32,680,632</u>

Grants Payable

		<u>YTD FY 2025</u>
Awards	\$	22,914,500
Payments		(10,107,888)
Rescissions		<u>(3,691,349)</u>
Total change in grants payable	\$	<u>9,115,263</u>

Statements of Activities

For the Two Months Ended August 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>	<u>\$ Variance</u>
Revenues:			
Investment income (loss)	\$ 44,836,644	\$ 10,848,416	\$ 33,988,228
State - MSA Payment	-	-	-
Investment income - Coronavirus Relief	140,323	101,171	39,152
Other income	-	-	-
Total revenues	<u>44,976,967</u>	<u>10,949,587</u>	<u>34,027,379</u>
Expenses:			
Grant awards (net of rescissions/returns)	19,209,801	5,321,141	(13,888,661)
Grant expenditures - FDAP	1,171,308	-	(1,171,308)
Administrative costs	762,478	680,949	(81,529)
Depreciation expense	19,102	18,564	(538)
Administrative costs - FDAP	40,638	42,209	1,571
Administrative costs - Shell Bldg	1,804	-	(1,804)
Line of Credit expense	13,778	23,250	9,472
Unrelated business income tax	-	-	-
Total expenses	<u>21,218,908</u>	<u>6,086,113</u>	<u>(15,132,795)</u>
Excess of revenues over expenses	23,758,059	4,863,474	18,894,585
Net position, at beginning of period	<u>1,161,301,560</u>	<u>1,080,674,998</u>	<u>80,626,562</u>
Net position, at end of period	<u>\$ 1,185,059,619</u>	<u>\$ 1,085,538,472</u>	<u>\$ 99,521,147</u>

Investment Income

	<u>YTD FY 2025</u>
Dividends / interest income	\$ 2,498,692
Realized gain (loss)	8,841,235
Management fees	(288,269)
Unrealized gain (loss)	33,778,974
Other miscellaneous investment income	<u>6,012</u>
Total investment income (loss)	<u>\$ 44,836,644</u>
Interest income on Investments – Coronavirus Relief Account	<u>\$ 140,323</u>

Line of Credit Expenses

No draws through August 31, 2024

Total FY2025 Budget = \$150,000

	<u>YTD FY 2025</u>
Renewal & participation expenses – bank	\$ 0
Renewal – bank legal expenses	0
Line of credit unused fees	13,778
Interest expense from testing	<u>0</u>
Total line of credit expenses	<u>\$ 13,778</u>

Budget Report

For the Two Months Ended August 31, 2024

	Actual	Budget	Favorable (Unfavorable)	Total FY25 Budget
Administrative Budget				
Board of Director Expenses	\$ 7,738	\$ 9,746	\$ 2,008	\$ 78,722
Depreciation Expense	19,102	19,652	550	117,912
Insurance	5,226	5,256	30	32,055
Miscellaneous and Bank Charges	972	1,000	28	6,000
Occupancy Expenses	14,992	13,852	(1,140)	85,229
Office Operations Expenses	10,326	6,692	(3,634)	40,152
Personnel Expenses	597,682	654,296	56,614	3,819,202
Professional Fees	96,215	112,870	16,655	779,993
Technology	29,326	32,034	2,708	192,214
Total Expenditures	\$ 781,580	\$ 855,398	\$ 73,818 8.6%	\$ 5,151,479
Capital Budget				
Computers and Equipment	\$ 6,275	\$ 3,067	\$ (3,208)	\$ 18,400
Buildings	-	-	-	-
Furniture	-	-	-	11,000
Total	\$ 6,275	\$ 3,067	\$ (3,209)	\$ 29,400

FY2025 Budget

Note: Total MSA Payment is \$25 million, with \$7.5 million going directly to investment corpus

	Budget FY 2025	Budget FY 2025 w/ Adj
Budget Sources:		
MSA Payment (Appropriated)	\$ 17,500,000	\$ 17,500,000
Flood Mitigation (Appropriated) (C/F)	194,296	194,296
Food Distribution (Appropriated) (C/F)	712,768	712,768
Shell Building (Appropriated) (C/F)	9,653,785	9,653,785
Budget Carryforward	6,000,000	31,000,000 ***
Investment Corpus	47,778,999	47,778,999
Total Budget Sources	\$ 81,839,848	\$ 106,839,848
Administration/Capital	\$ 5,180,879	\$ 5,180,879
Interest Expense and Fees (LOC)	150,000	150,000
Grants:		
Open Grants Program	8,500,000	8,500,000
Economic Catalyst	10,000,000	10,000,000
Community Based Grantsmaking	11,000,000	11,000,000
Site Development Program	12,500,000	12,500,000
Scholarships	7,000,000	7,000,000
Other Initiatives:		
SPARC Projects	3,000,000	3,000,000
NG Ag Leads Implementation	1,500,000	1,500,000
Golden LEAF Schools Follow On	750,000	750,000
Healthcare Leverage	2,500,000	2,500,000
Rural Workforce Housing	2,500,000	2,500,000
Other	6,269,169	31,269,169 ***
Disaster Recovery (Appropriated)	428,951	428,951
Flood Mitigation (Appropriated)	194,296	194,296
Food Distribution (Appropriated)	712,768	712,768
Shell Building (Appropriated)	9,653,785	9,653,785
Total Grants	76,508,969	101,508,969
Total Budget	\$ 81,839,848	\$ 106,839,848
% of Net Assets - Budget from Corpus	4.35%	4.35%
Admin/Capital as % of Total Grants Budget*	6.84%	5.14%
Admin/Cap + Int Exp as % of Total Grants Budget*	7.03%	5.29%

***Budget carryforward relates to \$6.0 million NCHFA award and \$25.0 million NC DPI award

Grants Budget Recommendation

Recommendation:

- Motion to recommend that the Board allow an adjustment to the FY2025 grants budget to reflect the carryover of \$25.0 million in funds for the NC DPI award (due to accounting guidelines).