

**MINUTES OF THE REGULAR MEETING OF THE FINANCE COMMITTEE OF
THE BOARD OF DIRECTORS
OF
THE GOLDEN L.E.A.F. (Long-term Economic Advancement Foundation), INC.**

The regular meeting of the Finance Committee of the Board of Directors of The Golden L.E.A.F. (Long-term Economic Advancement Foundation), Inc. (the “Foundation”), was noticed for and convened on December 4, 2025, at the Golden LEAF Retreat Center located at 301 N. Winstead Ave., Rocky Mount, NC 27804. Committee members participating in the meeting were Michael Easley, Jr., Randy Isenhower (Chair), Laurence Lilley, Jarette Sampson, and Ralph Strayhorn. Committee member Tom Taft entered the meeting at the point indicated below. Also present were Board members Barry Dodson, Jim Harrell, Buddy Keller, Brian Raynor, Bobbie Richardson, and David Rose. Also present were Scott T. Hamilton, President, Chief Executive Officer of the Foundation; Ted Lord, Senior Vice President/General Counsel of the Foundation; J.P. Boyd, Vice President of Investments of the Foundation; Erica Smith, Vice President of Finance of the Foundation; Kasey Ginsberg, Vice President/Chief of Staff of the Foundation; Marilyn Chism, Director of Programs of the Foundation; Brynn Fann, Program Officer and AV/Tech Coordinator of the Foundation; Jenny Tinklepaugh, Communications Manager of the Foundation; and Byron Kirkland, legal counsel to the Foundation. J.P. Boyd served as secretary of the meeting.

Mr. Kirkland called the roll of the Committee members.

Mr. Isenhower declared a quorum to be present and called the meeting to order.

A motion was made to approve the minutes of the October 2, 2025, meeting of the Finance Committee. The motion was seconded and carried.

Mr. Isenhower asked Ms. Smith to present her report to the Committee.

Ms. Smith reviewed the Foundation's Statements of Position as of October 31, 2025, and June 30, 2025, including Cash and Cash Equivalents, Investments, and Grants Payable. As of October 31, 2025, the Foundation's Total Assets were approximately \$1.564 billion, compared to approximately \$1.530 billion as of June 30, 2025. The variance is primarily attributable to an increase in Investments. The Foundation had Total Liabilities of approximately \$181.8 million as of October 31, 2025, comprised almost entirely of grants payable. The Foundation's Net Position as of October 31, 2025, was approximately \$1.383 billion compared to a net position of approximately \$1.330 billion as of June 30, 2025, an increase of approximately \$52.2 million. During the period ending October 31, 2025, the Foundation's Investments increased approximately \$49.5 million to approximately \$1.556 billion. This increase in Investments reflects Investment Income of approximately \$77.0 million and transfers to Operating Cash of approximately \$27.5 million. The balance of Grants Payable stood at approximately \$181.6 million at the end of the period, a decrease of approximately \$18.0 million since June 30, 2025, reflecting approximately \$15.7 million in awards, \$26.4 million in payments, and \$7.3 million in rescissions.

Ms. Smith then reviewed the Foundation's Statements of Activities for the four months ended October 31, 2025, and October 31, 2024, including revenues and expenses. During the period ending October 31, 2025, the Foundation had Total Revenues of approximately \$77.4 million, compared to Total Revenues of approximately \$46.6 million at the end of the same period for the prior year, an increase of approximately \$30.8 million. The difference in Total Revenues is primarily attributable to more Investment income. The Foundation had Total Expenses for the period ending October 31, 2025, of approximately \$25.2 million, compared to Total Expenses of approximately \$95.2 million at the end of the same period for the prior year, a decrease of approximately \$70.0 million. The vast majority of the decrease in Total Expenses was attributable

to a reduction in Grant awards. During the period ending October 31, 2025, the Foundation's Revenues exceeded Expenses by approximately \$52.2 million, compared to Expenses exceeding Revenues by approximately \$48.6 million at the end of the same period for the prior year.

Ms. Smith reported that as of October 31, 2025, the Foundation had Fiscal Year to Date Total Investment Income of nearly \$77.0 million comprised of Dividend and Interest Income of approximately \$6.2 million, Realized Gain of approximately \$25.1 million, Management Fees of approximately \$800,000, Unrealized Gain of nearly \$46.5 million, and Other Miscellaneous Investment Income of approximately \$24,000. Ms. Smith also reported that as of October 31, 2025, the Foundation had Interest Income on its Coronavirus Relief Account of approximately \$183,000.

Ms. Smith then provided an update on the Line of Credit Expenses. As of October 31, 2025, the Foundation had Total Line of Credit Expenses of approximately \$42,500 comprised of Origination Expenses – Bank of \$17,500, Origination – Bank Legal Expenses of approximately \$14,000, and Line of Credit Unused Fees of approximately \$11,000.

Ms. Smith then reviewed the Budget Report for the four-month period ended October 31, 2025. Ms. Smith noted that Administrative Expenses for the fiscal year through October 31, 2025, were 6.8% favorable to the budget, with much of the favorability attributable to savings in Personnel Expenses.

Ms. Smith then presented a proposed FY2026 Capital Budget Adjustment. Ms. Smith stated that capital budget needs exceed the approved budget due to necessary upgrades to the security system of both buildings and new signage at the entrance of the parking lot to the offices.

A motion was made to recommend that the Board increase the FY2026 capital budget by \$5,000. The motion was seconded and carried

There being no further business to come before the Committee, the meeting was adjourned.

J.P. Boyd, Secretary of the Meeting

Read and approved:

Randy Isenhower, Chair of the Finance
Committee