

**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 February 5, 2026, at the Golden LEAF Foundation conference room 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, and Brian Raynor. Also present were Board members Barry Dodson, Jim Harrell, Buddy Keller, Jeffrey Lee, Bobbie Richardson, David Rose, Ralph Strayhorn, and Bill Webb. 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 December 4, 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 December 31, 2025, and June 30, 2025, including Cash and Cash Equivalents, Investments, and Grants Payable. As of December 31, 2025, the Foundation's Total Assets were approximately \$1.576 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 \$178.8 million as of December 31, 2025, comprised almost entirely of grants payable. The Foundation's Net Position as of December 31, 2025, was approximately \$1.397 billion compared to a net position of approximately \$1.330 billion as of June 30, 2025, an increase of approximately \$66.5 million. During the period ending December 31, 2025, the Foundation's Investments increased approximately \$59.9 million to approximately \$1.567 billion. This increase in Investments reflects Investment Income of approximately \$101.4 million and transfers to Operating Cash of approximately \$41.5 million. The balance of Grants Payable stood at approximately \$178.6 million at the end of the period, a decrease of approximately \$21.0 million since June 30, 2025, reflecting approximately \$26.8 million in awards, \$39.0 million in payments, and \$8.7 million in rescissions.

Ms. Smith then reviewed the Foundation's Statements of Activities for the six months ended December 31, 2025, and December 31, 2024, including revenues and expenses. During the period ending December 31, 2025, the Foundation had Total Revenues of approximately \$102.2 million, compared to Total Revenues of approximately \$117.4 million at the end of the same period for the prior year, a decrease of approximately \$15.2 million. The difference in Total Revenues is primarily attributable to the non-reoccurring State Appropriation – Helene which was received in the period ending December 31, 2024. The Foundation had Total Expenses for the period ending December 31, 2025, of approximately \$35.7 million, compared to Total Expenses of approximately \$99.7 million at the end of the same period for the prior year, a decrease of approximately \$64.1

million. During the period ending December 31, 2025, the Foundation's Revenues exceeded Expenses by approximately \$66.5 million, compared to Revenues exceeding Expenses by approximately \$17.6 million at the end of the same period for the prior year.

Ms. Smith reported that as of December 31, 2025, the Foundation had Fiscal Year to Date Total Investment Income of nearly \$101.4 million comprised of Dividend and Interest Income of approximately \$11.9 million, Realized Gain of approximately \$38.1 million, Management Fees of approximately \$1.0 million, Unrealized Gain of nearly \$52.35 million, and Other Miscellaneous Investment Income of \$32,638. Ms. Smith also reported that as of December 31, 2025, the Foundation had Interest Income on its Coronavirus Relief Account of approximately \$195,000.

Ms. Smith then provided an update on the Line of Credit Expenses. As of December 31, 2025, the Foundation had Total Line of Credit Expenses of approximately \$46.3 thousand comprised of Origination Expenses – Bank (3-year term) of \$17.5 thousand, Origination – Bank Legal Expenses of approximately \$14.0 thousand, and Line of Credit Unused Fees of approximately \$14.7 thousand.

Ms. Smith then reviewed the Budget Report for the four-month period ending December 31, 2025. Ms. Smith noted that Administrative Expenses for the fiscal year through December 31, 2025, were 6.1% favorable to the budget, with much of the favorability attributable to savings in Personnel Expenses.

Ms. Smith then presented a FY2026 Administrative Budget Adjustment. Ms. Smith stated that administrative budget needs exceed the approved budget due to the transition to a new managed service provider (WingSwept) in November 2025. Additional expenses include: 1) dual managed service providers for two months during the transition between providers, 2) transition

services charged by prior provider, 3) increased monthly costs due to new provider, and 4) unanticipated monthly costs due to technology backup procedures.

A motion was made to recommend that the Board approve a reallocation of \$25,000 from the Personnel Expenses line item to the Technology line item. 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