Draft

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 June 4, 2026, at the Golden LEAF Foundation in the Lawrence Davenport 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, and Brian Raynor. Also present were Board members Barry Dodson, Don Flow, Jim Harrell, Buddy Keller, Jeffrey Lee, Bobbie Richardson, David Rose, Ralph Strayhorn, Tom Taft, 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; Ginger Mustamaa, Director of Programs Administration of the Foundation; Brynn Fann, Program Officer and AV/Technology 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 April 2, 2026, 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 April 30, 2026, and June 30, 2025, including Cash and Cash Equivalents, Investments, and Grants Payable. As of April 30, 2026, the Foundation's Total Assets were approximately $1.657 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 $183.0 million as of April 30, 2026, comprised almost entirely of grants payable. The Foundation's Net Position as of April 30, 2026, was approximately $1.475 billion compared to a net position of approximately $1.330 billion as of June 30, 2025, an increase of approximately $144 million. During the period ending April 30, 2026, the Foundation's Investments increased approximately $139.1 million to approximately $1.646 billion. This increase in Investments reflects Investment Income of approximately $179.2 million, Return of Funds to State (Shell Building) of approximately $1.1 million, Receipt of MSA Payment of $25.0 million, and Transfers to Operating Cash of approximately $64.0 million. The balance of Grants Payable stood at approximately $182.7 million at the end of the period, a decrease of approximately $16.9 million since June 30, 2025, reflecting approximately $52.8 million in Awards, $57.7 million in Payments, and $12.0 million in Rescissions.

Ms. Smith then reviewed the Foundation's Statements of Activities for the ten months ended April 30, 2026, and April 30, 2025, including revenues and expenses. During the period ending April 30, 2026, the Foundation had Total Revenues of approximately $205.2 million, compared to Total Revenues of approximately $154.4 million at the end of the same period for the prior year, an increase of approximately $50.8 million. The difference in Total Revenues is primarily attributable to a greater amount of Investment Income in the period ending April 30, 2026, and the $50 million non-recurring State Appropriation – Helene that was received in the period ending April 30, 2025. The Foundation had Total Expenses for the period ending April 30, 2026, of approximately $61.2 million, compared to Total Expenses of approximately $143.5 million at the end of the same period for the prior year, a decrease of approximately $82.3 million. During the period ending April 30, 2026, the Foundation's Revenues exceeded Expenses by approximately $144.0 million, compared to Revenues exceeding Expenses by approximately $10.9 million at the end of the same period for the prior year.

Ms. Smith reported that as of April 30, 2026, the Foundation had Fiscal Year to Date Total Investment Income of approximately $179.2 million comprised of Dividend and Interest Income of approximately $18.6 million, Realized Gain of approximately $60.4 million, Management Fees of approximately $2.1 million, Unrealized Gain of approximately $102.3 million, and Other Miscellaneous

Investment Income of nearly $44.5 thousand. Ms. Smith also reported that as of April 30, 2026, the Foundation had Interest Income on its Coronavirus Relief Account of nearly $218.2 thousand.

Ms. Smith then provided an update on the Line of Credit Expenses. As of April 30, 2026, the Foundation had Total Line of Credit Expenses of $54.6 thousand comprised of Origination Expenses of $17.5 thousand, Legal Expenses of approximately $14.0 thousand, Line of Credit Unused Fees of approximately $23.0 thousand, and Interest Expense from Testing of $13. The line of credit was successfully tested in February 2026. There were no draws through April 30, 2026.

Ms. Smith then reviewed the Budget Report for the ten months ended April 30, 2026. Ms. Smith noted that Administrative Expenses for the fiscal year through April 30, 2026, were 6.2% favorable to the budget, with much of the favorability attributable to savings in Personnel Expenses.

Ms. Smith then presented a review of the Proposed FY2027 Administrative/Capital Budget. The review included a presentation about the methodology and considerations for the FY2027 budget development. The amount budgeted for the Foundation's expenses each year is based on 4.35% of the rolling three-year average of net assets plus $17.5 million from the annual appropriation of MSA funds. Ms. Smith's review also included a comparison of Golden LEAF's administrative expenses to those of other North Carolina foundations.

Ms. Smith then presented a FY2026 Budget and Forecast with Proposed FY2027 Budget. The Proposed FY2027 Total Budget is $137,374,336 and is comprised of Administrative/Capital of $5,588,385, Interest Expense and Fees (Line of Credit) expenses of $40,000, an Investment in Corpus of $7,500,000 of the annual appropriation of MSA funds to the Foundation, and Total Grants of $124,245,951.

A motion was made to recommend that the Board approve the FY2027 budget for administrative expenses, capital expenses, and line of credit expenses, and the FY2027 budget for programs. The motion was seconded and carried.

Ms. Smith provided an annual update on the Community Banking CD Program, which included discussion about its framework, eligibility criteria, participating financial institutions, and amounts at each participating financial institution.

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

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J.P. Boyd, Secretary of the Meeting

Read and approved:

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Randy Isenhower, Chair of the Finance Committee