

Eugene and Agnes E. Meyer Foundation

Financial Statements

December 31, 2024 and 2023

Independent Auditors' Report

The Board of Directors
Eugene and Agnes E. Meyer Foundation

Opinion

We have audited the accompanying financial statements of the Eugene and Agnes E. Meyer Foundation (the "Foundation"), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses and cash flows for the years then ended and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of December 31, 2024 and 2023, and the changes in net assets 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation 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 Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' 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 generally accepted auditing standards 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 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 generally accepted auditing standards, 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 Foundation'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 Foundation'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.

PKF O'Connor Davies, LLP

October 20, 2025

Eugene and Agnes E. Meyer Foundation

Statements of Financial Position

	December 31	
	2024	2023
ASSETS		
Cash and cash equivalents	\$ 2,828,453	\$ 864,416
Interest receivable	88,499	80,083
Prepaid expenses and deposits	33,885	20,561
Prepaid federal excise tax	166,405	93,058
Investments - deferred compensation	647,944	521,730
Due from investment manager	3,681,130	-
Investments	223,235,810	223,044,805
Right of use asset - operating lease, net	-	163,079
Furniture, equipment, and leasehold improvements, net	<u>18,557</u>	<u>29,232</u>
	<u>\$ 230,700,683</u>	<u>\$ 224,816,964</u>
 LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 234,796	\$ 235,315
Grants payable, net	6,757,584	7,528,590
Deferred federal excise tax	1,531,476	1,466,648
Prepaid rental income	-	1,922
Deferred compensation	647,944	521,730
Lease liability, operating lease	<u>-</u>	<u>166,098</u>
Total Liabilities	9,171,800	9,920,303
 Net assets without donor restrictions	<u>221,528,883</u>	<u>214,896,661</u>
	<u>\$ 230,700,683</u>	<u>\$ 224,816,964</u>

See notes to financial statements

Eugene and Agnes E. Meyer Foundation

Statements of Activities

	Year Ended December 31	
	2024	2023
INVESTMENT RETURN AND OTHER INCOME		
Investment Return		
Dividends and interest	\$ 1,899,735	\$ 1,448,711
Net realized gain on sale of investments	19,831,721	4,782,933
Unrealized gain on investments	<u>4,752,367</u>	<u>25,475,241</u>
	26,483,823	31,706,885
Less direct and indirect investment expenses	<u>936,811</u>	<u>709,695</u>
Total Investment Return	25,547,012	30,997,190
Other income	<u>-</u>	<u>13,454</u>
Total Investment Return and Other Income	<u>25,547,012</u>	<u>31,010,644</u>
 EXPENSES		
Grant awards	13,439,135	12,421,188
Direct charitable activities	3,781,073	2,842,138
Operations and governance	1,188,101	1,359,815
Tax provision	<u>506,481</u>	<u>122,943</u>
Total Expenses	<u>18,914,790</u>	<u>16,746,084</u>
 Change in Net Assets	6,632,222	14,264,560
 NET ASSETS WITHOUT DONOR RESTRICTIONS		
Beginning of year	<u>214,896,661</u>	<u>200,632,101</u>
 End of year	<u><u>\$ 221,528,883</u></u>	<u><u>\$ 214,896,661</u></u>

See notes to financial statements

Eugene and Agnes E. Meyer Foundation

Statement of Functional Expenses Year Ended December 31, 2024

	Program Expenses					
	Grant Awards	Direct Charitable Activities	Total Program Expenses	Operations and Governance	Tax Provision	Total
Grants, net of refunds of \$75,000	\$ 12,704,344	\$ -	\$ 12,704,344	\$ -	\$ -	\$ 12,704,344
Salaries and wages	-	2,252,814	2,252,814	734,493	-	2,987,307
Employee benefits and payroll taxes	-	488,156	488,156	159,154	-	647,310
Board/committee expenses	-	14,089	14,089	4,594	-	18,683
Consulting services	-	425,631	425,631	107,008	-	532,639
Fund for Black-led Change expenses	734,791	-	734,791	-	-	734,791
Travel	-	72,272	72,272	7,572	-	79,844
Meeting expense-program	-	16,842	16,842	5,491	-	22,333
Communications and postage	-	55,194	55,194	5	-	55,199
Insurance	-	27,023	27,023	8,811	-	35,834
Depreciation and amortization	-	10,582	10,582	3,450	-	14,032
Rent and utilities	-	137,742	137,742	44,908	-	182,650
Professional fees	-	119,334	119,334	38,907	-	158,241
Federal excise tax benefit	-	-	-	-	441,653	441,653
Deferred excise tax	-	-	-	-	64,828	64,828
Loss on disposal of fixed assets	-	-	-	943	-	943
Other office expenses	-	161,394	161,394	72,765	-	234,159
Total	<u>\$ 13,439,135</u>	<u>\$ 3,781,073</u>	<u>\$ 17,220,208</u>	<u>\$ 1,188,101</u>	<u>\$ 506,481</u>	<u>\$ 18,914,790</u>

See notes to financial statements

Eugene and Agnes E. Meyer Foundation

Statement of Functional Expenses Year Ended December 31, 2023

	Program Expenses					
	Grant Awards	Direct Charitable Activities	Total Program Expenses	Operations and Governance	Tax Provision (Benefit)	Total
Grants, net of refunds of \$72,923	\$ 10,757,567	\$ -	\$ 10,757,567	\$ -	\$ -	\$ 10,757,567
Salaries and wages	-	1,321,350	1,321,350	653,652	-	1,975,002
Employee benefits and payroll taxes	-	342,823	342,823	169,587	-	512,410
Board/committee expenses	-	13,029	13,029	6,445	-	19,474
Consulting services	-	477,163	477,163	205,561	-	682,724
Fund for Black-led Change expenses	1,663,621	-	1,663,621	-	-	1,663,621
Travel	-	64,261	64,261	15,275	-	79,536
Meeting expense-program	-	60,567	60,567	29,961	-	90,528
Communications and postage	-	1,416	1,416	-	-	1,416
Insurance	-	28,734	28,734	14,214	-	42,948
Depreciation and amortization	-	9,025	9,025	4,464	-	13,489
Rent and utilities	-	158,949	158,949	78,630	-	237,579
Professional fees	-	167,786	167,786	84,617	-	252,403
Federal excise tax benefit	-	-	-	-	(230,841)	(230,841)
Deferred excise tax	-	-	-	-	353,784	353,784
Other office expenses	-	197,035	197,035	97,409	-	294,444
Total	<u>\$ 12,421,188</u>	<u>\$ 2,842,138</u>	<u>\$ 15,263,326</u>	<u>\$ 1,359,815</u>	<u>\$ 122,943</u>	<u>\$ 16,746,084</u>

See notes to financial statements

Eugene and Agnes E. Meyer Foundation

Statements of Cash Flows

	Year Ended December 31	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 6,632,222	\$ 14,264,560
Adjustments to reconcile change in net assets to net cash from operating activities		
Amortization of right of use asset - operating lease	163,079	242,662
Depreciation and amortization	14,032	13,489
Loss on disposal of assets	943	-
Grant discount	(86,494)	(34,830)
Bond amortization	(133,478)	(110,557)
Realized gain on sale of investments	(19,831,721)	(4,782,933)
Unrealized gain on investments	(4,752,367)	(25,475,241)
Deferred federal excise tax	64,828	353,784
Net changes in operating assets and liabilities		
Interest receivable	(8,416)	(76,858)
Prepaid expenses and deposits	(13,324)	38,228
Prepaid federal excise tax	(73,347)	(93,058)
Accounts payable and accrued expenses	(519)	23,476
Grants payable	(684,512)	(137,840)
Prepaid rental income	(1,922)	-
Lease liability	(166,098)	(244,159)
Federal excise tax payable	-	(257,783)
Net Cash From Operating Activities	<u>(18,877,094)</u>	<u>(16,277,060)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of furniture and equipment	(4,300)	(27,516)
Due from investment manager	(3,681,130)	-
Purchase of investments	(39,027,673)	(43,203,790)
Proceeds from sale of investments	<u>63,554,234</u>	<u>59,781,442</u>
Net Cash From Investing Activities	<u>20,841,131</u>	<u>16,550,136</u>
Net Change in Cash and Cash Equivalents	1,964,037	273,076
CASH AND CASH EQUIVALENTS		
Beginning of year	<u>864,416</u>	<u>591,340</u>
End of year	<u>\$ 2,828,453</u>	<u>\$ 864,416</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Federal excise taxes paid	\$ 515,000	\$ 120,000

See notes to financial statements

Eugene and Agnes E. Meyer Foundation

Notes to Financial Statements
December 31, 2024 and 2023

1. Organization

The Eugene and Agnes E. Meyer Foundation (the “Foundation”) was established in 1944. It is a private foundation engaged in making grants for charitable and educational purposes in response to the changing needs of the Washington, D.C. metropolitan community. The Foundation’s capital was originally provided, and was later substantially augmented, by contributions from Mr. and Mrs. Eugene Meyer, from whom the Foundation takes its name.

The Foundation is exempt from federal income taxes under Section 501(c)(3) and 509(a) of the Internal Revenue Code and has been further classified as a “private foundation”. The Foundation is subject to an excise tax on its net investment income. Excise taxes consist of two components: current taxes based upon net investment income and deferred taxes which arise from the difference between the tax cost of the investments and the fair value of the investments.

2. Summary of Significant Accounting Policies

Basis of Presentation and Use of Estimates

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”), which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents represent short-term investments with maturities of 90 days or less at the time of purchase. Cash and cash equivalents residing within the Foundation’s investment portfolio are reported as investments.

Fair Value Measurements

The Foundation follows U.S. GAAP guidance on Fair Value Measurements which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

Pursuant to U.S. GAAP guidance, alternative investments where fair value is measured using the Net Asset Value (“NAV”) per share as a practical expedient are not categorized within the fair value hierarchy.

Eugene and Agnes E. Meyer Foundation

Notes to Financial Statements
December 31, 2024 and 2023

2. Summary of Significant Accounting Policies *(continued)*

Investment and Income Recognition

Investments, other than temporary cash investments, are carried at fair value. Temporary cash investments are valued at cost plus accrued interest. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis and dividends are recorded on the ex-dividend date. Realized and unrealized gains and losses are included in the determination of the change in net assets.

Investment Expenses

Investment expenses on the statements of activities include those fees paid directly to the Foundation's investment advisors, custodians and direct internal expenses generated from the generation of investment income.

Investments Risks and Uncertainties

Alternative investments consist of non-traditional, not readily marketable investments, some of which may be structured as hedge funds and private equity funds. The underlying investments of such funds, whether invested in stock or other securities, are generally not currently traded in a public market and typically are subject to restrictions on resale. Values determined by investment managers of underlying securities that are thinly traded or not traded in an active market may be based on historical cost, appraisals, a review of the investees' financial results, financial condition and prospects, together with comparisons to similar companies for which quoted market prices are available or other estimates that require varying degrees of judgment.

Because of the inherent uncertainty of valuations, the estimated fair values may differ significantly from the values that would have been used had a ready market for such investments existed or had such investments been liquidated, and those differences could be material.

Furniture, Equipment, and Leasehold Improvements

Furniture and equipment are carried at cost. Depreciation is recorded using the straight-line method over the estimated useful lives of the assets, which range from 3 to 10 years. Leasehold improvements are amortized over the lesser of the life of the asset or the term of the lease. Physical assets acquired with costs in excess of \$1,000 and having a period of benefit in excess of one year are capitalized.

Eugene and Agnes E. Meyer Foundation

Notes to Financial Statements
December 31, 2024 and 2023

2. Summary of Significant Accounting Policies (*continued*)

Leases

ROU asset represents the right to use an underlying asset for the lease term and lease liability represents the obligation to make lease payments arising from the lease. Operating lease ROU asset and liability are recognized at the lease commencement date based on the present value of lease payments over the lease term. The lease does not provide an implicit borrowing rate. The Foundation uses a risk-free rate based on the information available at the commencement date in determining the present value of lease payments. The operating lease ROU asset includes any lease payments made and excludes lease incentives. Lease terms may include options to extend the lease and when it is reasonably certain that the Foundation will exercise that option, such amounts are included in ROU assets and lease liabilities. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Foundation's lease agreement does not contain any material residual value guarantees or material restrictive covenants.

Grants

The Foundation recognizes grant expense upon award of the grant. Grant pledges for future years are recorded at fair value using a present value technique.

Deferred Compensation Plan

Funds held for the Foundation's Section 457(b) deferred compensation plan is reflected in the statements of financial position. At December 31, 2024 and 2023, the assets are comprised of mutual funds and are based on level 1 inputs.

Presentation of Net Assets

Net assets are categorized as without donor restrictions and with donor restrictions.

Without donor restrictions - Resources that are fully available at the discretion of management and the Board of Directors (the Board), for use in activities within the Foundation's mission.

With donor restrictions - Funds that the Foundation may use in accordance with donor's restrictions for specific purposes or upon the passage of time or require the Foundation to maintain them in perpetuity.

All of the Foundation's net assets were without donor restriction as of December 31, 2024 and 2023.

Functional Allocation of Expenses

The costs of providing various programs and related supporting services have been summarized on a functional basis in the financial statements. Accordingly, certain costs, such as salaries and professional fees, have been allocated among programs and supporting services. The allocation of cost to the Foundation's activities is based on the percentage of time spent by employees on the various activities. Cost is calculated by applying the percentage of an employee's time spent on an activity to compensation, benefits and certain operating expenses.

Eugene and Agnes E. Meyer Foundation

Notes to Financial Statements
December 31, 2024 and 2023

2. Summary of Significant Accounting Policies (*continued*)

Accounting for Uncertainty in Income Taxes

The Foundation's accounting policy is to provide liabilities for uncertain income tax positions when a liability is probable and estimable. Management is not aware of any violation of its tax status as a foundation exempt from income taxes. The Foundation is no longer subject to examinations by applicable taxing jurisdictions for periods prior to December 31, 2021.

Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is October 20, 2025.

Reclassifications

Certain prior year amounts have been reclassified to conform to the current year presentation.

3. Concentration of Credit Risk

The Foundation's cash, cash equivalents and investments are potentially exposed to concentrations of credit risk. The Foundation invests its cash and cash equivalents with quality financial institutions. The Foundation invests in common stocks, mutual funds, hedge funds, private equities, bonds and notes issued by financially strong entities and foreign governments. The Foundation routinely assesses the diversification and financial strength of its cash and investment portfolio. As a consequence, concentrations of credit risk are limited. Deposits held at financial institutions insured by the Federal Deposit Insurance Corporation ("FDIC") are insured up to \$250,000. Investment holdings at financial institutions insured by the Securities Investor Protection Corporation ("SIPC") are insured up to \$500,000 (\$250,000 for cash holdings). At times balances may exceed the FDIC and the SIPC limit.

Eugene and Agnes E. Meyer Foundation

Notes to Financial Statements December 31, 2024 and 2023

4. Investments

The following are major categories of investments measured at fair value on a recurring basis at December 31, grouped by the fair value hierarchy, for those investments subject to categorization within such hierarchy.

Description	2024			
	Level 1	Level 2	Investments Measured at NAV (*)	Total
Equities	\$ 9,796,720	\$ -	\$ -	\$ 9,796,720
Mutual Funds				
Real assets	4,732,040	-	-	4,732,040
Equity	10,496,755	-	-	10,496,755
Intermediate	9,471,452	-	-	9,471,452
Treasury funds	3,788,255	-	-	3,788,255
Municipal bonds	-	1,863,919	-	1,863,919
Corporate bonds	-	3,622,259	-	3,622,259
Hedge Funds				
Equities	-	-	53,086,030	53,086,030
Event driven	-	-	4,394,649	4,394,649
Open mandate	-	-	2,897,584	2,897,584
Global long/short	-	-	64,571,492	64,571,492
Comingled fund	-	-	5,163,209	5,163,209
Private equities	-	-	47,148,568	47,148,568
Total Investments at Fair Value	<u>\$ 38,285,222</u>	<u>\$ 5,486,178</u>	<u>\$ 177,261,532</u>	221,032,932
Certificates of deposit, at cost plus interest				269,535
Cash held for investment, at cost				1,933,343
Total Investments				<u>\$ 223,235,810</u>

Description	2023			
	Level 1	Level 2	Investments Measured at NAV (*)	Total
Equities	\$ 8,796,943	\$ -	\$ -	\$ 8,796,943
Mutual Funds				
Real assets	4,590,615	-	-	4,590,615
Equity	10,369,742	-	-	10,369,742
Intermediate	20,350,796	-	-	20,350,796
Treasury funds	3,634,889	-	-	3,634,889
Municipal bonds	-	1,795,092	-	1,795,092
Corporate bonds	-	3,523,674	-	3,523,674
Hedge Funds				
Equities	-	-	65,814,636	65,814,636
Event driven	-	-	5,089,906	5,089,906
Open mandate	-	-	2,690,922	2,690,922
Global long/short	-	-	61,346,783	61,346,783
Private equities	-	-	33,060,036	33,060,036
Total Investments at Fair Value	<u>\$ 47,742,985</u>	<u>\$ 5,318,766</u>	<u>\$ 168,002,283</u>	221,064,034
Certificates of deposit, at cost plus interest				269,283
Cash held for investment, at cost				1,711,488
Total Investments				<u>\$ 223,044,805</u>

(*) As discussed in Note 2, investments that are measured using the practical expedient are not classified within the fair value hierarchy.

Eugene and Agnes E. Meyer Foundation

Notes to Financial Statements December 31, 2024 and 2023

4. Investments (*continued*)

One of the investments held at December 31, 2024 and 2023 made up 23% and 21% of the Foundation's investment portfolio, respectively.

Information regarding investments valued at NAV using the practical expedient at December 31, 2024 are as follows:

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Hedge Funds				
Equities (see "a" below)	\$ 53,086,030	\$ -	Daily-Quarterly	30 - 60 Days
Event driven (see "b" below)	4,394,649	-	Quarterly	60 Days
Open mandate (see "c" below)	2,897,584	-	Monthly-N/A	14 Days - N/A
Global long/short (see "d" below)	64,571,492	-	Quarterly-Annually	30 -180 Days
Private equities (see "e" below)	47,148,568	33,750,975	N/A	N/A
Commingled fund (see "f" below)	5,163,209	-	Monthly	3 - 30 days
	<u>\$ 177,261,532</u>	<u>\$ 33,750,975</u>		

- (a) This class includes funds that invest predominantly in long-only, diversified equity securities seeking to outperform reference equity market benchmarks in the US and overseas.
- (b) This category includes funds that invest in a broad array of strategies seeking to exploit security mispricing caused by mergers and acquisitions, spin-offs, tracking stocks, accounting write-offs, reorganizations, bankruptcies, share buybacks and special dividends. Certain investments in this category cannot be redeemed at the Foundation's discretion.
- (c) This category includes funds that invest in multi-strategy portfolios that have a broad mandate and employ an opportunistic investment approach, shifting capital across asset classes and strategies depending on their profitability. These funds may vary their allocations dramatically across strategies over time and may invest heavily in a certain strategy or not at all depending on the opportunity set at that time. Certain investments in this category cannot be redeemed at the Foundation's discretion. Instead, distributions are received through the liquidation of the underlying assets of the funds.
- (d) This class includes funds with portfolios consisting of a core group of long stock positions with short sales of stock and stock indices in global equity markets. These funds vary in their use of short-selling and leverage.
- (e) This category includes private equity investments. These are long term investments that cannot be redeemed at the discretion of the Foundation. Instead, distributions are received through the liquidation of the underlying assets of the funds. Management has estimated that the underlying assets of the Funds will be liquidated over the next 7 to 10 years.
- (f) This category includes one investment. The objective of the fund is to achieve long-term capital appreciation by investing in a portfolio of US stocks of companies that demonstrate positive new contribution on communities. The fund seeks to match constituents of the US Community Investing Index as closely as practicable.

Eugene and Agnes E. Meyer Foundation

Notes to Financial Statements
December 31, 2024 and 2023

5. Liquidity and Availability of Financial Assets

The Foundation's financial assets and resources available to meet cash needs for general expenditures within one year of the date of the statements of financial position were as follows for December 31:

	2024	2023
Financial Assets:		
Cash and cash equivalents	\$ 2,828,453	\$ 864,416
Interest receivable	88,499	80,083
Due from investment manager	3,681,130	-
Investments	<u>223,235,810</u>	<u>223,044,805</u>
Total Financial Assets	229,833,892	223,989,304
Less: Illiquid investments	<u>47,228,760</u>	<u>33,150,081</u>
Financial Assets Available to Meet General Expenditures Over the Next Twelve Months	<u>\$ 182,605,132</u>	<u>\$ 190,839,223</u>

As part of the Foundation's liquidity management strategy, the Foundation structures its financial assets to be available as its grant payments and other general liabilities come due. The withdrawals are adjusted based on the grants to be disbursed and other factors affecting available cash such as capital calls on investments, investment income and capital distributions, general operating expenses, program costs and other factors affecting available cash.

6. Furniture, Equipment, and Leasehold Improvements

Furniture, equipment, and leasehold improvements consist of the following as of December 31:

	2024	2023
Leasehold improvements and furniture	\$ -	\$ 324,851
Computer equipment	<u>39,014</u>	<u>613,828</u>
	39,014	938,679
Less: accumulated depreciation and amortization	<u>20,457</u>	<u>909,447</u>
	<u>\$ 18,557</u>	<u>\$ 29,232</u>

Depreciation and amortization expense amounted to \$14,032 and \$13,489 for the years ended December 31, 2024 and 2023, respectively. During the year ended December 31, 2024, the Foundation's lease expired and, as a result, the Foundation wrote off \$896,090 of fully depreciated computer equipment and leasehold improvements and furniture. In addition, the Foundation wrote off \$7,873 of leasehold improvements and furniture resulting in a recognized loss on disposal of \$943.

Eugene and Agnes E. Meyer Foundation

Notes to Financial Statements
December 31, 2024 and 2023

7. Grants Payable

The Foundation has entered into grant commitments with certain organizations. Payments to these organizations at December 31, are to be made as follows:

	2024	2023
Less than one year	\$ 5,550,000	\$ 4,767,500
One to three years	<u>1,260,000</u>	<u>2,900,000</u>
	6,810,000	7,667,500
Less: present value discount	<u>52,416</u>	<u>138,910</u>
Grants Payable, net	<u>\$ 6,757,584</u>	<u>\$ 7,528,590</u>

To reflect the time value of money, grants payable beyond one year as of December 31, 2024 and 2023 were discounted to the present value ranging from 4.23% and 4.41%.

8. Taxes

The Foundation is a private foundation as defined in section 509(a) of the Internal Revenue Code. The Foundation is subject to a Federal excise tax of 1.39% on its net investment income, as defined, for tax purposes. In addition, the Foundation provides for deferred federal excise tax. Deferred taxes principally arise from differences between the cost and fair value of investments where aggregate fair value exceeds cost and are calculated using a 1.39% rate at December 31, 2024 and 2023.

9. Related Party Transactions

Grants were paid to certain organizations with which certain Foundation directors are associated. During 2024 and 2023 grants paid to such organizations were \$836,500 and \$759,850 respectively. In keeping with Foundation policy, directors associated with applicant organizations recuse themselves from the related grant making decisions.

10. Retirement Benefits and Deferred Compensation

The Foundation funds a defined contribution pension plan for its eligible full-time employees and qualifying part-time employees. Employees are eligible after six months of employment. From the month of eligibility, the Foundation annually contributes ten percent of employees' earnings to the plan. Plan expense was \$235,448 and \$188,061 in 2024 and 2023, respectively.

In addition, the Foundation provides a 457(b) deferred compensation plan that is limited to key employees. The Foundation adopted the plan as an unfunded, nonqualified deferred compensation plan. The Foundation's contribution to the 457(b) plan was \$53,000 and \$42,500 in 2024 and 2023, respectively. As of December 31, 2024 and 2023, the 457(b) plan liability was \$647,944 and \$521,730, respectively, which is reflected in the statements of financial position. The Foundation has set aside certain investments to fund this obligation.

Eugene and Agnes E. Meyer Foundation

Notes to Financial Statements
December 31, 2024 and 2023

11. Contingencies

From time to time, the Foundation is involved in legal actions. The Foundation believes the liabilities, if any, that may result from such actions will not have a materially adverse effect on the Foundation's position.

12. Lease Commitments

In February 2021, the Foundation entered into an agreement for office space in Washington, D.C for the period beginning July 13, 2021 and ending August 31, 2024. The lease agreement requires additional payments to cover operating expenses. Rent expense was \$166,558 and \$246,807 for the years ended December 31, 2024 and 2023, respectively. Rent expense totaling \$9,613 and \$12,504 for the years ended December 31, 2024 and 2023, respectively, were included in direct investment expenses on the statements of activities. The variable rent expense component amounted to \$6,238 and \$3,276 for the years ended December 31, 2024 and 2023.

At December 31, 2024 and 2023, the Foundation has an operating lease liability of \$0 and \$166,098, respectively. The average interest rate used in calculating the lease liability was approximately 0.95%. The weighted-average remaining lease term in years for operating leases as of December 31, 2024 and 2023 was 0 and 0.67, respectively. For the years ended December 31, 2024 and 2023, cash paid for amounts included in the measurement of the lease liability from the operating lease included in operating cash flows amounted to \$166,098 and \$244,159, respectively.

	2024	2023
Right of use - operating lease asset	\$ 646,122	\$ 646,122
Less accumulated amortization	<u>(646,122)</u>	<u>(483,043)</u>
	<u>\$ -</u>	<u>\$ 163,079</u>
 Total future minimum lease payment	 \$ -	 \$ 166,558
Less imputed interest	<u>-</u>	<u>(460)</u>
Total Lease Liability	<u>\$ -</u>	<u>\$ 166,098</u>

On July 2, 2024, subsequent to the expiration of the Washington, D.C lease, the Foundation entered into a lease agreement with Industrious for the use of office space and related services for the period beginning September 1, 2024 and ending March 31, 2025. Rent expense was \$19,467 for the year ended December 31, 2024. The Foundation applies the short term lease exception under ASC 842.

13. Line of Credit

On December 19, 2018 the Foundation obtained an unsecured line of credit of \$1,500,000 which expired on December 18, 2024. The line had an interest rate of 1 month Secured Overnight Finance Rate plus 1.80%. There were no amounts drawn upon or outstanding under the line as of December 31, 2024 and 2023.

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