F. R. BIGELOW FOUNDATION

FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2025 AND 2024

F. R. BIGELOW FOUNDATION
TABLE OF CONTENTS
YEARS ENDED DECEMBER 31, 2025 AND 2024

INDEPENDENT AUDITORS' REPORT

Board of Trustees
F. R. Bigelow Foundation
St. Paul, Minnesota

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of F. R. Bigelow Foundation, which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of F. R. Bigelow Foundation as of December 31, 2025 and 2024, and the changes in its 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 (GAAS). 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 F. R. Bigelow 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 F. R. Bigelow Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Board of Trustees
F. R. Bigelow Foundation

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 GAAS 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 a 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 GAAS, 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 F. R. Bigelow 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 F. R. Bigelow 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Minneapolis, Minnesota
July 1, 2026

F. R. BIGELOW FOUNDATION
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2025 AND 2024

	2025	2024
ASSETS		
Cash and Cash Equivalents	$ 359,955	$ 255,987
Investments	187,343,434	180,226,779
Notes Receivable	204,943	307,970
Total Assets	$ 187,908,332	$ 180,790,736
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable	$ 8,637	$ 1,550
Grants Payable	2,814,635	2,919,753
Excise Tax Payable	18,878	32,175
Deferred Excise Tax Payable	411,550	366,803
Total Liabilities	3,253,700	3,320,281
NET ASSETS WITHOUT DONOR RESTRICTIONS	184,654,632	177,470,455
Total Liabilities and Net Assets	$ 187,908,332	$ 180,790,736

See accompanying Notes to Financial Statements.

F. R. BIGELOW FOUNDATION
STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
REVENUE AND GAINS		
Investment Income, Net of Investment Expenses of $1,401,696 in 2025 and $1,234,185 in 2024	$ 1,668,120	$ 1,698,925
Net Unrealized and Realized Gains	15,921,471	10,849,988
Total Revenue and Gains	17,589,591	12,548,913
EXPENSES		
Program:		
Grants	9,455,382	8,388,045
Other Program Expenses	376,326	443,836
Total Program Expenses	9,831,708	8,831,881
Management and General:		
Administrative Expenses	321,609	240,833
Federal Excise Tax	207,350	89,442
Deferred Tax Expense	44,747	64,931
Total Expenses	10,405,414	9,227,087
CHANGE IN NET ASSETS	7,184,177	3,321,826
Net Assets Without Donor Restrictions - Beginning of Year	177,470,455	174,148,629
NET ASSETS WITHOUT DONOR RESTRICTIONS - END OF YEAR	$ 184,654,632	$ 177,470,455

See accompanying Notes to Financial Statements.

F. R. BIGELOW FOUNDATION
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	$ 7,184,177	$ 3,321,826
Adjustments to Reconcile Change in Net Assets to Net Cash Used by Operating Activities:		
Net Unrealized and Realized Gains	(15,921,471)	(10,849,988)
Deferred Tax Expense	44,747	64,931
(Increase) Decrease in:		
Prepaid Tax Asset	-	17,549
Increase (Decrease) in:		
Accounts Payable	7,087	(177,977)
Grants Payable	(105,118)	641,045
Excise Tax Payable	(13,297)	32,175
Net Cash Used by Operating Activities	(8,803,875)	(6,950,439)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from Sale of Investments	27,436,288	37,872,843
Purchase of Investments	(18,631,472)	(31,179,916)
Principal Repayments of Notes Receivable	103,027	97,758
Net Cash Provided by Investing Activities	8,907,843	6,790,685
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	103,968	(159,754)
Cash and Cash Equivalents - Beginning of Year	255,987	415,741
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 359,955	$ 255,987
SUPPLEMENTAL INFORMATION		
Cash Paid for Taxes	$ 150,000	$ 60,000

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

F. R. Bigelow Foundation (the Foundation) is a private foundation that seeks to enhance the quality of life for all in the greater Saint Paul area, fostering a vibrant East Metro region. The Foundation will partner, collaborate and invest in opportunities that seek to achieve racially and economically equitable outcomes in the areas of arts & culture, community & economic development, education & youth development, health, housing, and human services.

Basis of Accounting

The financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

Use of Estimates

The preparation of financial statements in conformity with GAAP requires the Foundation to make estimates and assumptions that affect the amounts reported on the financial statements. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include currency on hand, demand deposits with banks or other financial institutions, and short-term investments with maturities of 90 days or less from the date of purchase that have not otherwise been classified as long-term assets due to a designation for long-term purposes.

The Foundation’s cash investments are placed with high-quality financial institutions and may exceed federal depository insurance limits. Accounts at the various institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. The Foundation has not experienced any losses on its cash deposits. Cash balances exceeded the FDIC insured amount as of December 31, 2025 and 2024 by approximately $174,000 and $224,000, respectively.

Investments

The Foundation is invested in a private investment partnership, which is organized to provide its members a means to obtain unified professional management for their investments.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments (Continued)

The Foundation also may invest in domestic equities, international equities, private equity, fixed income, and hedge funds strategies. Domestic equities consist of common stock and mutual funds. International equities consist of common stock, mutual funds, and collective funds. Fixed income consists of U.S. Treasury, U.S. Agency, residential mortgage-backed securities, commercial mortgage-backed securities, asset-backed securities, collateralized debt securities, and corporate bonds. Private equity investments consist of venture capital, buy-outs, and special situations. Hedge funds are invested in multi-strategy fund of funds, multi manager funds, and single manager funds.

Marketable securities are reported at fair value based upon quoted market prices or, when quotes are not available, are valued on the basis of comparable financial instruments.

Limited marketability investments, which principally include collective funds, hedge fund of funds, private capital, natural resources, and real assets, are valued at the quoted market price for securities for which market quotations are readily available or an estimate of value (fair value) as determined in good faith by the general partner. Because these investments are not readily marketable, their estimated value is subject to uncertainty and, therefore, may differ from the value that would have been used had a ready market for such investments existed.

In general, investments are exposed to various risks, such as interest rate, credit, and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of the investments will occur in the near term and that such changes could materially affect the investment balances and the amounts reported in the statements of financial position.

Notes Receivable

In October 2020, the Foundation entered into a seven-year promissory note receivable with a principal amount of $600,000 to be used for working capital purposes related to the construction of affordable housing. The note matures on October 27, 2027 and has an annual interest rate of 5.50% through year five, and 7.0% for years six and seven. For the first year, payments were interest-only. The note is secured by a guaranty from a third party.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Notes Receivable (Continued)

In the event that the note receivable is determined to be uncollectible, the Foundation may record the uncollectible amount as a current expected credit loss. No current expected credit losses were recorded as of December 31, 2025 and 2024. Anticipated principal payments on the note receivable as of December 31, 2025 are as follows:

Year Ending December 31,	Amount
2026	$ 108,531
2027	96,412
Total	$ 204,943

Grants

Grants are recorded as an expense when approved by the Foundation's board of trustees unless conditions imposed on the grantee have not yet been fulfilled. Such conditional grants are recorded when conditions have been substantially met.

Net Asset Classification

Net assets and revenues, gains, and losses are classified based on donor-imposed restrictions. Amounts for each two classes of net assets — with donor restrictions and without donor restrictions, if applicable, are displayed in the financial statements. In 2025 and 2024, the Foundation had no net assets with donor restrictions.

Functional Allocation of Expenses

The costs of providing program and supporting services have been summarized on a functional basis in the statements of functional expense. Grants and expenses associated with the Foundation's direct charitable activities are considered to be program expenses, while all other expenses of the Foundation are considered to be management and general expenses. All expenses are based on time records and the best estimates of management.

Investment and Spending Policies

The Foundation is subject to the distribution requirements of the Internal Revenue Code. Accordingly, within one year after the end of each fiscal year, the Foundation must distribute 5% of the average market value of its assets.

The Foundation has adopted investment policies that seek to maintain the purchasing power of the assets. Actual returns in any given year may vary from this amount.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment and Spending Policies (Continued)

To achieve its investment objectives over long periods of time, the Foundation has adopted an investment strategy that invests in domestic equities, international equities, private capital, fixed income, hedge funds, and real assets. The majority of assets are invested in equity or equity like securities. Fixed income, hedge funds, and real estate are used to lower short-term volatility. Diversification by asset class, investment style, investment manager, number of investments, time, etc. is employed to avoid undue risk concentration and enhance total return. The primary performance objective is to achieve an annualized total rate of return, net of investment fees, that is equal to or greater than 5% plus inflation.

Derivative Financial Instruments

The investment partnership's investment strategy incorporates certain financial instruments, which involve, to varying degrees, elements of market risk and credit risk. These financial instruments may include equity, fixed income, and foreign currency futures and contracts. The investment partnership uses derivatives to obtain domestic and international equity and Treasury bond exposure for selected portfolio balances. The investment partnership has not designated any of its derivative financial instruments as hedging instruments.

Fair Value Measurements

The standard on fair value measurements defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value, and requires expanded disclosures about fair value measurements. The Foundation accounts for a significant portion of its financial instruments at fair value or considers fair value in their measurement. The Foundation accounts for certain assets and liabilities under various accounting literature. The Foundation also accounts for certain assets at fair value under applicable industry guidance.

In accordance with the standard on fair value measurements, the Foundation has categorized its financial instruments based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value of the instrument.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements (Continued)

Financial assets recorded on the statements of financial position are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Financial assets and liabilities are valued using inputs that are unadjusted quoted prices in active markets accessible at the measurement date of identical financial assets and liabilities. The inputs include those traded on an active exchange, such as the New York Stock Exchange.

Level 2 – Financial assets and liabilities are valued based on quoted prices for similar assets, or inputs that are observable, either directly or indirectly, for substantially the full term through corroboration with observable market data.

Level 3 – Financial assets and liabilities are valued using pricing inputs which are unobservable for the asset, inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset.

Tax-Exempt Status

The Foundation has tax-exempt status under Section 501(c)(3) of the Internal Revenue Code and Minnesota Statute. It has been classified as an organization that is a private foundation under the Internal Revenue Code. The Foundation files as a tax-exempt organization. Should that status be challenged in the future, all years since inception could be subject to review by the Internal Revenue Service.

The Foundation follows accounting standards for uncertain tax positions. No liability has been recognized by the Foundation under this standard.

Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

Subsequent Events

In preparing these financial statements, the Foundation has evaluated events and transactions for potential recognition or disclosure through July 1, 2026, the date the financial statements were available to be issued.

NOTE 2 INVESTMENTS AND FAIR VALUE MEASUREMENTS

The Foundation uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. For additional information on how the Foundation values all other assets and liabilities, refer to Note 1 – Summary of Significant Accounting Policies.

All investments are measured at fair value on a recurring basis. Investments classified by major type along with the input level used to measured fair value are as follows:

	2025			
	Level 1	Level 2	Level 3	Total
U.S. Common Stock and Equity Mutual Funds	$ 2,921,928	$ -	$ -	$ 2,921,928
Non-U.S. Common Stock, Equity Mutual and Collective Funds	1,513,160	-	-	1,513,160
Fixed Income Mutual Funds	4,904,218	-	-	4,904,218
Convertible Note		-	500,000	500,000
Preferred and Common Stock		-	2,805,555	2,805,555
Investment in Partnership		-	161,141,155	161,141,155
Total	$ 9,339,306	$ -	$ 164,446,710	173,786,016
Cash Equivalents				461,823
NAV Funds				13,095,595
Total with NAV Funds				$ 187,343,434

	2024			
	Level 1	Level 2	Level 3	Total
U.S. Common Stock and Equity Mutual Funds	$ 3,375,352	$ -	$ -	$ 3,375,352
Non-U.S. Common Stock, Equity Mutual and Collective Funds	1,424,099	-	-	1,424,099
Fixed Income Mutual Funds	4,903,489	-	-	4,903,489
Preferred Stock	-	-	2,750,000	2,750,000
Investment in Partnership	-	-	156,339,372	156,339,372
Total	$ 9,702,940	$ -	$ 159,089,372	168,792,312
Cash Equivalents				171,726
NAV Funds				11,262,741
Total with NAV Funds				$ 180,226,779

The terms of the Foundation's investment in the private investment partnership allow for partial withdrawal of $10 million or less from the partnership within 10 days after the end of the month in which the partnership receives a request for withdrawal. Withdrawals of $10 million or more, including total withdrawal from the partnership, are allowed with at least 10 days written notice after the end of the month in which the partnership receives a request for withdrawal.

NOTE 2 INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)

Purchases, sales, transfer in and transfers out of Level 3 investments consist of the following for the years ended December 31:

	2025	2024
Purchases (Reinvestment of Investment Income)	$ 2,324,551	$ 2,684,927
Sales of Investments	(11,093,000)	(8,850,000)

The following is a summarization of the Level 3 significant unobservable inputs:

Quantitative Information About Level 3 Fair Value Measurements

Type of Assets	Fair Value at December 31, 2025	Principal Valuation Technique	Unobservable Inputs
Investment in Partnership	$ 161,141,155	FMV of Assets	Value of Underlying Assets
Preferred and Common Stock	$ 2,805,555	Net Asset Value	Value of Underlying Assets
Convertible Note	$ 500,000	Net Asset Value	Value of Underlying Assets

Type of Assets	Fair Value at December 31, 2024	Principal Valuation Technique	Unobservable Inputs
Investment in Partnership	$ 156,339,372	FMV of Assets	Value of Underlying Assets
Preferred and Common Stock	$ 2,750,000	Net Asset Value	Value of Underlying Assets

The following table presents Fair Value Measurements of Investments in Certain Entities That Calculate Net Asset Value (NAV) per Share (or its Equivalent) as of December 31:

	Net Asset Value		Unfunded	Redemption Frequency (If	Redemption
	2025	2024	Commitments	Current Eligible)	Notice Period
Private Equity	$ 13,095,595	$ 11,262,741	$ 3,296,961	N/A	N/A

The Foundation has unfunded commitments of $1 million to Future Ready Portfolio, LP and $1 million to Momentum Minnesota Portfolio, LP on December 31, 2025. These investment partnerships expand the ways charitable institutions, nonprofits and donor advised funds can align their charitable capital with community priorities.

NOTE 2 INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)

Private Equity includes investments in venture capital, buyouts, distressed securities, mezzanine, and special situations funds and direct investments in securities of companies. The unobservable inputs used to determine the fair value of the private capital and direct investments has been estimated based on the capital account balances reported by underlying partnerships subject to the private capital management review and judgment.

NOTE 3 LIQUIDITY

The Foundation's assets available within one year of the financial position date for general expenditure are as follows:

	2025	2024
Cash and Cash Equivalents	$ 359,955	$ 255,987
Investments - Cash Equivalents	461,823	171,726
Investments - Common Stock and Mutual Funds	9,339,306	9,702,940
Note Receivable due Within One Year	108,531	103,027
Total	$ 10,161,084	$ 10,130,653

As described in Note 1, the Foundation is subject to a 5% annual spending rate. The estimated amount of required distribution in 2025 is $8,625,355. As described in Note 2, the Foundation's investment in the private investment partnership allow for partial withdrawal of $10M or less from the partnership within 10 days after the end of the month in which the partnership receives a request for withdrawal. Cash is requested from the partnership on a monthly basis throughout the year in anticipation of pending grant commitments and other operating expenditures.

NOTE 4 FUNCTIONAL EXPENSES

The costs of providing programs and services have been summarized on a functional basis. Accordingly, certain costs have been allocated between program and the supporting administrative services benefited. All costs are allocated based on time records and the best estimates of management.

NOTE 4 FUNCTIONAL EXPENSES (CONTINUED)

The tables below present the Foundation's expenses by both their nature and function as of December 31:

	2025		
	Program	Management and General	Total
Grants	$ 9,455,382	$ -	$ 9,455,382
Staff Costs	321,035	235,455	556,490
Federal Excise Tax	-	207,350	207,350
Deferred Tax Expense	-	44,747	44,747
Other Direct Expenses	55,291	86,154	141,445
Grand Total	$ 9,831,708	$ 573,706	$ 10,405,414

	2024		
	Program	Management and General	Total
Grants	$ 8,388,045	$ -	$ 8,388,045
Staff Costs	367,112	168,659	535,771
Federal Excise Tax	-	89,442	89,442
Deferred Tax Expense	-	64,931	64,931
Other Direct Expenses	76,724	72,174	148,898
Grand Total	$ 8,831,881	$ 395,206	$ 9,227,087

NOTE 5 GRANTS PAYABLE

Unconditional grants approved but unpaid at year-end are reported as grants payable on the statements of financial position. Grants to be paid in more than one year are discounted using rates ranging between 3.25% and 8.50%. Unconditional grants payable at December 31, 2025 and 2024 are due as follows:

	2025	2024
Less Than One Year	$ 1,439,753	$ 2,508,708
One Year to Five Years	1,500,000	435,000
Subtotal	2,939,753	2,943,708
Less: Present Value Discount	(125,118)	(23,955)
Total	$ 2,814,635	$ 2,919,753

NOTE 5 GRANTS PAYABLE (CONTINUED)

At December 31, 2025 and 2024, the Foundation had not approved any grants which are subject to conditions and, therefore, are not reflected in the financial statements.

During the year, grants have been approved and disbursed to organizations in which some of the board of trustees may be involved through board or other advisory relationships. It is in the Foundation's policy to have each trustee disclose the conflict of interests. These trustees are prohibited from voting on grants to these organizations in those instances.

NOTE 6 FEDERAL EXCISE TAXES AND DISTRIBUTION REQUIREMENTS

The Foundation is subject to a 1.39% excise tax on its taxable investment income, which principally includes income from investments plus net realized capital gains (net capital losses for a year, however, are not deductible and cannot be carried back or forward). Deferred federal excise taxes are based on a 1.39% tax rate that arise from unrealized appreciation in the market value of investments. This is reflected on the statement of financial position as the Deferred Excise Tax Payable.