

Net Proceeds from Sale of Camp Manitou

The Michigan Mission Center has been loaning funds to Camp Manitou accounts since 2015 to provide for necessary operations and to pay for the appraisal of the property. Once final income and expenses are determined for the 2017 fiscal year through May 31, the closing loan balance will be repaid to the mission center from the investment pool account established with the \$572,524.12 deposit from the sale. The remaining balance in the investment pool and interest earned will be the net proceeds.

Policy: Use of Net Proceeds from the Sale of Capital Assets in Congregations, Associations and Mission Centers (USA and Canada) - Revised 7/1/2015

Approval Procedures

Net Proceeds from the sale of Capital Assets can be used for program and/or capital projects which support the vision, mission and goals of the World Church, Mission Center and the Congregation.

1. Congregations and Mission Centers that are continuing to operate

b.) Mission Centers: When a mission center disposes of a Capital Asset, the mission center officers, in consultation with the Apostle (or the Apostle's Designee) and mission center council, will submit a resolution for the use of the Net Proceeds to a mission center conference.

Mission Funding

1. Purpose

In addition to the above policy for the Use of Net Proceeds from the sale of Capital Assets, voluntary generosity contributions from Net Proceeds will be requested to support mission needs of the World Church as identified and approved by the Council of Twelve, the Presiding Bishopric and the First Presidency.

2. Process

The Council of Twelve Apostles will request generosity contributions from jurisdictions when capital assets are sold. The jurisdiction will be given suggestions of possible ways to designate the funds to meet mission needs. Designations may be for short term use via the five mission initiatives, use as needed most, or international capital. Net Proceeds received for short term use will be included as funds available in the next fiscal year World Ministries budget with an associated expenditure. Net Proceeds may also be designated for ongoing support via the five mission growth strategies. Funds received for ongoing support will be deposited into the corpus of the mission endowment.

Final Paragraph of the Resolution to Maintain and Operate Three Campgrounds adopted 5/11/15

Resolved, that the net proceeds from the sale of campgrounds shall be utilized for pursuing mission through the development of campground properties and mission center camping and gathering activities, and net proceeds will initially be held in a Michigan Mission Center affiliate investment pool account(s) until mission center officers, with input from the above referenced committee(s), are able to consult with the Apostle and mission center council to propose a resolution for the use of funds for mission center conference approval in accordance with the Use of Net Proceeds Policy.

Items to consider in developing a proposal for the use of net proceeds from the sale of Camp Manitou:

- A. Pursuing mission through the development of campground properties
- B. Pursuing mission through mission center camping and gathering ministries
- C. Generosity contribution to support mission needs of the World Church
- D. Should any portion of the mission center funds used to commission the study of campgrounds conducted by Smith Group JJR in 2013-2015 (\$66,282.25) be repaid with these net proceeds?

Does the resolution passed by the spring 2015 conference restrict the use of net proceeds to only items A & B?

A: Without a specific proposal to evaluate it is not clear what exact details would possibly be in conflict with the previously adopted resolution. Any proposed resolution for use of net proceeds will be drafted to include the necessary language needed to make it in order for consideration by the conference, including possible amendments to the previously adopted resolution.

Does item D suggest that all \$66,282.25 of the campground study cost should be repaid from the Manitou net proceeds?

A: No, repayment of mission center funds used to commission the campground study by Smith Group JJR does not need to be part of the proposal for use of net proceeds. Including this item for consideration is only intended to address the questions that have been received about how that cost will eventually be accounted for.

Will the net proceeds be split among the three campgrounds that will continue to operate?

A: The amounts and methods for dispersing funds to develop campground properties is one of the key questions for the discernment process on the use of net proceeds. How much should be allocated to the development of campground properties and how those funds should be allocated will need to be addressed in a proposal for the conference to consider.

What are "gathering activities" as named in the spring 2015 resolution?

A: Generally speaking, "gathering activities" could be any events that involve members of the mission center. At this time the mission center officers consider reunions/family camps and conferences (both the fall business conference and spring mission/ministry training) to be mission center gathering activities.

Are mission center camping and gathering activities currently receiving any financial support other than registration fees and donations?

A: No, at this time reunions/family camps and conferences are supported by registration fees and donations. Reserve funds for these activities are utilized to cover shortfalls if they occur, but no support is provided from the mission center operating budget for the events.

Does item B suggest that net proceeds will be used to support events?

A: That may be one possible way to pursue mission through mission center camping and gathering activities, but there is no specific proposal in mind on how funds would be used. This is a key question for the discernment process.

Will the request from the apostles for a generosity contribution to support mission needs of the World Church be required in the proposal to use net proceeds? Could the amount be changed?

A: At this time, the net proceeds policy indicates that requested generosity contributions are voluntary, so it is not a requirement to include an amount in the proposal for use of net proceeds. If a generosity contribution is voluntarily included, the amount would be determined by the discernment process. The entire proposed resolution will be subject to amendment by the conference.

Will the conference decision on a resolution for use of net proceeds be final or does it require further approval from church officers?

A: At this time it is understood that the net proceeds policy allows for conference action to be final.