

## Policy Regarding Proceeds from the Sale of Property

POLICY NAME: Policy regarding Proceeds from the Sale of Property	Date Approved: January 13, 2022
	Review date:
Purpose: The purpose of this policy is to clarify expectations of Communities of Faith regarding the sale of Congregational property. <i>The Manual C.2.6.</i>	

### Preamble

This document outlines the Eastern Ontario Outaouais Regional Council's policy and best practices regarding the disposition of proceeds from the sale of congregational property.

### Policy

When Congregational property is being sold by a \*Community of Faith that is not disbanding, these are the guidelines for the use of net proceeds from the sale:

#### Not Disbanding

- a) 10% be remitted to the United Church of Canada for the on-going support of Indigenous Ministry.
- b) 90% be retained by the Community of Faith with an approved ministry plan for the use of the proceeds by the Regional Council that is financially sustainable. The Regional Council will normally require that the remaining capital from the sale be protected and invested and that the Community of Faith be limited to drawing up to 4% of the value of the invested capital in any given year to support its operating budget. If the Community of Faith puts before the Regional Council a ministry plan, the Regional Council may allow the Community of Faith to use some or all of the remaining capital from the sale to implement the ministry plan. This may include capital expenses.

#### Disbanding

When a Community of Faith is disbanding, the disposition of all net assets (cash, and property) will be disbursed as follows:

- a) 10% be remitted to the United Church of Canada for the on-going support of Indigenous Ministry.
- b) 10% be remitted to the United Church of Canada Mission and Service Legacy Fund for the on-going support of the ministry of the United Church
- c) 10% be remitted to the Eastern Ontario Outaouais Regional Council Transformation and Vision Fund.
- d) 50% be remitted to the Eastern Ontario Outaouais Regional Council Mission and Ministry Legacy Fund (see terms of Reference below). The Regional Council will entertain some of this amount being directed to geographically neighboring Communities of Faith for long-term investing or for a specified purpose. This designation requires a specified plan that is reviewed and recommended by the Finance Committee and approved by the Executive.

- e) 20% be remitted to mission activities that the Community of Faith has a historical financial commitment and/or congregational voluntary value, and a maximum of half this amount is eligible for organizations not associated with the United Church of Canada.

***Please note that*** with the exception of the 10% for Indigenous Ministry, the Regional Council will consider the establishment of a legacy fund in the name of the Community of Faith where the interest can be used for a specified purpose and where the funds are held within the investment portfolio of Eastern Ontario Outaouais Regional Council. This designation requires a specified plan that is reviewed and recommended by the Finance Committee and approved by the Executive.

\*Community of Faith as defined in *The Manual 2022*, section B