

On September 7, 2015 the City of El Dorado Springs was contacted by a representative from Central States Land & Auction Company. He informed the City that his company was going to sell the Methodist Church Camp Galilee on October 21, 2015 at auction. He informed the City that the east 80 acres was subject to a reversionary clause if the church ever ceased using the camp for church purposes. In that event, the 80 acres was to revert to the City of El Dorado Springs because the City had originally provided \$1,500.00 in 1953 to purchase the property from an estate. The auctioneer wanted to know if the City would release their interest in the property.

The City researched the deed and verified the information. Several weeks went by without hearing from the Methodist Church or its attorney. The City Attorney contacted the attorney for the Methodist Church. The Methodist Church made a token offer which the City rejected. The City reversed the offer to the Methodist Church, which the Church rejected.

The City Attorney, after extensive research; and consultation with an acknowledged real estate law expert, advised that this particular set of facts would not have a certain and predictable outcome in court. The City decided it was in the best interest of the City to settle the matter rather than incur significant litigation costs and perhaps receive no compensation. The settlement agreement provides the Methodist Church will pay the City \$40,000 and the City will sign a document releasing any reversionary interest in the property.