

## Philmont Scout Ranch Statement and FAQ

The Boy Scouts of America (BSA) regularly examines its assets to ensure we are best positioned to continue serving youth, families and communities for the next hundred years. In the face of rising insurance costs, it was necessary for the BSA to take some actions earlier this year to address our current financial situation. This included identifying certain properties, including Philmont Scout Ranch, that could be used as collateral. We did not mortgage the property in the sense that most people think of the term; instead, we included it as collateral in order to keep in place an existing line of credit for insurance. It is important to understand that there were no proceeds from this agreement.

We also want to underscore that the BSA is very careful in safeguarding the character and use of core and restricted assets.

Programming and operations at Philmont, as well as the BSA's ability to deliver the mission of Scouting, continue uninterrupted, and we are committed to ensuring that the property will continue to serve and benefit the Scouting community for years to come.

### **Q&A:**

**Q:** Why did the Boy Scouts of America (BSA) mortgage Philmont Scout Ranch?

**A:** The Boy Scouts of America (BSA) regularly examines its assets to ensure we are best positioned to continue serving youth, families and communities for the next hundred years.

In the face of rising insurance costs, it was necessary for the BSA to take some actions earlier this year to address our current financial situation. This included identifying certain properties, including Philmont Scout Ranch, as collateral in order to renew the line of credit required for the BSA to keep and obtain insurance. We did not mortgage the property in the sense that most people think of the term; instead, we included the property as collateral in order to keep in place an existing line of credit for insurance. It is important to understand that there were no proceeds from this agreement.

**Q:** When was this decision made?

**A:** This decision was made in March 2019.

**Q:** What does this mean for Philmont Scout Ranch?

**A:** Programming and operations at Philmont, as well as the BSA's ability to deliver the mission of Scouting, continue uninterrupted. The Philmont Scout Ranch is the BSA's largest National High Adventure Base. The unique experiences it provides to thousands of our members each year are integral to the mission of Scouting. We are committed to ensuring that the property will continue to serve and benefit the Scouting community for years to come. The Philmont Scout Ranch had a record-breaking year in 2019 and shows promise of bringing even more Scouting experiences to life next year as we look forward to welcoming Scouts to our upcoming treks and programs.



**Q:** How will the funds from this agreement be used?

**A:** There are no proceeds from this agreement. In the face of rising insurance costs, it was necessary for the BSA to take some actions earlier this year to address our current financial situation. This included identifying certain properties, including Philmont Scout Ranch, as collateral in order to renew the line of credit required for the BSA to keep and obtain insurance.

**Q:** Is this in related to the cost of developing Summit Bechtel Reserve?

**A:** No. The renewal of credit facilities was not associated in any way with the Summit Bechtel Reserve.

