

1. What is the Trust Clause and why does it matter?

From United Methodism's earliest days, it has been the practice, understanding and rule that local United Methodist Church property is held in trust for the denomination. As long as the congregation remains part of and advances the interest of The United Methodist Church, the congregation tends to the property needs. When that ceases to be the case, the property transfers to the Conference Trustees for management and disposition.

2. What is Paragraph 2553, from where did it come, and why is it the basis of the Trustee Report?

During the 2019 Special General Conference, petition 90059 was moved as a substitute for the One Church Plan. The petition was brought by Keith Boyette, who was the leader of the Wesleyan Covenant Association. The maker of the motion represented that the terms of petition 90059 provided for a Gracious Exit. During the debate, the proponent stated the following: "We do not want to force any church to leave the denomination. This does not force anyone to do so. What it does, it says that any church that discerns that because of today's votes, they cannot faithfully live out the gospel, would have an opportunity to have a fair process to leave. The intended process is literally how I would want to be treated if I were the one hurting because of that." The petition passed 420-390 with traditionalists making up a significant majority of the 420 votes in favor and centrists and progressives making up a vast majority of the 390 votes against. The content of the petition gave rise to P2553, which the Conference Trustees are using as guidance for churches wishing to disaffiliate.

The Conference Trustees appreciate that The Council of Bishops recently affirmed by an overwhelming majority that P2553 in The Book of Discipline would be the primary paragraph used for disaffiliation and separation. It is understood that different contexts may require utilization of additional paragraphs in the current Book of Discipline, namely paragraphs 2548.2 and 2549: and that, if so, they would employ the values and principles as outlined in paragraph 2553.

3. If a local church leaves (i.e., changes its connectional relationship with) The United Methodist Church by affiliating with another denomination under *Discipline* ¶2548, instead of disaffiliating pursuant to ¶2553 of The Discipline, will such church be exempt from the "pension withdrawal liability payment" requirement, under which it must pay its share of unfunded pension obligations to its annual conference?

No. Affiliating with another denomination under ¶2548.2 will not bypass the pension withdrawal liability payment requirement. Although such church would not be disaffiliating pursuant to ¶2553, which contains a withdrawal liability payment requirement, the church would remain subject to ¶1504.23 of The Discipline. Paragraph

1504.23, approved by the 2019 General Conference, imposes the pension withdrawal payment requirement when a local church or charge “*changes its relationship to The United Methodist Church through closure, abandonment, or release from the trust clause pursuant to ¶2548, ¶2549, or otherwise ...*.” Thus, the pension withdrawal liability payment requirement applies, regardless of the nature in which — or The Discipline paragraph under which — a church or charge disaffiliates from The United Methodist Church. This payment is designed to account for the pension-related investment, longevity and other risks that the exiting local church would be leaving to its annual conference upon disaffiliation.

4. Why is there a tight timeline? Why does it need to be done by Dec. 31, 2023?

Paragraph 2553 states that for this process to be used, it must be completed by December 31, 2023. It was anticipated that there would be a General Conference in 2020, and then 2021, and then 2022, with perhaps additional legislation and gracious exit procedures. Due to COVID-19, that did not occur, and so the 2019 legislation that expires on December 31, 2023, is what is available now.

5. What about paragraph 2548? Can we use it instead?

Paragraph 2548, and specifically 2548.2, addresses congregations who wish to disaffiliate with The United Methodist Church and instead affiliate with other denominations. Unlike paragraph 2553, which is recent and the context well understood, 2548 was added to the Book of Discipline in 1948, shortly after the reunification of the North and South Methodist Churches. At the time of this writing, many are assessing how 2548.2 might be applied to our current situation. While its origins are 70 years in our past, paragraph 1504.23, which deals with pension liabilities, is explicitly applied to 2548.2 for churches joining other denominations. As of March 2022 (when this is being written), it is not clear how annual conferences would use 2548.2 to affect disaffiliations.

6. Why are the Trustees not using their latitude to add more things to the requirements?

While the Judicial Council has affirmed that Conference Trustees may request additional items in addition to what 2553 indicates is a minimum, West Ohio’s Trustees have not opted to do so. The desire is to be grace-filled in allowing congregations to disaffiliate, if that is their choice. The requirements are minimal and related to providing sustainability for pension and benefit obligations for those who have and do serve the church, and to continue the strong operation of the annual conference. The Conference

Board of Trustees is responsible for maintaining the sustainability of these specific matters.

7. Why are the Trustees even the ones involved in this? Who gave the Trustees the authority to do this?

Paragraph 2553 gives the Board of Trustees of the Annual Conference the authority to set the terms of the disaffiliation. This authority was supported by the Judicial Council in February 2022 in Judicial Ruling 1420. According to The Discipline and the Judicial Council, the Conference Board of Trustees set the terms and the Annual Conference approves the disaffiliation at the end of the process.

8. Explain the money a church needs to pay.

Payments to the Conference are generally of two types. The first is apportionments, which is widely understood. Disaffiliating churches shall pay the conference the amount apportioned them for the 12 months prior to disaffiliation (if they have not already done so and are otherwise current) and 12 times the apportionment owed for the month they disaffiliate (for example, 12 times the July 2023 apportionment amount).

The second payment is toward its share of the conference's unfunded pension liability on a market basis as determined by Wespath. Conference Trustees have determined that the unfunded liability will be allocated in the same way apportionments are allocated. Apportionments are based two-thirds (2/3) on operating expenses as reported in the annual statistical tables and one-third (1/3) on reported membership. While there are other approaches, this one was selected because it's a proven way to allocate support among the local churches and is more easily understood than other approaches.

Pension liabilities are calculated on two bases. One is on a funded basis, which assumes a pension plan will continue and that assets backing the liability are invested in the market (fixed income and equities) over the long term and earn market returns. Liabilities calculated on a market basis use more conservative assumptions. It assumes returns associated with low-risk bonds that will produce enough income to pay retirees. A plan needs more assets when it's invested in low-risk bonds than when in a portfolio of stocks and bonds. Valuations under both methods are standard and accepted in actuarial reports for post-retirement benefits.

9. Will each disaffiliation church be treated the same?

Each church will follow the same process and use the same agreement that is provided in the accompanying Trustee Report to Annual Conference. The trustees are committed to being consistent and transparent.

10. Why two years of apportionments? Why only two years? Why not all the past years owed?

Paragraph 2553 stipulates the minimum that a disaffiliating church must pay, which is two years of apportionments and its share of the unfunded pension liability. While the Judicial Council affirmed that Annual Conferences can require additional items for disaffiliation, West Ohio's trustees determined that it would keep it basic and simple. In other annual conferences, a portion of the property value is also required, for example. Between apportionments and the share of unfunded liabilities, the cost of disaffiliating is significant.

11. What is a professing member?

The **professing membership** of a local United Methodist church shall include all baptized people who have come into membership by profession of faith through appropriate services of the baptismal covenant in the ritual or by transfer from other churches.

12. Do you mean two-thirds of your members need to be present or two-thirds of your members who are present? What is a quorum? What does it mean to be present?

Quorum in The UMC is defined as the members present and voting at any duly announced meeting. In this case, members are professing members. In order for a disaffiliating action to be carried forward, a positive vote of two-thirds of the professing members present at the time of the meeting of a duly called Church Conference is needed. The Judicial Council has affirmed that two-thirds is needed in Judicial Ruling 1379. A simple majority of votes often brings more conflict; a decision as significant as disaffiliation needs to be decisive. Voting will be with those who are physically present so they can participate in the conversation that occurs before the vote.

13. Who can vote? Can you vote absentee? Can I send my vote with someone else?

Professing members of the local church who are physically present will be those who vote. You cannot send your vote with someone else or vote absentee.

14. Why two-thirds? What about a simple majority?

Paragraph 2553 requires two-thirds approval for the disaffiliation to move forward. This is a very significant decision that a congregation faces, and the direction needs to be by a clear strong majority. Judicial Council Ruling 1379 affirms this percentage for all gracious exiting legislation.

15. When do we have to vote?

Congregations will vote once their pastor contacts the district superintendent and asks for a church conference to be set. Announcement will be made in multiple ways and at least two ways 10 days prior to the meeting. At this meeting, professing members of the church can vote. Your district superintendent or someone s/he designates will conduct the meeting.

16. What will the voting process be?

Pastors will give to their district superintendent the list of professing members in their local church when requesting a church conference for the purpose of testing disaffiliation. Broad announcement of the church conference will be made. The rule of announcing two different ways at least 10 days in advance should be expanded so that all professing members are aware of the meeting. Voting will take place by written ballot. The votes will be counted while persons are gathered and reported to the body at the end of the counting.

17. What is the mechanism for initiating a church conference and who can initiate it?

What if our pastor does not want to initiate it? Can someone else do so?

Typically, a pastor of the church will request the District Superintendent set a church conference. If your pastor does not want to initiate it, then the Church Council or 10% of the professing membership can request the District Superintendent set a church conference. In any case, a copy of the written request is to be given to the pastor. If you have difficulty getting it initiated, speak with your District Superintendent.

18. Why do we need to wait for Annual Conference to approve it?

The legislation of Paragraph 2553 calls for the final approval to be with the Annual Conference, and the Judicial Council has affirmed that provision in ruling 1420.

19. Can we have a special called Annual Conference for this purpose?

The decision to have a special Annual Conference lies with the Resident Bishop, Bishop Palmer, per Discipline paragraph 369.6. As we move through this period of time, Bishop Palmer will be sensitive to the possible needs to have a special Annual Conference for this purpose, but reserves the right to make that decision at a future time.

20. If my church decides to leave, do I have to leave? If my church decides to leave, does my pastor have to leave?

No; if your church decides to leave, you do not have to leave the denomination but will be encouraged to find another local church in the area. If your church decides to leave, your pastor will not have to leave but will be present in the appointment pool going forward.

21. What happens to the pastor if they want to stay and the church goes?

If this happens, your pastor will be in the appointment pool and be appointed to another church, and your church will go through the disaffiliation process.

22. What happens if after the church votes to leave, the church begins the process and then decides they don't want to go?

In order to have the disaffiliation take place, all steps must be completed. If any steps are left undone or not approved by the congregation, the church will still be in the West Ohio Conference.

23. How does a church that joins the Global Methodist Church (GMC) come back?

The congregation wanting to come back would write to Bishop Palmer, and he would ask his development staff to work with the congregation in preparation to become United Methodist.

24. How does a pastor who joins the GMC come back?

A pastor wishing to come back after leaving, would contact the Bishop and the Board of Ministry and work through the process for pastors wanting to transfer in from another denomination.

25. What about hymnals? If we leave, can we keep the U.M. hymnal?

Yes; U.M. hymnals and other worship and educational materials can be kept by the leaving church. These are available to congregations and individuals of all denominations and faiths.

26. If the cross and flame is etched into the stone of our building, do we have to remove it?

No, unless that removal would be relatively easy to do; then you might want to do so. Common sense needs to be invoked in this area of built-in branding if it is difficult to remove. One needs to decide not to do decorating or art designs that promote it.

27. What happens to my pension if I am a pastor?

For pastors maintaining their membership in the UMC, there are no impacts on your pension plan. For pastors who surrender their UMC credentials, they will benefit from their accumulated and accrued benefits to the date of surrender. They will cease accruing benefits under the UMC plan after the surrender date. For pastors who join another denomination, there may be ways to participate in that denomination's pension and benefit plans. Specifically, Wespath has made provisions for transferring benefits and liabilities to new plans for denominations that are in the Wesleyan tradition. For clergy so affiliated, that may be an option in the future. Check the West Ohio website for up to date info.

28. What about grants churches have received? Will they have to return the funds?

For churches that have received grants from the West Ohio Conference/District since March 1, 2019, and choose to disaffiliate, repayment of the grant will be part of its disaffiliation process. If the grants total more than \$20,000.