



# DeKalb First United Methodist Church

## Called Church Conference

**October 29, 2022 4:00 PM**

### Conditions and Requirements:

Front Doors of the Sanctuary will open at 3:00pm for registration and ballot pick-up. Per the Book of Discipline

¶2553, only Full Professing Members physically present in the Sanctuary are eligible to vote.

Registration will end at 4:00pm sharp, no late registration will be permitted. Please plan to remain present for the entire conference. Written completion of the ballot must take place at the time of the called vote, not

before or after. Ballots will be counted immediately and results announced immediately. At all times, members and attendees are expected to adhere to the guidelines of Holy Conferencing as set forth by the United Methodist Church.

## Agenda

Welcome ..... Rev. Amanda Stratton

Prayer .....Rev. Amanda Stratton

Election of Recording Secretary .....District Superintendent: Rev. Karen Jones

Approval of Pastor’s Salary.....District Superintendent: Rev. Karen Jones

Approval of 2023 Budget.....District Superintendent: Rev. Karen Jones

Called Vote 1 – Resolution to Disaffiliate from the United Methodist Church

\*See Attached Resolution

Called Vote 2 (as needed) – Resolution to Join the Global Methodist Church

\*\* See Attached Resolution

Prayer & Adjourn .....District Superintendent: Rev. Karen Jones

**\*Resolution 1 - Page 1 of 4**

DISAFFILIATION AGREEMENT PURSUANT TO ¶ 2553

This Disaffiliation Agreement Pursuant to ¶ 2553 of the 2016 Book of Discipline amended (“Disaffiliation Agreement”) is entered into this 29th day of October 2022, by and between DeKalb First United Methodist Church (“Local Church”) and The Texas Annual Conference (“Annual Conference”).

WHEREAS, Local Church is a United Methodist church within the boundaries of Annual Conference;

WHEREAS, Local Church has expressed a desire to disaffiliate from the United Methodist Church;

WHEREAS, members of the Local Church have completed a process of discernment which was determined by Local Church’s District Superintendent to be appropriate;

WHEREAS, Local Church has held a church conference, in compliance with ¶¶ 246.8, 248, and 2553.2-.3 of The Book of Discipline of The United Methodist Church (“Discipline”), at which a two-thirds (2/3) majority of the professing members present at the church conference of the Local Church voted to disaffiliate from The United Methodist Church;

WHEREAS, pursuant to ¶ 2501.1 of the Discipline, Local Church holds its real and personal, tangible and intangible property “in trust for The United Methodist Church and subject to the provisions of its Discipline”;

WHEREAS, property subject to ¶ 2501.1 “can be released from the trust, transferred free of trust or subordinated to the interests of creditors and other third parties only to the extent authority is given by the Discipline” (¶ 2501.2);

WHEREAS, ¶ 2553 provides a specific circumstance in which property subject to ¶ 2501.1 can be released from the trust imposed by that paragraph;

WHEREAS, ¶ 2553.4 requires the terms and conditions of Local Church’s disaffiliation from The United Methodist Church to be “memorialized in a binding Disaffiliation Agreement”;

WHEREAS, Local Church and Annual Conference wish to (1) resolve all matters between them and Local Church wishes to acquire from Annual Conference all of Annual Conference’s interest on behalf of The United Methodist Church, in the real and personal, tangible and intangible property held by Local Church and (2) comply with the requirements of ¶ 2553 and Judicial Council Decision 1379 as affirmed in Decision 1401.

NOW, THEREFORE, in consideration of the foregoing and all the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Local Church and Annual Conference agree as follows:

**\*Resolution 1 - Page 2 of 4**

1. Conditions Precedent. Local Church and Annual Conference acknowledge and agree to the following:

a. Church Conference Vote. A two-thirds (2/3) majority of the professing members present at the church conference of Local Church voted to disaffiliate from The United Methodist Church. Local Church must provide documentation, to the satisfaction of Annual Conference, which evidences the result of the disaffiliation vote taken at the church conference. Such action is certified by an authorized officer of Local Church and is documented in Exhibit A attached to this Disaffiliation Agreement and incorporated by reference.

b. Annual Conference Vote. This Disaffiliation Agreement must be “ratified by a simple majority of the members ... present and voting” at a duly-called session of Annual Conference, as required by Judicial Council Decision 1379 and ¶ 2529.1b(3).

Should either of the above not occur, this Disaffiliation Agreement shall immediately become null and void.

2. Applicability of ¶ 2501. Local Church acknowledges and agrees that pursuant to ¶ 2501 of the Discipline, Local Church holds all property, real and personal, tangible and intangible, in trust for the benefit of The United Methodist Church.

3. Date of Disaffiliation. Should Local Church timely comply with all of its obligations as set forth herein, Local Church’s disaffiliation from The United Methodist Church will be effective on December 31, 2022 (“Disaffiliation Date”). Such Disaffiliation Date must be subsequent to the Annual Conference’s ratification referenced in Section 1 above.

4. Local Church’s Obligations. Unless a different date is specified, Local Church shall, by no later than the Disaffiliation Date, do the following:

a. Payments. Prior to the Disaffiliation Date, Local Church shall pay to Annual Conference, in a manner specified by Annual Conference, the following:

- Local Church shall pay in full the balance of the previous year’s apportionments in the amount of -0- DOLLARS.
- Local Church shall pay in full the balance of the current year’s apportionments in the amount of -4789.20- DOLLARS.
- Local Church shall pay in full the unfunded pension liability, as calculated by Annual Conference’s Board of Pensions in accordance with Wespeth’s guidance in the amount of -0- DOLLARS.

i. The valuation is based on a market valuation of unfunded liability

ii. The valuation takes into account Local Church’s share of the liability

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- iii. The valuation gives Local Church credit for its contribution to Annual Conference's pension reserves with credit for earning over time.
  - b. Other Liabilities. Local Church shall either satisfy all of its debts, loans, and liabilities, as detailed in Exhibit B attached hereto and incorporated by reference, or assign or transfer such obligations to its new entity. Local Church must provide sufficient documentation of same to Annual Conference.
  - c. Intellectual Property. Local Church shall cease all use of "United Methodist," the Cross & Flame insignia, and any other intellectual property of the denomination and Annual Conference, including the removal of all signage containing the same.
  - d. Group Tax Exemption Ruling. As of the Disaffiliation Date, Local Church shall cease to use, and also shall ensure that any affiliates of Local Church which have been included in the group tax exemption ruling shall cease to use, any and all documentation stating that Local Church is included in the denomination's group tax exemption ruling administered by the General Council on Finance and Administration of The United Methodist Church. Local Church and any of its affiliates which have been included in the group tax exemption ruling will be removed as of the Disaffiliation Date.
5. Organizational Transition. Local Church shall take all steps necessary to close and/or dissolve any legal entities and to settle, liquidate, or transfer all assets and obligations of such entities, or to establish any new legal entities, or to modify its current organizing documents, as needed to effectuate its disaffiliation from The United Methodist Church to the satisfaction of Annual Conference.
6. Release of Claims. Upon the completion of all of their respective obligations herein, Annual Conference and Local Church, for themselves and their agents, representatives, members, trustees, employees, successors, attorneys, and assigns, hereby fully and forever covenant not to sue each other, and release and discharge each other, and their current and former trustees, officers, representatives, employees, and assigns, in both their official and individual capacities, from any liability for any and all causes of action and claims, including any statutory or common law cause of action, tort or contractual claims, any claims for attorneys' fees, expenses and all other damages, whether known or unknown, foreseen or unforeseen, which Annual Conference or Local Church ever had, now has, hereafter may have or claim to have against any of the above-named entities or persons in any way arising out of their relationship with each other. The parties further represent they have no pending lawsuit, charge, complaint, or other action against each other. Notwithstanding the foregoing releases and covenants not to sue, the parties may take action to enforce this Disaffiliation Agreement in any court where jurisdiction and venue are proper.
7. Property. On the Disaffiliation Date, the property described in Exhibit C is released from the in trust provision of ¶ 2501.1 of the Discipline. On said date, Local Church shall have full

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ownership of the property described in Exhibit C. Annual Conference shall execute a Deed Without Warrant to Local Church in a form attached hereto and incorporated herein as Exhibit D to clear any cloud on title to the property and assets created by the Trust Clause. The parties shall ensure all necessary transfers or other transactions related to the property described in Exhibit C are completed prior to the Disaffiliation Date. Any costs resulting from such transfers or other transactions shall be borne by Local Church. Annual Conference shall fully cooperate with Local Church, as needed and applicable, to ensure that such transfers and other transactions convey all Annual Conference's interest – both for itself and on behalf of The United Methodist Church – in the real and personal, tangible and intangible property of Local Church.

8. Non-Severability. Each of the terms of this Disaffiliation Agreement is a material and integral part hereof. Should any provision of this Disaffiliation Agreement be held unenforceable or contrary to law, the entire Disaffiliation Agreement shall be deemed null and void.

Representatives of Local Church:

\_\_\_\_\_ Chair, Church Council Date \_\_\_\_\_  
\_\_\_\_\_ Chair, Board of Trustees Date \_\_\_\_\_

Representatives of The Texas Annual Conference:

\_\_\_\_\_ District Superintendent Date \_\_\_\_\_  
\_\_\_\_\_ Chair, Board of Trustees Date \_\_\_\_\_

EXHIBIT A

Documentation of Church Conference Vote

EXHIBIT B

List of all Local Church Debts, Loans, and Liabilities

EXHIBIT C

List of all Local Church Property

including Legal Description for each Property

EXHIBIT D

Deed Without Warrant

## **\*\* Resolution 2 – Join the Global Methodist Church**

For all local churches wanting to join the new denomination, whether currently United Methodist, from some other denomination, or presently independent, a congregational meeting must be convened. At that meeting professing members can vote to adopt a motion authorizing the local church to become a member congregation of the Global Methodist Church.

Here is the motion to be adopted at the congregational meeting:

*“I move that First United Methodist Church of DeKalb become a member congregation of the Global Methodist Church, that it affirms and endorses the doctrinal standards (Part One), Social Witness (Part Two), and church governance of the Global Methodist Church as set forth in its Transitional Book of Doctrines and Discipline, and agrees to be accountable to such standards, witness, and governance. Our leadership and trustees are authorized to take all actions necessary to implement this motion.”*