

# Practical Advice For Annual Conference Trustees

Craig Parrish  
Treasurer

Pacific Northwest Annual Conference

Richard J. Rettberg, Esq.

Corporate Counsel

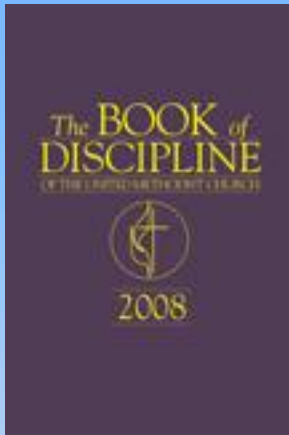
General Council on Finance and Administration

# ¶2515 Sale [etc.] of Annual Conference Property



Sale, Transfer, Lease, Mortgage, or Purchase of Annual Conference Property-No annual conference real property shall be sold, transferred, or leased for a term that exceeds twenty years, or mortgaged or purchased without the consent of the annual conference or, ad interim, (a) the consent of the presiding bishop and of a majority of the district superintendents, and, in the case of discontinued or abandoned local church property or property to be purchased, the consent of a majority of the district board of church location and building (see ¶12548), and, in case of a discontinued Wesley Foundation or campus ministry property, the consent of the majority of the conference board of higher education and campus ministry, and the consent of the annual conference (see ¶1634.4.d); and (b) the bishop's determination that such transfer or encumbrance conforms to the Discipline. The bishop's written statement evidencing the satisfaction of this condition shall be affixed to or included in any instrument of transfer or encumbrance. Any required written instrument necessary to carry out the action so authorized shall be executed in the name of the conference corporation by any two of its officers or, where the conference is unincorporated, by any two officers of its board of trustees, and any written instrument so executed shall be binding and effective as the action of the conference.

# ¶2516. Camps, Conference Grounds and Retreat Centers



Title to annual conference or district camps, conference grounds, and retreat centers held in trust by an incorporated board or agency of an annual conference or district, or by an unincorporated board, commission, society, or similar body of the conference or district, can be mortgaged or sold and conveyed by such corporation or unincorporated body only after authorization by the annual or district conference to which such body is related.

# ¶2545. Merger of Local United Methodist Churches



Two or more local churches, in order to more effectively fulfill their ministry (¶¶ 201-204), may merge and become a single church by pursuing the following procedure:

1. The merger must be proposed to the charge conference of each of the merging churches by a resolution stating the terms and conditions of the proposed merger.
2. The plan of the merger as proposed to the charge conference of each of the merging churches shall be approved by each of the charge conferences in order for the merger to be effected, except that for a charge conference that includes two or more local churches, the required approval shall be by the church local conference of each local church in accordance with the requirements of ¶ 2526.
3. The merger must be approved by the superintendent or superintendents of the district or districts in which the merging churches are located.
4. The requirements of any and all laws of the state or states in which the merging churches are located affecting or relating to the

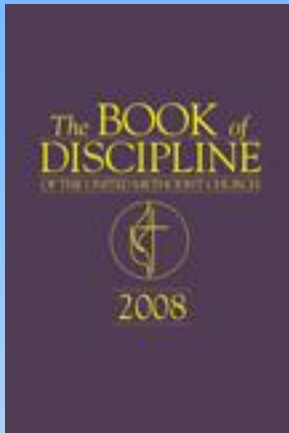
# ¶2546. Interdenominational Local Church Mergers



One or more local United Methodist churches may merge with one or more churches of other denominations and become a single church by pursuing the following procedure:

1. Following appropriate dialogue, which shall include discussions with the United Methodist district superintendent of the district in which the merging churches are located and the corresponding officials of the other judicatories involved, a plan of merger reflecting the nature and ministry of the local church (¶¶ 201-204) shall be submitted to the charge conference of the local United Methodist church and must be approved by a resolution stating the terms and conditions and missional plans of the proposed merger, including the denominational connection of the merger church
2. The plan of merger, as approved by the charge conference of the United Methodist church, in a charge conference including two or more local churches must be approved by the church local conference of each local church in accordance with the requirements of ¶ 2526.
3. The merger must be approved in writing by the superintendent of the district, a majority of the district superintendents, and the bishop of the area in which the merging churches are located.
4. The provisions of ¶ 2503 shall be included in the plan of merger where applicable.
5. The requirements of any and all laws of the state or states in which the merging churches are located affecting or relating to the merger of such churches must be complied with, and in any case where there is a conflict between such laws and the procedure outlined in the Discipline, said laws shall prevail and the procedure outlined in the Discipline shall be modified to the extent necessary to eliminate such conflict.

# ¶2548. Discontinuation... of Local Church Property



1. Prior to a recommendation by a district superintendent to discontinue the use of church property as a local church pursuant to ¶2548.2 hereof, or before any action by the annual conference trustees with regard to the assumption of any local church property considered to be abandoned pursuant to ¶2548.3, the district superintendent should obtain and consider an opinion of legal counsel as to the existence of any reversion, possibility of reverter, right of reacquisition, or similar restrictions to the benefit of any party.
2. Discontinuation-a) Prior to a recommendation of the district superintendent, in consultation with the appropriate agency assigned the responsibility of the conference parish and community development strategy, that a local church be discontinued, the district superintendent shall guide the congregation in an assessment of its potential as outlined in ¶213. A recommendation of discontinuance shall include recommendations as to the future use of the property and where the membership (¶229) and the title to all the real and personal, tangible and intangible property of the local church shall be transferred. On such recommendation that a local church no longer serves the purpose for which it was organized and incorporated (¶¶201-204), with the consent of the presiding bishop and of a majority of the district superintendents and the district board of church location and building of the district in which the action is contemplated, the annual conference may declare any local church within its bounds discontinued.
  - b) If a church has been discontinued by the annual conference without direction concerning the disposition of property, the real and personal, tangible and intangible property shall be disposed of as if it were abandoned local church property (¶2548.3).
  - c) If the annual conference declares any local church discontinued, the failure to complete any of the prior steps will not invalidate such discontinuance.

# ¶2548...Abandonment of Local Church Property



3. Abandonment-When a local church property is no longer used, kept, or maintained by its membership as a place of divine worship, the property shall be considered abandoned, and when a local church no longer serves the purpose for which it was organized and incorporated (¶¶201-204), with the consent of the presiding bishop, a majority of the district superintendents, and of the district board of church location and building, the annual conference trustees may assume control of the real and personal, tangible and intangible property. If circumstances make immediate action necessary; the conference trustees, should give first option to the other denominations represented in the Commission on Pan-Methodist Cooperation and Union. The conference trustees may proceed to sell or lease said property, retain the proceeds in an interest-bearing account, and recommend the disposition of the proceeds in keeping with annual conference policy. It shall be the duty of the annual conference trustees to remove, insofar as reasonably possible, all Christian and church insignia and symbols from such property. In the event of loss, damage to, or destruction of such local church property, the trustees of the annual conference are authorized to collect and receipt for any insurance payable on account thereof as the duly and legally authorized representative of such local church.<sup>10</sup>

<sup>10</sup> See Judicial Council Decisions 119, 138, 143

# ¶2548. Abandonment of Local Church Property (cont'd)



4. All the deeds, records, and other official and legal papers, including the contents of the cornerstone, of a church that is so declared to be abandoned or otherwise discontinued shall be collected by the district superintendent in whose district said church was located and shall be deposited for permanent safekeeping with the commission on archives and history of the annual conference.
  
5. All gifts held in trust, assets of any endowment funds, and assets of any foundation of the church, shall be reviewed as part of the discontinuance or abandonment. All such assets shall pass as directed by the annual conference, or, if there is no such direction, to the trustees of the annual conference, unless otherwise directed by operation of law.

# ¶2548. Abandonment of Local Church Property (cont'd)



6. Any gift, legacy, devise, annuity, or other benefit to a pastoral charge or local church that accrues or becomes available after said charge or church has been discontinued or abandoned shall become the property of the trustees of the annual conference within whose jurisdiction the said discontinued or abandoned church was located or shall pass as directed by vote of the annual conference.

# ¶2548. Abandonment of Local Church Property (last)



7. When properties from the discontinuation of a congregation or abandonment are sold in urban centers with more than 50,000 population, the proceeds of sale must be used for new and/or existing ministries within urban transitional communities; as described in ¶212, and consistent with the Annual Conference's urban ministry strategic plan.

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