

Resolution Affirming the Disaffiliation of Cainsville United Methodist Church

WHEREAS, Cainsville is a United Methodist Church (“Local Church”) within the boundaries of the Tennessee Annual Conference (“Conference”); and

WHEREAS, Cainsville United Methodist Church has held a church conference, at which at least two-thirds (2/3) of the professing members present at the church conference of Local Church voted to disaffiliate from The United Methodist Church “for reasons of conscience regarding a change in the requirements and provisions of the *Book of Discipline* related to the practice of homosexuality or the ordination or marriage of self-avowed practicing homosexuals as resolved and adopted by the 2019 General Conference, or the actions or inactions of its annual conference related to these issues which follow,” and

WHEREAS, ¶ 2553 allows for disaffiliation under such circumstances, and requires the terms and conditions of a local church’s disaffiliation from The United Methodist Church, including the release of any church property from the trust imposed by the *Discipline* to be “memorialized in a binding Disaffiliation Agreement.”

WHEREAS, the attached agreement outlines the terms and conditions of disaffiliation of Cainsville United Methodist Church; and Cainsville United Methodist Church has satisfied (or will satisfy, prior to the disaffiliation date of June 18, 2021) all conditions outlined in the attached Disaffiliation Agreement, which agreement will resolve all matters between the parties, consistent with the requirements of ¶ 2553 and Judicial Council Decision 1379.

NOW, THEREFORE, the Tennessee Annual Conference ratifies the attached Disaffiliation Agreement with Cainsville United Methodist Church.

Submitted by: Chip Hunter, Stones River District Superintendent
Date: May 10, 2021

Standard Form Disaffiliation Agreement-Tennessee Conference

As mandated by ¶ 2553

DISAFFILIATION AGREEMENT PURSUANT TO ¶ 2553

This Disaffiliation Agreement Pursuant to ¶ 2553 (“Disaffiliation Agreement”) is entered into this 10th day of May, 2021, by and between Carrsville (“Local Church”) and Tennessee Conference of the United Methodist (“Annual Conference”).

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

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 at least two-thirds (2/3) of the professing members present at the church conference of Local Church voted to disaffiliate from The United Methodist Church “for reasons of conscience regarding a change in the requirements and provisions of the *Book of Discipline* related to the practice of homosexuality or the ordination or marriage of self-avowed practicing homosexuals as resolved and adopted by the 2019 General Conference, or the actions or inactions of its annual conference related to these issues which follow.”

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.

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:

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

- a. *Church Conference Vote*. At least two-thirds (2/3) of the professing members present at a church conference of Local Church must vote to disaffiliate from The United Methodist Church “for reasons of conscience regarding a change in the requirements and provisions of the *Book of Discipline* related to the practice of homosexuality or the ordination or marriage of self-avowed practicing homosexuals as resolved and adopted by the 2019 General Conference, or the actions or inactions of its annual conference related to these issues which follow.” 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 documentation must be certified by an authorized officer of Local Church and shall be included as an exhibit to this Disaffiliation Agreement.
- 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 June 18, 2021 ("Disaffiliation Date").^a 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:

- i. Local Church shall have the right to retain its real and personal, tangible and intangible property without charge. Any costs relating to Local Church's retention of its property will be borne by Local Church.
- ii. Any unpaid current year Connectional Commitment based on the Annual Conference approved formula, totaling 5,338.⁰⁰;
- iii. An additional twelve (12) months of Connectional Commitment based on the Annual Conference approved formula, totaling 5,338.⁰⁰;
- iv. Any past due Direct Bill Pension or Health Insurance payments 0
- v. An amount equal to Local Church's pro rata share, based on a ratio of church's Connectional Commitment to the current year's budget, of Annual Conference's unfunded pension obligations, based on the Annual Conference's aggregate funding obligations as determined by the General Board of Pension and Health Benefits using market factors similar to a commercial annuity provider, totaling 31,727.⁰⁰;

- b. *Other Liabilities.* Local Church shall either satisfy all of its debts, loans, and liabilities, 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. Local Church shall indemnify, defend, and hold harmless Annual Conference and its officers, directors, agents, and employees from any liability or costs (including reasonable attorney fees) resulting from any claim, action, or cause of action for damages to persons or property resulting from Local Church’s failure to take all necessary steps as required by this Section 5.

6. Property. On the Disaffiliation Date, Local Church will have full ownership of the property and assets listed in [identify relevant exhibit(s), as required by applicable law]. The parties shall ensure all necessary transfers or other transactions relating to the above properties 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 of 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.

7. 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.

8. Time Limit. Should the Local Church fail to satisfy all of its obligations set forth herein by December 31, 2023, this Disaffiliation Agreement shall be null and void.

9. Continuing as Plan Sponsor. Nothing in this Disaffiliation Agreement shall prevent Local Church, after the Disaffiliation Date, from continuing to sponsor benefit plans from the General Board of Pension and Health Benefits (Wespath) to the extent permitted by federal law, and provided that Local Church has not expressly resolved that it no longer shares common religious bonds with The United Methodist Church.

10. 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 the Local Church

Margaret Hatcher ^{SPRC}
Chair, Administrative Board

Date 5/10/21

Vernie Runneman
Chair, Board of Trustees

Date 5-10-21

Representatives of the Annual Conference

_____ District Superintendent

Date _____

_____ Chair, Board of Trustees

Date _____

June 8, 2021

Cainsville United Methodist Church
16365 Cainsville Road
Lascassas, Tennessee 37085

RE: Certification of Votes per Conference May 10, 2021, concerning disaffiliation for the UMC


On May 10, 2021, a joint Conference was held for Cainsville UMC, and Lascassas UMC with Superintendent, Chip Hunter presiding.

After devotion, and discussion concerning the aspects of disaffiliation, a vote was taken from the members present from both churches.

I, Margaret Hatcher, as Lay Leader of the Cainsville UMC, do hereby certify, that Cainsville UMC, did in fact, receive eighteen (18) votes for disaffiliation, and no votes against. All members signed the document provided and turned them per their voting record.

If additional information is needed, please let me know.

Sincerely,
Margaret Hatcher
15390 Cainsville Rd
Milton, TN 37118
Mtdrose2@yahoo.com


Lay Leader, Cainsville UMC

Minutes of the Church/Charge Conference held May 10, 2021:

Conference was called for the purpose of the Cainsville and Lascassas churches to determine, by way of membership voting, whether to continue to be a part of the United Methodist Denomination, or to become stand-alone churches.

District Superintendent Chip Hunter began with the Scripture from Ezekiel 37:1-14, The Valley of Dry Bones, spoke briefly on the scripture, followed with prayer.

Chip Hunter: Called the meeting to order.

He began with explanation that, qualifications for this meeting, consisted of emails and letters previously sent to the membership of both churches 10 days prior, with paperwork for verification.

He continued, with explanation of the ballot, reading of the entire disaffiliation agreement, explaining each section as read.

Explained, 2/3 vote would be necessary for disaffiliation, members must be present for votes to count.

Disaffiliation date would be in the middle of June, after annual conference.

Under Paragraph 2553, the local church would have the right to retain their property, but changes to deeds, other necessary paperwork would be paid by the local church.

Charges paid to Conference are unfunded retirement/pension liability, and 2 years apportionments.

Cainsville: \$31,727.00 and \$5,338.00 X 2 = \$10,676.00 for a total of \$42,403.00

Lascassas: \$29,994.00 and \$5038.00 X 2 = \$10,076.00 for a total of \$40,020.00

Local churches would be required to change name and sign with cross and flame.

Local churches required to change tax exempt status to obtain 501©3 status, each to bear set-up cost.

Parties would agree not to sue one another after disaffiliation.

Time limit for this particular action ending 12/31/23.

Opened session for questions:

Payments must be made before disaffiliation can be complete, but nothing can be done until after annual conference meets June 9-10, 2021.

Chip read and explained ballot before passing them out.

Jim Newman read sealed ballots, 2 from each church, although they could not be counted, it is important to know their hearts: Lascassas – 2 for no Cainsville – 2 for yes.

Ballots were counted: Cainsville: 18 yes, 0 no Lascassas: 12 yes, 0 no

Disaffiliation date was set for June 18, 2021.

Jim Newman closed with prayer.

Respectfully Submitted: Margaret Hatcher

Margaret Hatcher
Lay leader - Cainsville
UMC