

“The Conference” and local church property

First, what is “the Conference”?

“The Conference” is a shorthand way many United Methodists refer to the connectional system which ties together all *Illinois Great Rivers Conference* United Methodist local churches, boards, agencies, and other bodies.

By United Methodist **Discipline**, “the Conference” is actually a body consisting of all clergy members and of an equal number of lay persons duly elected by their local churches. This body meets at least once a year (hence, “Annual” Conference) to make certain decisions for the whole body of United Methodists in our conference area. This body employs a staff to give spiritual oversight and leadership to the conference between annual meetings.

Its relation to local property

The *Illinois Great Rivers Annual Conference* is, like every other annual conference in *The United Methodist Church*, a legal entity. It owns certain properties which are used for annual conference mission and ministry (offices, staff parsonages, and camps, for example). It does not, however, own local churches.

There are two main points at which the **The Book of Discipline** requires annual conference and local churches to intersect over local church property issues.

1. Churches proposing remodeling or additions (exceeding 10% of the value of the existing structure) or new buildings must have the prior approval of the District Committee on Church Location and Building. This step is required because of the

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All Titles— In Trust ¶ 2501, The Book of Discipline

“In consonance with the legal definition and self-understanding of *The United Methodist Church* and with particular reference to its lack of capacity to hold title to property, *The United Methodist Church* is organized as a connectional structure, and titles to all real and personal, tangible and intangible property held at general, jurisdictional, annual, or district conference levels, or by a local church or charge, or by an agency or institution of the church shall be held in trust for *The United Methodist Church* and subject to the provisions of its *Discipline*.

(Relation to local property, continued)

legal relationship which already exists between the local church and the conference. If a local church defaults on loans, the trust clause puts the whole connection in a position of financial liability. The United Methodist Church, therefore has a vested interest in careful forethought and planning as churches expand and improve their properties. (¶2543)

2. Churches which vote to discontinue prior to disposition of property or are abandoned are no longer legal entities capable of making decisions about property ownership. Conference trustees (laity and clergy duly elected by the Annual Conference session) assume this task on behalf of the church (¶2548). Proceeds are invested in congregational development and new church starts.

 **Illinois Great Rivers Conference**
of The United Methodist Church

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Whose church is this, anyway?



What United Methodists need
to know
about ownership
of local church property

Whose church is this, anyway?

The Church, the Body of Christ, is a community of true believers in Christ and belongs first and foremost to God. Under the discipline of the Holy Spirit, the Church exists for the maintenance of worship, the edification (nurture, equipping, and sending) of believers, and the redemption of the world. (§201)

Local churches, however, use real property— buildings and land— for their bases of operation. Federal, state, and local laws require this property to be “owned” by some legal entity.

From the time John Wesley began establishing Methodist congregations on the American continent (late 1700’s), Methodist-chartered congregations purchasing property have been required in their deeds of purchase to include a “trust clause,” which commits the building to the grantee’s (denomination’s) ends and purposes. Similar expectations have long been imposed on former Evangelical United Brethren congregations. Such trust clauses serve important ends in our life together, but can become a source of conflict and hard feelings when not understood by folks in local churches.

The Trust Clause (§2503, The Book of Discipline)

“In trust, that said premises shall be used, kept, and maintained as a place of divine worship of the United Methodist ministry and members of The United Methodist Church; subject to the Discipline, usage, and ministerial appointments of said Church as from time to time authorized and declared by the General Conference and by the annual conference within whose bounds the said premises are situated. This provision is solely for the benefit of the grantee, and the grantor reserves no right or interest in said premises.”

(There are similar trust clauses to be used when parsonages and other properties are purchased by other legal UM entities.)

What is at stake?

- A Wesleyan Church: The trust clause ensures that the Wesleyan spirit and intentions of founding saints are protected. It guarantees that what our ancestors planted as Methodist, Evangelical, or United Brethren Churches will continue through the years to be infused and invigorated with Wesleyan DNA.
- A United Church: The trust clause links our local churches with other United Methodist local churches in a connectional network called “The United Methodist Church.” We believe that many united are stronger and more resourceful than one alone.
- A Global Church: The trust clause helps us remember there is a world beyond the four walls of our buildings. Our connection calls us beyond parochial interests of local community into global mission and ministry.
- A Forgiving Church: The trust clause motivates United Methodists to practice compassion, forgiveness, understanding, and reconciliation in the midst of conflict. Breaking up in the United Methodist Church is definitely hard to do. Our founders designed it to be that way.
- An Itinerant Ministry: The trust clause enables The United Methodist Church to send pastors who are mentored and equipped by the denomination to serve local United Methodist congregations. This helps ensure consistency, constancy, and quality of pastoral leadership.
- A Prophetic Pastoral Leadership: The trust clause frees pastors to be *leaders* instead of *employees* of the congregation, subject to the congregation’s (or a few powerful persons’) whims, moods, and agendas. Pastors are appointed and moved in a systematic and prayerful way by the Bishop according to the missional needs of congregations and the annual conference and the varied gifts of pastors.

What are the legal implications?

- The title to United Methodist local church property is held by the local church, but held *in trust* for the whole United Methodist Church. Property is administered by local church trustees and subject to certain **Disciplinary** checks and balances.
- Although *The United Methodist Church* is a connectional system, it is not an “entity” possessing legal capacities and attributes. *The United Methodist Church* does not and cannot hold title to property (§139). An annual conference, however, may hold title to property just as local churches do.
- Bishops, superintendents, pastors, or members of local congregations (including trustees) do **not** own title to United Methodist local church property.
- The absence of a trust clause does not exclude a United Methodist local church from its connectional responsibilities or legal relationship to *The United Methodist Church*. The use of the name, customs, or polity of *The United Methodist Church*, or acceptance of appointed pastors, is sufficient to legally demonstrate a United Methodist identity. (§2503.6)
- If a local church decides to discontinue its life as a faith community, **The Discipline** permits the local church trustees to carry out the recommendations of the charge conference regarding the disposal of property (§2548.2) if the property matters are handled before actual dissolution.
- If a church abandons 1) the United Methodist relationship or 2) the property itself, **The Discipline** places decisions about disposition of property in the hands of Conference Trustees. In *The Illinois Great Rivers Conference*, proceeds from the disposition of abandoned property are funneled back into the establishment of new United Methodist congregations.