Q&A: The Financial Costs Associated with the Disaffiliation Process

What is paid to the Annual Conference upon disaffiliation?
A local church shall pay to the Annual Conference any unpaid apportionments for the 12 months immediately prior to the disaffiliation date and an additional 12 months of apportionments, plus unfunded pension obligations, repayment of any vitality grants given by the Conference or District in the last 10 years, and legal costs.

When will a church know its Unfunded Pension obligation?
If a church requests a Church Conference to vote on disaffiliation, the congregation will know the final unfunded pension amount before taking the vote.

Working with Wespath, the Western North Carolina Conference has calculated the amount of the unfunded pension liability attributed to each church. This valuation has been conducted solely for this purpose. The Conference will update this amount bi-annually in January and July.

When does our church pay the final amount?
The payment will be due prior to or on the church’s disaffiliation date. Paragraph 2553 requires payment in full at that time.

Where can I find more about the Disaffiliation Process?
The 2019 Special Session of the General Conference of The United Methodist Church adopted a new provision of the Discipline, Paragraph 2553, which allows a United Methodist church to leave the denomination through the end of 2023 "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."

The Conference Board of Trustees Process and the subsequent Disaffiliation Agreement follow ¶2553 of the 2019 Book of Discipline.