

JUDICIAL COUNCIL OF THE UNITED METHODIST CHURCH CONSEIL JUDICIAIRE DEL'EGLISE METHODISTE UNIE RECHTSHOF DER EVANGELISCH-METHODISTISCHEN KIRCHE CONSELHO JUDICIAL DA IGREJA METODISTA UNIDA CONSEJO DE LA JUDICATURA DE LA IGLESIA METODISTA UNIDA



Report by Bishop on Decision of Law

This form is to be used for (please check one):

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| Reporting of decisions of law made by bishops in writing during the regular business of a conference s Discipline 2016). | response to questions of law submitted to them in session (1f 56.3 Const. and ,r 2609.6 <i>The Book of</i> |
| ☐ Reporting of episcopal decisions on questions of of the members of the conference (,I 56.2 Const. and | |
| Name of Bishop: <u>LANETTE PLAMBECK</u> | |
| Address: <u>122 W Franklin Ave, Suite 400</u> | City:_M_i_nn_e_a_p_o_lis |
| State/Province: MN ZIP/Postal Co | ode <u>55404</u> Country:_U_S_ <u>A</u> |
| Phone: <u>612-230-6152</u> Fax: | E-mail: <u>bishopsoffice@dkmnareaumc.org</u> |
| Annual Conference: <u>DAKOTAS</u> Question(s) of Law: <u>SEE ATTACHMENT NUMBER 2</u> | Date of session: NOV.23, 2024 (month/day/year) |
| | |
| | |
| Authorities Cited (indicate paragraph or decision nur | , |
| Constitution:Book of Discipli | ne: <u>2016 , r, r 51. 2549. 217. 213. 2506.1. 2501</u> |
| Judicial Council <u>Decision(s):JCD 799, 1103, 1279,</u> | <u>1512</u> |
| Signature: "B' B "3 | Date: DEC 19 2024 |

(month/day/year)

The following must be attached:

o Decision of Law, including facts, rationale and ruling

Bishop of The United Methodist Church

- o Text of the written request for decision
- o Minutes of annual conference proceedings
- o List of names and addresses of interested parties
- Other relevant materials (e.g. conference rules, resolutions, policies, reports)
- ► Thirteen (13) hard COj:?ies must be submitted via USPS or other delivery service to: UMC Judicial Council, c/o LaNella Smith, Assistant to the J.C. Secretary, 1215 Shady Lane, Durham, NC 27712
- ► Electronic copies in both Word and PDF (with security features disabled) must be submitted to: secretary@umcjudicialcouncil.org.

I. At the Called Special Session of the Dakotas Conference held on November 23, 2024, a ruling of law was requested. It read as follows:

"In accordance with **1151** and 2609 of *The Book of Discipline*, I request a ruling of law in light of 112501 and 2549, Judicial Council Decision 1512, and other relevant church law: Is the 'Cabinet Resolution to close Embrace Church/Embrace UMC,' submitted for vote at the Special Session of the Dakotas Annual Conference meeting on November 23, 2024, along with accompanying background and rationale printed on pages 5 and 6 of the Special Session Conference Workbook, consistent with or in violation of 112501 and 2549 of the 2016 *Book of Discipline* as interpreted by Judicial Council Decision 1512?"

- II. As resident bishop, having jurisdiction to answer the question, I ruled the request was in order as the following conditions were met:
 - A. The Question was submitted in writing to me, to the conference secretary, and to the assistant to the bishop for communications and connection,
 - B. The Question was requested and submitted during the Special Session,
 - C. The Question was appropriately before the body as it was submitted by Rev. Gary Ball-Kilbourne, retired elder in full connection; Rev. Ball-Kilbourne is a member of the Dakotas Conference of the United Methodist Church.
 - D. The Question raised by Rev. Ball-Kilbourne pertained to the issues being considered at the Special Session and identified specific paragraphs of *The Book of Discipline* of the United Methodist Church (2016) to be interpreted. (See: OD 51, JCD 799, JCD 1103, JCD 1279)
- III. As I have prayerfully reviewed the question and researched the request before me, I rule that the Cabinet Resolution to close Embrace United Methodist Church was consistent with 12501 and 12549 of *The Book of Discipline* (2016) as interpreted by Judicial Council Decision 1512.
- IV. My decision is based on the following:
 - A. I determined the provision of,r2549 *Disposition of Property of a Closed Local Church* from Chapter Six "Church Property"/Section Six "Local Church Property" of the *Book of Discipline* (2016), which provides policy and process to close a church and dispose of property was appropriately followed.
 - B. I determined there was compliance with 12549.1, which requires the process to begin with the district superintendent's recommendation to close a church if they find either of the ,r2549.1 conditions exist. This expectation was met in 2023 when Rev. Rebecca Trefz, former district superintendent of the southeast district recommended to the Appointive Cabinet that we close Embrace Church under 2549.1.a. While this recommendation did come to the appointive cabinet from the district superintendent, engagement of the discernment process and acquiescence of the procedural expectations were held more broadly by

conference leadership teams including the southeast district committee on building and location, the conference trustees, the conference committee of finance and administration, the common table, and the extended cabinet. Additionally, this work was done in on-going consultation with the Dakotas chancellors. A formal mediation was also held to aid in the deliberation and discernment.

- 1. Fulfillment of12549.1.a began in early 2023 when it became clear to the district superintendent and members of the appointive cabinet that Embrace no longer served the purpose for which it was first organized. As conference representatives met with leadership from Embrace Church, there was realization that though constituted as a United Methodist Church, Embrace Church did not reflect the identity, polity, practices, or doctrinal standards and theological task of our connection. Supporting evidence included but was not limited to Embrace Church operating more as a call/congregational system than appointment/itinerant/connectional system. Additionally, conference leadership saw there was misalignment regarding the practice of sacraments, education and accountability required for credentialed pastors, connectional giving through apportionments and shared mission, and membership process.
- 2. In review of 12549.1.b, the United Methodist membership vows, as outlined in 1217 of the *Book of Discipline*, state that members will "be loyal to Christ through The United Methodist Church and do all in their power to strengthen its ministries." Embrace pastors and leadership have been unable to do this. Additionally, Embrace had not received persons into formal membership for the past 11 years. Through our discernment process, we discovered that not only did worshipers not know of the United Methodist relationship, many who held leadership roles also did not know and/or understand the connectional nature that is foundational to the United Methodist identity. Therefore, it was determined that Embrace Church, though a vital congregation, no longer served the purpose for which it was organized-as a United Methodist congregation and was recommended for closure as such.
- C. I further determined that procedures outlined in 12549.2.a were followed. There was clear and compelling evidence that 2549.2.a(2-4) were cared for through the work between conference leadership and Embrace Church. While it may be perceived that the outlier was 12549.2.a (1)-"guiding the congregation in an assessment of its potential" (1213 *A Process for Assessment of Local Church Potential*), conference leadership did meet with the clergy and lay leadership of Embrace to assist them in the study of what it means to be a United Methodist Church offering a way forward as a connectional partner. To that end, despite the efforts that began in early 2023 and concluded with mediation in the fall of 2024, conference leadership

determined there was no reconciliation possible as Embrace Church had simply evolved as an entity that was detached from the annual conference and the Wesleyan way of serving Christ through our shared discipline, doctrinal standards and theological task, the ministry of all Christians, the Social Principles, and our organization and administration. As this was the anticipated outcome, I notified those gathered at the Annual Conference session in June 2024 held in Bismarck, North Dakota, that there may be need to call a special session as the conference and Embrace Church concluded discussions.

- D. I was notified on October 22, 2024, that conference leadership and Embrace Church were ready to move forward having reached mutual assent on terms of separation. The Dakotas Conference mediation team, trustees, and district committee on church and location agreed to these terms prior to the rendering of Judicial Council Decision 1512. The special session announcement went out October 23, 2024, with a pre-conference session scheduled to ensure fullest transparency with our conference. The Special Session was held remotely on November 23, 2024, meeting the consents required by 12549.2b; the voting members of the Dakotas Conference declared Embrace Church closed as a United Methodist Church by super-majority of 162-22.
- E. I do want to note the original motion was amended by the body approving the disposition of the property as outlined in the mediation agreement and in compliance with 12549.2c that allows the annual conference to give direction to the board of trustees as to the disposal of closed church property.
- F. While I do not see any evidence of deficiency in upholding the process outlined in 12549, I find grace in 12549.2.d which states that church closures approved by the annual conference are not invalidated if the steps of 2549.2 were deemed incomplete or not followed.
- V. Regarding Judicial Council Decision (JCD) 1512 and my determination that we did not act outside of compliance with this decision.
 - 1. JCD 1512 says it is a 2549.3 decision not a 2549.2 decision.
 - 2. Even if JCD 1512 was a 12549.2 decision, neither the leadership of the Dakotas Annual Conference nor Embrace Church were using 12549 as a pseudo-disaffiliation pathway. To be clear, all parties were aware that 12553/Disaffiliation was an option and could have been a pathway IF this decision was around human sexuality; it was not. Conference leadership and Embrace Church were in agreement that it would have been an unfaithful pathway to purse 12553 when it was available. We found ourselves in an inimitable situation.
 - 3. This was a closure of one specific church that due to its unique circumstances no longer served the purpose for which it was organized,

which 12549 has always allowed. While the buyer of the property will become a new legal entity, we do anticipate the majority of worshipers will retain their identity as part of that faith community. Fair value is being paid for the property given the debt associated with the property, so the closure and prompt sale at \$1.25 million leaves the conference in a better position than had it retained the property and its \$8 million debt load.

- 4. Closure also allows the conference to start new ministries in these communities without these ministries being burdened by large properties or substantial debt.
- 5. Even if JDC 1512 is somehow violated by this action, the conference had entered an agreement to terms to dispose of the property prior to the ruling. Failing to complete the contract could result in further costs/detriment to the conference. My decision to move forward was further informed by 12506.1 *Conformity With Local Law Church Corporations*. An agreement had been reached, and I believed we were both legally and ethically bound to see that agreement through to resolution which was taking this before the annual conference for vote to close Embrace Church.

VI. Concluding Thoughts

The decision to close Embrace United Methodist Church has been a weighty and complex matter, deeply rooted in prayer, discernment, and adherence to the polity and principles of The United Methodist Church. It is never easy to close a church, particularly one that has demonstrated vitality within its community. However, this decision reflects the responsibility of the Dakotas Annual Conference to ensure that all congregations operate in alignment with our shared identity, doctrinal standards, and connectional m1ss1on.

The process leading to this decision was thorough and collaborative, involving mediation, consultation with legal and conference leadership, and engagement with the leadership of Embrace Church. It is evident that every effort was made to reconcile differences and find a way forward that would honor the covenantal and connectional nature of The United Methodist Church. When reconciliation proved impossible, closure became a necessary step to steward the resources and mission of the annual conference faithfully.

This decision also underscores our commitment to the integrity of our shared ministry and our belief that vital ministry happens within the framework of our Wesleyan tradition. By concluding this chapter with grace and transparency, we open the door for new ministries to emerge in these communities-ministries unburdened by the challenges of misalignment or debt and guided by a clear and faithful vision for making disciples of Jesus Christ for the transformation of the world.

The decision to close Embrace Church under 12549 and honor agreements reached was both a faithful and pragmatic conclusion. With mediation concluded, agreements reached, and the session called prior to the ruling of Judicial Council Decision 1512, I do believe I upheld polity and honored the work of the council. Seeing our process through was an act of care for the soul of the conference and for the mission of The United Methodist Church. I pray that this decision of law will lead to healing for those involved, renewed focus for our annual conference, and fresh opportunities for ministry in the Dakotas. May the Holy Spirit guide us all as we continue to seek to serve Christ together in faithfulness, integrity, and love.



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PO Box 460

Mitchell, SD 57301

(605)996-6552

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Rev. Gary Ball-Kilbourne, retired clergy, requested a Bishop's ruling oflaw as follows:

In accordance with **,J,151** and 2609 of *The Book of Discipline*, I request a ruling oflaw in light **of,J,J** 2501 and 2549, Juclicial Council Decision 1512, and other relevant church law:

Is the "Cabinet Resolution to close Embrace Church/Embrace UMC," submitted for vote at the Special Session of the Dakotas Annual Conference meeting on November 23, 2024, along with accompanying background and rationale printed on pages 5 and 6 of the Special Session Conference Workbook, consistent with or in violation of ,J,J2501 and 2549 of the 2016 Book of Discipline as interpreted by Judicial Council Decision 1512?

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The Dakotas Conference met on November 23, 2024, for a Special Session called by Bishop Lanette Plambeck. The sole business item was a resolution to close Embrace/Embrace United Methodist Church. The conference took place through a Zoom webinar.

The session began with worship and a message from Bishop Plambeck.

Bishop Plambeck declared the 2024 Called Special Session of the Dakotas Annual Conference open. She explained that she was joining the meeting from the episcopal office in Minneapolis, Minnesota, along with Rev. Carol Zaagsma, Minnesota assistant to the bishop for connectional ministries, as well as Walker Brault who would be serving as parliamentarian. Joining from the Conference Office in Mitchell, S.D., was Rev. Rebecca Trefz, assistant to the bishop for connection and communications, and Conference Secretary, Rev. Amber Laffey. Joining remotely were Eric Olson, ND. chancellor, Nancy Oviatt, S.D. chancellor, Rev. Kathy Chesney, chair of the board of trustees, Jim Ducker, conference treasurer, Rev. Dan Bader, southwest district superintendent, Rev. Kris Mutzenberger, northeast district superintendent, Rev. Brandon Vetter, southeast district superintendent, and Rev. Joel Winckler, northwest district superintendent.

Conference Secretary, Rev. Amber Laffey, presented the organizational resolutions as well as explained the voting process on the Zoom platform. She also explained how a voting member could have voice in the session.

The body was given a chance to practice the voting mechanism.

The organizational resolutions were then presented to the body for vote. The resolutions passed: 100% approved

Bishop Plambeck called on Rev. Kris Mutzenberger, dean of the Dakotas Conference Cabinet, to present the resolution to close Embrace Church/Embrace UMC. She also presented the details and negotiations that led to the closure. Rev. Brandon Vetter, Southeast district superintendent, presented further information about the process of working with Pastor Adam Weber and Embrace Church.

Rev. I<athy Chesney, chair of the Board of Trustees, shared information about the financial terms that had been agreed upon related to the disposition of property following closure. Through this discernment and formal mediation process, a mutual agreement was reached at a financial settlement of \$1.25 million.

The bishop announced that, before continuing with the business item, we would need to return to the vote on the Organizational Resolutions as there was a technical difficulty that required a re-vote. The vote was taken, and the resolutions were affirmed.

The body returned to the resolution.



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Bishop Plambeck noted there was a transposition in the numbers in the workbook. The Book of Discipline paragraph should read "2549" instead of "2459" There was no objection to this editorial correction.

Rev. Gary Ball-Kilbourne, retired clergy, requested a Bishop's ruling oflaw as follows:

In accordance with **1151** and 2609 of *The Book of Discipline*, I request a ruling of law in light of **,r,r** 2501 and 2549, Judicial Council Decision 1512, and other relevant church law:

Is the "Cabinet Resolution to close Embrace Church/Embrace UMC," submitted for vote at the Special Session of the Dakotas Annual Conference meeting on November 23, 2024, along with accompanying background and rationale printed on pages 5 and 6 of the Special Session Conference Workbook, consistent with or in violation of **112501** and 2549 of the 2016 *Book of Discipline* as interpreted by Judicial Council Decision 1512?

Bishop Plambeck called on Walker Brault, Conference Parliamentarian, to explain what the next steps would be with the Rule of Law. Following the explanation, the body resumed business.

Bishop Plambeck opened the floor for discussion.

Rev. Teresa Whetsel, West Fargo Flame of Faith, had a question of how the attendees were made aware of the closure of Embrace as a United Methodist Church?

Rev. Brandon Vetter, Southeast District Superintendent, responded that Pastor Adam had meetings with those who had connections to the United Methodist Church and/or the Dakotas Conference.

Bishop Plambeck also responded that she knows the United Methodist members have been cared for throughout the process and negotiations and will continue to be.

Rev. Duane Coates, Valley City Epworth UMC, asked if Rule of Law was to be made, can we still do work of this called special session if the bishop rules, and/or judicial council rules it unlawful which would reverse whatever the Annual Conference decides now?

Bishop Plambeck responded that she had several consultations with colleagues that she feels confident we can move forward faithfully in this work of the special session.

Rev. Duane Coates also asked about the current debt load of Embrace Church and why the numbers were shared with us. He wondered how our vote would be impacted if we had to take on that debt load.

Jim Ducker, Conference Treasurer, responded that if our vote fails, and Embrace would abandon the buildings, we would be responsible for that debt. He also clarified that the dollar amount included in the workbook includes all three locations and properties.

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Rev. Brandon Vetter, southeast district superintendent, asked to make a motion to amend the resolution to replace "at the end of the year" to "December 31, 2024."

The motion was seconded.

Rev. Vetter further explained that this provides clarity to the resolution and gives an exact date to the contract.

The body voted on this amendment. The vote passed with 169 yes votes and 26 no votes.

Rev. Ray Baker, Fargo Faith, asked to make an amendment. The Amendment read: "Be it further resolved that the Conference accept the agreement set forth in mediation and direct the trustees to complete the process and tend to the disposition of property."

The motion had a second.

Rev. Baker spoke to the motion

Bishop Plambeck opened discussion on the amendment.

Rev. Marty Toepke-Floyd, Jamestown First UMC, asked if Embrace Church has a parsonage and if that was part of this contract.

Bishop Plambeck responded that the parsonage was sold several years ago, so it is not included in this contract.

Rev. Rick Pittenger, retired, asked how much all the Embrace properties are worth and if we had an appraisal of the buildings to see what fair market value was.

Jim Ducker, Conference Treasurer, answered that the fair market value of all the properties done by an independent appraisal company hired by the Embrace leadership was approximately 16 million.

Rev. Pittenger then asked if it would be worth taking on Embrace's debt load and use the buildings for other United Methodist churches in the Sioux Falls area or for a new church start in Sioux Falls.

Bishop Plambeck asked Jim Ducker and Rev. Rebecca Trefz to speak again to the debt load and what that would mean for us to take it on. Rev. Trefz responded that churches that already exist in Sioux Falls would not be able to take on the debt load. And it would not be reasonable to start a new church with so much debt. Selling the buildings back to Embrace Church seemed the wisest way to steward our resources.

Bishop Plambeck called on Joel Winckler, northwest district superintendent, to pray before the vote for the amendment.

The amendment was affirmed by the body with 175 yes votes and 19 no votes.





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Rev. Dayne Zachrison, Devils Lake First UMC, asked a question related to the elder who has been appoirted to Embrace Church. Bishop Plambeck responded that she will take the question later as it did not pertain to the business item before the body.

Bishop Plambeck moved the Annual Conference to a vote and called on Rev. Dan Bader, Southwest District Superintendent, to pray.

Conference Secretary, Amber Laffey, read the resolution with the amendments and editorial correction.

Bishop Plambeck declared the vote open. During the voting process, which took place through the pollirig feature, there was a notification that some persons who had requested to speak to ask questions, were not brought to the bishop's attention. Because of this, before the balloting was complete, the bishop stated the vote was null and void as there was confusion among the body.

Cheryl Firmey, a lay member from Sioux Falls First UMC, asked for clarification on if we were voting with the two amendments. The bishop affirmed that yes, that is what we are voting for.

Rev. Bill Gran, retired clergy, asked for clarification on the amendment that was passed and if the trustees get to decide what happens to the \$1.25 million that will be received from Embrace Church?

Bishop Plambeck responded that there is a rule iri the Book of Disciplirie that the money gets spent on miriistries iri the same urban area of the closirig church. Then she called on Rev. Rebecca Trefz, for any further clarification.

Rev. Trefz stated trustees only do what they are directed to do and mentioned the urban area requirement iri the Book of Disciplirie.

Rev. Duane Coates, Valley City Epworth UMC asked for clarification on the recommendation of the cabinet. He asked what the deciding factors for this amount were if the buildings have such a higher value than what we are receiving.

Rev. Brandon Vetter, southeast district superintendent, clarified that even though buildirigs are appraised for a certain dollar amount, that's not necessarily how we much we would receive if we tried to sell.

Jim Ducker, conference treasurer, agreed with Vetter and said that the dollar amount of \$1.25 million was the minimum we would accept from Embrace, after the mediation team took irito consideration the unpaid apportionments and what the conference has irivested iri the church sirice its begirming.

Rev. Quaya Ackerman, Rapid Valley UMC, made a motion to add an amendment to the end of the resolution that is as follows:







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"And with the help of pastoral leadership at Embrace and assistance of the southeast district superintendent and spiritual leaders to tend to and care for those that wish to remain United Methodist."

There was a second.

The motion to amend was displayed and read to the body.

A vote was taken on the amendment and was passed with 168 yes votes and 26 no votes.

After the amendment was passed, Bishop Plambeck returned the body to the main motion and opened the discussion.

Rev. Gary Ball-Kilbourne, retired, asked what are the specific terms we are voting to approve?

Rev. Rebecca Trefz responded that in terms of logistics to this vote of closing a church, they are standard to all church closings. Clergy credentials will be surrendered, memberships can be transferred, and the historical records will be given to the Annual Conference.

Rev. Gary Ball-Kilbourne asked for further clarification as Paragraph 2549 states that at a closure of a church, the property would be transferred to the Conference. Would it then be sold back to Embrace? And does that include the debt load in the transaction? He also stated that in Paragraph 2549 the property includes all the personal property and non-physical property including investments. Is all the Embrace property included in this settlement amount?

Bishop Plambeck called on Conference Chancellor, Eric Olson, to clarify the terms of the agreement. The financial terms are as follows: Embrace will pay \$1 Million to the Annual Conference by December 31, 2024. At that time, the conference would sign over a quick claim deed, transferring the property to Embrace. Then there is an established payment plan where Embrace will pay \$10,000 a month from January to May, with the remaining \$200,000 balance in final payment in June prior to next year's Annual Conference secured by a lien on the property.

Rev. Ball-Kilbourne stated we still needed clarification on provisions for non-property assets. Olson responded that some of those provisions are needed for other liens on the property.

Rev. Cindy Coates, Sioux Falls Wesley UMC, asked why have we opted to settle at the lowest amount acceptable and why did the mediation team keep coming back to the \$1.25 million?

Rev. Brandon Vetter responded that the mediation team's intent was to not cause harm to Embrace Church. The team feels confident that \$1.25 million is a fair amount and what could be settled on between parties.

Rev. Jeff Lathrop, Pierre First UMC asked, would the unpaid apportionments be part of \$1.25 million?





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Rev. Brandon Vetter responded that yes, apportionments were part of the discussion, and that conference leadership is still figuring out if part of the settlement will go towards apportionments.

Bishop Plambeck added that, through this process, there was a distinct line drawn as we did not want to infer that this was an exit under paragraph 2553 as that paragraph terminated at the end of 2023. Additionally, in conversation with Pastor Adam Weber and Embrace leadership in early 2023, it was clear that their reason for wanting to leave the UMC was not related to human sexuality. It would not have been faithful for them to move forward through paragraph 2553 when it was an option. It was a posture of integrity that we did not go down that journey. The mediation team working with them had a posture of integrity mediated paragraph 2549. Both parties settled on \$1.25 million because it was a common number that both teams could agree on. She stated this was a spiritual meditation and that helped them focus on being fair for all persons.

Llsa Rhodes made a motion to call the question.

Bishop Plambeck explained that with a motion to call the question, we would end discussion and immediately vote.

The motion to call the question and end debate passed with 157 yes votes and 24 no votes.

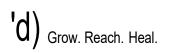
The motion with amendments was read and displayed. Bishop Plambeck explained that this vote requires a simple majority and then lead a prayer.

The vote was taken to close Embrace Church/Embrace UMC and passed by 88%. There were 162 yes votes and 22 no votes.

Bishop Plambeck returned to the question by Rev. Dayne Zachrison, Devils Lake UMC, who asked if there were chargeable offenses by Pastor Adam Weber. Bishop Plambeck called the question out of order and explained that this is not the avenue to present that. She also explained that Rev. Brandon Vetter is in communication with the pastors at Embrace and will ensure that the proper steps are followed with all clergy in surrendering their United Methodist credentials upon closure of the church.

Bishop Plambeck closed with devotion and declared the Called Special Session of the Dakotas Annual Conference closed.





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List of names and addresses of interested parties

Bishop Lanette Plambeck Dakotas-Minnesota Episcopal Office

122 W Franklin Ave, Suite 400,

Minneapolis, MN 55404

ND Chancellor Eric Olson Dakotas Conference Office

1331University Ave Mitchell, SD 57301

SD Chancellor Nancy Oviatt Dakotas Conference Office

1331University Ave Mitchell, SD 57301

Conference Secretary Amber Laffey Dakotas Conference Office

1331University Ave Mitchell, SD 57301

Assistant to the Bishop for Connection and Communications Rebecca Trefz

Dakotas Conference Office

1331University Ave Mitchell, SD 57301

Retired Clergy Gary Ball-Kilbourne 109 18th St S

Fargo, ND, 58103

Section 2: Cabinet Resolution to close Embrace Church/Embrace UMC

Resolution: WHEREAS, through mutual discernment and deliberation, it is recommended that Embrace United Methodist Church be dissolved as a United Methodist congregation;

THEREFORE, BE IT RESOLVED that the congregation be recognized with thanks to God for their partnership in ministry, and that Embrace United Methodist Church in the Southeast District of the Dakotas Conference of The United Methodist Church be officially discontinued under the provisions of *The Book of Discipline*, 1 2459 by the Dakotas Conference.

Respectfully submitted by: Rev. Dan Bader, Southwest District Superintendent, Rev. Kris Mutzenberger, Northeast District Superintendent, Bishop Lanette Plambeck, Dakotas-Minnesota Area, Rev. Brandon Vetter, Southeast District Superintendent, Rev. Joel Winckler, Northwest Area Superintendent

Background

Beginning in early 2023, Dakotas Conference and Embrace United Methodist Church leadership began to have conversation regarding Embrace's future ministry in and with the United Methodist Church.

Since that time, in addition to the Bishop and Cabinet, conversations and discernment regarding Embrace included representatives from CCFA, the district board of church locations, both Conference chancellors, as well as the Board of Trustees and Common Table. Information and historical data were gathered. A formal mediation was also held to aid in the deliberation and discernment.

Throughout the conversation, it was clear to Conference leadership that Embrace Church, though constituted as a United Methodist Church, did not reflect the identity, polity, practices, or doctrinal standards and theological task of our connection.

Conference leadership saw this in the following:

- a. This discernment was affirmed by reflection on other points in which Embrace no longer aligns with the purpose for which it was organized including: the connectional nature of clergy appointments, understanding and practice of sacraments, education and accountability required for credentialed pastors, connectional giving through apportionments and shared mission, and membership process.
- b. United Methodist membership vows, as outlined in 1217 of the Book of Discipline, state that members will "be loyal to Christ through The United Methodist Church and do all in their power to strengthen its ministries." Embrace pastors and leadership have been unable to do this. While Embrace is still a viable congregation of Christian ministry, through our discernment process, it was determined that it no longer serves the purpose for which it was organized (as a United Methodist congregation) and is recommended for closure as such.

Through these conversations and discernment, it was also established that it is in the best interest of the Conference as it relates to a Kingdom-minded witness and stewardship of resources (being particularly mindful of the limited market for and \$9+million debt load on the property) to sell the property to the new Embrace entity after closure. As a reminder, closure needs to be ratified by the lay and clergy members currently elected.

In determining financial terms for Embrace ending their connection with other United Methodists, the following was considered:

- Amounts given for Embrace by other churches and individuals through apportionments and capital campaigns
 - o Since its inception in 2007, the Dakotas Conference has invested the following amounts into the mission and ministry of Embrace:
 - 2007-2011: \$300,000 -At the time, this was a typical amount invested in a new church start, primarily covering the salary and benefits of the planter as well as initial ministry costs.
 - 2007: \$40,000 for parsonage down payment
 - 2012: \$200,000 for purchase of 57th Street building
 - 2014: \$300,000 for Tea campus and online campus
 - 2016: \$361,500 for West Sioux Falls campus and Embrace Network startup
 - 2019-2021: \$50,000 for staff support of Embrace Network UMCs
 - Total: \$1,222,000
- Property equity (i.e. fair market value minus debt load)

Prior to the ruling of the Judicial Council, a mutual agreement and settlement were reached with a financial settlement of \$1.25 million.

On October 23, 2024, Bishop Lanette Plambeck called a special session for the Dakotas Conference for the singular purpose of consideration of the resolution ratifying the closure of Embrace Church/Embrace United Methodist Church per the provisions of,2549.

On November 12, 2024, Bishop Plambeck met with chancellors, Nancy Oviatt and Eric Olson, to review the recent decision issued by the United Methodist Church's Judicial Council (Decision No. 1512), which clarified usage of,2549 of the 2016 Book of Discipline. In compliance with this decision, we want to iterate this special session is not a reinstatement or replication of ,2553 (the disaffiliation allowance that expired on 12/31/23), nor is the session calling/or the adoption of legislation, policies, guidelines, rules, or regulations authorizing the departure of local churches.

The Dakotas Conference reviewed our process with Embrace in light of this recent decision to ensure full compliance. Following this review-conducted by the Bishop, Cabinet, Director of Finance and Administration, and conference trustees, along with legal counsel-the Dakotas Conference is confident in the decision to move forward with the called special session.

After months of negotiation and mediation-including review of church and civil law-and prior to the issuance of Decision No. 1512, the Conference's Board of Trustees and Embrace reached agreed upon terms. The agreement terms culminate with the required ratification vote of church closure at the special session of the Annual Conference under Section 2549 of the Book of Discipline. In order to honor that agreement, the Cabinet is bringingforward a resolution to close Embrace Church effective at the end of 2024. Because we reached the agreement to terms prior to the issuance of Decision 1512, the Conference leadership believes that the best way to resolve the relationship with Embrace Church is to proceed with the agreed upon terms. This also lowers the Conference 's risk of a civil lawsuit.