

**Addendum of Specific Guidelines
To “Principles and Processes for Beaver-Butler Presbytery
When Churches Seek to Separate from Presbytery”**

Submitted by Beaver-Butler Presbytery’s Committee of Counsel (Rev. Allison Bauer and Elder Jim Powers)
in conjunction with the Complainants in “Powell, et al vs. the Beaver-Butler Presbytery”
(Rev. Dr. Eric Powell, Rev. Dr. A. Gary Angleberger, Elder Mary Beth Evans, and Elder Nancy Blewett)

SECTION ONE: Introduction to Addendum

Rationale

The Beaver-Butler Presbytery Committee of Counsel and the Complainants in “Powell, et al vs. the Beaver-Butler Presbytery” came to an agreement on March 30, 2009, that was unanimously approved by the Synod of the Trinity’s Permanent Judicial Commission. Item #1 of this agreement requires that the Committee of Counsel, in conjunction with the Complainants, recommend revisions to the “Principles and Processes for Beaver-Butler Presbytery When Churches Seek to Separate from Presbytery” in relation to 1) the Mission Strategy of a particular area when a particular church leaves the Presbytery and 2) the Trust Clause of the Book of Order. The submission of this addendum satisfies this condition of the agreement.

The guidelines outlined below will provide for equitable and gracious negotiations by supplying specific instructions for the negotiation process, in relation to Mission Strategy and the Trust Clause, between the Presbytery Response Teams (PRTs) and congregations seeking to separate from the Presbytery. This document is intended to guard against future remedial action.

Concern #1: Trust Clause

The Constitution of the Presbyterian Church (USA) states, “All property held by or for a particular church, a presbytery, a synod, the General Assembly, or the Presbyterian Church (U.S.A.), whether legal title is lodged in a corporation, a trustee or trustees, or an unincorporated association, and whether the property is used in programs of a particular church or of a more inclusive governing body or retained for the production of income, is held in trust nevertheless for the use and benefit of the Presbyterian Church (U.S.A.)” (G-8.0201).

The Trust Clause concerns a congregation’s stewardship of its property. Some type of financial settlement is always appropriate given the loss of the Presbytery’s mission presence in an area when a particular church leaves the Presbytery. Any financial settlement in this process shall be used for the sake of building the Kingdom of God with particular regard to church development and redevelopment.

Concern #2: Settlements

During the Synod PJC process, it was determined that more specific guidelines are necessary for the finalization of any settlement between the PRT and the particular church seeking to separate from the Presbytery. The specific guidelines that follow are a result of the settlement of the claim of “Powell, et al v. the Beaver-Butler Presbytery” under the direction of the Synod PJC.

Summation

In keeping with the historic Presbyterian and Biblical model, when a congregation seeks to leave the Presbytery it is, in many ways, breaking covenant with fellow disciples of Jesus Christ. This document therefore cautions any congregation seeking to separate from the Presbytery to

**Addendum of Specific Guidelines
To “Principles and Processes for Beaver-Butler Presbytery
When Churches Seek to Separate from Presbytery”**

46 consider carefully its actions; and if the governing bodies are somehow negligent or abusive
47 toward their members, that this be discussed and pastorally attended to so that all might be
48 strengthened in life together in Jesus Christ.

49
50 The “Principles and Processes” document likens a church seeking to separate from the
51 Presbytery to a divorce. This analogy recognizes that neither party is ever completely happy
52 with the terms of any negotiation, settlement, or decision by a third party. The process is costly
53 and each party pays a price. This document provides the specific guidelines for a framework for
54 equitable and gracious negotiations between the PRTs and congregations seeking to separate
55 from Beaver-Butler Presbytery.

56
57 **SECTION TWO: Guidelines for Negotiations Between PRTs and Congregations**
58 **Seeking to Separate from Beaver-Butler Presbytery**

59
60 **Specific Guidelines Concerning the Trust Clause**

- 61 1. As a way of exercising its fiduciary responsibility regarding the Trust Clause in the
62 Constitution, the PRT shall assemble the following documents and/or data for its report to
63 the Presbytery:
- 64
- 65 a. The PRT provides the Session with the name(s) of approved appraisers to be
66 utilized in order to determine the fair market value. The Session secures and pays
67 for an appraisal of the church property, and also provides the PRT with financial
68 statements. If the PRT desires to have a second appraisal, it will be paid for by
69 the Presbytery.
- 70 b. A record of any current indebtedness of the church and the method of repayment,
71 particularly in the case where the Presbytery may be held liable.
- 72 c. Current statements of tangible and intangible assets.
- 73
- 74 2. These steps shall be included in the research and report of the PRT to the Presbytery.
- 75

76 **Specific Guidelines Concerning Settlements**

- 77 1. In order to maintain fairness and equity in every situation – when it is clear that a local
78 congregation will be separating from Beaver-Butler Presbytery the terms of separation
79 will normally be set according to the following terms:
- 80 • A vote of the congregation will be taken by secret written ballot.
- 81 • If the congregational vote to separate is 90% or higher at a duly called
82 congregational meeting, terms are 10% of the market value (resale) of all real
83 property, buildings, and fixed or permanent fixtures.
- 84 • If the congregational vote to separate is less than 90% then the percentage is
85 applied accordingly. (For example, if a vote is 75% to leave and 25% to stay,
86 then terms of separation would be 25% of the market value ...).
- 87 • Repayment of all outstanding loans from Beaver-Butler Presbytery, the Synod, or
88 the General Assembly.
- 89

**Addendum of Specific Guidelines
To “Principles and Processes for Beaver-Butler Presbytery
When Churches Seek to Separate from Presbytery”**

- 90 2. Any settlement must include a timeline concerning the schedule of payments (monthly,
91 yearly, etc) a congregation will make to the Presbytery, including a final payment due
92 date. The PRT and congregation should also provide a means of enforcement if final
93 payment is not received in a timely manner. In the event that the PRT agrees to provide
94 financing for the agreed-upon settlement, the departing congregation will agree that a lien
95 will be placed on the real property in the unpaid amount of the settlement. A quit-claim
96 deed will be provided to the congregation by the presbytery when the settlement amount
97 has been fully paid.
98
- 99 3. Any settlement must specify if payments due include interest or are interest free.
100
- 101 4. Any settlement must include a written record of proposals from the congregation, written
102 counter-proposals from the PRT, and a written settlement agreement containing
103 documentation of both the Mission Strategy and Impact Study and Trust Clause
104 considerations.