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SUPREME COURT OF TEXAS
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NO. 25-1086

IN THE SUPREME COURT OF TEXAS

UNITED METHODIST RIO TEXAS CONFERENCE BOARD OF TRUSTEES — PETITIONER

v.

FIRST METHODIST CHURCH OF ALICE, TEXAS, *ET AL.* — RESPONDENTS

On Petition for Review from the Court of Appeals
for the Fourth District of Texas at San Antonio

BRIEF OF PETITIONER
[filed by Petitioner United Methodist Rio Texas Conference Board of Trustees]

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STATEMENT OF THE CASE

Nature of the Case	Suit by intermediate-level church body against local churches, alleging breach of contract in connection with local churches' disaffiliation from the United Methodist Church (CR 104-33) (Appendix 4)[1]
Trial Court	285th District Court, Bexar County Hon. Laura Salinas, presiding
Trial Court Disposition	All claims dismissed for want of jurisdiction (CR 166-68) (Appendix 3)
Parties in Court of Appeals	Appellant: United Methodist Rio Texas Conference Board of Trustees ("the Conference") Appellees: 28 local church entities (see pages 2-4 above for list)
Court of Appeals	Fourth District, San Antonio

[1] Abbreviations used in record citations will be in the form

(CR xx), referring to the Clerk's Record at page xx
(SCR xx), referring to the Supplemental Clerk's Record at page xx
(SSCR xx), referring to the Second Supplemental Clerk's Record at page xx
(RR xx), referring to the Reporter's Record at page xx.

Where an item appears in the appendix to this petition, that fact will sometimes be indicated by the notation "(Appendix aa)," where aa refers to the appropriate numbered tab in the appendix.

Court of Appeals' Opinion	Opinion by Justice Rios, joined by Justices Brissette and McCray. *United Methodist Rio Texas Conference Board of Trustees v. Alice First Methodist Church*, 736 S.W.3d 127 (Tex. App.—San Antonio 2025, pet. granted) (mem. op.) (Appendix 1).
Court of Appeals' Disposition	Affirmed. (Appendices 1 & 2).

STATEMENT OF JURISDICTION

The Supreme Court has jurisdiction under Government Code section 22.001(a), because this appeal presents questions of law that are important to the jurisprudence of the state, and the court of appeals' judgment is not made final by statute.

ISSUES PRESENTED

1. The Conference's suit seeks to enforce contractual payment requirements that apply when local churches disaffiliate from the United Methodist Church. The requirements in question are purely secular in nature, consisting of pension payments, insurance payments, and shared administrative costs. Do the courts have subject-matter jurisdiction to adjudicate the suit, because it can be decided through application of neutral principles of law without addressing ecclesiastical issues? [Preservation: CR 147-50; Brief of Appellant at xii (¶ 1), 13-27]

2. In the alternative: The *status quo* is that the defendant local churches have disaffiliated without making the payments required in that situation, notwithstanding the determination by the Conference (a superior church body) that they must make the payments. Do the courts have subject-matter jurisdiction to enforce the decision of the superior body by requiring the local churches to make the payments? [Preservation: CR 155; Brief of Appellant at xii (¶ 2), 27-34]

INTRODUCTION

The jurisdictional dismissal in this case means that the Conference has no civil remedy for the breach of the respondents' obligations to make prescribed payments upon leaving the Church. The result is that the Conference (and its remaining local churches) must shoulder financial burdens that rightly belong to the respondent withdrawing churches. Were that outcome necessary to avoid judicial interference in ecclesiastical matters, it would be an unavoidable evil. But if—as the Conference will demonstrate—it is not necessary, then the failure to afford civil relief is itself an arbitrary and unconstitutional infringement of religious freedom.

STATEMENT OF FACTS

Structure of the Church. The United Methodist Church ("the Church" or "the UMC") is a connectional church, divided into "conferences" at several different levels of authority. (CR 110 (¶ 33)). At the top is the General Conference, followed in descending order by jurisdictional (regional), annual, and district conferences, and ultimately by local churches and their members. (*Id.*). Plaintiff/petitioner Rio Texas

Conference (acting through its trustees) ("the Conference") is the annual conference covering South Texas. (*Id.*). The defendants/respondents are local churches within the Conference's territory. (*Id.*).

Services Provided by the Conference to Its Local Churches. The Conference provides administrative services to its local churches, including a pension and health benefits program for the clergy appointed to the local churches. (CR 110 (¶ 34)). It also provides access to property, liability, and workers' compensation insurance for the local churches. (*Id.* at 110-11).[2] All of these services, as well as other activities supporting the work of the Church and the Conference, are funded by payments from the local churches to the Conference. (*Id.*).

The Book of Discipline. The Book of Discipline ("the Discipline") is "the instrument for setting forth the laws, plan, polity, and process by which United Methodists govern themselves." (CR 111 (¶ 35)), quoting the Discipline at page V). *See*, *e.g.*, *General Council on Finance & Administration of the United Methodist Church v. Superior*

[2] Local churches that do not subscribe to this insurance are required to maintain their own insurance coverage and to name the Conference as an additional insured on their property and liability coverages. (CR 111 (¶ 34)).

Court, 439 U.S. 1369, 1370 (1978) (Rehnquist, Circuit Justice) (the Discipline "contains the constitution and bylaws of the Methodist Church").

Each General Conference of the Church amends the Discipline, and the actions of the General Conference are codified in quadrennial revisions. (CR 111 (¶ 35)). Local churches, including the respondents, are subject to the Discipline and the various levels of the Church structure. (*Id.*). The Conference alleges that each of the respondent churches contracted to abide by the Discipline. (*Id.*).

Disaffiliation from the Church Under the Discipline. The Discipline contains various provisions regarding local churches' disaffiliation from the Church. At the time this lawsuit was filed, those included ¶ 2553 of the Discipline (CR 124-25), which created a process for disaffiliation of local churches over issues relating to human sexuality. But ¶ 2553 expired by its own terms on December 31, 2023. (CR 113 (¶ 40), 124 (¶ 2553.2)).

Since that time, the Conference has proceeded with disaffiliation

of local churches under ¶¶ 1504.23 & 2549[3] of the Discipline. (CR 113 (¶ 40)). Paragraph 1504.23 requires that a local church in the United States that changes its relationship to the Church contribute its unfunded pension liability. (CR 112 (¶ 38), 124 (¶ 1504.23)).[4] The annual conference may also collect other obligations due from the local church. (CR 124 (¶ 1504.23)).

At least 68 local churches within the Conference's territory have complied with the Discipline, made the contractually required payments, and disaffiliated from the Church with its blessing. (CR 112-13 (¶ 39)).

The Respondent Local Churches' Refusal to Comply. The respondent local churches advised the Conference of their intent to disaffiliate from the Church, but declared that they do not intend to abide by the disaffiliation process set forth in the Discipline. (CR 113-14 (¶ 41), 129 (Ex. B), 131-32 (Ex. C)). Specifically, they stated that they

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[3] Paragraph 2549 does not appear in the record.

[4] The Church's General Board of Pension and Health Benefits determines the aggregate funding obligations of the annual conference using market factors similar to a commercial annuity provider, from which the annual conference determines the local church's share. (CR 112 (¶ 38), 124 (¶ 1504.23)).

do not intend to pay (except as part of a settlement) the required apportionments and unfunded pension liability. (CR 114 (¶ 41), 129 (Ex. B), 131-32 (Ex. C); *see also* CR 114 (¶¶ 42-43)).

Certain of the respondent churches also discontinued their insurance obtained through the Conference and declined to reimburse the Conference for the actual costs of the church's liability and property insurance policies. (CR 114-15 (¶ 44)). Until the disaffiliation process is completed, the Conference is required to maintain insurance for those churches, at the expense of those churches. (CR 115 (¶ 44)).

This Lawsuit. The Conference brought this suit, seeking declaratory, contractual, and injunctive relief arising out of the respondent churches' breach and anticipatory breach of their express and implied contract to make the payments required by the Discipline. (CR 104-33) (Appendix 4).

The respondent churches moved to dismiss the suit for lack of jurisdiction, alleging that the civil courts have no jurisdiction due to the ecclesiastical nature of the Conference's claims. (CR 18-29, 36-103) (Appendices 6 & 7). They presented no evidence in support of the motion.

The Conference opposed the motion, arguing that the suit involves only secular matters and can be adjudicated under neutral principles of law. (CR 147-50) (Appendix 8). The Conference argued alternatively that the civil courts have jurisdiction to enforce the Conference's decision regarding the respondent churches' disaffiliation, inasmuch as the Conference is a superior church body to them within the structure of the UMC. (*Id.* at 155).

After hearing (RR 4-33), the trial court granted the motion to dismiss. (CR 166-68) (Appendix 3). Rio Texas appealed. (CR 169-71).

The Appeal. The court of appeals affirmed. *United Methodist Rio Texas Conference Board of Trustees v. Alice United Methodist Church*, 736 S.W.3d 127 (Tex. App.—San Antonio 2025, pet. granted) (Appendix 1) ("*Rio Texas*"). It held that neutral principles of law could not be applied to the Conference's claims, because they derived from the Discipline, which contains provisions relating to church doctrine and governance, *Rio Texas*, 736 S.W.3d at 138, and because the absence of the entire Discipline from the record prevented the court from construing its provisions as a whole, *id.* at 140. It also rejected the Conference's alternative argument that if neutral principles could not be ap-

plied, the courts should defer to and enforce the Conference's decision that the payments it sought were due and owing. *Id.* at 140-41.

The court of appeals failed to correctly state the nature of the case, because it ignored the Conference's current reliance on provisions of the Discipline other than ¶ 2553.

SUMMARY OF THE ARGUMENT

This suit is for breach of contract. Since it involves only secular contractual issues, relating to monetary obligations, it can be adjudicated under neutral principles of law without delving into ecclesiastical matters, just as suits under similar contracts between non-religious entities are resolved. As in *Southern Methodist University v. South Central Jurisdictional Conference*, 716 S.W.3d 475 (Tex. 2025) ("*SMU*"), so too here.

The court of appeals erred by refusing to apply neutral principles merely because the secular contract provisions at issue derived from a document that also addresses religious issues. It is the *issues* that must be examined to determine their secular or religious nature, not the book in which they are written down. It also erred in placing a burden on the Conference to plead or otherwise produce the entire volume containing

the provisions at issue.

Alternatively, if the suit is determined to involve religious principles, the courts below were constitutionally required under the church-autonomy doctrine to defer to *and enforce* the decision of the Conference, as the higher ecclesiastical body, to require the respondent churches to make prescribed payments in the event of disaffiliation. Since the *status quo* is that the Conference's decision is being defied by the respondent churches, dismissal for want of jurisdiction does not defer to the decision, and certainly does not enforce it.

By washing their hands of the controversy, the courts below abdicated their constitutional responsibility to enforce the Conference's contractual rights, either by applying neutral principles of law to adjudicate those rights or by deferring to the Conference (and enforcing its decision) as a means of avoiding impermissible judicial entanglement in ecclesiastical issues.

PROCEDURAL STANDARDS

Whether a court has subject-matter jurisdiction is determined on appeal de novo as a question of law. *E.g.*, *Texas Disposal Systems Landfill, Inc. v. Travis Central Appraisal District ex rel. Crigler*, 694

S.W.2d 752, 757 (Tex. 2024).

Jurisdictional Challenges Based on the Evidence. A challenge to the court's jurisdiction may be based solely on the pleadings, but the trial court may consider evidence, and must do so when necessary to decide the challenge. *Bland Independent School District v. Blue*, 34 S.W.3d 547, 555 (Tex. 2000). Nevertheless, a challenge to jurisdiction "does not authorize an inquiry so far into the substance of the claims presented that plaintiffs are required to put on their case to establish jurisdiction." *Id.* at 554.

Instead, when the court considers evidence, the burden of production is on the movant; it is not enough to simply deny the existence of jurisdictional facts. *Miranda v. Texas Department of Parks & Wildlife*, 133 S.W.3d 217, 227-28 (Tex. 2004). This requirement is analogous to traditional summary judgment procedure; the non-movant has no obligation to raise a fact issue regarding jurisdiction unless the movant supports its jurisdictional challenge with evidence conclusively showing a lack of jurisdiction. *E.g.*, *id.* at 228.

Here, the respondent churches did not present any evidence, and acknowledge that their motion to dismiss was litigated on the plead-

ings. Response to Petition for Review ("Response") at 11. Nevertheless, the court of appeals faulted the Conference for failing to bring forward an appellate record containing the entire Discipline. *Rio Texas*, 736 S.W.3d at 140. But in the absence of conclusive evidence from the movants, it was not the Conference's burden to produce any evidence at all, much less any particular evidence.[5]

Jurisdictional Challenges Based on the Pleadings. In determining a jurisdictional challenge based on the pleadings, the court must "construe the plaintiff's pleadings liberally, taking all factual assertions as true, and look to the plaintiff's intent." *Heckman v. Williamson County*, 369 S.W.3d 137, 150 (Tex. 2012). The question is whether "the pleader has alleged facts that affirmatively demonstrate the court's jurisdiction to hear the cause." *Miranda*, 133 S.W.3d at 226.

Here again, the court of appeals procedurally erred, this time by straying beyond the Conference's pleading. It discerned the nature of

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[5] It is conceivable that the court of appeals erroneously thought the entire Discipline was in the trial record but not the appellate record; the cases it cited were about an appellant's failure to bring forward relevant portions of the trial court record on appeal. *Rio Texas*, 736 S.W.3d at 140. But here, the clerk's record (as supplemented) contained the entirety of the trial court record on the jurisdictional issues. So there was no defect in appellate procedure.

the Discipline from unsworn and disputed factual statements in the plea to the jurisdiction,[6] from the opinion in another appellate case,[7] and from no cited source at all.[8] As will be seen, *see* Section I.B below, the Conference's petition was sufficient to demonstrate jurisdiction.

Finally, if the non-movant's pleading is jurisdictionally deficient, the plaintiff must be given an opportunity to replead; a plea to the jurisdiction may be granted only if the pleading, even after amendment, does not afford a basis to invoke the court's subject-matter jurisdiction. *Miranda*, 133 S.W.3d at 226-27.[9]

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[6] *Rio Texas*, 736 S.W.3d at 131 ("According to the local churches' plea to the jurisdiction," the Church experienced a mass exodus of congregations due to religious disagreements).

[7] *Id.* ("the general rule according to [the Discipline] is that a [local] church may disaffiliate, but UMC retains the [local] church['s] property," citing *Oklahoma Annual Conference of the United Methodist Church, Inc. v. Timmons*, 538 P.3d 163, 166 (Okla. 2023).

[8] *Id.* (regarding a General Conference vote to allow ordination of LGBTQ pastors and recognize the ceremonial marriage of LGBTQ members).

[9] The Conference noted this requirement in its response to the motion to dismiss (CR 138), and prayed alternatively in the court of appeals for remand to permit amendment, Brief of Appellant at 35 (¶ 3).

ARGUMENT

I. THIS CONTRACT DISPUTE CAN BE RESOLVED UNDER THE NEUTRAL-PRINCIPLES APPROACH.

Under the neutral-principles approach, "courts decide non-ecclesiastical issues such as property ownership based on the same neutral principles of law applicable to other entities, while deferring to religious entities' decisions on ecclesiastical and church polity questions." *In re Diocese of Lubbock*, 624 S.W.3d 506, 513 (Tex. 2021); *see SMU*, 716 S.W.3d at 482.

The premise of the approach is that "[r]eligious organizations come before [the courts] in the same attitude as other voluntary associations for benevolent or charitable purposes, and their rights of property, or of contract, are equally under the protection of the law, and the actions of their members subject to its restraints." *Watson v. Jones*, 80 U.S. (13 Wall.) 679, 733 (1872), quoted in *Masterson v. Diocese of Northwest Texas*, 422 S.W.3d 594, 714 (Tex. 2013).

A. The Neutral-Principles Approach Applies to Contract Claims.

In *Diocese of Lubbock*, the Court noted that it had not yet applied

the neutral-principles methodology outside the context of church property disputes, but that lower Texas courts had done so. 624 S.W.3d at 513. But in *SMU*, the Court filled that gap, holding that it had jurisdiction of the plaintiff's claims, including a contract claim, under the neutral-principles approach. 716 S.W.3d at 482-83. Thus the question of whether the approach applies to contract claims has been definitively answered in the affirmative.

B. The Conference Adequately Alleged Breach of a Secular Contract Governing Payments Due in the Event of Local Church Disaffiliation.

The Conference pled a breach of contract, enforcement of which "does not require the interpretation of doctrinal or theological matters;" it backed up that allegation by identifying the provisions sued upon and the secular relief sought. (CR 113 (¶ 40), 116-18 (¶¶ 52-56)). At the jurisdictional stage, that was all that was required. *See Douglass v. McLure*, 254 S.W.2d 876, 877 (Tex. Civ. App.—Amarillo 1952, writ dism'd) (plaintiff not required to plead all terms of contract relied on for recovery, only material terms).

Even if, *arguendo*, it was the Conference's burden to plead or produce all or additional parts of the Discipline, that was manifestly a cur-

able defect that, if determinative of jurisdiction, required that leave to amend be granted. *E.g.*, *Miranda v. Texas Department of Parks & Wildlife*, 133 S.W.3d 217, 226-27 (Tex. 2004).

C. Whether There Was Actually a Contract Goes to the Merits, Not to Jurisdiction.

The respondents cannot restrain themselves from arguing that the there was no contract and in particular no signed contract. Response at 14 & n.1; *see id.* at 7; RR 28 ("Again, there is no contract."). But the Conference pled that there was a contract, and the trial court was required to take that allegation as true in deciding the question of jurisdiction. *E.g.*, *Heckman v. Williamson County*, 369 S.W.3d at 150. If the jury fails to find that there was a contract, the Conference will lose, but on the merits and not for want of jurisdiction.[10]

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[10] The jury will not be required to find a *signed* contract; an oral contract or one implied from the parties' conduct will suffice. *See generally*, *e.g.*, *Haws & Garrett General Contractors, Inc. v. Gorbett Bros. Welding Co.*, 480 S.W.2d 607, 609 (Tex. 1972). And in any event, the record contains evidence of written contracts by some of the respondents to abide by the Discipline. (SCR 5, 30, 43, 66, 91, 112, 125, 149, 168, 210, 223, 226, 247, 260, 273).

D. It Is Immaterial that the Contractual Provisions at Issue Are Found Within a Document That Also Addresses Ecclesiastical Issues.

The court of appeals did not identify any specific ecclesiastical provision of the Discipline, interpretation or application of which would require the courts to impermissibly interfere in religious doctrine or governance.[11] Instead, it focused on the nature of the Discipline, taken as a whole. This was error.

1. The Mere Presence of Religious Provisions in a Document Does Not Preclude Enforcement of its Secular Provisions.

The court of appeals relied heavily on its conclusion that the Discipline "includes both matters of doctrine and governance," and is "built on a religious foundation." *Rio Texas*, 736 S.W.3d at 131, 138 & n.6. This was not shown by the pleadings or the evidence; the court gleaned

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[11] The court of appeals did rely heavily on ¶ 2553 (CR 1224-25), which contained various provisions regarding church governance. *Rio Texas*, 736 S.W.3d at 131-33, 136-40. But it apparently did not understand that, following the expiration of that paragraph in 2023, the Conference was proceeding under other provisions of the Discipline. (*See* CR 113 (¶ 40)). Indeed, it toyed with the idea that the expiration of ¶ 2553 rendered the entire case moot. *Rio Texas*, 736 S.W.3d at 132 n.4.

it from statements in an Oklahoma case.[12] But no matter; the Conference acknowledges that the Discipline contains many provisions addressing doctrine and governance.

It is indisputable, however, that the Discipline also contains provisions purely secular in nature. Among these is ¶ 1504.23 (CR 124), on which the Conference now principally relies for its contract claim. That provision does not speak about religious belief or practice, or church governance, or any other ecclesiastical matter. It instead speaks to payment of unfunded pension liabilities and collection of other obligations upon a local congregation's separation—by whatever means, under whatever circumstances, and for whatever reason—from the Church. It is the type of secular provision one might expect to see in an agreement spinning off a for-profit corporation's subsidiary.

This mixture of the religious and the secular in a single document should come as no surprise. The foundational documents of religious organizations typically comprise provisions situated along a spectrum between the divine and the worldly. Such documents may discuss the

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[12] *See Oklahoma Annual Conference of the United Methodist Church, Inc. v. Timmons*, 538 P.3d 163, 166 (Okla. 2023).

nature of God, the relationship between God and humanity, and the moral code applicable to human beings. They may also describe the allocation of pastoral responsibility among bishops, clergy, lay clergy, and the laity, and the method of determining which individuals occupy those roles. And they may address secular minutiae such as the amounts and due dates of a congregation's dues and pension fund contributions, including whether such payments must be made by ACH transfer.

The jurisdiction of the civil courts to enforce these provisions depends on the provisions being enforced. No court would consider applying the neutral-principles approach to a suit about whether a particular deity is Almighty God, or whether gambling is a sin. But when the suit is about whether a congregation may make its payments by credit card, the courts are on familiar territory—they can analyze the case using the same neutral principles of law that would govern such a dispute between private parties.

Texas jurisprudence may be searched in vain for any suggestion that the bibliographic provenance of an intra-church contractual provision is a matter of controlling jurisdictional importance. The limited authority elsewhere indicates that it is not.

In *Minker v. Baltimore Annual Conference of United Methodist Church*, 894 F.2d 1354 (D.C. Cir. 1990) (Rehnquist, J.), the court rejected the concept that each and every provision of the Discipline is unsuitable for enforcement under neutral principles:

> [N]ot all provisions of a religious constitution are immune from civil court interpretation. In *Jones v. Wolf*, the Court adopted the neutral principles test which permits a court to interpret provisions of religious documents involving property rights and other nondoctrinal matters as long as the analysis can be done in purely secular terms. In doing so, the Court cited with approval a state court's application[13] of the Book of Discipline to a property dispute between a church and its congregation.

894 F.2d at 1358-59 (footnote supplied). The court went on to hold that *the provision of the Discipline sued upon there*—requiring pastoral appointments to be made without discrimination—had an inherently ecclesiastical character and could not be enforced using neutral principles. *Id.* at 1359. But it did so by analyzing the provision at issue, not by branding the Discipline an inherently ecclesiastical document from cover to cover.

In *Ex Parte Alabama-West Florida Conference of the United Meth-*

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[13] *See Carnes v. Smith,* 236 Ga. 30, 222 S.E.2d 322, *cert. denied,* 429 U.S. 868 (1976).

odist Church, Inc., No. SC-2025-0442, etc., ___ So. 3d ___, 2026 WL 629584 (Ala. 2026), the court also considered whether the petitioners' reliance on secular provisions of the Book of Discipline would result in impermissible judicial entanglement in ecclesiastical issues. It held that it would not:

> It is true that the petitioners also point to trust provisions set out in the United Methodist Church's Book of Discipline, which is the governing document of the United Methodist Church. But that does not transform these actions from standard real-property disputes to ecclesiastical disputes. … "***[T]he fact that a civil court must review*** ' "the language of the deeds, the charter of the local church, any applicable state statutes, and ***any relevant provisions in the discipline of the national church*****'" *does not transform a controversy over church property into a dispute over issues of "'religious practice or doctrine.'"*** The petitioners' counterclaims, to the extent that they rely on the Book of Discipline, do not appear to require resolution of a dispute over doctrinal or ecclesiastical matters. Instead, the petitioners rely on provisions of the Book of Discipline that, they say, call for the real property at issue to be held in trust and that are referenced or implicated by deeds and other secular legal documents. In construing those provisions, the trial courts are required to examine and resolve issues of real-property and trust law, not issues of an ecclesiastical or spiritual nature.

___ So. 3d at ___, 2026 WL 629584 at *4 (cleaned up; emphasis supplied).

Thus, the presence of religious provisions in the same volume as

the secular provisions on which the Conference relies is immaterial. Constitutionally-mandated limits on civil jurisdiction should not turn on the Church's decision to promulgate a single Book of Discipline instead of a Book of Religious Discipline and a separate Book of Secular Discipline. In short, the ecclesiastical or secular nature of a dispute must be decided issue-by-issue, not book-by-book.

2. The Requirement to Construe Contracts as a Whole Does Not Necessarily Require Impermissible Judicial Intrusion Into Ecclesiastical Matters.

The court of appeals also held that it was required to consider the Discipline as a whole in order to construe the provisions at issue, and that to do so would intrude into ecclesiastical matters. *Rio Texas*, 736 S.W.3d at 140. That put the cart before the horse.

Contracts must indeed be construed as a whole. *E.g.*, *Devon Energy Prod. Co., L.P. v. Sheppard*, 668 S.W.3d 332, 343 (Tex. 2023). But that process begins by determining whether the provisions not directly at issue shed light on the meaning of the provisions at issue. "[I]f it appears that only one paragraph deals with the matter, the intent of the parties may be determined from that paragraph alone." *Allen v.*

Wachtendorf, 962 S.W.2d 279, 282 (Tex. App.—Corpus Christi 1998, pet. denied).[14] Only if the other provisions cast or resolve doubt as to the meaning of the provisions at issue is harmonization required.

Examination does not necessarily involve construction; it does not violate the constitution for a judge to read a religious document. *See Masterson*, 422 S.W.3d at 617 (court may examine religious documents to discern intent of parties, but must do so in purely secular terms). The court of appeals did not have the entire Discipline before it, nor did any party contend that the absent provisions bore on the proper construction of the provisions relied upon by the Conference. On remand, if it were to turn out that the secular provisions at issue cannot be construed or applied without deciding the meaning of other non-secular provisions, then and only then would a jurisdictional impediment potentially arise.

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[14] *Accord*, *e.g.*, *Kennemer v. Fort Worth Community Credit Union*, 335 S.W.3d 843, 846 (Tex. App.—El Paso 2011, pet. denied); *In re Estate of Dellinger*, 224 S.W.3d 434, 438 (Tex. App.—Dallas 2007, no pet.).

E. The Dispute Does Not Involve Ecclesiastical Issues.

1. The Conference's Claims Present No Ecclesiastical Issues.

The Conference has alleged that the respondent churches have contracted to abide by the Discipline, in particular its provisions governing payments due when local churches disaffiliate from the UMC. Its claims based on that contract are purely monetary in nature, relating to sums the respondent churches agreed to pay upon separation from the Church.

Specifically, the Conference's claims present six issues:

1. Whether the respondent churches expressly or impliedly contracted to follow the Discipline, in particular its provisions regarding payment of money in the event of separation of local churches from the UMC;

2. Whether the respondent churches complied with that contract;

3. The respective amounts of the respondent churches' pro rata share of the aggregate unfunded pension obligations to the Conference, determined as (secularly) provided in the Discipline;

4. The respective amounts of the respondent churches' unpaid apportionments, which are administrative costs shared among the Conference's churches;

5. The fact and amount of the Conference's payment of insurance premiums on behalf of some of the respondent churches; and

6. The amount of the Conference's reasonable and necessary attorneys' fees, if it succeeds in its declaratory-judgment claim.

None of these issues is inherently ecclesiastical. Nor does any issue implicate religious concepts or affect the relationship among the UMC, the Conference, the respondent churches, and their members. Issue #1 (existence of a contract) is a matter of direct and circumstantial evidence of the parties' acts and conduct.[15] Issue #2 (non-compliance) appears to be undisputed,[16] and is in any event purely factual and secular. Issue #3 (pension underfunding) will depend on the testimony of actuaries and accountants. Issues #4 (unpaid apportionments) and #5 (insurance premiums) are determinable from records as a factual matter. And Issue #6 (attorneys' fees) will be determined by purely secular attorney evidence.

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[15] *See generally*, *e.g.*, *Mann Frankfort Stein & Lipp Advisors, Inc. v. Fielding*, 289 S.W.3d 844, 850 (Tex. 2009).

[16] The respondent churches dispute the existence of a contract, but do not appear to dispute that they have not made the payments called for under the disaffiliation provisions of the Discipline.

The issues to be decided do not relate to religious belief, doctrine, practice, or governance. They implicate no matters of faith or conscience. If the Discipline provisions regarding *pro rata* shares of aggregate unfunded pension obligations are ecclesiastical in nature, then so is every ERISA pension plan. If the provisions regarding annual assessments are ecclesiastical in nature, then so is every homeowners association charter. And if the provisions requiring insurance for real property are ecclesiastical in nature, then so is every mortgage.

2. Any Ecclesiastical Issues Allegedly Lurking in Paragraph 2553 of the Discipline Are No Longer Part of the Case.

The respondents rely heavily on ¶ 2553 of the Book of Discipline in support of their argument that this case involves ecclesiastical issues. *See* Response at iv, 6, 8, 16, 20, 21, 23, 24, 26. But the Conference specifically pled (CR 113), and the record showed (CR 124 (¶ 2553.2)), that ¶ 2553 expired on December 31, 2023. "Since that time, the [Conference] has proceeded with disaffiliation of local churches under ¶¶ 1504.23 & 2049 of the Discipline." (CR 113). This case will stand or fall under those provisions, and will not require interpretation or application of the now-obsolete ¶ 2553.

* * *

This case is "a civil-law controversy in which the church happens to be involved." *Cf. Diocese of Lubbock*, 624 S.W.3d at 514. Imagine a contract between the American Heart Association and its local affiliates that required, in the event of disaffiliation, a payment by the local organization to the national organization for unpaid assessments, unfunded pension liabilities, and insurance premiums. Or, in the private sector, imagine such a contract between McDonald's Corporation and its franchisees. Or imagine that, for reasons of convenience, a local Methodist church contracted with a Lutheran synod to receive certain services, including pension coverage for the church's ministers and insurance coverage for the church's buildings, and the contract contained similar provisions to those at issue here.

If religious organizations indeed stand in a court of law on an equal footing with other entities, as declared in *Watson v. Jones*, 80 U.S. at 733, and *Masterson*, 422 S.W.3d at 714, then the Conference must be allowed to sue on secular contracts in the same manner as other entities.

II. IN THE ALTERNATIVE, THE COURTS CAN AND MUST ASSUME JURISDICTION, NOT TO DECIDE THE MERITS OF RELIGIOUS ISSUES, BUT TO ENFORCE THE DECISIONS OF THE UMC AND THE CONFERENCE CONCERNING THEM.

This case, like *SMU*, can be fully resolved under the neutral-principles approach. *See* Section I above. But if this Court decides otherwise, the case then presents the question of whether the church-autonomy doctrine requires the courts to assume jurisdiction over the Conference's claims, not to decide the merits of any religious issues, but to enforce the Conference's decisions as the body charged by the Church with applying the relevant provisions of the Discipline.

It would serve no purpose to repeat or paraphrase Justice Young's *tour de force* concurrence in *SMU*, wherein he explored the relevance of the church-autonomy doctrine to the obligation of courts to assume or reject jurisdiction over intra-church disputes. *See* 716 S.W.3d at 499-511. We instead content ourselves with supplementary comment on the doctrine and its application to this case.

A. <u>There Is No "Automatic Dismissal" Rule Where Religious Issues Are Encountered.</u>

The respondent churches posit a beguilingly simple rule of deci-

sion: upon finding a relevant religious issue in the course of neutral-principles analysis, dismiss the case. Response at 21-26. But "jurisdictional limitations are granular; they are not necessarily case-level decisions." *SMU*, 716 S.W.3d at 499 (Young, J., concurring) ("*SMU* concurrence"); *see id.* at 497. This Court's jurisprudence reflects that granularity, articulating a more discerning multi-step analysis than the categorical rule proffered by the respondents. And this more discerning analysis is in fact a constitutionally-required protection of religious liberty.

In arguing for automatic dismissal, the respondents rely on *Masterson*, 422 S.W.3d at 607, where this Court stated that, as to property disputes, Texas courts should use only the neutral-principles methodology. Response at iv, 22. But what if, in the course of neutral-principles analysis, religious issues are encountered that bear upon the proper outcome of the case? By definition, the case cannot be decided solely by resort to neutral principles of law. So how should a court proceed? The correct answer—not as straightforward as automatic dismissal but more satisfactory as a matter of constitutional jurisprudence—was given by this Court in *Episcopal Diocese v. Episcopal Church*, 602 S.W.3d

417 (Tex. 2020) ("*Episcopal Diocese 2020*"), *cert. denied*, 141 S. Ct. 1373 (2021).

There the Court held that if interpretation of an ownership instrument (intrinsically a secular matter subject to neutral-principles decision) would require resolution of a religious issue, "the court must defer to the authoritative ecclesiastical body's resolution of that issue." 602 S.W.3d at 428. *See Episcopal Diocese v. Episcopal Church*, 422 S.W.3d 646, 650 (Tex. 2013) ("courts applying the neutral principles methodology defer to religious entities' decisions on ecclesiastical and church polity issues"). And in some instances, "deferring to decisions of ecclesiastical bodies in matters reserved to them by the First Amendment may ... effectively determine the property rights in question." *Episcopal Diocese 2020*, 602 S.W.3d at 428, quoting *Jones v. Wolf*, 443 U.S. 595, 604 (1979).

Thus deference is not, as the respondent churches would have it, *see* Response at 22, merely an irrelevant rejected alternative to the neutral-principles approach: it is an integral and potentially determinative part of that approach. If neutral principles of law resolve the controversy, then the court applies those principles and decides the case accord-

ingly. But if the case requires resolution of religious questions, the court must defer to the higher body's resolution of those questions, if doing so will then permit the case to be decided under neutral principles. "The lack of civil jurisdiction over religious questions, therefore, does not necessarily entail a lack of jurisdiction over the *entire* dispute." *SMU* concurrence, 716 S.W.3d at 502 (emphasis in original).

This is not a "heads I win, tails you lose" outcome. If neutral principles of law resolve the case without resort to ecclesiastical issues, the courts do not defer to anyone or anything except the law, and the higher religious body may win or lose. Only if ecclesiastical issues are encountered, and only as to those issues, does the court apply deference. Even then, the higher body may or may not prevail in the overall suit.

Nor is deference an impermissible decision on the merits of the religious question. "Using civil tools to determine who is authorized to make a decision that is binding in a civil court is—and must be—wholly distinct from the court itself making such a choice … ." *SMU* concurrence, 716 S.W.3d at 501. If the court defers, it is not deciding the religious issue, but only deciding that the superior body is the entity with

the right and authority to decide the issue.[17]

That is borne out by federal and Texas jurisprudence on the subject. In *Watson v. Jones*, 80 U.S. (13 Wall.) 679, 700, 735 (1871), and *Brown v. Clark*, 102 Tex. 323, 116 S.W. 360, 364 (1909), deference took the form of a judgment on the merits applying neutral principles while upholding the superior body's decision of religious issues but not deciding the merits of those issues.

The respondents' theory that "[d]eference means that civil courts simply do not get involved," Response at iv, cannot be squared with the applicable jurisprudence. Deference means that "a civil court must accept the ecclesiastical decisions of church tribunals as it finds them." *Episcopal Diocese 2020*, 602 S.W.3d at 429, quoting *Serbian Eastern Orthodox Diocese v. Milivojevich*, 426 U.S. 696, 713 (1976); *see Diocese of Lubbock*, 624 S.W.3d at 513 (same, quoting *Masterson*, 422 S.W.3d at

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[17] An example illustrates the point. Suppose that a contract between a local church and a higher denominational body requires an annual payment to the higher body, calculated on the basis of the local church's baptized membership. A suit to collect the payment presents on its face only secular issues. But what if a dispute arises as to whether a member baptized in another denomination counts in determining the amount of the payment? The court does not decide the religious issue of what constitutes baptism; it defers to the higher body's resolution of that question and applies secular contract law accordingly.

596). Dismissal, on the other hand, defers to the pre-litigation *status quo*, not necessarily "to the authoritative ecclesiastical body's resolution" of the religious issue, *see Episcopal Diocese 2020*, 602 S.W.3d at 428. Indeed, deference to the higher body may in fact require the court to disturb the *status quo*.

B. The Deference Principle Is an Application of the Constitutionally-Required Church Autonomy Doctrine.

The embedding of deference on religious issues into the process of applying neutral principles is a constitutionally-required aspect of the church autonomy doctrine. That doctrine recognizes the constitutional right of Americans to organize themselves into a connectional church with differing levels of responsibility and authority:

> [T]he First and Fourteenth Amendments permit hierarchical religious organizations to establish their own rules and regulations for internal discipline and government, and to create tribunals for adjudicating disputes over these matters. When this choice is exercised and ecclesiastical tribunals are created to decide disputes over the government and direction of subordinate bodies, the Constitution requires that civil courts accept their decisions as binding upon them.

Serbian Eastern Orthodox Diocese v. Milivojevich, 426 U.S. 696, 724-25 (1976); *see In re Diocese of Lubbock*, 624 S.W.3d 506, 513 (Tex. 2021);

SMU concurrence, 716 S.W.3d at 502-03.

The origin of the deference requirement is found in *Watson v. Jones*. There, the Court drew a distinction between a "[local] church of a strictly congregational or independent organization, governed solely within itself," 80 U.S. at 724, and "a religious congregation which is itself part of a large and general organization of some religious denomination, with which it is more or less intimately connected by religious views and ecclesiastical government," *id.* at 726.

In the latter case, said the Court, "we are bound to look at the fact that the local congregation is itself but a member of a much larger and more important religious organization, and is under its government and control, and is bound by its orders and judgments." 80 U.S. at 726-27.

> [W]henever the questions of discipline, or of faith, or ecclesiastical rule, custom, or law have been decided by the highest of these church judicatories to which the matter has been carried, the legal tribunals must accept such decisions as final, and as binding on them, in their application to the case before them.

Id. at 727. This is church autonomy—"the rights of hierarchical religious bodies to establish their own internal rules and regulations and to create tribunals for adjudicating disputes over religious matters," *Diocese of Lubbock*, 624 S.W.3d at 513—at its most fundamental. To fail to

allow hierarchical church organizations to make final and enforceable decisions of religious issues is as destructive of religious freedom as to deny independent congregational churches the right to make such decisions for themselves.

The present case, in which the Court of Appeals indulged in "a jurisdictional 'rule' that, like a drop of arsenic in a glass, is fatal to justiciability whenever a dispute is of religious significance to the parties," is a real-life illustration that "if religiosity automatically defeated subject-matter jurisdiction, religious organizations would have *fewer* rights than everyone else." *SMU* concurrence, 716 S.W.3d at 500 (emphasis in original). If the Conference were a secular group pension plan administrator, there would be no question that it could enforce a contract by the respondent churches to contribute their share of the plan's unfunded obligations upon withdrawal. But because it is a religious organization, it loses that right. That is, in a word, unconstitutional.

C. The Deference Approach Sometimes Requires Not Merely Deference to the Authoritative Church Body's Decision, but Affirmative Enforcement of That Decision.

The deference principle requires not merely philosophical and

symbolic deference to the higher ecclesiastical body, but *enforcement* of that body's decision. *Episcopal Diocese 2020*, 602 S.W.3d at 427 (deference approach "requires courts to defer to *and enforce* the decision of the highest authority of the ecclesiastical body to which the matter has been carried;" emphasis supplied); *Masterson*, 422 S.W.3d at 602 ("A court applying the deference approach defers to *and enforces* the decision of the highest authority of the ecclesiastical body to which the matter has been carried;" emphasis supplied). Nominal deference to the higher body's decision would be hollow if it did not include enforcement where necessary.

How, then, do courts "defer" to and "enforce" a church body's decisions in resolving intra-church litigation? That depends on the nature of the litigation.

1. Suits Seeking to Overturn the Decision.

The easy (and most common) case is one where the suit is brought by a person or entity lower in the chain of church authority against a person or body higher in the chain, seeking to overturn the superior authority's decision of a religious question or to obtain compensation for its religious action. A minister has been discharged and seeks rein-

statement or damages,[18] or a discharged lay teacher at a religious school does the same,[19] or a student at a religious school has been expelled,[20] or an individual sues the superior religious entity for defamation occurring in the course of the church's activities.[21] The *status quo* favors the defendant superior entity, and the plaintiff inferior entity seeks to alter that *status quo*.

In such cases, dismissal maintains the *status quo* and thereby defers to and enforces the decision of the superior body. Thus the normal way of deferring to a higher ecclesiastical authority in ecclesiastical disputes, and enforcing its decisions, is to dismiss the inferior entity's suit for want of jurisdiction.

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[18] *See generally*, *e.g.*, *Hosanna-Tabor Evangelical Lutheran Church & School v. EEOC*, 565 U.S. 171 (2012).

[19] *See generally*, *e.g.*, *Our Lady of Guadalupe School v. Morrissey-Berru*, 591 U.S. 732 (2020).

[20] *See generally*, *e.g.*, *In re St. Thomas High School*, 495 S.W.3d 300 (Tex. App.—Houston [14th Dist.] 2016, orig. proceeding).

[21] *See generally*, *e.g.*, *Thiagarajan v. Tadepalli*, 430 S.W.3d 589 (Tex. App.—Houston [14th Dist.] 2014, no pet.).

2. Suits Seeking to Enforce the Decision.

Where a case is brought by the superior authority against the inferior authority, and seeks to civilly enforce rather than to overturn the superior authority's decision, dismissal does **not** defer to or enforce the authoritative body's ecclesiastical decision. In such a case, the court does not have jurisdiction to decide the religious questions—that would indeed violate the First Amendment. But it does have a constitutionally-based duty to defer to the higher authority, a duty it can perform only by enforcing the higher authority's decision. If it instead dismisses, it is erroneously and anomalously deferring to the lower authority. And it is denying the superior body the benefit of its contract whereby the inferior body agreed to submit to the superior body's governance. In doing these things, the court is interfering with religious practice by misguidedly dismissing the case to avoid such interference.

The decisions below ignore the fundamental importance and the history of connectional churches. If an individual congregation is allowed to break the connection and the greater church has no remedy, there is a material interference with religious life. The greater church spends considerable resources to train pastoral staff and provide a wide

array of resources. It also puts in place rules and procedures to ensure the protection of children, the safety of worshipers, the protection of the church's assets, and the assurance of ethical financial practices. Without an enforceable connection, all of that is at risk.

And finally, dismissal of such cases anomalously relegates the parties to self-help. Whichever church body has the money in the bank, or the padlock on the door, wins the dispute. That is deference to raw power, not deference to higher church authority.

* * *

In *SMU*, the Court unanimously held that if courts cannot decide a case without judicially resolving a religious question or impeding the church's authority to manage its own affairs, dismissal for lack of jurisdiction—not rendition of judgment granting affirmative relief—is required. 716 S.W.3d at 483. But as the concurrence recognized, the key word here is "cannot." "A case that raises *only purely religious issues* must be dismissed." *SMU* concurrence, 716 S.W.3d at 500 (emphasis supplied).

The correct rule, fully consistent with this Court's jurisprudence and indeed articulated within it, is that if deference on religious issues

(not to be confused with judicial decision of those issues) will permit a case to be decided under neutral principles of law, the constitution requires such deference. The Court of Appeals got it resoundingly wrong.

CONCLUSION

In the name of religious freedom, the decisions below deny the Conference the same constitutional right to judicial relief[22] that a secular non-profit organization or a commercial business would enjoy under a similar contract with its subordinate entities. Were that denial of relief necessary to avoid government entanglement with religion, it would be a regrettable necessity.

But it is not necessary. The neutral-principles approach involves no such entanglement. And the church-autonomy doctrine avoids such entanglement through deference and enforcement of the higher church body's decision. The refusal of the courts below to employ either approach was an arbitrary abridgement of the Conference's rights.

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[22] *See generally* Tex. Const. art. I, §§ 13 (open courts), 19 (due course of law); U.S. Const. amdt. XIV, § 1 (due process of law).

PRAYER

Petitioner United Methodist Rio Texas Conference Board of Trustees respectfully prays: (1) that the judgments of the trial court and the court of appeals be reversed and (a) the cause be remanded to the trial court for proceedings on the merits, or (b) in the alternative, the cause be remanded to the trial court with instructions to grant leave to file an amended petition; (2) that it recover its costs in this Court and in the court of appeals; and (3) for such other and further relief to which it may be entitled at law or in equity.

Respectfully submitted,

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CERTIFICATE OF COMPLIANCE

I certify that this Brief of Petitioner complies with the type-volume limitations of Tex. R. App. P. 9.4(i)(2)(B) because the brief contains 7,490 words, excluding the parts exempted by Tex. R. App. P. 9.4(i)(1).

This brief also complies with the typeface and type-style requirements of Tex. R. App. P. 9.4(e) because it has been prepared in proportionally spaced typeface using Microsoft Word 365 Pro Plus in 14-point Century Schoolbook font and 12-point Century Schoolbook font for footnotes.

/s/ P. Michael Jung
P. MICHAEL JUNG

CERTIFICATE OF SERVICE

I hereby certify that this Brief of Petitioner has been served on all parties to this appeal by electronic service through E-File Texas on Curtis J. Kurhajec, Esq. (ckurhajec@namanhowell.com), Mackenzie Salter, Esq. (MSalter@namanhowell.com), and Kyle Knas, Esq. (kknas-@namanhowell.com), Attorneys for Respondents First Methodist

Church of Alice, Texas, *et al.*, on this 3rd day of August, 2026.

/s/ P. Michael Jung
P. MICHAEL JUNG

Appendix

736 S.W.3d 127
Court of Appeals of Texas, San Antonio.

UNITED METHODIST RIO TEXAS CONFERENCE BOARD OF TRUSTEES, Appellant

v.

ALICE FIRST METHODIST CHURCH f/k/a First Methodist Church of Alice, Texas; Aransas Pass Methodist f/k/a First United Methodist Church of Aransas Pass; Asbury Corpus Methodist Church f/k/a Asbury United Methodist Church; Barksdale Methodist Church f/k/a First United Methodist Church of Barksdale; First Methodist Church of Burnet Texas f/k/a First United Methodist Church of Burnet, Texas; Dewville Methodist Church f/k/a Dewville United Methodist Church; Dripping Springs Methodist Church f/k/a, Dripping Springs First United Methodist Church, Inc.; First Methodist Church of Eldorado f/k/a First United Methodist Church of Eldorado; First Methodist Church Ganado Inc.; First Methodist Church Harlingen, Texas, Inc. f/k/a First United Methodist Church of Harlingen, Texas, Inc.; Ingleside Methodist Church f/k/a Ingleside United Methodist Church, Ingleside, Texas; Karnes City Methodist Church f/k/a United Methodist Church Incorporated, Karnes City, Texas; New Life Methodist Church f/k/a First United Methodist Church of La Grange, Texas; Lampasas Methodist Church f/k/a First United Methodist Church of Lampasas, Incorporated; Lutie Watkins Memorial Methodist Church f/k/a Lutie Watkins Memorial United Methodist Church; Louise Methodist Church f/k/a Louise United Methodist Church; First Methodist Church of Lyford f/k/a First United Methodist Church of Lyford; Mertzon Methodist Church f/k/a First United Methodist Church of Mertzon, Texas; First United Methodist Church of Mission, Texas, Inc.;

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Synopsis

Background: Local governing body of religious denomination brought action against local churches seeking declaratory judgment stating that churches must comply with denomination's disaffiliation procedures in order to retain possession of their real and personal property, and also asserting claim for breach of contract and injunctive relief. The 285th District Court, Bexar County, Laura Salinas, J., granted local churches' plea to the jurisdiction and dismissed for lack of subject matter jurisdiction. Local governing body appealed.

Holdings: The Court of Appeals, Rios, J., held that:

[1] ecclesiastical abstention doctrine divested trial court of subject matter jurisdiction, and

[2] trial court could not do anything other than dismiss the case.

Affirmed.

Procedural Posture(s): On Appeal; Plea to the Jurisdiction.

West Headnotes (22)

[1] Pleading Plea to the Jurisdiction

A plea to the jurisdiction challenges the trial court's authority to determine the subject matter of a specific cause of action.

[2] Appeal and Error Subject-matter jurisdiction

Because subject matter jurisdiction presents a question of law, appellate court reviews a trial court's decision dismissing case for lack of subject matter jurisdiction under a de novo standard of review.

[3] Pleading Plea to the Jurisdiction

To prevail, the party asserting the plea to the jurisdiction must show that even if all the allegations in the plaintiff's pleadings are taken as true, there is an incurable jurisdictional defect apparent from the face of the pleadings, rendering it impossible for the plaintiff's petition to confer jurisdiction on the trial court.

[4] Courts Determination of questions of jurisdiction in general

When a defendant challenges jurisdiction, a court is not required to look solely to the pleadings but may consider evidence and must do so when necessary to resolve the jurisdictional issues raised.

[5] Constitutional Law Property

Free exercise clause of the First Amendment severely circumscribes the role that civil courts may play in resolving church property disputes by prohibiting civil courts from inquiring into matters concerning theological controversy, church discipline, ecclesiastical government, or the conformity of the members of a church to the standard of morals required of them. U.S. Const. Amend. 1.

[6] Constitutional Law First Amendment

The First Amendment is applicable to the states through the Fourteenth Amendment. U.S. Const. Amends. 1, 14.

[7] Religious Societies Jurisdiction of courts to determine rights of property

Under either "neutral principles of law" or "deference" approach to resolving church property disputes, the court may not resolve a dispute that involves consideration of doctrinal matters, whether the ritual or liturgy of worship or the tenets of faith.

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[8] **Religious Societies** Judicial supervision in general

Religious Societies Jurisdiction of courts to determine rights of property

Under the neutral principles methodology, courts decide non-ecclesiastical issues such as property ownership based on the same neutral principles of law applicable to other entities, while deferring to religious entities' decisions on ecclesiastical and church polity questions.

[9] **Religious Societies** Judicial supervision in general

Courts do not have jurisdiction to decide questions of an ecclesiastical or inherently religious nature, so as to those questions they must defer to decisions of appropriate ecclesiastical decision makers.

[10] **Constitutional Law** Delegation of Powers by Judiciary

Courts Texas

Texas courts are bound to exercise jurisdiction vested in them by the Texas Constitution and cannot delegate their judicial prerogative where jurisdiction exists.

[11] **Religious Societies** Judicial supervision in general

Properly exercising jurisdiction requires courts to apply neutral principles of law to non-ecclesiastical issues involving religious entities in the same manner as they apply those principles to other entities and issues.

[12] **Religious Societies** Judicial supervision in general

A court may exercise jurisdiction over a controversy involving a religious entity if it can apply neutral principles of law that will not require inquiry into religious doctrine, interference with the free-exercise rights of believers, or meddling in church government.

[13] **Courts** Nature of judicial determination

Religious Societies Judicial supervision in general

Religious Societies Jurisdiction of courts to determine rights of property

Courts are to apply neutral principles of law to issues such as land titles, trusts, and corporate formation, governance, and dissolution, even when religious entities are involved.

[14] **Constitutional Law** Ecclesiastical matters

The First Amendment free exercise clause prohibits civil courts from inquiring into matters concerning theological controversy, church discipline, ecclesiastical government, or the conformity of the members of a church to the standard of morals required of them. U.S. Const. Amend. 1.

[15] **Constitutional Law** Internal affairs, governance, or administration; autonomy or polity

It is a core tenet of the First Amendment that in resolving civil claims courts must be careful not to intrude upon internal affairs of church governance and autonomy. U.S. Const. Amend. 1.

[16] **Religious Societies** Judicial supervision in general

In determining whether ecclesiastical abstention applies, courts will analyze whether a particular dispute is ecclesiastical or merely a civil-law controversy in which the church happens to be involved; in making this determination, court looks to substance and nature of plaintiff's claims.

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[17] **Religious Societies** Judicial supervision in general

Because courts are prohibited from risking judicial entanglement with ecclesiastical matters, if the substance and nature of the plaintiff's claims are inextricably intertwined with matters of doctrine or church governance, then the case must be dismissed.

[18] **Religious Societies** Judicial supervision in general

If judicial resolution of the claim will interfere with a church's management of its internal affairs or encroach upon the church's internal governance, the court may not exercise jurisdiction over the claim.

[19] **Constitutional Law** Internal affairs, governance, or administration; autonomy or polity

Religious Societies Judicial supervision in general

Ecclesiastical abstention doctrine divested trial court of subject matter jurisdiction to resolve dispute between local churches and denomination's regional governing body over local churches' attempt to disaffiliate from denomination, where doing so would require court to interpret and apply process for disaffiliation in denomination's governing document, which was inextricably intertwined with ecclesiastical issues such as church governance, theology, and internal church affairs contained therein, and therefore impede in church's authority to manage its own affairs in violation of the First Amendment. U.S. Const. Amend. 1.

[20] **Contracts** Construction as a whole

Contract terms cannot be viewed in isolation because doing so distorts meaning.

[21] **Contracts** Construction as a whole

Court must consider the entire writing in an effort to harmonize and give effect to all the provisions of the contract so that none will be rendered meaningless.

[22] **Religious Societies** Judicial supervision in general

Only proper action upon determination that ecclesiastical abstention doctrine applied and divested trial court of subject matter jurisdiction over dispute between denomination's local governing body and local churches concerning local churches' attempt to disaffiliate from denomination was for trial court to dismiss the case; trial court could not enforce governing body's position, even if it was the higher ecclesiastical authority, or grant any affirmative relief.

From the 285th Judicial District Court, Bexar County, Texas, Trial Court No. 2023CI09762, Honorable Laura Salinas, Judge Presiding

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Sitting: Irene Rios, Justice, Lori Massey Brissette, Justice, H. Todd McCray, Justice

MEMORANDUM OPINION

Opinion by: Irene Rios, Justice

***130** Appellant United Methodist Rio Texas Conference (the "Conference") appeals the trial court's order granting the appellees' (the "local churches") plea to the jurisdiction.[1]

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The local churches sought to disaffiliate with the United Methodist Church ("UMC") denomination. The Conference filed suit because the local churches did not comply with the procedures and requirements outlined by the UMC's governing document, the Discipline, to disaffiliate from the UMC. In their plea to the jurisdiction, the local churches argued the dispute involves ecclesiastical matters and the courts are divested of subject matter jurisdiction to hear the case under the ecclesiastical abstention doctrine. The trial court agreed with the local churches and granted their plea to the jurisdiction.

In its first issue on appeal, the Conference argues the trial court has jurisdiction over its suit because it can apply neutral principles of law to settle the dispute without wading into the impermissible realm of ecclesiastical issues. In short, the Conference contends the ecclesiastical abstention doctrine does not divest the court of subject matter jurisdiction over this suit. In its second issue, the Conference contends that even if the ecclesiastical abstention doctrine divests the trial court of subject matter jurisdiction, the court nevertheless has jurisdiction to render judgment in the Conference's favor to enforce its decision on ecclesiastical matters because it is the higher ecclesiastical authority. We disagree on both fronts and hold the ecclesiastical abstention doctrine divests the trial court of subject matter jurisdiction to do anything other than dismiss the case. Accordingly, we affirm the trial court's order granting the local churches' plea to the jurisdiction.

Background

The UMC is a global religious denomination that is organized by conferences. Its organizational structure consists of several levels of conferences, each ascending with a greater geographic scope. At the lowest level is a local church. The local church is within a district conference, which is within an annual conference, which is within a ***131** jurisdictional/regional conference, which is within a general conference. "The General Conference is the [UMC's] principal governing body." *Okla. Ann. Conf. of the United Methodist Church, Inc. v. Timmons*, 538 P.3d 163, 165–66 (Okla. 2023). The appellees are all local churches, and the appellant is the annual conference covering South Texas. All the appellee local churches are within the appellant Conference's geographic region.

According to the Conference, it provides administrative services to the local churches, "including a pension and health benefits program to the clergy appointed to [the local churches], which is funded through contributions made by each [local] church" within the Conferences' region. The local churches also pay an apportionment to the Conference to support its work on the regional level and the larger UMC. The Conference "also provides access to property, liability and worker's compensation insurance for those churches within the Conference that wish to subscribe in lieu of obtaining their own insurance." Of course, the local churches pay their respective share of the premiums. According to the Conference, local churches that do not subscribe to the insurance maintained by the Conference must obtain their own insurance coverage and name the Conference as an additional insured.

According to the Conference, the "*2016 Book of Discipline* (the 'Discipline') is 'the instrument for setting forth the laws, plan, polity, and process by which United Methodists govern themselves.' "[2] "The General Conference enacts the [Discipline], UMC's governing document." *Timmons*, 538 P.3d at 166. "The [Discipline] includes both matters of doctrine and policy, and procedures for implementing them." *Id.* Although the full text of the Discipline does not appear in the appellate record, "the general rule according to [the Discipline] is that a [local] church may disaffiliate, but UMC retains the [local] church['s] property." *Id.*

In 2019, the General Conference voted to allow ordination of pastors who were members of the LGBTQ community and recognize the ceremonial marriage of LGBTQ members within the church. According to the local churches' plea to the jurisdiction, "the [UMC] has experienced a widely publicized mass exodus of thousands of congregations in the United States who decided to disaffiliate [from the UMC] due to their religious disagreements with the [UMC's] internal affairs surrounding this topic."

The General Conference also amended the Discipline and added Paragraph 2553. The new provision created a process for local churches to disaffiliate from UMC based on disagreements regarding sexuality, while retaining their property. Under Paragraph 2553, a local church can vote to disaffiliate from the UMC. If a local church votes to disaffiliate from the UMC, the terms and conditions of the disaffiliation must be established by the board of trustees of the annual conference; here, the appellant. The terms are to be memorialized in a binding Disaffiliation Agreement between the Conference and the local church. However, the Disaffiliation Agreement must include the following terms:

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a) Standard Terms promulgated by the General Council on Finance and Administration to protect the UMC, including a recognition and validity of Paragraph 2501, notwithstanding the ***132** release of property therefrom.[3]

b) Apportionments. The local church shall pay any unpaid apportionments for the twelve-month period prior to disaffiliation, as well as an additional twelve months of apportionments.

c) Property. A disaffiliating local church shall have the right to retain its real and personal, tangible and intangible property. All transfers of property shall be made prior to disaffiliation.

d) Pension Liabilities. The local church shall contribute withdrawal liability in an amount equal to its pro rata share of any aggregate unfunded pension obligations to the annual conference. The General Board of Pension and Health Benefits shall determine the aggregate funding obligations of the annual conference using market factors similar to a commercial annuity provider, from which the annual conference will determine the local church's share.

e) Other Liabilities. The local church shall satisfy all debts, loans, and liabilities, or assign and transfer them to its new entity, prior to disaffiliation.

f) Payment Terms. Payment shall occur prior to the effective date of departure.

g) Disaffiliating Churches Continuing as Plan Sponsors of the General Board of Pension and Health Benefits Plans. The UMC believes that a local church disaffiliating under Paragraph 2553 shall continue to share common religious bonds and convictions with the UMC based on shared Wesleyan theology and tradition and Methodist roots, unless the local church expressly resolves to the contrary. As such, a local church disaffiliating under Paragraph 2553 shall continue to be eligible to sponsor voluntary employee benefit plans through the General Board of Pension and Health Benefits under Paragraph 1504.2, subject to the applicable terms and conditions of the plans.

h) Once the disaffiliating local church has reimbursed the applicable annual conference for all funds due under the agreement, and provided that there are no other outstanding liabilities or claims against [t]he UMC as a result of the disaffiliation, in consideration of the provisions of this paragraph, the applicable annual conference shall release any claims that it may have under Paragraph 2501 and other paragraphs of *The Book of Discipline of The United Methodist Church* commonly referred to as the trust clause, or under the agreement.

There was also a time limit imposed on the local churches option to disaffiliate under Paragraph 2553. According to Paragraph 2553(2): "The choice by a local church to disaffiliate with [the UMC] under this paragraph shall be made in sufficient time for the process for exiting the denomination to be complete prior to December 31, 2023. The provisions of Paragraph 2553 expire on December 31, 2023 and shall not be used after that date."[4]

***133** All the appellee local churches voted to disaffiliate from the UMC. On April 26, 2023, the local churches advised the Conference through counsel that they did not intend to sign the Disaffiliation Agreement. Counsel further stated the local churches intend to keep their personal and real property and had no intention to pay any unfunded pension amount. "However, the churches [were] open to paying a portion of the apportionments including any owed amounts to date as part of any mutual agreement."

On May 16, 2023, the Conference sued the local churches for a declaratory judgment stating the local churches must comply with the disaffiliation procedures set forth in Paragraph 2553 of the Discipline to retain possession of their real and personal property and assets. The Conference also asserted a claim for breach of contract or anticipatory repudiation of the Discipline, namely the local churches' failure to abide by Paragraph 2553, and requested the trial court enjoin the local churches from disaffiliating without abiding by Paragraph 2553.

The local churches filed a plea to the jurisdiction arguing the trial court does not have subject matter jurisdiction over the suit pursuant to the ecclesiastical abstention doctrine because resolution of the dispute would require the trial court to interpret ecclesiastical documents and entangle the courts in religious affairs. The Conference responded arguing the issues involved are not inherently ecclesiastical in nature and do not require the courts to get entangled in religious affairs. Rather, the Conference argued the court can resolve this dispute under neutral principles of law, just like it would if there were non-religious entities involved. Interestingly, the

Conference argued that even if the ecclesiastical abstention doctrine divests the court of jurisdiction, the trial court should enforce the Conference's decision to bind the local churches to the disaffiliation process under Paragraph 2553 because the ecclesiastical abstention doctrine requires the courts to defer to the higher ecclesiastical body. The trial court granted the local churches' plea to the jurisdiction and dismissed the case for lack of subject matter jurisdiction. The Conference appeals.

Standard of Review

[1] **[2]** A plea to the jurisdiction challenges the trial court's authority to determine the subject matter of a specific cause of action. *City of San Antonio v. Rogers Shavano Ranch, Ltd.*, 383 S.W.3d 234, 241 (Tex. App.—San Antonio 2012, pet. denied). Because subject matter jurisdiction presents a question of law, we review the trial court's decision under a de novo standard of review. *Id.*

[3] **[4]** "[T]o prevail, the party asserting the plea to the jurisdiction must show that even if all the allegations in the plaintiff's pleadings are taken as true, there is an incurable jurisdictional defect apparent from the face of the pleadings, rendering it impossible for the plaintiff's petition to confer jurisdiction on the trial court." *Tex. Parks & Wildlife Dep't v. Dearing*, 150 S.W.3d 452, 457–58 (Tex. App.—Austin 2004, pet. denied). "When a defendant challenges jurisdiction, a court is not required to look solely to the pleadings but may consider evidence and must do so when necessary to resolve the jurisdictional issues raised." *Town of Shady Shores v. Swanson*, 590 S.W.3d 544, 550 (Tex. 2019) (internal quotation marks omitted).

Ecclesiastical Abstention Doctrine

In its first issue, the Conference contends the trial court has jurisdiction over this lawsuit because the questions of whether the local churches are bound by the Discipline's disaffiliation provisions and ***134** properly disaffiliated from the UMC can be determined by interpreting the Discipline using neutral principles of law. We disagree.

[5] **[6]** "The Free exercise clause of the First Amendment of the United States Constitution provides that 'Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof.' " *Masterson v. Diocese of Nw. Tex.*, 422 S.W.3d 594, 601 (Tex. 2013) (quoting U.S. Const. amend. I). "The clause severely circumscribes the role that civil courts may play in resolving church property disputes by prohibiting civil courts from inquiring into matters concerning theological controversy, church discipline, ecclesiastical government, or the conformity of the members of a church to the standard of morals required of them." *Masterson*, 422 S.W.3d at 601 (internal quotation marks and citations omitted). "The First Amendment is applicable to the states through the Fourteenth Amendment." *Id.*

[7] Attempts by courts to resolve church property disputes while balancing the competing interest of property rights and the First Amendment's Free Exercise provision have resulted in two general approaches to the issue: "the neutral principles of law" approach and the "deference" approach. *Id.* (citing *Jones v. Wolf*, 443 U.S. 595, 602–10, 99 S.Ct. 3020, 61 L.Ed.2d 775 (1979)). Under either approach, the court may not resolve a dispute that involves "consideration of doctrinal matters, whether the ritual or liturgy of worship or the tenets of faith." *Id.* (quoting *Jones*, 443 U.S. at 602, 99 S.Ct. 3020).

[8] When confronted with an issue that potentially implicates the ecclesiastical abstention doctrine, the Texas Supreme Court held Texas courts "should use the neutral principles methodology to determine property interests when religious organizations are involved." *See Masterson*, 422 S.W.3d at 607 ("Further, to reduce confusion and increase predictability in this area of the law where the issues are difficult to begin with, Texas courts must use only the neutral principles construct."). "Under the neutral principles methodology, courts decide non-ecclesiastical issues such as property ownership based on the same neutral principles of law applicable to other entities, while deferring to religious entities' decisions on ecclesiastical and church polity questions." *Id.* at 596 (citation omitted). Applying neutral principles of law to determine disputed ownership of property "will usually include considering evidence such as deeds to the properties, terms of the local church charter (including articles of incorporation and [bylaws], if any), and relevant provisions of governing documents of the general church." *Id.* at 603, 606 (recognizing "the differences between ecclesiastical and non-ecclesiastical issues will not always be distinct, and that many disputes [involving religious organizations] will require courts to analyze church documents and organizational structures to some degree").

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[9] **[10]** **[11]** **[12]** **[13]** "Courts do not have jurisdiction to decide questions of an ecclesiastical or inherently religious nature, so as to those questions they must defer to decisions of appropriate ecclesiastical decision makers." *Id.* at 605–06. In this instance, "deferring to decisions of ecclesiastical bodies in matters reserved to them by the First Amendment may, in some instances, effectively determine the property rights in question." *Id.* at 606; *see also Craver v. Faith Lutheran Church*, No. 04-22-00235-CV, 2023 WL 7365302, at *4 (Tex. App.—San Antonio Nov. 8, 2023, no pet.) ("Although wrongs may exist in the ecclesiastical setting, and although the administration of the church may be inadequate to ***135** provide a remedy, the preservation of the free exercise of religion is deemed so important a principle it overshadows the inequities that may result from its liberal application." (quoting *In re Godwin*, 293 S.W.3d 742, 748 (Tex. App.—San Antonio 2009, orig. proceeding))). "But Texas courts are bound to exercise jurisdiction vested in them by the Texas Constitution and cannot delegate their judicial prerogative where jurisdiction exists." *Masterson*, 422 S.W.3d at 606. "Properly exercising jurisdiction requires courts to apply neutral principles of law to non-ecclesiastical issues involving religious entities in the same manner as they apply those principles to other entities and issues." *Id.* "A court may exercise jurisdiction over a controversy if it can apply neutral principles of law that will not require inquiry into religious doctrine, interference with the free-exercise rights of believers, or meddling in church government." *In re Diocese of Lubbock*, 624 S.W.3d 506, 513 (Tex. 2021) (orig. proceeding). "Thus, courts are to apply neutral principles of law to issues such as land titles, trusts, and corporate formation, governance, and dissolution, even when religious entities are involved." *Masterson*, 422 S.W.3d at 606.

[14] **[15]** However, the "First Amendment prohibits civil courts from inquiring into matters concerning theological controversy, church discipline, ecclesiastical government, or the conformity of the members of a church to the standard of morals required of them." *Episcopal Diocese of Fort Worth v. Episcopal Church*, 602 S.W.3d 417, 435 (Tex. 2020) (internal quotation marks omitted). "It is a core tenet of the First Amendment that in resolving civil claims courts must be careful not to intrude upon internal affairs of church governance and autonomy." *Diocese of Lubbock*, 624 S.W.3d at 513.

[16] **[17]** Thus, "[i]n determining whether ecclesiastical abstention applies, courts will analyze whether a particular dispute is ecclesiastical or merely a civil-law controversy in which the church happens to be involved." *Id.* at 514. "In making this determination, we look to the substance and nature of the plaintiff's claims." *Id.* "Because courts are prohibited from risking judicial entanglement with ecclesiastical matters, if the substance and nature of the plaintiff's claims are inextricably intertwined with matters of doctrine or church governance, then the case must be dismissed." *Id.* (citations omitted)

[18] This court recognized, "[u]nder a plain reading, the ecclesiastical abstention doctrine would appear to apply only if claims turn on matters of religious doctrine or practice." *In re Vida*, No. 04-14-00636-CV, 2015 WL 82717, at *2 (Tex. App.—San Antonio Jan. 7, 2015, orig. proceeding). "The Texas Supreme Court, however, has clarified that government action may burden the free exercise of religion 'by encroaching on the church's ability to manage its internal affairs.' " *Id.* (quoting *Westbrook v. Penley*, 231 S.W.3d 389, 395 (Tex. 2007)); *see also Westbrook*, 231 S.W.3d at 397 ("Churches have a fundamental right 'to decide for themselves, free from state interference, matters of church government as well as those of faith and doctrine.' " (quoting *Kedroff v. St. Nicholas Cathedral of Russian Orthodox Church in N.A.*, 344 U.S. 94, 116, 73 S.Ct. 143, 97 L.Ed. 120 (1952))). "If judicial resolution of the claim will interfere with a church's management of its internal affairs or encroach upon the church's internal governance, the court may not exercise jurisdiction over the claim." *Vida*, 2015 WL 82717, at *2; *see also S. Methodist Univ. v. S. Cent. Juris. Conf. of the United Methodist Church*, 716 S.W.3d 475, 482 (Tex. 2025) (internal quotation marks omitted) ***136** ("To be sure, courts must be careful not to intrude upon internal matters of church governance.").

Latching on to the preclusion of court involvement in church governance, the Fort Worth Court of Appeals held the trial court lacked jurisdiction to determine whether a church conference complied with church governing documents when it seized a local church's funds and locked the members of the local church out of their place of worship. *See In re Tex. Conf. of Seventh-Day Adventists*, 652 S.W.3d 136, 141, 146–49 (Tex. App.—Fort Worth 2022, orig. proceeding) ("Whether the Conference acted in a manner consistent with the *Church Manual* is an internal matter for the Northwest Church and the Seventh-Day Adventist hierarchy to resolve."). The Fort Worth Court of Appeals determined the local church's claims were "inextricably intertwined with matters of doctrine or church governance; because courts are prohibited from

risking judicial entanglement in ecclesiastical matters, the case must be dismissed." *Id.* at 149.

Although *Masterson* indicates a court may look into some church documents to resolve purely secular questions under neutral principles of law, the local churches argue that the ecclesiastical document the court is asked to review here —the Discipline—is undoubtedly a document of church governance, thereby creating a risk of judicial entanglement in ecclesiastical matters. *See id.*; *see also Diocese of Lubbock*, 624 S.W.3d at 517 (citations omitted) ("A civil court ... is prohibited from determining whether a church properly applied its own principles and policies, and from interfering with internal management decisions that are central to its mission ...."). *Cf. Shannon v. Mem'l Drive Presbyterian Church U.S.*, 476 S.W.3d 612, 624–25 (Tex. App.—Houston [14th Dist.] 2015, pet. denied) (determining the court could apply neutral principles of contract law to determine whether the church disparaged a former employee in violation of a non-ecclesiastical *settlement agreement* without intervening in areas traditionally held to involve religious doctrine, interpreting church governing documents, or deciding matters of the congregational or hierarchical nature of the church); *see also Diocese of Lubbock*, 624 S.W.3d at 517–18 (favorably citing *Shannon*).

Even the dissent in *Diocese of Lubbock* seems to recognize that a court's involvement with church governance crosses the line. Justice Boyd wrote: "Courts cannot resolve 'church property disputes on the basis of religious doctrine and practice.' " *Diocese of Lubbock*, 624 S.W.3d at 523 (Boyd, J., dissenting) (quoting *Jones v. Wolf*, 443 U.S. at 602, 99 S.Ct. 3020). "They cannot hear 'church disputes over church polity and church administration,' or claims involving a religious organization's 'internal discipline and government.' " *Diocese of Lubbock*, 624 S.W.3d at 523 (Boyd, J., dissenting) (quoting *Serbian E. Orthodox Diocese for U.S. of Am. & Can. v. Milivojevich*, 426 U.S. 696, 710, 724, 96 S.Ct. 2372, 49 L.Ed.2d 151 (1976)).

When analyzing a materially indistinguishable issue from the one presented here, the Oklahoma Supreme Court concluded the courts did not have jurisdiction to resolve a dispute over Paragraph 2553 of the Discipline. The Oklahoma Supreme Court held:

> Where a dispute involves only narrow property issues, without any reference to religious doctrine and practice, courts may apply neutral principles of law to review language of deeds, terms of charters, church provisions concerning property ownership, and state property and trust statutes. *Jones v. Wolf*, 443 U.S. 595, 602-03, 99 S.Ct. 3020, 61 L.Ed.2d 775 (1979). However, a court may not, ***137** under the neutral principles approach, decide for itself what any governing church provisions mean; the review must be strictly secular, and courts must defer to the church leadership's resolution of any religious or doctrinal question. *Id.* at 604, 99 S.Ct. 3020; *Lubbock*, 624 S.W.3d at 513. Church autonomy will apply, and a case must be dismissed, where potentially secular issues are inextricably intertwined with ecclesiastical decisions. *Lubbock*, 624 S.W.3d at 514.

Timmons, 538 P.3d at 168. Based on this holding, the *Timmons* court concluded:

> At issue here is whether deciding the merits of the claims of First Church requires the courts to interpret the Book of Discipline and Paragraph 2553. As the Book of Discipline is a governing church document, its interpretation is an ecclesiastical issue. All parties agree that the Book of Discipline is UMC's governing document. They also agree that Paragraph 2553 was specially adopted to address a specific ecclesiastical matter. First Church frames its lawsuit as a property issue; however, it chose to disaffiliate under the rules of church doctrine outlined in Paragraph 2553 to claim the property. First Church does not have a property dispute at this juncture, and it cannot claim to have a dispute at this juncture without confronting the doctrinal issue explicitly raised by the church-created procedural language. First Church also claims the UMC has violated its own procedures outlined in the Book of Discipline. But the only way for the courts to decide that question is, again, to interpret those internal church procedures. Under the church autonomy doctrine, courts cannot—and should not —do that.

Id.; *see also Ex parte Alabama-West Fla. Conf. of United Methodist Church, Inc.*, 401 So.3d 1123, 1130 (Ala. 2024) (stating the Conference sought to invoke the ecclesiastical abstention doctrine against local churches who sought declarations over who owns the property used by the local church before it decided to disaffiliate under Paragraph 2553).[5]

We find the *Timmons* court's reasoning persuasive and note its reliance on our supreme court's holding in *Diocese of Lubbock.* This suit does not involve a dispute over who owns the real property currently occupied by the local churches. This is a dispute over whether the local churches are bound to follow the Discipline and the ***138**

specific provisions providing for disaffiliation from the UMC. Although our supreme court has held courts may apply neutral principles of law to issues "such as ... *corporate* formation, governance, and dissolution" when a religious entity has chosen to establish itself under Texas corporations law, *see S. Methodist Univ.*, 716 S.W.3d at 482 (emphasis added), it has rejected parties attempts to have the courts resolve disputes under church governing documents and regulations because such an inquiry would "intrude upon internal affairs of church governance and autonomy." *Diocese of Lubbock*, 624 S.W.3d at 513. As such, *Masterson* allows a court to look at secular documents such as a corporate governance document to resolve issues that may arise under those documents, but the ecclesiastical abstention doctrine—and broader church autonomy doctrine—precludes courts from interpreting religious documents that dictate church governance. *See id.* ("Government action that interferes with [a religious entities' autonomy to establish and interpret its own internal rules and regulations] risks judicial entanglement with a church's conclusion regarding its own rules, customs, or laws is therefore prohibited by the First Amendment."); *see also Tex. Conf. of Seventh-Day Adventists*, 652 S.W.3d at 149.

[19] Here, the courts cannot resolve the parties' obligations under the Discipline without interpreting that document. Although the Conference points us to isolated provisions of the Discipline that may contain contractual obligations, it is undisputed that the Discipline includes both matters of doctrine and governance. *See Timmons*, 538 P.3d at 166. Because the Discipline is a doctrinal and church governance document, judicial review and interpretation of the Discipline risks judicial entanglement with ecclesiastical matters.[6] *See Diocese of Lubbock*, 624 S.W.3d at 514 (citations omitted) ("Because courts are prohibited from risking judicial entanglement with ecclesiastical matters, if the substance and nature of the plaintiff's claims are inextricably intertwined with matters of doctrine or church governance, then the case must be dismissed."); *Tex. Conf. of Seventh-Day Adventists*, 652 S.W.3d at 149 (holding the inquiry of whether a church Conference acted in a manner consistent with its church governing documents was an internal matter for the church hierarchy to resolve because the claims were inextricably intertwined ***139** with matters of doctrine or church governance).

This is made even more apparent when we review the Conference's "Guidelines for disaffiliation under [Paragraph] 2553" ("the Guidelines"). The Guidelines provide that when a local church considers disaffiliation under Paragraph 2553, it must enter into a period of discernment for at least six months during which "the local church/ministry shall:"

- Enter into an intentional time of prayer
- Assess the impact of their decision upon the church, community, and conference and share a written assessment with its congregation and the District Superintendent.
- Consider how the church will deal with practical concerns including, but not limited to 1) the incorporation or reincorporation of the church, 2) how designated funds and endowed funds will be handled, including notification, or if required, obtaining the consent of donors, 3) the resolution of any unpaid loans, 4) the effect of the decision, if any, on any outstanding or pending grants for ministry, 5) the source and cost of future employee health insurance, workers compensation insurance, general liability and property insurance and either tail insurance or suitable indemnification of the [Conference] for any past liabilities, 6) the process for pastoral succession going forward, and the congregation's plans if the current pastor decides not to continue with the church, and 7) continued participation in an employee or pastoral benefits plan, if any. For other considerations see the attached agreement.
- Develop and make available to the congregation and the District Superintendent a plan for either independent operation or affiliation with another denominational entity and include the theological tenets of the new entity, the governance structure, the missional goals, and anticipated costs.
- Develop a statement articulating their theological and missional foundations in seeking disaffiliation for reasons of conscience "related to human sexuality[.]"
- The local church shall hold a minimum of three listening sessions, advertised to and open to the full professing membership, at least one of which is also advertised and open to those beyond professing membership, who participate in the ministries of the church/ministry setting. These sessions shall solicit the input of these constituents and shall report their findings in the assessment referenced above. The sessions shall be facilitated by the [D]istrict [S]uperintendent or their designee. The sessions shall include a discussion of the

theological and missional issues referenced above as well as the practical considerations set forth above.

It is clear that various tasks required by the Conference's disaffiliation process are ecclesiastical in nature. To name a few, the guidelines require the local churches to enter into a time of prayer, consider pastoral succession, make available to congregants a plan for denominational succession that includes the theological tenets of the new denomination, and develop a statement articulating theological and missional foundations in seeking disaffiliation for reasons of conscience related to human sexuality. Under the current framework of the ecclesiastical abstention doctrine, courts have no right to judicially compel a religious entity to perform any of these actions that are clearly of an ecclesiastical ***140** nature. We believe the Constitution prevents the courts from interfering with the local churches' decision not to follow the Conference's disaffiliation process because it is inextricably intertwined with ecclesiastical matters.

[20] **[21]** Further, accepting *arguendo* the Conference's contention that the Discipline is a binding contract between the Conference and the local churches, we note that "[c]ontract terms cannot be viewed in isolation ... because doing so distorts meaning." *Pathfinder Oil & Gas, Inc. v. Great W. Drilling, Ltd.*, 574 S.W.3d 882, 889 (Tex. 2019). Rather, "we must consider the entire writing in an effort to harmonize and give effect to all the provisions of the contract so that none will be rendered meaningless." *Id.* (internal quotation marks omitted). This requirement presents two obstacles to the Conference's position in this appeal.

First, the Conference has failed to provide an appellate record that contains the entire Discipline as written during the relevant time-period. *See Sareen v. Sareen*, 350 S.W.3d 314, 317 (Tex. App.—San Antonio 2011, no pet.) ("It is the appellant's burden to bring forward an appellate record showing reversible error by the trial court."); *Enter. Leasing Co. of Hous. v. Barrios*, 156 S.W.3d 547, 549 (Tex. 2004) ("[O]n appeal, [appellant in the court of appeals] bears the burden to bring forward the record of the summary judgment evidence to provide appellate courts with a basis to review his claim of harmful error."). Thus, we are unable to consider Paragraph 2553 in harmony with the entire writing.

Second, even if the entire Discipline were in the appellate record, we would be required to analyze Paragraph 2553 in harmony with the entire document, including the ecclesiastical provisions in the Discipline. Because our canons of construction require us to read Paragraph 2553 in the context of the entire Discipline, the contested provision is inextricably intertwined with ecclesiastical matters. Therefore, it would be impossible to interpret Paragraph 2553 with neutral principles of law without also intruding into the impermissible realm of ecclesiastical matters. To do otherwise would risk the courts' entanglement in internal church affairs and cause the courts to meddle with church government. *See Diocese of Lubbock*, 624 S.W.3d at 514. Because courts cannot review the religious governing documents for compliance without running afoul of constitutional principles, we conclude the trial court properly granted the local churches' plea to the jurisdiction.

Accordingly, the Conference's first issue is overruled.

Dismissal or Enforcement

[22] In its second issue, the Conference contends that even if the trial court is divested of subject matter jurisdiction pursuant to the ecclesiastical abstention doctrine, the court nevertheless has jurisdiction to enforce the Conferences' position because it is the higher ecclesiastical authority. It appears the Conference contends we look to neutral principles of law to resolve issues involving religious entities when possible but must defer to the higher ecclesiastical authority if the court determines it does not have jurisdiction to adjudicate the dispute.

In *Southern Methodist University*, the supreme court recently rejected this argument from a regional conference within the UMC. *See S. Methodist Univ.*, 716 S.W.3d at 483. The supreme court held that "if courts could *not* decide the case without resolving a religious question or impeding the church's authority to manage its own affairs, the result would be dismissal for ***141** lack of jurisdiction, not rendition of judgment granting the Conference (or any other party) affirmative relief." *Id.* (internal quotation marks and citations omitted). Having concluded the courts are unable to decide this case without impeding the church's authority to manage its own affairs, we have no choice but to affirm the trial court's order granting the local churches' plea to the jurisdiction and dismissing the case for lack of jurisdiction.

Accordingly, the Conferences' second issue is overruled.

Conclusion

We affirm the trial court's order granting the local churches' plea to the jurisdiction and dismissing this case for lack of jurisdiction.

All Citations

736 S.W.3d 127

Footnotes

1 Although the local churches' motion was titled a motion to dismiss, the substance of the motion is a plea to the jurisdiction.

2 A complete copy of the Discipline is not part of the appellate record. For this proposition, the Conference cites portions of the Discipline that are not in the appellate record.

3 Although it appears that Paragraph 2501 is the general provision stating UMC retains property of a disaffiliated church; this provision of the Discipline is not included in the appellate record. Thus, we are unable to review this provision of the Discipline.

4 We question whether this appeal would be moot even if we concluded the trial court erred in denying the plea to the jurisdiction because the disaffiliation process was not completed by December 31, 2023.

5 *Alabama-West Fla. Conf.* is procedurally different from the case at bar because the local churches sought a judicial declaration stating the Conference has no right in the local church's property before it decided to sever affiliation with the UMC without following the disaffiliation procedures in Paragraph 2553. *Ex parte Alabama-West Fla. Conf. of United Methodist Church, Inc.*, 401 So.3d 1123, 1128 (Ala. 2024). Nevertheless, the local churches disaffiliated while the suit was pending and chose not to follow the disaffiliation procedures in Paragraph 2553. *Id.* Although the Alabama supreme court held the ecclesiastical abstention doctrine did not apply in that case, it noted the local church's "complaint does not seek judicial review of the disaffiliation procedures set forth in the Book of Discipline or otherwise ask the trial court to judicially declare that [the local church's] vote to sever its affiliation with the UMC was consistent with the Book of Discipline's requirements." *Id.* at 1134. "Instead, the complaint asks that the trial court (1) recognize that [the local church] 'alone is the absolute, full, exclusive, fee simple owner of all real or personal property that is owned by [the local church], held for [the local church], or titled in its name,' (2) to declare that the UMC and the [Conference] do not have any 'trust, equitable, or beneficial interest in any of the real or personal property so owned by [the local church],' and (3) to prohibit the [Conference] and the UMC from ' taking any action that would directly or indirectly interfere with [the local church's] use, ownership, or control' of the local church property." *Id.*

6 After the Texas Supreme Court issued its opinion in *Southern Methodist* earlier this year, both parties in this case filed letter briefs arguing the opinion supports their respective positions. *See generally S. Methodist Univ. v. S. Cent. Juris. Conf. of the United Methodist Church*, 716 S.W.3d 475, 482–83 (Tex. 2025). In *Southern Methodist University*, however, the court was able to analyze a purely secular document—Southern Methodist University's articles of incorporation—that happens to involve two religious entities by reviewing the articles against the backdrop of the Texas Business Organizations Code. *Id.* In contrast here, we must analyze a religious document that governs churches affiliated with the UMC and involves obligations from different vertical factions of the church. The articles of incorporation in *Southern Methodist University* were like any other non-profit corporate governing documents. The underlying basis of the articles of incorporation was purely secular to incorporate Southern Methodist University under the laws of this state, and the obligations that flow from the articles could be determined without consultation with or entanglement in ecclesiastical issues. Unlike the articles of incorporation in *Southern Methodist University*, the Discipline we are asked to review here is built upon a religious foundation and the churches' governance and obligations flow from this religious document. To exercise jurisdiction over this dispute would require the courts to meddle or intrude upon internal matters of church government. *See Diocese of Lubbock*, 624 S.W.3d at 513; *S. Methodist Univ.*, 716 S.W.3d at 482.

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Fourth Court of Appeals
San Antonio, Texas

JUDGMENT

No. 04-24-00424-CV

UNITED METHODIST RIO TEXAS CONFERENCE BOARD OF TRUSTEES,
Appellant

v.

ALICE FIRST METHODIST CHURCH f/k/a First Methodist Church of Alice, Texas; Aransas Pass Methodist f/k/a First United Methodist Church of Aransas Pass; Asbury Corpus Methodist Church f/k/a Asbury United Methodist Church; Barksdale Methodist Church f/k/a First United Methodist Church of Barksdale; First Methodist Church of Burnet Texas f/k/a First United Methodist Church of Burnet, Texas; Dewville Methodist Church f/k/a Dewville United Methodist Church; Dripping Springs Methodist Church f/k/a, Dripping Springs First United Methodist Church, Inc.; First Methodist Church of Eldorado f/k/a First United Methodist Church of Eldorado; First Methodist Church Ganado Inc.; First Methodist Church Harlingen, Texas, Inc. f/k/a First United Methodist Church of Harlingen, Texas, Inc.; Ingleside Methodist Church f/k/a Ingleside United Methodist Church, Ingleside, Texas; Karnes City Methodist Church f/k/a United Methodist Church Incorporated, Karnes City, Texas; New Life Methodist Church f/k/a First United Methodist Church of La Grange, Texas; Lampasas Methodist Church f/k/a First United Methodist Church of Lampasas, Incorporated; Lutie Watkins Memorial Methodist Church f/k/a Lutie Watkins Memorial United Methodist Church; Louise Methodist Church f/k/a Louise United Methodist Church; First Methodist Church of Lyford f/k/a First United Methodist Church of Lyford; Mertzon Methodist Church f/k/a First United Methodist Church of Mertzon, Texas; First United Methodist Church of Mission, Texas, Inc.; Raymondville Methodist Church f/k/a First United Methodist Church of Raymondville; Rio First Church f/k/a First United Methodist Church of Rio Grande City; First Methodist Church, Rocksprings, Texas f/k/a First United Methodist Church, Rocksprings, Texas; First Methodist San Saba f/k/a First United Methodist Church of San Saba; Methodist f/k/a First United Methodist Church, Inc. of Taft, Texas; First United Methodist Church, George West; Iglesia Metodista El Buen Pastor; Leakey United Methodist Church, Incorporated n/k/a Leaky Methodist Church, Incorporated; and Wesley Methodist Church of Harlingen, Texas,
Appellees

From the 285th Judicial District Court, Bexar County, Texas
Trial Court No. 2023CI09762
Honorable Laura Salinas, Judge Presiding

BEFORE JUSTICE RIOS, JUSTICE BRISSETTE, AND JUSTICE MCCRAY

In accordance with this court's opinion of this date, the judgment of the trial court is AFFIRMED. Costs of appeal are assessed against the appellant United Methodist Rio Texas Conference Board of Trustees.

SIGNED October 29, 2025.



Irene Rios, Justice

CAUSE NO. 2023CI09762

UNITED METHODIST RIO TEXAS CONFERENCE BOARD OF TRUSTEES	§	IN THE DISTRICT COURT OF
VS.	§	BEXAR COUNTY, TEXAS
FIRST METHODIST CHURCH OF ALICE, TEXAS, *ET AL*	§	285TH JUDICIAL DISTRICT

ORDER GRANTING DEFENDANTS' MOTION TO DISMISS FOR LACK OF JURISDICTION

On May 17, 2024, came on to be heard Defendants' Motion to Dismiss and Brief in Support Thereof. The Court, after considering the Motion, responses and replies thereto, and arguments of counsel, is of the opinion that said Motion to Dismiss for Lack of Jurisdiction should be GRANTED. It is therefore;

ORDERED that Defendants' Motion to Dismiss for Lack of Jurisdiction is GRANTED.

IT IS THEREFORE, ORDERED, ADJUDGED AND DECREED, that the above-styled cause be and Plaintiff's claims against all Defendants are hereby dismissed for want of jurisdiction and that each party bear its own costs.

SIGNED this JUN -5 2024 day of _____, 2024.

HONORABLE JUDGE PRESIDING

Laura Salinas
Presiding Judge
166th District Court
Bexar County, Texas

FILED
5/10/2024 11:17 AM
Gloria A. Martinez
Bexar County District Clerk
Accepted By: Kirstin Herrera
Bexar County - 285th District Court

CAUSE NO. 2023CI09762

UNITED METHODIST RIO TEXAS CONFERENCE BOARD OF TRUSTEES	§	**IN THE DISTRICT COURT OF**
V.	§	**BEXAR COUNTY, TEXAS**
FIRST METHODIST CHURCH OF ALICE, TEXAS, *ET AL.*	§	**285th JUDICIAL DISTRICT**

PLAINTIFF'S FOURTH AMENDED PETITION

TO THE HONORABLE JUDGE OF THIS COURT:

The United Methodist Rio Texas Conference Board of Trustees ("Plaintiff") files this Second Amended Petition against Defendants Alice First Methodist Church f/k/a First Methodist Church of Alice, Texas ("Alice FMC"); Aransas Pass Methodist f/k/a First United Methodist Church of Aransas Pass ("Aransas Pass UMC"); Asbury Corpus Methodist Church f/k/a Asbury United Methodist Church ("Asbury UMC"); Barksdale Methodist Church f/k/a First United Methodist Church of Barksdale ("Barksdale FUMC"); First Methodist Church of Burnet Texas f/k/a First United Methodist Church of Burnet, Texas ("Burnet FMC"); Dewville Methodist Church f/k/a Dewville United Methodist Church ("Dewville UMC"); Dripping Springs Methodist Church f/k/a Dripping Springs First United Methodist Church, Inc. ("Dripping Springs FUMC"); First Methodist Church of Eldorado f/k/a First United Methodist Church of Eldorado ("Eldorado FUMC"); First Methodist Church Ganado Inc. ("Ganado FMC"); First Methodist Church Harlingen, Texas, Inc. f/k/a First United Methodist Church of Harlingen, Texas, Inc. ("Harlingen FMC"); Ingleside Methodist Church f/k/a Ingleside United Methodist Church, Ingleside, Texas ("Ingleside UMC"); Karnes City Methodist Church f/k/a United Methodist Church Incorporated,

Karnes City, Texas ("Karnes City UMC"); New Life Methodist Church f/k/a First United Methodist Church of La Grange, Texas ("La Grange FUMC"); Lampasas Methodist Church f/k/a First United Methodist Church of Lampasas, Incorporated ("Lampasas FUMC"); Lutie Watkins Memorial Methodist Church f/k/a Lutie Watkins Memorial United Methodist Church ("Lutie Watkins Memorial MC"); Louise Methodist Church f/k/a Louise United Methodist Church ("Louise UMC"); First Methodist Church of Lyford f/k/a First United Methodist Church of Lyford ("Lyford FUMC"); Mertzon Methodist Church f/k/a First United Methodist Church of Mertzon, Texas ("Mertzon FUMC"); First United Methodist Church of Mission, Texas, Inc. ("Mission FUMC"); Raymondville Methodist Church f/k/a First United Methodist Church of Raymondville ("Raymondville FUMC"); Rio First Church f/k/a First United Methodist Church of Rio Grande City ("Rio Grande City FUMC"); First Methodist Church, Rocksprings, Texas f/k/a First United Methodist Church, Rocksprings, Texas ("Rocksprings FMC"); First Methodist San Saba f/k/a First United Methodist Church of San Saba ("San Saba FUMC"); Taft Methodist f/k/a First United Methodist Church, Inc. of Taft, Texas ("Taft FUMC"); First United Methodist Church, George West ("George West FUMC"); Iglesia Metodista El Buen Pastor ("El Buen Pastor UMC"), Leakey United Methodist Church, Incorporated n/k/a Leaky Methodist Church, Incorporated ("Leakey UMC"), and Wesley Methodist Church of Harlingen, Texas ("Wesley UMC") (collectively, "Defendants"), and for cause of action would show as follows:

I. DISCOVERY CONTROL PLAN

1. Plaintiff intends for discovery in this case to be conducted under Tex. R. Civ. P. 190.4 (Level 3).

II. CLAIMS FOR RELIEF

2. Plaintiff seeks monetary relief over $1,000,000, and non-monetary relief. Tex. R. Civ. P. 47(c).

III. PARTIES

3. Plaintiff is a Texas non-profit corporation with its principal place of business located at 16400 Huebner Road in San Antonio, Texas.

4. Defendant Alice FMC is a Texas non-profit corporation with its principal place of business located in Alice, Texas. Alice FMC has appeared in this lawsuit.

5. Defendant Aransas Pass UMC is a Texas non-profit corporation with its principal place of business located in Aransas Pass, Texas. Aransas Pass UMC has appeared in this lawsuit.

6. Defendant Asbury UMC is a Texas non-profit corporation with its principal place of business located at 7501 South Staples St., Corpus Christi, Texas 78413. Asbury UMC has appeared in this lawsuit.

7. Defendant Barksdale FUMC is a Texas non-profit corporation with its principal place of business located at Rhodes St. @ Beck St., Barksdale, Texas 78828. Barksdale FUMC has appeared in this lawsuit.

8. Defendant Burnet FMC is a Texas non-profit corporation with its principal place of business located at 301 E. Graves St., Burnet, Texas 78611. Burnet FMC has appeared in this lawsuit.

9. Defendant Dewville UMC is a Texas non-profit corporation with its principal place of business located at 5755 County Road 121, Nixon, Texas 78140. Dewville UMC has appeared in this lawsuit.

10. Defendant Dripping Springs FUMC is a Texas non-profit corporation with its principal place of business located at 28900 Ranch Road 12, P.O. Box 99, Dripping Springs, Texas 78620. Dripping Springs FUMC has appeared in this lawsuit.

11. Defendant Eldorado FUMC is a Texas non-profit corporation with its principal place of business located at 15 North Divide St., Eldorado, Texas 76936. Eldorado FUMC has appeared in this lawsuit.

12. Defendant Ganado FMC is a Texas non-profit corporation with its principal place of business located at 200 Twin Oaks Blvd., Ganado, Texas 77962. Ganado FMC has appeared in this lawsuit.

13. Defendant Harlingen FMC is a Texas non-profit corporation with its principal place of business located at 321 E. Harrison, Harlingen, Texas 78550. Harlingen FMC has appeared in this lawsuit.

14. Defendant Ingleside UMC is a Texas non-profit corporation whose corporate duration expired on April 19, 2004, but which has continued to function as a Texas unincorporated non-profit organization since that date, with its principal place of business located at 2572 Church St., Ingleside, Texas 78362. Ingleside UMC has appeared in this lawsuit.

15. Defendant Karnes City UMC is a Texas non-profit corporation with its principal place of business located at 201 N. Esplanade St., Karnes City, Texas 78118. Karnes City UMC has appeared in this lawsuit.

16. Defendant La Grange FUMC is a Texas non-profit corporation with its principal place of business located at 1215 N. Von Minden, La Grange, Texas 78945. La Grange FUMC has appeared in this lawsuit.

17. Defendant Lampasas FUMC is a Texas non-profit corporation with its principal place of business located at 2 Alexander Ln., Lampasas, Texas 76550. Lampasas FUMC has appeared in this lawsuit.

18. Defendant Lutie Watkins Memorial MC is a Texas non-profit corporation with its principal place of business located at 800 Wright St., Llano, Texas 78643. Lutie Watkins Memorial MC has appeared in this lawsuit.

19. Defendant Louise UMC is a Texas unincorporated non-profit association with its principal place of business located at 207 N. Center St., Louise, Texas 77455. Louise UMC has appeared in this lawsuit.

20. Defendant Lyford FUMC is a Texas unincorporated non-profit association with its principal place of business located at 13258 Glen Lofton Ave., Lyford, Texas 78569. Lyford FUMC has appeared in this lawsuit.

21. Defendant Mertzon FUMC is a Texas non-profit corporation with its principal place of business located at 105 W. Juanita Ave., Mertzon, Texas 76941. Mertzon FUMC has appeared in this lawsuit.

22. Defendant Mission FUMC is a Texas non-profit corporation with its principal place of business located at 1101 Doherty Ave., Mission, Texas 78572. Mission FUMC has appeared in this lawsuit.

23. Defendant Raymondville FUMC is a Texas non-profit corporation whose corporate existence has been terminated, but which has continued thereafter to function as a Texas unincorporated non-profit organization, with its principal place of business located at 192 South 3rd St., Raymondville, Texas 78580. Raymondville FUMC has appeared in this lawsuit.

24. Defendant Rio Grande City FUMC is a Texas unincorporated non-profit association with its principal place of business located at the corner of E. Canales St. & N. Washington St., Rio Grande City, Texas 78582. Rio Grande City FUMC has appeared in this lawsuit.

25. Defendant Rocksprings FMC is a Texas non-profit corporation with its principal place of business located at 208 W. Austin Street, Rocksprings, Texas 78880. Rocksprings FMC has appeared in this lawsuit.

26. Defendant San Saba FUMC is a Texas non-profit corporation with its principal place of business located at 204 West Brown St., San Saba, Texas 76877. San Saba FUMC has appeared in this lawsuit.

27. Defendant Taft FUMC is a Texas non-profit corporation with its principal place of business located at 302 McIntyre Ave., Taft, Texas 78390. Taft FUMC has appeared in this lawsuit.

28. Defendant George West FUMC is a Texas unincorporated non-profit association with its principal place of business located at 501 Crockett Street, George West, Texas 78022. George West FUMC has appeared in this lawsuit.

29. Defendant El Buen Pastor UMC is a Texas unincorporated non-profit association with its principal place of business located at 435 Boca Chica Blvd., Brownsville, Texas 78520. El Buen Pastor UMC has appeared in this lawsuit.

30. Defendant Leakey UMC is a Texas non-profit corporation with its principal place of business located at 419 N. Market St., Leakey, Texas 78873. Defendant may be served with process by serving its registered agent for service of process, J. David Auld, at 419 N. Market St., Leakey, Texas 78873.

31. Defendant Wesley UMC is a Texas non-profit corporation with its principal place of business located at 1406 E. Austin Ave., Harlingen, Texas 78550. Wesley UMC has appeared in this lawsuit.

IV. VENUE AND JURISDICTION

32. Venue is proper because all or a substantial part of the events or omissions giving rise to Plaintiff's claims occurred in Bexar County, Texas. Tex. Civ. Prac. & Rem. Code §15.002(a)(1). This Court has jurisdiction because the amount in controversy greatly exceeds the minimum jurisdictional limits.

V. FACTUAL BACKGROUND

33. This lawsuit involves Defendants' stated intent to disaffiliate from The United Methodist Church (the "Church"). The Church is a worldwide religious denomination organized by conferences, "each covering a wider geographic scope, beginning with the local church and charge conference and extending through the district, annual, jurisdictional (regional), and [g]eneral [c]onferences." The United Methodist Rio Texas Conference ("Rio Texas Conference") is the annual conference of the Church that represents South Texas. Defendants are local churches within the Rio Texas Conference's region.

34. The Rio Texas Conference, located in San Antonio, Bexar County, Texas, provides various administrative services for the Defendant churches, including a pension and health benefits program to the clergy appointed to Defendants' churches, which is funded through contributions made by each church. Additionally, each Defendant church pays apportionments to the Rio Texas Conference to support the work of both the Church and the Rio Texas Conference. The Rio Texas Conference also provides access to property, liability and worker's compensation insurance for those churches within the

Conference that wish to subscribe in lieu of obtaining their own insurance, in exchange for the payment of premiums by such churches. Churches that do not subscribe to the insurance maintained by the Rio Texas Conference are required to maintain such insurance coverage and to name the Rio Texas conference as an additional insured on their property and liability coverages.

A. The Disaffiliation Process

35. The *2016 Book of Discipline* (the "Discipline") is "the instrument for setting forth the laws, plan, polity, and process by which United Methodists govern themselves." (Discipline, p. V). Each General Conference of the Church amends the Discipline, and the actions of the General Conference are codified in quadrennial revisions. Local United Methodist churches, including Defendants, are subject to the Discipline and the Church hierarchy and have expressly or impliedly so contracted.

36. In 2019, the General Conference adopted ¶ 2553 of the Discipline, which created a process for local churches to disaffiliate from the Church. A copy of the Addendum to the Discipline, which includes ¶ 2553, is attached hereto as Exhibit A.

37. ¶ 2553 of the Discipline requires that, following the vote of a local church to disaffiliate, the terms of the disaffiliation be memorialized in a disaffiliation agreement between the local church and the annual conference ("Disaffiliation Agreement"). The Disaffiliation Agreement is required to include, among other things, that the local church shall pay unpaid apportionments for the 12-month period prior to disaffiliation, as well as an additional 12 months of apportionments, and a contribution of withdrawal liability in an amount equal to its pro rata share of any aggregate unfunded pension obligations to the annual conference (the "Unfunded Pension Liability"). Ex. A.

38. Additionally, ¶ 1504.23 of the Discipline requires that a local church in the United States that changes its relationship to the Church shall contribute its Unfunded Pension Liability. *See* Ex. A. ¶ 1504.23 further provides that the annual conference shall determine this liability from the aggregate funding obligations of the annual conference, as determined by the General Board of Pension and Health Benefits using market factors similar to a commercial annuity provider.

39. The following local churches in the Rio Texas Conference have complied with ¶ 2553 and have disaffiliated from the Church as of June 8, 2023: Art United Methodist Church; Barnhart United Methodist Church; Belmont United Methodist Church; First United Methodist Church of Big Lake: Blanco United Methodist Church; Bracken United Methodist Church; Bronte United Methodist Church; First United Methodist Church of Bronte; Center Point United Methodist Church; Christine United Methodist Church; St Luke's United Methodist Church (Corpus Christi); First United Methodist Church of Cotulla; Dilley United Methodist Church; Driftwood United Methodist Church; First United Methodist Church of El Campo; El Divino Redentor (McAllen); First United Methodist Church of Falfurrias; Fannin United Methodist Church; Fashing United Methodist Church; Flatonia United Methodist Church; Freyburg United Methodist Church; Goldthwaite United Methodist Church; First United Methodist Church of Goliad; First United Methodist Church of Gonzales; Hondo United Methodist Church; Industry United Methodist Church; Jourdanton United Methodist Church; First United Methodist Church of Junction; Kingsbury United Methodist Church; London United Methodist Church; Lytle United Methodist Church; Lytton Springs United Methodist Church; Marble Falls United Methodist Church; Martindale United Methodist Church; Medina United Methodist

Church; First United Methodist Church of Menard; El Buen Pastor United Methodist Church (Mercedes); Miles United Methodist Church; Montell United Methodist Church; Monthalia United Methodist Church; New Fountain United Methodist Church; Nixon United Methodist Church; Pawnee United Methodist Church; Pearsall United Methodist Church; Pettus United Methodist Church; First United Methodist Church of Pleasanton; St. John United Methodist Church (Rio Grande City); Robert Lee United Methodist Church; First United Methodist Church of Sabinal; First United Methodist Church of San Angelo; Coker United Methodist Church (San Antonio); Harlandale United Methodist Church (San Antonio); Korean United Methodist Church (San Antonio); Northwest Hills United Methodist Church (San Antonio); Oak Island United Methodist Church (San Antonio); St Andrew's United Methodist Church (San Antonio); University United Methodist Church (San Antonio); Schulenburg United Methodist Church; First United Methodist Church of Seguin; Smiley United Methodist Church; Somerset United Methodist Church; First United Methodist Church of Sterling City; Christ United Methodist Church (Stockdale); Three Rivers United Methodist Church; First United Methodist Church of Uvalde; Utopia United Methodist Church; John Wesley United Methodist Church (Victoria); and La Santisima Trinidad United Methodist Church (Weslaco).

40. Paragraph 2553 of the Discipline expired by its own terms on December 31, 2023. Since that time, the Rio Texas Conference has proceeded with disaffiliation of local churches under ¶¶ 1504.23 & 2049 of the Discipline.

B. Defendants' Declarations to Disaffiliate and Defiance of the Disaffiliation Process

41. Defendants have advised the Rio Texas Conference of their intent to disaffiliate from the Church but have declared that they do not intend to abide by the

disaffiliation process set forth in of the Discipline. Specifically, Defendants have stated that they do not intend to enter into a Disaffiliation Agreement or pay the required apportionments and Unfunded Pension Liability, nor will they relinquish to the Rio Texas Conference their possession of Church property consisting of buildings and other assets.

42. On March 30, 2023, the Administrative Council Chairman for Defendant Dripping Springs UMC sent an email to Bishop Schnase, the presiding Bishop of the Rio Texas Conference, and other Rio Texas Conference staff members in San Antonio, advising that Dripping Springs UMC had voted to disaffiliate from the Church, would not sign the Disaffiliation Agreement, and "will not pay any 'Unfunded Pension Liability' amount." A copy of the email is attached hereto as Exhibit B.

43. Thereafter, counsel representing certain of the Defendants, in a letter directed to the Rio Texas Conference dated April 26, 2023, stated the following:

> As we discussed my clients are seeking an amicable parting from the United Methodist Rio Conference which does not involve the terms set out in 2553.
>
> All the churches have voted overwhelmingly to leave the conference. None of them have signed the 2553 Disaffiliation Agreement and do not intend to sign it.
>
> Accordingly, my clients propose an agreement where they keep all their personal and real property in exchange for a mutual release and quitclaim deed from the conference.
>
> Additionally, my clients have no intention to pay any "underfunded" pension amount and will address this issue directly with Wespath in the future. However, the churches are open to paying a portion of the apportionments including any owed amounts to date as part of any mutual agreement.

A copy of the letter sent on behalf of Defendants is attached hereto as Exhibit C.

44. In addition to the foregoing, the following Defendant churches have discontinued their insurance obtained through the Rio Texas Conference and have

declined to provide the Rio Texas Conference with evidence of replacement insurance or evidence that the Rio Texas Conference has been named as an additional insured on those churches' liability and property insurance policies: Alice FUMC, Aransas Pass UMC, Barksdale UMC, El Buen Pastor UMC, Burnet UMC, Eldorado UMC, George West UMC, Harlingen FUMC, Ingleside UMC, Karnes City UMC, Lampasas UMC, Louise UMC, Lyford UMC, Mission FUMC, Raymondville UMC, Rio Grande City FUMC, Rocksprings UMC, Taft UMC and Leakey UMC. Until the disaffiliation process is completed, the Rio Texas Conference is required to maintain insurance for those churches, at the expense of those churches.

45. Unless and until Defendants execute the Disaffiliation Agreement and pay the required apportionments and Unfunded Pension Liability as required by the Discipline, the Rio Texas Conference cannot ratify their disaffiliation.

46. Despite consultation with Defendants and their counsel, the Rio Texas Conference has been unable to obtain Defendants' compliance with the requirements of the Discipline.

47. Defendants' refusal to comply with the Discipline have created confusion, as the Rio Texas Conference is left not knowing whether the pastors and/or lay persons from these churches remain part of the Church or have resigned from Conference boards and committees, if and when it should appoint and send pastors to these churches, when to terminate insurance coverages, etc. As a result, the Conference is unable to budget for future operations due to the uncertainty, unable to determine its own future staffing needs and unable to plan pastoral assignments. This creates an enormous amount of

confusion in the operation of the Conference, which the Church sought to avoid in planning a graceful, fair and efficient exit.

48. Plaintiff, the Board of Trustees for the Rio Texas Conference, is charged with safeguarding the rights and interests of the Church and the Rio Texas Conference. ¶ 2512 of the Discipline requires Plaintiff to "intervene and take all necessary legal steps to safeguard and protect the interests and rights of the annual conference anywhere and in all matters relating to property and rights to property whether arising by gift, devise, or otherwise, or where held in trust or established for the benefit of the annual conference or its membership."

VI. CAUSES OF ACTION

COUNT 1 – DECLARATORY JUDGMENT

49. Plaintiff incorporates paragraphs 1-48 by reference.

50. Plaintiff requests a declaratory judgment that Defendants must comply with the disaffiliation procedure set forth in the Discipline, including the execution of a Disaffiliation Agreement and payment of the required apportionments and Unfunded Pension Liability. Plaintiff also requests a declaratory judgment that those Defendants for whom insurance coverage has been provided, but who have not paid the premiums for such coverage, must reimburse the Rio Texas Conference for the insurance premiums associated with the coverage procured and maintained on their behalf.

COUNT II – REPUDIATION / BREACH OF CONTRACT / ANTICIPATORY BREACH OF CONTRACT

51. Plaintiff incorporates paragraphs 1-50 by reference.

52. The Discipline is a contractual agreement between the Church and Defendants. Its enforcement does not require the interpretation of doctrinal or theological matters.

53. As indicated above, Defendants have stated their intent to disaffiliate from the Church. *See* Ex. B and C. Such disaffiliation must be conducted in accordance with the requirements of the Discipline.

54. Defendants have indicated, both through their statements and actions, that despite their obligations under the Discipline, Defendants refuse to enter into a Disaffiliation Agreement, or make the required apportionment and Unfunded Pension Liability payments. *See* Ex. B and C. In doing so, Defendants have repudiated their obligations under the Discipline.

55. Defendants' repudiation of their obligations under the Discipline constitutes a violation of the Discipline and, therefore, a breach of contract or, alternatively, an anticipatory breach of contract. Plaintiff has been damaged by Defendants' failure and refusal to pay the required apportionments and Unfunded Pension Liability as required for disaffiliation. The Rio Texas Conference is entitled to such payments from each of the Defendants in connection with such breach, as calculated in accordance with the Discipline.

56. Additionally, the Rio Texas Conference has provided and paid for insurance on behalf of the following churches, but these churches have not fully reimbursed the Rio Texas Conference the premiums owed for such coverage, in violation of the agreement between the parties: Defendants Alice FUMC, Aransas Pass UMC, Barksdale UMC, El Buen Pastor UMC, Burnet UMC, Eldorado UMC, George West UMC, Harlingen FUMC,

Ingleside UMC, Karnes City UMC, Lampasas UMC, Louise UMC, Lyford UMC, Mission FUMC, Raymondville UMC, Rio Grande City FUMC, Rocksprings UMC, Taft UMC and Leakey UMC. The Rio Texas Conference is entitled to such payments from each of the Defendants in connection with such breach.

COUNT III - REQUEST FOR INJUNCTIVE RELIEF

57. Plaintiff incorporates paragraphs 1-56 by reference.

58. Plaintiff seeks injunctive relief. Specifically, Plaintiff seeks to enjoin Defendants from disaffiliating from the Church without complying with the requirements of the Discipline.

VII. DAMAGES, ATTORNEYS' FEES, AND COSTS

59. Plaintiff incorporates paragraphs 1-58 by reference.

60. Plaintiff is entitled to recover its reasonable and necessary attorney's fees incurred in pursuing its claims in this lawsuit, pursuant to the provisions of Tex. Civ. Prac. & Rem. Code § 37.009.

61. Plaintiff respectfully requests that the Court enter judgment for its actual damages, consequential damages, special damages, reasonable and necessary attorneys' fees, interest and costs. Plaintiff also seeks such other and further relief to which it may be justly entitled at both at law and equity.

PRAYER

Plaintiff United Methodist Rio Texas Conference Board of Trustees respectfully prays that this Court grant judgment against Defendants for all of the relief requested herein, and for such other and further relief to which Plaintiff may be justly entitled.

Respectfully submitted,

CLARK HILL PLC

By: */s/ James M. Kimbell*

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ATTORNEYS FOR PLAINTIFF
UNITED METHODIST RIO TEXAS
CONFERENCE BOARD OF TRUSTEES

CERTIFICATE OF SERVICE

I hereby certify that on this the 10th day of May, 2024, a true and correct copy of this document was served on all known counsel for Defendants via email, facsimile, first class mail and/or otherwise.

/s/ James M. Kimbell
JAMES M. KIMBELL

EXHIBIT A

Addendum to *The Book of Discipline of The United Methodist Church, 2016*

The action of the 2019 General Conference affected the following portions of the *Book of Discipline*. The new text of each paragraph or subparagraph is printed below. These will replace the corresponding portions printed in the 2016 *Book of Discipline,* and should be used when preparing petitions to the 2020 General Conference. The majority of these changes will become effective on January 1, 2020 for annual conferences in the United States of America, and will become effective twelve months after the close of the 2020 General Conference for those in central conferences. The new subparagraph 1504.23, new paragraph 2553, and the amended Clergy Retirement Security Program (CRSP) became effective at the close of the 2019 General Conference.

¶ 304.3, page 226, footnote 1.
1.*"Self-avowed practicing homosexual"* is understood to mean that a person openly acknowledges to a bishop, district superintendent, district committee of ordained ministry, Board of Ordained Ministry, or clergy session that the person is a practicing homosexual; or is living in a same-sex marriage, domestic partnership or civil union, or is a person who publicly states she or he is a practicing homosexual. See Judicial Council Decisions 702, 708, 722, 725, 764, 844, 984, 1020, 1341.

¶ 304.5, page 226.
5. In all votes regarding license, ordination, or conference membership, the requirements set forth herein are minimum requirements. Each person voting is expected to vote prayerfully based on personal judgment of the applicant's gifts, evidence of God's grace, and promise of future usefulness for the mission of the Church. The district committee on ordained ministry and the Board of Ordained Ministry shall not approve or recommend any person for candidacy, licensing, commissioning, or ordination who does not meet the qualifications of ¶ 304.1-3, based on the full examination and thorough inquiry into the person's fitness by the committee and board (see Judicial Council Decisions 1343 and 1344). The bishop presiding in the clergy session shall rule any such unqualified candidate out of order and not eligible to be acted upon.

¶ 362, pages 314-317.
¶ **362.** *Complaint Procedures*—1. Ordination and membership in an annual conference in The United Methodist Church is a sacred trust. The qualifications and duties of local pastors, associate members, provisional members, and full members are set forth in *The Book of Discipline of The United Methodist Church,* and we believe they flow from the gospel as taught by Jesus the Christ and proclaimed by his apostles. Whenever a person in any of the above categories, including those on leaves of all types, honorable or administrative location, or retirement, is accused of violating this trust, the membership of his or her ministerial office shall be subject to review.

This review shall have as its primary purpose a just resolution of any violations of this sacred trust, in the hope that God's work of justice, reconciliation and healing may be realized in the body of Christ.

A just resolution is one that focuses on repairing any harm to people and communities, achieving real accountability by making things right in so far as possible and bringing healing to all the parties. Just resolutions shall state all identified harms and how they shall be addressed by the Church and other parties to the complaint. In appropriate situations, processes seeking a just resolution as defined in ¶ 362.1*c* may be pursued. Special attention should be given to ensuring that cultural, racial, ethnic and gender contexts are valued throughout the process in terms of their understandings of fairness, justice, and restoration.

A complaint is a written and signed statement claiming misconduct as defined in ¶ 2702.1. When a complaint is received by the bishop, both the person making the complaint and the person against whom the complaint is made will be informed in writing of the process to be followed at that stage. When and if the stage changes, those persons will continue to be informed in writing of the new process in a timely fashion. All original time limitations may be extended for one 30-day period upon the consent of the complainant and the respondent.

a) Supervision—In the course of the ordinary fulfillment of the superintending role, the bishop or district superintendent may receive or initiate complaints about the performance or character of a clergyperson. A complaint is a written and signed statement claiming misconduct or unsatisfactory performance of ministerial duties.[78] The person filing the complaint and the clergyperson shall be informed by the district superintendent or bishop of the process for filing the complaint and its purpose.

EXHIBIT A

b) Supervisory Response—The supervisory response of the bishop shall begin upon receipt of a formal complaint. The response is pastoral and administrative and shall be directed toward a just resolution among all parties. It is not part of any judicial process. The complaint shall be treated as an allegation or allegations during the supervisory process. At all supervisory meetings no verbatim record shall be made and no legal counsel shall be present. The person against whom the complaint was made may choose another person to accompany him or her with the right to voice; the person making the complaint shall have the right to choose a person to accompany him or her with the right to voice.

The supervisory response shall be carried out by the bishop or the bishop's designee in a timely manner, with attention to communication to all parties regarding the complaint and the process. At the determination of the bishop, persons with qualifications and experience in assessment, intervention, or healing may be selected to assist in the supervisory response. The bishop also may consult with the committee on pastor-parish relations for pastors, the district committee on superintendency for the district superintendents, appropriate personnel committee, or other persons who may be helpful.

When the supervisory response is initiated, the bishop shall notify the chairperson of the Board of Ordained Ministry that a complaint has been filed, of the clergyperson named, of the general nature of the complaint, and, when concluded, of the disposition of the complaint.

c) Just Resolution—The supervisory response may include a process that seeks a just resolution in which the parties are assisted by a trained, impartial third party facilitator(s) or mediator(s), in reaching an agreement satisfactory to all parties.[79] If the bishop chooses to initiate a mediated attempt to produce a just resolution, then the bishop, the person filing the complaint, the respondent, and other appropriate persons shall enter into a written agreement outlining the process, including any agreements on confidentiality. A process seeking a just resolution may begin at any time in the supervisory, complaint, or trial process. No matter where in the process a just resolution is achieved, the complainant(s) shall be a party to the resolution process and every effort shall be made to have the complainant(s) agree to the resolution before it may take effect. If resolution is achieved, a written statement of resolution, including any terms and conditions, shall be signed by the parties and the parties shall agree on any matters to be disclosed to third parties. A just resolution agreed to by all parties shall be a final disposition of the related complaint.

A process seeking a just resolution may begin at any time in the supervisory or complaint process. This is a not an administrative or judicial proceeding.

d) Suspension—When deemed appropriate, to protect the well-being of the person making the complaint, the congregation, annual conference, other context for ministry, and/or clergy, the bishop, with the recommendation of the executive committee of the Board of Ordained Ministry, may suspend the person from all clergy responsibilities, but not from an appointment, for a period not to exceed ninety days. With the agreement of the executive committee of the Board of Ordained Ministry, the bishop may extend the suspension for only one additional period not to exceed thirty days. During the suspension, salary, housing, and benefits provided by a pastoral charge will continue at a level no less than on the date of suspension.[80] The person so suspended shall retain all rights and privileges as stated in ¶ 334. The cost of supply of a pastor during the suspension will be borne by the annual conference.[81]

e) Referral or Dismissal of a Complaint—Upon receiving a written and signed complaint, the Bishop shall, within 90 days, carry out the supervisory response process outlined above. If within 90 days after the receipt of the complaint resolution is not achieved, the bishop shall either:

(1) Dismiss the complaint as having no basis in law or fact, with the consent of the cabinet, giving the reasons therefore in writing, copies of which shall be placed in the clergyperson's file and shared with the complainant; or

(2) Refer the matter to the counsel for the Church as a complaint.

f) Supervisory Follow-up and Healing—The bishop and cabinet shall provide a process for healing within the congregation, annual conference, or other context of ministry if there has been significant disruption by the complaint. This process may include sharing of information by the bishop or the bishop's designee about the nature of the complaint without disclosing alleged facts, which may compromise any possible forthcoming administrative or judicial process. When facts are disclosed, due regard should be given to the interests and needs of all concerned, including the respondent and complainant who may be involved in an administrative or judicial process. This process for healing may include a process of a just resolution, which addresses unresolved conflicts, support for victims, and reconciliation for parties involved.[82] This can take place at any time during the supervisory, complaint, or trial process.

g) A complaint may be held in abeyance with the approval of the Board of Ordained Ministry if civil authorities are involved or their involvement is imminent on matters covered by the complaint. The

status of complaints held in abeyance shall be reviewed at a minimum of every 90 days by the bishop and the executive committee of the Board of Ordained Ministry to ensure that the involvement of civil authorities is still a valid impediment for proceeding with the resolution of a complaint. Abeyance of a complaint may be terminated by either the bishop or the Board of Ordained Ministry. The time in which a complaint is held in abeyance shall not count toward the statute of limitations. A clergyperson shall continue to hold his or her current status while a complaint is held in abeyance.

78. See Judicial Council Decisions 763, 777.
79. See Judicial Council Decisions 691, 700, 751, 763, 768.
80. See Judicial Council Decision 776.
81. See Judicial Council Decisions 534, 836.
82. See Judicial Council Decision 763.

¶ 413.3.c, page 337.
c) The supervisory response may include a process seeking a just resolution in which the parties are assisted by a trained, impartial third party facilitator(s) or mediator(s) in reaching an agreement satisfactory to all parties. (See ¶ 362.1*b*, *c.*) The appropriate persons, including the president of the College of Bishops, or the secretary if the complaint concerns the president, should enter into a written agreement outlining such process, including an agreement as to confidentiality. No matter where in the process a just resolution is achieved, the complainant(s) shall be a party to the resolution process and every effort shall be made to have the complainant(s) agree to the resolution before it may take effect. If resolution is achieved, a written statement of resolution, including terms and conditions, shall be signed by the parties and the parties shall agree on any matters to be disclosed to third parties. Such written statement of resolution shall be given to the person in charge of that stage of the process for further action consistent with the agreement. Just resolutions shall state all identified harms and how they shall be addressed by the Church and other parties to the complaint.

¶ 413.3.d.i, page 337.
d) (i) If the supervisory response results in the resolution of the matter, the bishop in charge of the supervisory response and the two episcopacy committee members appointed to the supervisory process (¶ 413.3) shall monitor the fulfillment of the terms of the resolution. If the supervisory response does not result in resolution of the matter, the president or secretary of the College of Bishops may either dismiss the complaint as having no basis in law or fact, with the consent of the College of Bishops and the committee on episcopacy, giving the reasons therefore in writing, copies of which shall be placed in the bishop's file and shared with the complainant, refer the matter to the committee on episcopacy as an administrative complaint pursuant to ¶ 413.3*e*, or refer the matter to counsel for the Church pursuant to ¶ 2704.1 to prepare a complaint to forward to the committee on investigation.

¶ 415.6, page 341.
6. To consecrate bishops; to ordain elders and deacons; to commission deaconesses, home missioners, and missionaries; and to see that the names of the persons commissioned and consecrated are entered on the journals of the conference and that proper credentials are furnished to these persons. Bishops are prohibited from consecrating bishops who are self-avowed practicing homosexuals, even if they have been duly elected by the jurisdictional or central conference. Bishops are prohibited from commissioning those on the deacon or elder track if the Board of Ordained Ministry has determined the individual is a self-avowed practicing homosexual or has failed to certify it carried out the disciplinarily mandated examination, even if the individual has been recommended by the Board of Ordained Ministry and approved by the clergy session of the annual conference. Bishops are prohibited from ordaining deacons or elders if the Board of Ordained Ministry has determined the individual is a self-avowed practicing homosexual or has failed to certify it carried out the disciplinarily mandated examination, even if the individual has been recommended by the Board of Ordained Ministry and approved by the clergy session of the annual conference.

As these services are acts of the whole Church, text and rubrics shall be used in the form approved by the General Conference.

¶ 543.17, page 388.
17. In a central conference or provisional central conference using a language other than English, legislation passed by a General Conference shall not take effect until 18 months after the close of that General Conference in order to afford the necessary time to make adaptations and to publish a translation

of the legislation that has been enacted, the translation to be approved by the resident bishop or bishops of the central conference. This provision, however, shall not exclude the election of delegates to the General Conference by annual conferences within the territory of central conferences or provisional central conferences. Legislation passed at the 2019 called session of General Conference shall not take effect in central conferences until twelve months after the close of the 2020 General Conference in order to afford the necessary time to organize a central conference and "to make such rules and regulations for the administration of the work within their boundaries including such changes and adaptations of the General *Discipline* as the conditions in the respective areas may require, subject to the powers that have been or shall be vested in the General Conference" (¶ 31.5 of the Constitution), without regard to the language used in a central conference.

NEW ¶ 1504.23, page 676.
[This new subparagraph became effective at the close of the 2019 General Conference.]
23. If a local church or charge in the United States changes its relationship to The United Methodist Church through closure, abandonment, or release from the trust clause pursuant to ¶ 2548, ¶ 2549, or otherwise, notwithstanding whether property with title held by the local church is subject to the trust (under the terms of ¶ 2501), the local church shall contribute a withdrawal liability in an amount equal to its pro rata share of any aggregate unfunded pension obligations to the annual conference. The General Board of Pension and Health Benefits shall determine the aggregate funding obligations of the annual conference using market factors similar to a commercial annuity provider, from which the annual conference will determine the local church's share. Nothing in the foregoing prevents an annual conference from collecting other obligations from a church or charge.

NEW ¶ 2553, page 776.
[This new paragraph became effective at the close of the 2019 General Conference.]
Section VIII. Disaffiliation of Local Churches Over Issues Related to Human Sexuality
¶ 2553. *Disaffiliation of a Local Church Over Issues Related to Human Sexuality*—1. Basis—Because of the current deep conflict within The United Methodist Church around issues of human sexuality, a local church shall have a limited right, under the provisions of this paragraph, to disaffiliate from the denomination 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.

2. *Time Limits*—The choice by a local church to disaffiliate with The United Methodist Church under this paragraph shall be made in sufficient time for the process for exiting the denomination to be complete prior to December 31, 2023. The provisions of ¶ 2553 expire on December 31, 2023 and shall not be used after that date.

3. *Decision Making Process*—The church conference shall be conducted in accordance with ¶ 248 and shall be held within one hundred twenty (120) days after the district superintendent calls for the church conference. In addition to the provisions of ¶ 246.8, special attention shall be made to give broad notice to the full professing membership of the local church regarding the time and place of a church conference called for this purpose and to use all means necessary, including electronic communication where possible, to communicate. The decision to disaffiliate from The United Methodist Church must be approved by a two-thirds (2/3) majority vote of the professing members of the local church present at the church conference.

4. *Process Following Decision to Disaffiliate from The United Methodist Church*—If the church conference votes to disaffiliate from The United Methodist Church, the terms and conditions for that disaffiliation shall be established by the board of trustees of the applicable annual conference, with the advice of the cabinet, the annual conference treasurer, the annual conference benefits officer, the director of connectional ministries, and the annual conference chancellor. The terms and conditions, including the effective date of disaffiliation, shall be memorialized in a binding Disaffiliation Agreement between the annual conference and the trustees of the local church, acting on behalf of the members. That agreement must be consistent with the following provisions:

a) Standard Terms of the Disaffiliation Agreement. The General Council on Finance and Administration shall develop a standard form for Disaffiliation Agreements under this paragraph to protect The United Methodist Church as set forth in ¶ 807.9. The agreement shall include a recognition of the validity and applicability of ¶ 2501, notwithstanding the release of property therefrom. Annual conferences may develop additional standard terms that are not inconsistent with the standard form of this paragraph.

b) Apportionments. The local church shall pay any unpaid apportionments for the 12 months prior to disaffiliation, as well as an additional 12 months of apportionments.

c) Property. A disaffiliating local church shall have the right to retain its real and personal, tangible and intangible property. All transfers of property shall be made prior to disaffiliation. All costs for transfer of title or other legal work shall be borne by the disaffiliating local church.

d) Pension Liabilities. The local church shall contribute withdrawal liability in an amount equal to its pro rata share of any aggregate unfunded pension obligations to the annual conference. The General Board of Pension and Health Benefits shall determine the aggregate funding obligations of the annual conference using market factors similar to a commercial annuity provider, from which the annual conference will determine the local church's share.

e) Other Liabilities. The local church shall satisfy all other debts, loans, and liabilities, or assign and transfer them to its new entity, prior to disaffiliation.

f) Payment Terms. Payment shall occur prior to the effective date of departure.

g) Disaffiliating Churches Continuing as Plan Sponsors of the General Board of Pension and Health Benefits Plans. The United Methodist Church believes that a local church disaffiliating under ¶ 2553 shall continue to share common religious bonds and convictions with The United Methodist Church based on shared Wesleyan theology and tradition and Methodist roots, unless the local church expressly resolves to the contrary. As such, a local church disaffiliating under ¶ 2553 shall continue to be eligible to sponsor voluntary employee benefit plans through the General Board of Pension and Health Benefits under ¶ 1504.2, subject to the applicable terms and conditions of the plans.

h) Once the disaffiliating local church has reimbursed the applicable annual conference for all funds due under the agreement, and provided that there are no other outstanding liabilities or claims against The United Methodist Church as a result of the disaffiliation, in consideration of the provisions of this paragraph, the applicable annual conference shall release any claims that it may have under ¶ 2501 and other paragraphs of *The Book of Discipline of The United Methodist Church* commonly referred to as the trust clause, or under the agreement.

¶ 2701.5, pages 787-788.

5. *A Just Resolution in Judicial Proceedings*—A just resolution is one that focuses on repairing any harm to people and communities, achieving real accountability by making things right in so far as possible and bringing healing to all the parties. Just resolutions shall state all identified harms and how they shall be addressed by the Church and other parties to the complaint. Special attention should be given to ensuring that cultural, racial, ethnic, age, and gender contexts are valued throughout the process in terms of their understandings of fairness, justice, and restoration. During the just resolution process, the parties may be assisted by a trained, impartial third party facilitator(s) or mediator(s), in reaching an agreement satisfactory to all parties. Processes that seek a just resolution are encouraged at any time, including through the judicial proceedings. After the referral of a matter as a judicial complaint from counsel for the Church to the committee on investigation, if a process seeking a just resolution is used, the appropriate persons, including the counsel for the Church, the complainant(s), and the counsel for the respondent, should enter into a written agreement outlining such process, including any agreement on confidentiality. No matter where in the process a just resolution is achieved, the complainant(s) shall be a party to the resolution process and every effort shall be made to have the complainant(s) agree to the resolution before it may take effect. If resolution is achieved, a written statement of resolution, including terms and conditions, shall be signed by the same persons who signed the written agreement outlining the process, and they shall agree on any matters to be disclosed to third parties. If the resolution results in a change of ministerial status, the disclosure agreement shall not prevent the disciplinary disclosures required for possible readmission.

¶ 2706.5.c.3, pages 799-800.

(3) Upon recommendation of the counsel for the Church and the counsel for the respondent, the committee may refer the matter to the resident bishop as deemed appropriate for a process seeking a just resolution. The bishop shall institute such a process and may use the assistance of a trained, impartial third party facilitator(s) or mediator(s). Such referral will not constitute a dismissal or double jeopardy under ¶ 2701.2*d*. The appropriate persons, including the counsel for the Church, the complainant, and counsel for the respondent, should enter into a written agreement outlining the process, including any agreements on confidentiality. No matter where in the process a just resolution is achieved, the complainant(s) shall be a party to the resolution process and every effort shall be made to have the complainant(s) agree to the resolution before it may take effect. If resolution is achieved, a

written statement, affirming such resolution, including any terms and conditions, shall be signed by the same persons who signed the written agreement outlining the process, and they shall agree on any matters to be disclosed to third parties. Just resolutions shall state all identified harms and how they shall be addressed by the Church and other parties to the complaint. If the resolution results in a change of ministerial status, the disclosure agreement shall not prevent the disciplinary disclosures required for readmission. The committee on investigation shall retain jurisdiction for the period of time stated for the implementation of the resolution agreement. The committee shall periodically monitor the progress of the completion of the terms and conditions of the resolution agreement, and shall certify when the terms and conditions of the agreement are completed. When the terms and conditions of the agreement are completed, the committee on investigation shall report its certification, and the status of the respondent as a result of completing the terms and conditions of the resolution agreement, to the resident bishop. If the process does not result in resolution, the matter shall be returned to the committee on investigation for further consideration. Also, decision(s) of a trial court that call for certification as to the completion of terms and conditions of the trial court's decision(s) after the end of a trial are to be assigned to the committee on investigation for monitoring and certification of completion of the decision. If the respondent fails to complete the terms and conditions of a trial court decision, the committee shall notify the presiding officer of the trial, who may reconvene the trial court for its further consideration.

¶ 2711.3, page 809.
3.Penalties—If the Trial Results in Conviction.—Further testimony may be heard and arguments by counsel presented regarding what the penalty should be. The trial court shall determine the penalty, which shall require a vote of at least seven members. The trial court shall have the power to remove the respondent from professing membership, terminate the conference membership, and revoke the credentials of conference membership and licensing, commissioning, ordination, or consecration of the respondent, suspend the respondent from the exercise of the functions of office, or to fix a lesser penalty. However, where the conviction is for conducting ceremonies that celebrate homosexual unions or performing same-sex wedding ceremonies under ¶ 2702.1(b) or (d), the trial court does not have the power to and may not fix a penalty less than the following:

a) First (1st) offense – One (1) year's suspension without pay.

b) Second (2nd) offense – Not less than termination of conference membership and revocation of credentials of licensing, ordination, or consecration.

The penalty fixed by the trial court shall take effect immediately unless otherwise indicated by the trial court. Should any penalty fixed by a trial court be altered or reduced as a result of the appellate process, the respondent shall be restored and/or compensated as appropriate, provided that in no instance and under no circumstances shall the respondent be entitled to receive an award of compensation for or reimbursement of any expenses or fees associated with the respondent's use of an attorney.[23]

23. See Judicial Council Decision 1201.

¶ 2715.10, pages 813-814.
10. The Church shall have no right of appeal from findings of fact of the trial court. The Church shall have a right of appeal to the committee on appeals and then to the Judicial Council from findings of the trial court based on egregious errors of Church law or administration that could reasonably have affected the findings of the trial court. When the committee on appeals or the Judicial Council shall find egregious errors of Church law or administration under this part, it may remand the case for a new trial, along with a statement of the grounds of its action. This is not to be double jeopardy. In regard to cases where there is an investigation under ¶ 2702, but no trial is held, egregious errors of Church law or administration may be appealed to the jurisdictional or central conference committee on appeals and then to the Judicial Council by counsel for the Church. The committee on investigation's decision not to certify a bill of charges does not alone constitute an egregious error of Church law or administration. When the committee on appeals or the Judicial Council shall find egregious errors of Church law or administration under this part, it may remand the case for a new hearing, in which event it shall return to the chair of the committee on investigation a statement of the grounds of its action. This is not to be double jeopardy.[27]

27. See Judicial Council Decision 985.

Clergy Retirement Security Program
[This action became effective at the close of the 2019 General Conference.]
The 2019 General Conference adopted petition 90017, which stated:

> The General Board of Pension and Health Benefits is directed by the General Conference to amend the Clergy Retirement Security Program such that active clergy participants who terminate their annual conference relationship under ¶ 360 of the *Book of Discipline* will be treated as terminated vested participants under the Clergy Retirement Security Program. The terminated vested participant's accrued pension benefits shall be secured and protected from future disruptions by converting such benefits to an actuarilly equivalent account balance, using factors corresponding to those used when determining annual conference plan sponsor contributions to the Clergy Retirement Security Program. Such converted benefits, along with all other retirement account balances, shall be transferred to the United Methodist Personal Investment Plan, a voluntary defined contribution plan maintained by the General Board of Pension and Health Benefits under ¶ 1504.2. The General Board of Pension and Health Benefits is directed, authorized, and empowered to amend the Clergy Retirement Security Program, effective as of the close of the 2019 General Conference and in the manner described above.

The General Board of Pension and Health Benefits (Wespath) is amending the Clergy Retirement Security Program (CRSP) as directed, and the plan document amendment will be publicly available.

EXHIBIT B

From: Shawn Taylor <shwntyl@hotmail.com>
Sent: Thursday, March 30, 2023 4:36 PM
To: Robert Schnase <rschnase@riotexas.org>; Kendall Waller <kwaller@riotexas.org>; Robert Lopez <lopeza2b@riotexas.org>; Kevin Reed <kreed@reedclaymon.com>
Cc: adam thorton <athornton@dsumc.org>; Paul Brown <pbrowntexas@gmail.com>; Andy Smith <asmith@riotexas.org>
Subject: Dripping Springs United Methodist Church

Dear Rio Texas Conference Board of Trustees,

On Sunday, March 26th, 2023 we held a church-wide vote concerning disaffiliation from the United Methodist Church. We used our own resolution, ballot, and voting process; different from the proposed ballot provided by the Conference. The resolution to disaffiliate from the United Methodist Church passed with a 90% affirmative vote.

It is our intention, according to the will of our membership, to disaffiliate from the United Methodist Church on April 30, 2023. We have decided not to sign the Disaffiliation Agreement required by the Conference. On May 1st , we will no longer be a United Methodist Church and our pastors will transfer their membership from the Rio Texas conference of the UMC to the GMC at that time. Furthermore, we will not pay any "Unfunded Pension Liability" amount and we will retain our church buildings, our parsonages, all our properties, and the rest of our assets.

We are in the process of removing the cross and flame from our buildings, vehicles, media, and other signage.

The membership and leadership of our church is resolute and we trust that you will respect our decision. It is our desire for a calm and orderly transition during our disaffiliation process and that we part ways amicably.

Respectfully,

Shawn Taylor
DSUMC Administrative Council Chairman

EXHIBIT B

EXHIBIT C

Curtis J. Kurhajec
Direct Dial: (512) 807-2457
ckurhajec@namanhowell.com

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April 26, 2023

Via Email: kreed@reedclaymon.com

Kevin Reed, Chairman of the Board of Trustees
RIO TEXAS CONFERENCE OF THE UNITED METHODIST CHURCH
16400 Huebner Rd.
San Antonio, Texas 78248

RE: Representation of Methodist Churches.

Kevin,

In accordance with our discussion of April 25, 2023, I am providing you with the current names of the churches that have retained me:

1. Alice
2. Aransas Pass
3. Art United
4. Asbury-Corpus Christi
5. Barksdale
6. Belmont
7. Burnet
8. Dewville MC (Seguin, TX)
9. Dripping Springs
10. El Buen Pastor (Brownsville, Tx)
11. El Divino Redentor (McAllen, Tx)
12. El Dorado
13. Ganado
14. Gonzales
15. Harlingen FMC
16. Hondo
17. Industry
18. Ingelside
19. Junction
20. Karnes City
21. La Grange
22. La Santisima Trinidad (Weslaco, Tx)
23. Lampasas

EXHIBIT C

24. Lutie Watkins Memorial Methodist (Llano, Tx)
25. Louise
26. Lyford
27. Lytle
28. Marble Falls
29. Mertzon
30. Mission
31. Monthalia
32. Nixon
33. Oak Island MC (San Antonio, Tx)
34. Raymondville
35. Rio Grande City
36. Rocksprings
37. San Saba
38. Somerset
39. Taft
40. Valley Praise Church MC (Harlingen, Tx)

As we discussed my clients are seeking an amicable parting from the United Methodist Rio Conference which does not involve the terms set out in 2553.

All the churches have voted overwhelmingly to leave the conference. None of them have signed the 2553 Disaffiliation Agreement and do not intend to sign it.

Accordingly, my clients propose an agreement where they keep all their personal and real property in exchange for a mutual release and quitclaim deed from the conference.

Additionally, my clients have no intention to pay any "underfunded" pension amount and will address this issue directly with Wespath in the future. However, the churches are open to paying a portion of the apportionments including any owed amounts to date as part of any mutual agreement.

It is my understanding that you will forward this letter to your legal counsel for further follow-up regarding this proposal. I certainly appreciate your cordiality to date and sincerely hope that this matter can be resolved calmly and without any need for legal action or controversy.

Thank you for time and immediate attention to this matter.

Very truly yours,

NAMAN HOWELL SMITH & LEE, PLLC

By: 
Curtis J. Kurhajec

CJK/rg

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Gloria A. Martinez
Bexar County District Clerk
Accepted By: Ashley Garza
Bexar County - 285th District Court

CAUSE NO. 2023CI09762

UNITED METHODIST RIO TEXAS CONFERENCE BOARD OF TRUSTEES	§	IN THE DISTRICT COURT OF
VS.	§	BEXAR COUNTY, TEXAS
FIRST METHODIST CHURCH OF ALICE, TEXAS, *ET AL*	§	285TH JUDICIAL DISTRICT

DEFENDANTS' ORIGINAL ANSWER SUBJECT TO MOTION TO TRANSFER VENUE

TO THE HONORABLE JUDGE OF SAID COURT:

NOW COME, **DRIPPING SPRINGS METHODIST CHURCH** sued as Dripping Springs United Methodist Church ("DSUMC"); **FIRST METHODIST CHURCH OF ELDORADO** sued as First United Methodist Church Of Eldorado**; RAYMONDVILLE METHODIST CHURCH** sued as First United Methodist Church Of Raymondville**; MERTZON METHODIST CHURCH** sued as First United Methodist Church Of Mertzon, Texas**; KARNES CITY METHODIST CHURCH** sued as United Methodist Church Incorporated, Karnes City, Texas; **FIRST METHODIST CHURCH, ROCKSPRINGS, TEXAS; RIO FIRST CHURCH** sued as First United Methodist Church Of Rio Grande City; and **FIRST METHODIST SAN SABA** sued as First United Methodist Church Of San Saba, Defendants, in the above numbered and entitled cause, and file this Original Answer Subject to Motion to Transfer Venue, and for such Answer would respectfully show the following:

I.
GENERAL DENIAL SUBJECT TO MOTION TO TRANSFER VENUE

1. Subject to their Motion to Transfer Venue, Defendants invoke the provisions of Rule 92, Texas Rules of Civil Procedure; and thereby exercise their legal right to require Plaintiff

to prove all the allegations of its pleading, which are denied, and, accordingly, Defendants generally deny the allegations of Plaintiff's pleading and demand strict proof thereof by a preponderance of the evidence.

II.
PLEA TO THE JURISDICTION

2. Without limiting or waiving the foregoing, Defendants ask the Court to dismiss Plaintiff's suit because of lack of jurisdiction.

III.
AFFIRMATIVE DEFENSES

3. Without limiting or waiving the foregoing, Defendants assert the following affirmative defenses should such be necessary:

4. Defendants are not liable to Plaintiff because not all conditions precedent have been performed or have occurred, pursuant to Texas Rules of Civil Procedure 54. Specifically, Defendants affirmatively assert that Defendants never entered into an agreement with Plaintiff.

5. Defendants are not liable to Plaintiff because of the statute of frauds, pursuant to Texas Rule of Civil Procedure 94 and Texas Business & Commerce Code Section 26.01. To the extent that the Court determines that Defendants entered into an agreement with Plaintiff, which is denied, it is unenforceable because the agreement is not in writing nor is an agreement signed by any individual(s) lawfully authorized to sign for Defendants.

6. If the Court determines that Defendants entered into an agreement with Plaintiff, which is denied, Defendants are not liable to Plaintiff because there was no mutuality of one or more essential terms to any agreement Plaintiff claims existed giving rise to their cause of action.

7. Defendants are not liable to Plaintiff because the Plaintiff has unclean hands.

8. Even assuming *arguendo* that Defendants entered into an agreement with Plaintiff, which is denied, Plaintiff's breach occurred prior to any alleged breach by any Defendants of the purported agreement.

9. If the Court finds that Defendants entered into an agreement with Plaintiff, which is denied, Defendants assert that enforcement of the contract would be unconscionable and therefore unenforceable because it is one-sided and unconscionable on its face.

10. Alternatively, if the Court determines that Defendants entered into an agreement with Plaintiff, which is denied, Defendants are not liable to Plaintiff due to Defendants' unilateral mistakes as to material features of the agreement (despite Defendants' ordinary care) that is so great that enforcing the contract would be unconscionable, and a rescission of the agreement would not prejudice Plaintiff.

11. Defendants are not liable to Plaintiff because Plaintiff did not mitigate damages.

IV.
REQUEST FOR JURY

12. Defendants in the above styled and numbered cause respectfully request that this matter be set upon the Court's jury docket for trial by jury at such time as it is set for trial. Defendants would show that in conjunction with this request the requisite jury fee has been tendered to the Clerk of the Court.

V.
PRAYER

WHEREFORE, PREMISES CONSIDERED, Defendants DRIPPING SPRINGS METHODIST CHURCH, FIRST METHODIST CHURCH OF ELDORADO, RAYMONDVILLE METHODIST CHURCH, MERTZON METHODIST CHURCH, KARNES CITY METHODIST CHURCH, FIRST METHODIST CHURCH, ROCKSPRINGS, TEXAS,

RIO FIRST CHURCH; and FIRST METHODIST SAN SABA pray that Plaintiff recover nothing by their cause of action, that Defendants recover costs of court, and for such other and further relief, both general and special, at law or in equity, to which Defendants may show themselves to be justly entitled.

Respectfully submitted,

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ATTORNEYS FOR DEFENDANTS

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been forwarded by the manner indicated below to all counsel of record on this 4th day of August, 2023.

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CAUSE NO. 2023CI09762

UNITED METHODIST RIO TEXAS CONFERENCE BOARD OF TRUSTEES	§	IN THE DISTRICT COURT OF
VS.	§	BEXAR COUNTY, TEXAS
FIRST METHODIST CHURCH OF ALICE, TEXAS, ET AL	§	285TH JUDICIAL DISTRICT

DEFENDANTS' MOTION TO DISMISS FOR LACK OF JURISDICTION

TO THE HONORABLE JUDGE OF SAID COURT:

NOW COME all Defendants in the above entitled and numbered cause (hereinafter "Churches"), collectively, and hereby file this Motion to Dismiss ("Motion") and would show unto the Court the following:

I. INTRODUCTION

The Churches are among the thousands of congregations across the United States that have departed from the United Methodist Church over the past few years due to religious disagreements involving the United Methodist Church's governmental affairs, including the United Methodist Church's theology. The Churches are former members of the United Methodist Rio Texas Conference (the "Conference") that encompasses the South Texas region of churches that are members of the United Methodist Church. On or about April 2023, the Churches voted overwhelmingly to amicably separate from the United Methodist Church due to their theological disagreements with ¶ 2553 of the *2016 Book of Discipline* (the "*Discipline*"), which sets forth the laws of the Church and the United Methodist Church's governance, among other differences, with the Conference.

On June 15, 2023, the Conference filed Plaintiff's Original Petition against the above-named 25 Methodist churches for an alleged breach of the ¶ 2553 *Discipline* concerning the Conference's imposed disaffiliation process.

The Churches were served with the Petition on various dates with varying deadlines to file responsive pleadings to the Conference's lawsuit. All the Churches timely filed their Motions to Transfer Venue prior to filing any other plea, pleading or motion in this case pursuant to Texas Rule of Civil Procedure 86(a). The Churches also timely filed their Original Answers, including a plea to the jurisdiction on the basis that the Court lacks jurisdiction to hear this matter due to the ecclesiastical nature of the Conference's claims, the basis on which the Churches now seek to have this matter dismissed in its entirety.

II. SUMMARY OF ARGUMENT

This lawsuit clearly and unequivocally arises from the *Discipline* – church law. A plain reading of the Conference's Petition supports no other conclusion. The *Discipline* sections are cited no less than 29 times in an effort to support the Conference's claims in this action. The Conference pays mere lip service in its Petition to its claim that this lawsuit is not about any interpretation of doxology or religious beliefs.[1] However, this is nothing more than a disingenuous red herring. To the contrary, the Conference's entire claims are based upon the protocol, procedures, and rules set out in the *Discipline*, an ecclesiastical manual for how the United Methodist Church and the Conference unilaterally decides the means/methods and pay out for a member church to disaffiliate from the Conference. As admitted by the Conference, there is no other means for the Churches to disaffiliate from the United Methodist Church other than through church established procedures and protocol based upon the *Discipline*.[2] No other claim, contracts, or transactions, are involved

[1] *See* Plaintiff's Original Petition ¶65 at 20.
[2] *See* Plaintiff's Original Petition ¶38 at 11.

in this case, except those that are completely or inextricably intertwined with the disaffiliation procedures set forth under the *Discipline*, and required payments under those procedures.

Any orders in this case would inevitably flow from the Court's interpretation of the *Discipline* and the Court's determination as to whether the actions of the Churches were consistent with that interpretation. This would require the Court to act beyond its jurisdictional power and interfere with the governmental affairs of the religious organizations involved in this dispute, which violates the First Amendment and the ecclesiastical abstention doctrine that afford the Churches with religious freedom and protection from civil courts delving into matters of theological controversy, church discipline, ecclesiastical government, or the conformity of the members of the church to the standard morals required of them.[3]

Further, Texas is a "neutral principle" state concerning religious disputes.[4] There is no claimed contract or agreement that is separate or apart from the *Discipline* procedures, or requirements for disaffiliation. As set out above, Plaintiff's claims rise solely from the *Discipline* and whether or not the Churches violated the imposed method and means by which the Conference dictates how they can disaffiliate.

Indeed, there are no neutral principles of law that the Court could apply to resolve the dispute without inquiring into religious doctrine, the *Discipline*, and the religious controversy at hand.[5] Texas law clearly bars civil courts from deciding whether a church's actions depart from church doctrine or claims involving a religious organization's internal discipline and governance.[6] Any such inquiry would necessarily reach behind the "ecclesiastical curtain" and would entitle the

[3] *See Masterson v. Diocese of Nw. Tex.*, 422 S.W.3d 594, 607 (Tex. 2013). *See also Doe v. Roman Catholic Diocese*, No. 05-19-00997-CV, 2021 Tex. App. LEXIS 6615, at 11 (Tex. App.—Dallas Aug. 11, 2021, pet. denied).
[4] *In re Diocese of Lubbock*, 624 S.W.3d 506, 513 (Tex. 2021).
[5] *Westbrook v. Penley*, 231 S.W.3d 389, 399 (Tex. 2007).
[6] *Doe*, Tex. App. LEXIS 6615, at 11-12.

Churches to obtain mandamus relief.[7] Under both the ecclesiastical abstention doctrine and neutral principles followed in Texas, the Court is required to dismiss Conference's claims against the Churches in their entirety.[8]

III. STANDARD OF REVIEW

A plea to the jurisdiction may be included in the defendant's answer or filed as a separate motion.[9] The trial court may consider evidence in ruling on a defendant's plea to the jurisdiction, but it is not necessary for the court to consider evidence to resolve a jurisdictional issue if the plaintiff's petition affirmatively negates the court's jurisdiction.[10] A plea to the jurisdiction for lack of subject-matter jurisdiction can be raised at any time.[11] Whether a court can exercise subject-matter jurisdiction over a claim is a question of law that is reviewed de novo.[12]

A defendant may properly file a plea to the jurisdiction to challenge the court's jurisdiction over religious or ecclesiastical matters.[13] Civil courts do not have subject-matter jurisdiction to resolve theological disputes and courts cannot delve into the truth or falsity of religious matters.[14] A party can challenge the trial court's denial of a plea to the jurisdiction by mandamus when an appeal would be inadequate to protect the rights of a religious organization in a case involving First Amendment protections.[15] If a claim is not within a court's jurisdiction and the impediment to jurisdiction cannot be removed, the court must enter an order to dismiss the claim.[16] In addition,

[7] *In re Diocese of Lubbock*, 624 S.W.3d at 515.
[8] *Id*. at 514.
[9] Tex. R. Civ. P. 85.
[10] *Texas Dept. of Parks & Wildlife v. Miranda*, 133 S.W.3d 217, 226-27 (Tex.2004).
[11] *Sivley v. Sivley*, 972 S.W.2d 850, 855 (Tex.App.—Tyler 1998, no pet.).
[12] *EBS Solutions, Inc. v. Hegar*, 601 S.W.3d 744, 749 (Tex. 2020).
[13] *Westbrook*, 231 S.W.3d at 394; *See In re Diocese of Lubbock*, 624 S.W.3d at 512.
[14] *Serbian E. Orthodox Diocese v. Milivojevich*, 426 U.S. 696, 713 (1976); *See Masterson*, 422 S.W.3d at 605-606; *See also Tilton v. Marshall*, 925 S.W.2d 672, 678 (Tex.1996).
[15] *In re Diocese of Lubbock*, 624 S.W.3d at 512.
[16] *American Motorists Ins. v. Fodge*, 63 S.W.3d 801, 805 (Tex.2001).

if a plaintiff's pleadings affirmatively negate a court's jurisdiction, then a defendant's plea to the jurisdiction may be granted without affording the plaintiff an opportunity to amend the pleadings.[17]

IV. ARGUMENT AND AUTHORITIES

A. The Conference's Petition affirmatively negates this Court's subject-matter jurisdiction over this religious dispute that is barred by the First Amendment and the ecclesiastical doctrine.

The First Amendment of the Constitution provides the fundamental right of religious freedom.[18] The Texas Supreme Court has recognized that this fundamental right is afforded to churches in deciding matters involving church governance, theology, and doctrine.[19] In fact, churches have long been afforded broad constitutional protection in managing their affairs, including deciding matters related to church discipline and the church members' conformity of the standards required of them as part of a religious congregation.[20] This protection places strict restraints on the jurisdictional power of civil courts to decide matters of religion and church discipline.[21] In addition, Texas courts have utilized the ecclesiastical abstention doctrine that prohibits courts from exercising subject-matter jurisdiction over ecclesiastical matters to enforce the protections of the First Amendment.[22]

In *In re Tex. Conf. of Seventh-Day Adventists*, the plaintiff, a church, had a dispute with a conference, the church's immediate hierarchical authority.[23] The plaintiff church repeatedly relied on the *Church Manual*, which governed the *policies* and *procedures* of the church conference and its local church members, as the basis for its claims in its petition.[24] The plaintiff asserted that the

[17] *Tex. Dep't of Parks & Wildlife v. Miranda*, 133 S.W.3d 217, 227 (Tex. 2004).
[18] USCS Const. Amend. 1.
[19] *Westbrook*, 231 S.W.3d at 397.
[20] *Id*.
[21] *Id*.
[22] *See* Plaintiff's Original Petition ¶48 at 14 (emphasis added).
[23] *In re Tex. Conference of Seventh-Day Adventists*, 652 S.W.3d 136, 140 (Tex. App.—Fort Worth 2022, no pet. h.).
[24] *Id*. at 145 (emphasis added).

applicable provisions of the *Church Manual* were nonsecular and that the court could resolve the dispute without making a theological or ecclesiastical decision.[25] However, the Texas Court of Appeals determined that the trial court was barred from exercising subject-matter jurisdiction over the plaintiff's claim pursuant to the ecclesiastical doctrine because the claim involved the church's internal affairs and church discipline.[26]

Like the plaintiff's pleadings in *In re Tex. Conf. of Seventh-Day Adventists*, the Conference repeatedly relies on the *Discipline* in its Petition. The Conference explicitly describes the *Discipline* as "the book of law of the Church" and affirmatively cites to the section of the *Discipline* that defines it as "the instrument for setting forth the *laws*, *plan*, *polity*, and *process* by which United Methodists govern themselves."[27] The Conference goes on to state that it is unlawful, according to the rules set forth under ¶ 2553 of the *Discipline*, for churches to disaffiliate from the United Methodist Church for any reason other than those specified under ¶ 2553.[28] In addition, like the plaintiff in *In re Tex. Conf. of Seventh-Day Adventists*, the Conference attempts to overcome the impediment to jurisdiction by asserting that the Court will not have to delve into the parties' religious beliefs or doxology to resolve this dispute.[29] However, the Conference explicitly requests this Court to declare the rights of the parties under the *Discipline* and declare that the Churches's departure from the Conference failed to conform to the standards required of them as part of the United Methodist congregation, which, as ruled by the Court in *In re Tex. Conf. of Seventh-Day Adventists*, "is precisely the type of civil court inquiry the First Amendment prohibits."[30]

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[25] *Id*. at 146.
[26] *Id*. at 149.
[27] *See* Plaintiff's Original Petition ¶32 at 8.
[28] *Id*. ¶39 at 11.
[29] *Id*. ¶50 at 15.
[30] *See* Plaintiff's Original Petition ¶65 at 20; *In re Tex. Conference of Seventh-Day Adventists*, 652 S.W.3d at 147.

It is abundantly clear that the Conference's Petition affirmatively negates the Court's jurisdiction as the controversy undeniably involves matters related to church discipline and whether the Churches conformed to the standards set forth under this ecclesiastical doctrine. Indeed, the Conference is asking this Court to decide a matter that, by the Conference's own pleading, is barred by the First Amendment of the Constitution and the ecclesiastical abstention doctrine. Because the Conference's pleadings affirmatively negates this Court's jurisdiction, the Court should dismiss the Conference's suit on this basis alone.

B. The Conference's claims are inextricably intertwined with ecclesiastical matters that fall outside of this Court's jurisdictional power and there are no neutral principles of law that could be applied to meet an exception to the Court's jurisdictional limitations.

In addition, and in the alternative, should such be necessary, to the extent the Conference's Petition does not affirmatively negate this Court's subject-matter jurisdiction on its face, there are only narrow circumstances in which Texas courts have exercised jurisdiction over disputes in which religious controversies are involved.

In *In re Diocese of Lubbock*, the Texas Supreme Court recognized that a court may resolve disputes involving religious bodies **if** the court "can apply neutral principles of law that will not require inquiry into religious doctrine, interference with the free-exercise of believers, or meddling in church government."[31] However, this exception "must be *narrowly* drawn to avoid inhibiting the free exercise of religion or imposing secular interests on religious controversies."[32]

To determine whether the ecclesiastical abstention doctrine applies, courts analyze whether the dispute at hand is ecclesiastical or a civil law controversy in which a religious organization happens to be involved. Such a determination requires the court to analyze the substance and nature

[31] *In re Diocese of Lubbock*, 624 S.W.3d at 513.
[32] *Id*. (emphasis added).

of the plaintiff's claims. If the court finds that "the substance and nature of the plaintiff's claims are inextricably intertwined with matters of doctrine or church governance, then the case *must be dismissed*."[33]

For example, in *Shannon v. Memorial Drive Presbyterian Church United States*, a church and its former employee, Shannon, reached an agreement setting aside a dispute regarding her termination that included a non-disparagement clause.[34] However, despite the agreement, the church made a variety of statements to Shannon's potential employer regarding her ability to perform her former job functions. Shannon sued the church for breaching the agreement. The church filed a plea to the jurisdiction under the ecclesiastical abstention doctrine, but the Texas Court of Appeals ultimately determined that the court could apply neutral principles of contract law based solely upon the signed agreement to determine whether the church violated the agreement, without the court being required to interpret or intervene in the church's religious doctrine, bylaws, or governance.[35]

By another example, in *New Bethel Baptist Church v. Taylor*, the plaintiff alleged that a church official had engaged in fraudulent activity by misappropriating church funds for his personal gain. The court noted that, at first glance, the resolution of the plaintiff's claim appeared to require the court to examine church documents, church governance, and organizational structures, which would be outside of the court's jurisdiction. However, upon closer review, the resolution of the plaintiff's claims did not require the court to delve into such ecclesiastical matters. Rather, the court could apply neutral principles of civil law to resolve the controversy. The court

[33] *Id*. (emphasis added).
[34] *Shannon v. Mem'l Drive Presbyterian Church United States*, 476 S.W.3d 612, 619 (Tex. App.—Houston [14th Dist.] 2015, pet. denied).
[35] *Id*. at 625.

determined that it was simply a civil law controversy (actionable fraud) in which a church official happened to be involved, not a religious dispute outside of the court's jurisdictional power.[36]

This case is easily distinguishable from *Shannon* and *Taylor*. In contrast, there are no neutral principles of civil law that the Court could apply to the Conference's claims to resolve this dispute. As stated above, the Conference argues that the Court can resolve this dispute without making an ecclesiastical or theological decision. However, there is no Texas contract law the Court can apply to resolve this dispute. Unlike *Shannon*, there is no contract for the Court to consider and apply neutral contract law principles as none of the Churches signed or otherwise agreed to the Disaffiliation Agreement under ¶ 2553 of the *Discipline* when it was presented to them. Like the court stated in *Shannon*, at first glance, and upon close review, this Court will see that the only document for the Court to consider in this matter is the *Discipline*, which is the law of the church, and outside of this Court's jurisdiction. Even assuming, *in arguendo*, that the *Discipline* is a "contract," it is certainly the subject of the internal governance of the Conference and its local church members, which is purely an ecclesiastical matter.

Since the landmark case of *Masterson*, in which the Texas Supreme Court conclusively determined that Texas courts shall apply neutral principles, Texas Courts have consistently, and properly, stayed out of religious disputes, unless a neutral Texas law is applicable.[37] This Court must operate under the same strict restraints and decline to this decide matter that involves nothing but religion and church discipline. Any exercise of jurisdiction outside of these restraints would entitle the Churches to obtain mandamus relief. Because the substance and nature of the

[36] *New Bethel Baptist Church v. Taylor*, No. 14-22-00028-CV, 2023 Tex. App. LEXIS 6697, at *13 (Tex. App.—Houston [14th Dist.] Aug. 29, 2023, no pet. h.).
[37] *See*, *e.g.*, *In re Tex. Conference of Seventh-Day Adventists*, 652 S.W.3d 136, 140 (Tex. App.—Fort Worth 2022, no pet. h.); *Salado v. Roman Cath. Diocese of El Paso*, No. 08-22-00204-CV, 2023 Tex. App. LEXIS 5754, at *12 (Tex. App.—El Paso Aug. 2, 2023, no pet. h.); *S. Cent. Jurisdictional Conference of the United Methodist Church v. S. Methodist Univ.*, No. 05-21-00151-CV, 2023 Tex. App. LEXIS 5486, at *13 (Tex. App.—Dallas July 26, 2023, no pet. h.).

Conference's claims are inextricably intertwined with ecclesiastical matters, the ecclesiastical doctrine applies to this case and the Court must dismiss the Conference's claims.

V. PRAYER

WHEREFORE, PREMISES CONSIDERED, Defendants respectfully request that this Court grant their Motion to Dismiss and enter an order dismissing Plaintiff's claims in their entirety against Defendants. Defendants ask for such other and further relief to which they may show themselves justly entitled.

Respectfully submitted,

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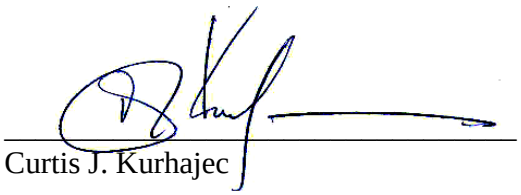
CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing instrument was served on all counsel of record in accordance with the Texas Rules of Civil Procedure on this the 16th day of October, 2023.

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CAUSE NO. 2023CI09762

UNITED METHODIST RIO TEXAS CONFERENCE BOARD OF TRUSTEES	§	IN THE DISTRICT COURT OF
VS.	§	BEXAR COUNTY, TEXAS
FIRST METHODIST CHURCH OF ALICE, TEXAS, *ET AL*	§	285TH JUDICIAL DISTRICT

DEFENDANTS' SUPPLEMENT TO MOTION TO DISMISS AND BRIEF IN SUPPORT THEREOF

TO THE HONORABLE JUDGE OF SAID COURT:

NOW COME **DRIPPING SPRINGS METHODIST CHURCH** sued as Dripping Springs United Methodist Church; **FIRST METHODIST CHURCH OF ELDORADO** sued as First United Methodist Church Of Eldorado**; RAYMONDVILLE METHODIST CHURCH** sued as First United Methodist Church Of Raymondville; **MERTZON METHODIST CHURCH** sued as First United Methodist Church Of Mertzon, Texas**; KARNES CITY METHODIST CHURCH** sued as United Methodist Church Incorporated, Karnes City, Texas; **FIRST METHODIST CHURCH, ROCKSPRINGS, TEXAS; RIO FIRST CHURCH** sued as First United Methodist Church Of Rio Grande City; **FIRST METHODIST SAN SABA** sued as First United Methodist Church Of San Saba; **ASBURY CORPUS METHODIST CHURCH** sued as Asbury United Methodist Church; **FIRST METHODIST CHURCH GANADO, INC.; FIRST METHODIST CHURCH OF BURNET, TEXAS; FIRST METHODIST CHURCH OF HARLINGEN, TEXAS, INC.; BARKSDALE METHODIST CHURCH** sued as First United Methodist Church of Barksdale; **LAMPASAS METHODIST CHURCH** sued as First United Methodist Church of Lampasas, Incorporated**; FIRST METHODIST CHURCH OF LYFORD**

sued as First United Methodist Church Of Lyford; **TAFT METHODIST CHURCH** sued as First United Methodist Church, Inc. of Taft, Texas; **ARANSAS PASS METHODIST** sued as First United Methodist Church of Aransas Pass; **INGLESIDE METHODIST CHURCH** sued as Ingleside United Methodist Church, Ingleside, Texas; **LOUISE METHODIST CHURCH** sued as Louise United Methodist Church; **LUTIE WATKINS MEMORIAL METHODIST CHURCH; NEW LIFE METHODIST CHURCH** sued as First United Methodist Church of La Grange, Texas; **ALICE FIRST METHODIST CHURCH** sued First Methodist Church of Alice, Texas; **DEWVILLE METHODIST CHURCH** sued as Dewville United Methodist Church; **FIRST UNITED METHODIST CHURCH, GEORGE WEST** sued as George West First United Methodist Church; **FIRST GLOBAL METHODIST CHURCH OF MISSION, TEXAS, INC.** sued as First United Methodist Church of Mission, Texas, Inc; **EL BUEN PASTOR METHODIST CHURCH** sued as Iglesia Metodista El Buen Pastor; **WESLEY METHODIST CHURCH OF HARLINGEN, TEXAS**; and **LEAKEY METHODIST CHURCH,** collectively hereinafter as "Defendants" in the above entitled and numbered cause, and file this Supplement to Motion to Dismiss and Brief in Support Thereof, and would show unto the Court the following:

I. SUMMARY OF ARGUMENT

Defendants' pending Motion seeks dismissal of Plaintiff's claim against Defendants for their alleged breach of Plaintiff's' "implied, if not express, contract with each of the Defendants to follow the *Discipline*," [1] which Plaintiff defines as "the book of law of the Church," "the instrument setting forth the laws, plan, polity, and process by which United Methodists govern themselves."[2]

[1] *See* Plaintiff's Sur-Reply in Response to Defendants' Motion to Transfer Venue at 1. (emphasis added) *See also* Hearing Transcript for Defendants' Motion to Transfer Venue at 17:24-25 and 18:1-2.
[2] *Id*. at 2. *See* Plaintiff's Third Amended Petition at ¶ 34, 35. (emphasis added)

Plaintiff defines its hierarchical role within the United Methodist Church as "to safeguard and protect the interests and rights of the annual conference [the Church's governing body] anywhere and in all matters relating to property and rights to property." [3]

The root of the parties' dispute is the role of the Church ordaining pastors and recognition of ceremonial marriage of LGBTQ members in the Church. [4] Over the past few years, the United Methodist Church has experienced a widely publicized mass exodus of thousands of congregations in the United States who decided to disaffiliate due to their religious disagreements with the Church's internal affairs surrounding this topic. Courts in other jurisdictions have recognized that this massive split in the United Methodist Church implicates the churches' First Amendment religious freedoms to govern themselves accordingly. [5]

It is well settled that the First Amendment to the United States Constitution affords wide-ranging protection for the free exercise of religion. [6] Texas courts follow this constitutional mandate through the ecclesiastical abstention doctrine that prohibits the exercise of subject-matter jurisdiction over ecclesiastical matters. This prohibition is particularly clear when a dispute arises concerning church membership. [7]

When Defendants became members of the United Methodist Church, they did so with the understanding that their membership may continue, or not, as they so desired, without any

[3] *See* Plaintiff's Third Amended Petition at ¶ 47. (emphasis added)
[4] *See* Exhibit A, Paragraph 2553 at p. 4 to Plaintiff's Original Petition.
[5] *See Okla. Annual Conference of the United Methodist Church, Inc. v. Timmons,* 2023 OK 101, ¶ 9, 538 P.3d 163, 167 (saying that "[c]hurch autonomy protects and gives force to the First Amendment freedom of religion clause"). *See also Mt. Carmel, et al. v. Western North Carolina Conference of the United Methodist Church, et al.* in the General Court of Justice Superior, State of North Carolina, 22-CVS-2775 (Superior Court Order Granting Motion to Dismiss for Lack of Jurisdiction due to claims barred, in part, by the First Amendment of the United States Constitution, appeal dismissed).
[6] *See Serbian E. Orthodox Diocese v. Milivojevich*, 426 U.S. 696, 709 S. Ct. 2372 (1976). (The United States Supreme Court explained that the First and Fourth Amendment to the U.S Constitution prohibit civil courts from resolving disputes that require an extensive inquiry into religious law and polity).
[7] *See Westbrook v. Penley*, 231 S.W.3d 389 (Tex. 2007).

contemplation of a court becoming entangled in their internal governance matters and interfering with the fundamental right to the free exercise of their religious beliefs.

Indeed, Plaintiff is, through its claim, asking the Court to encroach on Defendants' decisions to cease their membership with the United Methodist Church. Specifically, Plaintiff is asking this Court to convert the *Discipline* into a "contract" and use such conversion as a vehicle to escape the structural restraints of the ecclesiastical abstention doctrine. Plaintiff's contention that this application of the law enables the Court to resolve the parties' dispute without delving into religious doctrine is misleading. Plaintiff has not plead any facts to show that there are any contracts or transactions involved in this case beyond the *Discipline*, the law of the church (which Defendants deny is a valid and enforceable contract) as noted below:

A. The Law of the Church and the Disaffiliation Process

> 35. The *2016 Book of Discipline* (the "Discipline") is the "instrument for setting forth the laws, plan, polity, and process by which United Methodists govern themselves." (Discipline, p. V). Each General Conference of the Church amends the Discipline, and the actions of the General Conference are codified in quadrennial revisions. Local United Methodist churches, including Defendants, are subject to the Discipline and the Church hierarchy and have expressly or impliedly so contracted. [8]

Specifically, Plaintiff pleads for relief as follows:

> 53. Defendants have indicated, both through their statements and actions, that despite their obligations under ¶¶ 2553 and 1504.23, Defendants refuse to enter

[8] *Id*. at 2. *See* Plaintiff's Third Amended Petition at ¶ 35

> into a Disaffiliation Agreement, or make the required apportionment and Unfunded Pension Liability payments. *See* Ex. B and C. In doing so, Defendants have repudiated their obligations under the Discipline.
>
> 54. Defendants' repudiation of their obligations under ¶¶ 2553 and 1504.23 constitutes a violation of the Discipline and, therefore, a breach of contract or, alternatively, an anticipatory breach of contract. [9]

Additionally, Plaintiff seeks injunctive relief as follows:

> 57. Plaintiff seeks injunctive relief. Specifically, Plaintiff seeks to enjoin Defendants from disaffiliating from the Church without complying with the requirements of the Discipline, and specifically ¶¶ 2553 and 1504.23 thereof. [10]

Plaintiff further judicially admits that the contract made the basis of its claims created a "process for local churches to disaffiliate from the church." [11] However, Texas law clearly prohibits this Court from interpreting the *Discipline* and reviewing the acts of the Defendants to force their compliance with the Court's understanding of the Church's policies, process and/or protocol surrounding a member's ability and decision to disaffiliate.

In its exuberance to reign in the Defendants, Plaintiff ignores the breadth of the well-founded religious liberties afforded to Defendants that negates this Court's jurisdiction. There is simply no set of facts under which Plaintiff escapes the structural restraints of the ecclesiastical abstention doctrine in its attempt to ask this Court to intrude on this dispute concerning church

[9] Id. at ¶ 53, 54. (emphasis added)
[10] Id. at ¶ 57. (emphasis added)
[11] Id. at ¶ 36.

membership. Plaintiff's claim is entirely outside this Court's jurisdiction, is barred under Texas law, and must be dismissed.

II. ARGUMENT & AUTHORITIES

A. The United States Supreme Court has consistently and plainly held that civil courts shall not become entangled in the internal affairs of a church and attempt to resolve such disputes clearly outside of their subject-matter jurisdiction pursuant to the First and Fourteenth Amendments to the United States Constitution.

The U.S. Supreme Court has clearly stated that while states have obvious and legitimate interests in the peaceful resolution of property disputes, the First Amendment to the U.S. Constitution severely limits the ways in which civil courts may participate in resolving such disputes. [12] Specifically, the Court has emphasized that "the First Amendment prohibits civil courts from resolving church property disputes on the basis of religious doctrine and practice." [13] Instead, the Court says that "civil courts defer to the resolution of issues of religious doctrine or polity by the highest court of a hierarchical church organization." [14]

It is, under this framework, in which the Court has instructed civil courts to decline to assist with resolving disputes that are ecclesiastical in nature as it would deprive those religious institutions of their fundamental First Amendment right to enforce their own laws or procedures.[15] Rather, civil courts must accept the ecclesiastical decisions of church as to the status of a person's church membership as *binding and beyond their reviewing power*, and leave a church's ecclesiastical decisions as they find them. [16]

[12] *Jones v. Wolf*, 443 U.S. 595, 602, 99 S. Ct. 3020, 3025 (1979).
[13] *Id*.
[14] *Id*.
[15] *Serbian E. Orthodox Diocese v. Milivojevich*, 426 U.S. 696, 710, 96 S. Ct. 2372, 2381 (1976).
[16] *See id*. at 713. (emphasis added)

The same framework applies to the present case as Plaintiff seeks this Court's intervention to allegedly safeguard and protect its interests and rights to Defendants' property based on the protocols and procedures set forth under the *Discipline*. However, as the U.S. Supreme Court has made clear, that issue is beyond this Court's authority and any inquiry into Defendants' decisions to disaffiliate from the United Methodist Church and any declarations as to the parties' property interests, including apportionments, would constitute an impermissible probe into matters of church governance.

B. The Texas Supreme Court has recognized that the fundamental right of religious freedom is afforded to churches in deciding matters involving church governance, theology, and doctrine.

In *Westbrook v. Penley*, a dispute arose between a pastor and a former parishioner when the church's constitution required the pastor to shun the parishioner for engaging in a biblically inappropriate relationship. The Texas Supreme Court dismissed the case for want of jurisdiction on the grounds that "[c]ourts have no jurisdiction to 'revise or question ordinary acts of church discipline' and 'cannot decide who ought to be members of the church…" [17] This is because when individuals become members of a church, they do so "upon the condition of continuing or not as they and their churches might determine, and they thereby submit to the ecclesiastical power and cannot now invoke the supervisory power of civil tribunals." [18] A church's right to decide such ecclesiastical matters is fundamental. [19]

The Texas Supreme Court has further held that courts may *only* exercise jurisdiction over religious matters when there is another civil or property rights claim involved that allows the court

[17] *Westbrook v. Penley*, 231 S.W.3d 389, 399 (Tex. 2007) (quoting Shannon v. Frost, 42 Ky. (3 B. Mon.) 253, 258, 3 B. Mon. 253 (1842)).
[18] *Id*. at 399-400.
[19] *Westbrook*, 231 S.W.3d at 397.

to apply neutral principles to resolve the dispute without delving into religious doctrine. [20] However, this exception to the ecclesiastical abstention doctrine is *narrowly* drawn due to the hazards that "are ever present of inhibiting the free development of religious doctrine and of implicating secular interests in matters of purely ecclesiastical concern." [21] If the plaintiff's pleadings affirmatively demonstrate an incurable jurisdictional defect, as here, the defendant's plea to the jurisdiction for religious-liberty grounds must be granted. [22]

C. The Fourth Court of Appeals, San Antonio, has followed the legislative history of the Texas Supreme Court and declined to exercise subject-matter jurisdiction over disputes involving ecclesiastical matters.

In *In re Vida*, parents sued a Catholic school and its superintendent over the school's age requirement that barred their child's admission to the first-grade class, which, they claimed, violated state law. The superintendent filed a plea to the jurisdiction based on the ecclesiastical doctrine, which the trial court denied. The superintendent then initiated a mandamus proceeding challenging the trial court's jurisdiction, which the court of appeals conditionally granted and directed the trial court to enter an order granting the superintendent's plea. [23]

In its ruling, the court cited *Westbrook* and reasoned that "if judicial resolution of the claim will interfere with a church's management of its internal affairs or encroach upon the church's internal governance, the court may not exercise jurisdiction over the claim." [24] "Just as the courts cannot question the admission requirements for Catholic churches, they also do not have jurisdiction to consider a claim arising from the admission requirements for Catholic schools which

[20] *Id*. at 398. *See In re Diocese of Lubbock*, 624 S.W.3d 506, 513 (Tex. 2021).
[21] *Westbrook*, 231 S.W.3d at 398.
[22] *In re Vida*, No. 04-14-00636-CV, 2015 Tex. App. LEXIS 31, at *4 (Tex. App.—San Antonio Jan. 7, 2015, no pet.)
[23] *Id*. at 10.
[24] *Id*. at 5.

'are subject to the authority of the Church,'" in accordance with the ecclesiastical abstention doctrine. [25]

More recently, in *Craver v. Faith Lutheran Church*, a former pastor at Faith Lutheran Church sued the Church after his departure for fraudulent inducement and the Church's alleged breach of the parties' severance agreement. The Church filed a plea to the jurisdiction based on the ecclesiastical doctrine, which the trial court granted, and the pastor's appeal followed. The Fourth Court of Appeals upheld the trial court's ruling, finding that the *substance* and *nature* of the pastor's claims were inextricably intertwined with the matters of the Church's governance, framing its holding within the Texas Supreme Court's rulings in *Westbrook* and *In re Diocese of Lubbock*. [26] The court could not ignore ecclesiastical context from which the pastor's claims arose and dismissed the case in accordance with other Fourth Court of Appeals rulings on ecclesiastical matters. [27]

D. Other jurisdictions have declined to resolve this very dispute between the United Methodist Church and disaffiliating churches in other states, in accordance with the broad religious protections afforded by the First Amendment.

In *Okla. Annual Conf. of the United Methodist Church, Inc. v. Timmons*, a dispute arose between the Oklahoma Conference of the United Methodist Church and an Oklahoma church, First Church, when First Church voted to disaffiliate from the United Methodist Church under Paragraph 2553 of the *Discipline*. Interestingly, the case involved substantially the same facts as the present dispute, however, the Oklahoma Conference was the defendant and First Church was

[25] *Id*. at 7-8.
[26] *Craver v. Faith Lutheran Church*, No. 04-22-00235-CV, 2023 Tex. App. LEXIS 8452, at *12-14 (Tex. App.—San Antonio Nov. 8, 2023, no pet. h.). (emphasis added)
[27] *Id*. at 15; We are unaware of any case where the Fourth Court of Appeals found jurisdiction over cases dealing with ecclesiastical abstention. *See also In re Godwin*, 293 S.W.3d 742 (Tex. App.—San Antonio 2009, pet. denied).

the plaintiff. Paradoxically, the First Church sued the Oklahoma Conference to enforce Paragraph 2553 of the Discipline just as Plaintiff has sued Defendants.

As the defendant, the Oklahoma Conference adopted many of the same arguments that Defendants have raised before this Court. Specifically, the Oklahoma Conference filed a motion to dismiss First Church's claims based on the First Amendment. [28] Initially, the trial court denied the Oklahoma Conference's motion, which the Oklahoma Conference argued was an impermissible interference with the internal matters of the United Methodist Church in violation of the First Amendment because the trial court had no subject-matter jurisdiction to resolve a church matter. In support of its argument there was no jurisdiction, that Conference cited the same Federal case authority as set out herein by Defendants. Ultimately, the Oklahoma Supreme Court sided with the Oklahoma Conference, granting mandamus relief, and ordering the case dismissed.

In its ruling, the Oklahoma Supreme Court stated that the "United States Supreme Court established long ago that church authority governs internal ecclesiastical disputes, to avoid the courts becoming entangled in religious doctrine." [29] It is clear that "courts have no subject matter jurisdiction over matters of 'theological controversy, church discipline, [or] ecclesiastical government" pursuant to the ecclesiastical abstention doctrine. [30]

While the Oklahoma Supreme Court's ruling is not binding on this Court, it is certainly persuasive considering the substantially similar ecclesiastical circumstances present here. It also clearly demonstrates the contradictory position the Plaintiff has taken in this case compared with

[28] Defendants' Motion to Dismiss for Lack of Subject Matter Jurisdiction, Cause No. CJ-2023-3704 filed in the District Court of Oklahoma County, State of Oklahoma attached as **Exhibit A.**
[29] Okla. Annual Conference of the United Methodist Church, Inc. v. Timmons, 2023 OK 101, ¶ 9, 538 P.3d 163, 167.
[30] *Id.*

other Conferences. The Court should not ignore the inextricable entanglement of Plaintiff's claims with matters of church governance outside of the confines of this Court's jurisdiction.

A Court in North Carolina, the home state for the United Methodist Church, also addressed the jurisdiction issue before this court. In yet another contradictory position to Plaintiff's position in this case, that conference (the Western North Carolina Conference) took the opposite position to the plaintiff Churches and argued the issues under Section 2553 (both property and payments) were ecclesiastical matters that violated the First Amendment of the United States Constitution and the corollary provisions of the North Carolina Constitution. [31] The Western North Carolina Conference cited several cases in its briefing for the court that have held that "the Discipline itself is an inherently religious document which civil courts cannot construe without usurping the First Amendment rights of the UMC and the denomination's right to interpret and apply its own law."[32] The Superior Court Judge agreed with that Conference and dismissed the case for lack of jurisdiction under both the United States Constitution's First Amendment and the corresponding North Carolina Constitution. [33]

III. PRAYER

For the foregoing reasons, Defendants pray that the Court dismiss this action for lack of subject-matter jurisdiction and grant any further relief, to which Defendants may be entitled.

[signature follows]

[31] Western North Carolina Conference of the United Methodist Church's Motion to Dismiss and supporting Memorandum of Law in cause number 22-CVS-2775 in the General Court of Justice Superior Court Division of North Carolina attached as **Exhibit B.**
[32] WNCC's Memorandum of Law at p. 22 with citations attached, **Exhibit B.**
[33] Order Granting Motions to Dismiss under Rule 12 and Motion to Dismiss for Improper Venue in cause number 22-CVS-2775 in the General Court of Justice Superior Court Division of North Carolina attached as **Exhibit C.**

Respectfully submitted,

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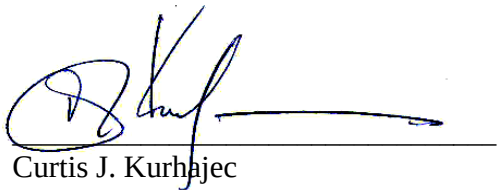
CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been forwarded by the manner indicated below to all counsel of record on this 3rd day of May, 2024.

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Exhibit A

FILED IN DISTRICT COURT
OKLAHOMA COUNTY

10560805 41

IN THE DISTRICT COURT OF OKLAHOMA COUNTY
STATE OF OKLAHOMA

JUL 13 2023
RICK WARREN
COURT CLERK
40

UNITED METHODIST CHURCH OF THE SERVANT, an incorporated religious association acting by and through its Board of Trustees,	)	
Plaintiff,	)	
v.	)	CJ-2023-3704
THE OKLAHOMA ANNUAL CONFERENCE OF THE UNITED METHODIST CHURCH, INC., a domestic not for profit corporation, THE BOARD OF TRUSTEES OF THE OKLAHOMA ANNUAL CONFERENCE OF THE UNITED METHODIST CHURCH, INC., a domestic not for profit corporation, JIMMY NUNN, Bishop of the Oklahoma Annual Conference, SAM POWERS, District Superintendent of the Crossroads District of the Oklahoma Annual Conference,	)	
Defendants.	)	

DEFENDANTS' MOTION TO DISMISS
FOR LACK OF SUBJECT MATTER JURISDICTION

Defendants, The Oklahoma Annual Conference of the United Methodist Church, Inc. ("Oklahoma Conference"), The Board of Trustees of the Oklahoma Annual Conference of the United Methodist Church, Inc., Jimmy Nunn, Bishop of the Oklahoma Annual Conference, and Rev. Dr. Sam Powers, District Superintendent of the Crossroads District of the Oklahoma Annual Conference, (collectively the "Conference Defendants"), pursuant to 12 O.S. § 2012(B)(1), move this Court for dismissal of Church of the Servant's Petition due to this Court's lack of subject matter jurisdiction.

INTRODUCTION

This lawsuit stems from Church of the Servant's desire to disaffiliate from the United Methodist Church due to Church of the Servant's dissatisfaction with the United Methodist Church's position (or, more appropriately, its possible future position) on allowing the ordination of practicing homosexual ministers and the performance of marriage ceremonies for homosexual persons. In 2019, the General Conference, the principal governing body of the United Methodist Church, enacted ¶ 2553 as part of an addendum to the 2016 Book of Discipline of the United Methodist Church (the "*Discipline*").[1] Recognizing that local churches do not have an unfettered right to disaffiliate under the Discipline, ¶ 2553 was enacted to enable a local church to disaffiliate through an orderly, gracious, and nonconfrontational process. In addition, if certain conditions are met, ¶ 2553 may enable the local church to take with them certain real property that is currently held in Trust for the benefit of the entire denomination.

But for Church of the Servant's acknowledgment of the trust clause interest of the United Methodist Church,[2] Church of the Servant could have elected to simply cease being a United Methodist congregation. Had it actually acted in this manner, this case would be similar to *First English Church of OKC v. Bloch*, 195 OK 175, 159 P.2d 1006, in which the Oklahoma Supreme

[1] The *Discipline* sets forth the governance of the United Methodist Church. Relevant here, the *Discipline* embodies the Constitution, Doctrine, Doctrinal Statements, General Rules, The Ministry of All Christians, and Social Principles, The Local Church, The Ministry of the Ordained, The Superintendency, The Conferences, Administrative Order, **Church Property**, and Judicial Administration. *See* the *Discipline*.

[2] ¶ 2501.1 of the *Discipline* provides in part: "All properties of United Methodist local churches ... are held, *in trust*, for the benefit of the entire denomination and ownership and usage of church property is subject to the *Discipline*. This trust requirement is an essential element of the historic polity of The United Methodist Church or its predecessor denominations or communions and has been a part of the *Discipline* since 1797." This provision in the *Discipline* is, by itself, sufficient to subject the Church of the Servant property to a trust in favor of the United Methodist Church, regardless of whether the is an express statement of trust in the deed to the property. *Presbytery of Cimarron v. Westminster Presbyterian Church,* 1973 OK 114, 515 P.2d 211.

Court ruled that the subsequent dispute over ownership of church property was within the jurisdiction of the civil courts of Oklahoma. But instead, Church of the Servant elected to proceed under the Discipline, including ¶ 2553, and related rules, policies, Judicial Council rulings, and internal documents. Having elected to resort to the internal polity of the United Methodist Church to effectuate its departure from the United Methodist Church, it cannot turn to the civil courts of Oklahoma for the interpretation and/or application of the polity of the United Methodist Church - the *Discipline*, including ¶ 2553, and related rules, policies, Judicial Council rulings, and internal documents of the denomination.

STANDARD

Subject matter jurisdiction cannot be conferred by consent of the parties nor can the requirement be waived by the parties. *Barrett v. Barrett*, 1994 OK 92, ¶ 13, 878 P.2d 1051, *see also Shaffer v. Jeffery*, 1996 OK 47, ¶ 7, 915 P.2d 910. A challenge to subject matter jurisdiction may be raised at any time in the course of the proceedings. *Shaffer*, 1996 OK at ¶ 7. "Whenever it appears by suggestion of the parties or otherwise that the Court lacks jurisdiction," the action shall be dismissed. 12 O.S. § 2012 (F)(3).

When a jurisdictional question arises, the burden of proof is upon the party asserting that jurisdiction exists. *See Visteon Corp. v. Yazel (In re Visteon Corp.)*, 2004 OK CIV APP 52, ¶ 11, 91 P.3d 690 (citing *Union Bank v. Ferris*, 1978 OK 149, ¶ 5, 587 P.2d 454) (finding plaintiff had the burden of proof as the party asserting jurisdiction to defend the defendant's motion to dismiss for lack of subject matter jurisdiction).

A trial court may review evidentiary material attached to a motion to dismiss without converting the motion to one for summary judgment if the motion challenges the court's jurisdiction. *E.g., Kennedy v. City of Talihina*, 2011 OK CIV APP 108, ¶ 4, 265 P.3d 757; *Crockett*

v. Cent. Okla. Transp. & Parking Auth., 2010 OK CIV APP 30, ¶ 7, 231 P.3d 748. The burden of proof as to any particular fact rests upon the party asserting such fact. *Colton v. Huntleigh USA Corp.*, 2005 OK 46, ¶ 10, 121 P.3d 1070.

ARGUMENTS & AUTHORITIES

A. Since Church of the Servant's Claims are Based on, and Intertwined with, Theology and Written Laws of the Church, this Court lacks Subject Matter Jurisdiction under 150 Years of United States Supreme Court Precedent.

For over 150 years, the Supreme Court has held that "civil courts exercise no jurisdiction" over matters of "church discipline, ecclesiastical government, or the conformity of the members of the church to the standard of morals required of them." *Watson v. Jones*, 80 U.S. (13 Wall.) 679, 20 L.Ed. 679, 733 (1871). Rather, the First Amendment guarantees the rights of churches "to decide for themselves, free from state interference, matters of church government as well as those of faith and doctrine." *Kedroff v. St. Nicholas Cathedral of Russian Orthodox Church in N. Am.*, 344 U.S. 94, 116 (1952).

The seminal case on this principle is *Watson v. Jones*, 80 U.S. 679, 20 L.Ed. 679 (1871). There, a minority faction of the Presbyterian Church of the United States brought suit for control of the property of the local church based on a claim that the majority had strayed from the church's true doctrine by denouncing slavery. *Id.* at 694-95. The Court warned of the dangers of allowing civil courts to decide ecclesiastical questions, and characterized this as a matter of jurisdiction:

> But it is a very different thing where a subject-matter of dispute, strictly and purely ecclesiastical in its character,—a matter over which the civil courts exercise no jurisdiction,—a matter which concerns theological controversy, church discipline, ecclesiastical government, or the conformity of the members of the church to the standard of morals required of them,—becomes the subject of its action. It may be said here, also, that no jurisdiction has been conferred on the tribunal to try the particular case before it, or that, in its judgment, it exceeds the powers conferred upon it, or that the laws of the church do not authorize the particular form of proceeding adopted; and, in a sense often used in the courts, all of those may be said to be questions of jurisdiction.

Id. at 733. The Court went on to say that if civil courts were to inquire into ecclesiastical matters, it would "deprive these bodies of the right of construing their own church laws". *Id.* The Court ultimately held that civil courts have neither the subject matter jurisdiction nor the competence to adjudicate ecclesiastical matters. *Id.* at 734-35.

The constitutional status of church autonomy was recognized again in *Presbyterian Church in the U.S. v. Mary Elizabeth Blue Hull Memorial Presbyterian Church*, 393 U.S. 440 (1969). The Court held that civil courts cannot "engage in the forbidden process of interpreting and weighing church doctrine" as such as process "inject[s] the civil courts into substantive ecclesiastical matters." *Id.* at 450-51. Respecting these rights benefits both Church and State – granting churches the space to decide their own religious affairs and protecting the government from entanglement in those affairs.

The Supreme Court reinforced its *Watson* decision 104 years later in *Serbian E. Orthodox Diocese for U.S. of Am. & Canada v. Miliovjevich*, 426 U.S. 696, 709 (1976). The "basic dispute" in *Milivojevich* was control of the Eastern Orthodox Diocese for the United States of America and Canada, its property, and assets. *Id.* at 698. But control of church property was merely an "incidental effect" of deciding who ran the church itself because church charters vested control in the denominational leader. *Id.* at 699. As the Court explained, "this case essentially involves not a church property dispute, but a religious dispute the resolution of which under our cases is for ecclesiastical and not civil tribunals." *Id.* at 709. The Court then elaborated on the inherent risk of entanglement:

> Even when rival church factions seek resolution of a church property dispute in the civil courts there is substantial danger that the State will become entangled in essentially religious controversies or intervene on behalf of groups espousing particular doctrinal beliefs. Because of this danger, "the First Amendment severely

> circumscribes the role that civil courts may play in resolving church property disputes."

Id. (quoting *Presbyterian Church v. Hull Church*, 393 U.S. 440, 449 (1969).

The most recent pronouncement of the Supreme Court on the issue is *Jones v. Wolf*, 443 U.S. 595 (1979). In that case, a majority of the members of the local church, Vineville Presbyterian Church of Macon, Ga., had voted to split from the national church, the Presbyterian Church of the United States. The issue was whether the church property was owned outright by the local church or held in trust for the national church. The Georgia court "examined the deeds to the properties, the state statutes dealing with implied trusts, ... and the Book of Church Order to determine whether there was any basis for a trust in favor of the [national church]," 443 U.S. at 600, and found nothing that would give rise to a trust in any of those documents. Accordingly, the Georgia court found, based on neutral principles of law, that the church property was owned outright by the local church and not held in trust for the national church.

The Supreme Court affirmed, concluding that the Georgia court had properly used neutral principles of Georgia law to determine the ownership of the church property.[3] While the Supreme Court observed that a state "has an obvious and legitimate interest in the peaceful resolution of property disputes, and in providing a civil forum where the ownership of church property can be determined conclusively," it continued on to state:

> It is also clear, however, that "the First Amendment severely circumscribes the role that civil courts may play in resolving church property disputes." ... **Most importantly, the First Amendment prohibits civil courts from resolving church property disputes on the basis of religious doctrine and practice.**

Id. at 602 (emphasis added) (internal citations omitted).

[3] The Court noted that the "neutral principles of law" language used by the Georgia court derived from *Presbyterian Church v. Hull Church, supra,* in which the Supreme Court had observed "there are neutral principles of law, developed for use in all property disputes, which can be applied without 'establishing' churches to which property is awarded." 443 U.S. at 449.

While affirming the Georgia court's conclusion that, under neutral principles of Georgia law, that the church property was not held in trust, the *Jones* Court remanded the case for the purpose of resolving an issue that the Georgia courts had not resolved – whether the local church (i.e. the owner of the church property) consisted of the majority that had voted to split or the minority that had chosen to stay. The Supreme Court made clear that if resolution of this issue required resort to "the laws and regulations" of the national church, "then the First Amendment requires that the Georgia courts give deference to the presbyterial commission's determination of that church's identity." *Id.* at 609.

These principles of church autonomy have been applied by the Court in a variety of contexts. In *Kedroff v. St. Nicholas Cathedral of Russian Orthodox Church in N. Am.*, the Court struck down a New York law that would have transferred control over a cathedral from one church authority to another. 344 U.S. at 119. The Court explained that there are certain "occasions when civil courts must draw lines between the responsibilities of church and state for the disposition or use of property." *Id.* at 121. However, "[e]ven in those cases when the property right follows as an incident from the decisions of the church custom or law on ecclesiastical issues, the church rule controls." *Id.* In *Gonzalez v. Roman Catholic Archbishop of Manila*, the Court held that civil courts cannot rule on an individual's qualifications to be appointed a Catholic chaplain. 280 U.S. 1, 16 (1929). In *Hosanna -Tabor Evangelical Lutheran Church & Sch. v. EEOC*, the Court barred an employment discrimination suit by a minister against a church, challenging her church's decision to fire her. 565 U.S. 171, 196 (2012). The Court reasoned that the First Amendment protects the "interest of religious groups in choosing who will preach their beliefs, teach their faith, and carry out their mission." *Id.*

In each case, the Court emphasized that matters of "theological controversy, church discipline, [and] ecclesiastical government" are "matter[s] over which the civil courts exercise no jurisdiction." *Id.* at 713-14 (quoting *Watson*, 80 U.S. (13 Wall.) at 733); *see McCarthy v. Fuller*, 714 F.3d 971, 976 (7th Cir. 2013) ("Religious questions are to be answered by religious bodies."). This rule derives both from the Establishment Clause, which forbids civil courts from becoming "entangled in essentially religious controversies," *Serbian E. Orthodox Diocese for U.S. of Am. & Canada v. Milvojevich*, 426 U.S. 696, 709 (1976), and from the Free Exercise Clause, which protects the rights of churches to make "internal church decision[s]." *Hosanna-Tabor*, 565 U.S. at 190. The Supreme Court's decisions reflect "a spirit of freedom for religious organizations, an independence from secular control or manipulation – in short, power to decide for themselves, free from state interference, matters of church government as well as those of faith and doctrine." *Kedroff*, 344 U.S. at 116.

Courts across the country have applied the church autonomy doctrine to bar a wide variety of civil lawsuits that would entangle courts in religious questions or interfere in matters of church governance. For example, the Supreme Court of Colorado barred Title VII and intentional tort claims under the free exercise clause since the claims required evaluation of an ecclesiastical matter. *Van Osdol v. Vogt*, 908 P.2d 1122, 1129 (Colo. 1996). The Supreme Court of Texas barred a professional negligence claim against a church as it impinged upon internal matters of church governance in violation of the First Amendment. *Westbrook v. Penley*, 132 S.W.3d 389, 393 (Tex. 2007). The Supreme Court of Hawaii barred a suit against a diocese under a state's anti-fraud statute for unfair practices in excommunicating a member, as resolution would require state analysis of controversies over church doctrine, law, or polity. *O'Connor v. Diocese of Honolulu*, 885 P.2d 361, 368 (Haw. 1994).

Consistent with nationwide practice, the Oklahoma Supreme Court has recognized that the Free Exercise Clause of the First Amendment protects the jurisdiction of an ecclesiastical tribunal and prohibits civil courts from inquiring into any phase of ecclesiastical decision-making, including its merits and procedure. *See Hadnot v. Shaw*, 1992 OK 21, ¶ 31, 826 P.2d 978; *see also Daniels v. Union Baptist Ass'n*, 2001 OK 63, ¶ 6, 55 P.3d 1012 (acts of church were exempt from judicial scrutiny because they occurred in an ecclesiastical setting); *see also Fowler v. Bailey*, 1992 OK 160, ¶¶ 7-9, 844 P.2d 141 (civil courts have no ecclesiastical jurisdiction and may not inquire into internal church procedures); *Guinn v. Church of Christ of Collinsville*, 1989 OK 8, ¶ 21, 775 P.2d 766 (The First Amendment shielded Church's discipline from scrutiny through secular judicature).

a. The Petition requires the Court to interpret and resolve matters under the Book of Discipline.

Additionally, Oklahoma courts will not review acts of religious organizations relating to internal ecclesiastical affairs for the sole purpose of ascertaining whether they are in accord with the policy, discipline, or usages of the organization. *Wolozyn v. Bergarek*, 1963 OK 35, ¶ 14, 378 P.2d 1007. In *Wolozyn*, the Court denied discovery of a church's corporation records including minutes, resolutions, and amended charter, explaining that the plaintiff's requests related to influencing or changing the fundamental procedures and concepts of the church. *Id.* At ¶ 13. The request involved "not only the basic dogma, doctrine and religious beliefs of the church, but also the religious services and procedures by which the church seeks to practice and instruct its members in these religious beliefs and doctrine." *Id.* This controversy was for the Church and not within the jurisdiction of the civil courts. *Id.*

Similarly, in *Fowler v. Bailey*, the Court ruled that Oklahoma courts lack jurisdiction over issues relating to internal ecclesiastical affairs and policy. 1992 OK 160, ¶ ¶ 9, 13, 844 P.2d 141.

In support of its ruling, the Court quoted the following language from *Nunn v. Black*, 506 F.Supp. 444 (W.D.Va.1981), aff'd. 661 F.2d 925 (4th Cir.1981), cert. denied, 454 U.S. 1146, 102 S.Ct. 1008, 71 L.Ed.2d 299 (1982):

> Finally, it is clear that the fact that the local church may have departed arbitrarily from its established expulsion procedures in removing the plaintiffs is of no constitutional consequence, whether one appeals the First, Fifth, or Fourteenth Amendments. *Serbian Eastern Orthodox Diocese v. Milivojevich*, 426 U.S. 696, 714, 96 S.Ct. 2372 [2382], 49 L.Ed.2d 151 (1976). It is the very nature of religious matters that ecclesiastical decisions are accepted as articles of faith, as opposed to the rational, objective mode of analysis and procedure used in secular decision-making. Therefore, in the present case, constitutional concepts of due process, involving secular notions of "fundamental fairness" or impermissible objectives, are therefore hardly relevant to such matters of ecclesiastical cognizance. 426 U.S. at 715, 96 S.Ct. at 2383. Thus, the plaintiffs' contentions that their due process rights were violated in that their contributions to the church were expropriated by the expulsion is of no merit. Similarly, the above conclusion is not varied by the fact that the Church of God of Prophecy has no structured decision-making process.

Fowler, at ¶ 9. *See also Burgess v. Rock Creek Baptist Church*, 734 F. Supp. 30, 31 (D. D.C. 1990) ("A consequence of this Nation's fundamental belief in the separation of church and state is that, under most circumstances, the First and Fourteenth Amendments preclude civil courts from adjudicating church fights that require extensive inquiry into matters of 'ecclesiastical cognizance'").

In *Ferreira v. Harris*, the United States District Court for the Northern District of Oklahoma explained that if a "dispute before the court cannot be resolved without 'extensive inquiry... into religious law and polity, the First and Fourteenth Amendments mandate that civil courts shall not disturb the decisions of the highest ecclesiastical tribunal within a church of hierarchical polity...." No. 06-CV-01563, 2006 WL 1720546, *2 (N.D. Okla. June 20, 2006) (quoting *Milivojevich*, 426 U.S. at 709.) The First Amendment provides courts a limited role in resolving internal church matters and prohibits courts from resolving church disputes based on religious doctrine and practice. *Id.*

The face of the Petition shows Church of the Servant seeks adjudication of the duties, obligations, rights, and responsibilities of all parties to this lawsuit as they relate to Defendants' actions taken as officers and employees of The United Methodist Church. It also shows that Church of the Servant seeks adjudication of whether the actions of the Conference Defendants comport with the *Discipline*, and Church of the Servant's rights thereunder. Any attempt to resolve this dispute cannot be completed without extensive inquiry into religious law and polity. There is no doubt that, if this case is not dismissed, this Court will be forced to continue to entangle itself in ecclesiastical affairs and policy.[4] And that entanglement would be in direct contravention of binding precedent from the United States Supreme Court and the Oklahoma Supreme Court.

As this issue relates solely to internal ecclesiastical affairs, this Court lacks jurisdiction to review and resolve the dispute under the First and Fourteenth Amendments.

b. <u>This is not a dispute over the protection of property.</u>

This is not a property dispute, despite how Church of the Servant may attempt to portray it. Rather, it involves an attempt to separate Church of the Servant from the United Methodist Church. In all of the cases relied upon by Church of the Servant, separation of the local church and the national church had already occurred. Here, that critical first step has not occurred. In

[4] Church of the Servant would have this Court attempt to construe ¶ 2553 in isolation. It would characterize construction of ¶ 2553 by this Court as only a very slight trespass of the territory of ecclesiastical law. But as the Judicial Council noted in Judicial Council Decision 1379, ¶ 25533 is part of the *Discipline* "and must be construed in relation to other pertinent disciplinary paragraphs." And as the Oklahoma Supreme Court stated in *First English Church of OKC v. Bloch, supra*: "The rule of action which should govern the civil courts in the adjudication of property rights involved in religious controversy is that whenever the question of church customs or law has been decided by the highest church judicatory to which the matter has been carried, legal tribunals must accept such decisions as final and binding upon them in their application to the case before them." 1945 OK 175 at Syllabus 3. In light of this, it would be improper to attempt to construe ¶ 2553 without viewing it in the context of the discretion afforded a district superintendent in convening a church council, ¶ 248, the authority and discretion of the Bishop in convening regular and special sessions of the annual conference, ¶ 603, and the roles of the annual conference and the CBOT in connection with the disaffiliation process.

fact, Church of the Servant is asking this Court to force that first, critical step – to sever the relationship between Church of the Servant and the United Methodist Church. But this Court plainly cannot do so based solely on neutral principles of law.

Had Church of the Servant disavowed its relationship to the United Methodist Church, without resorting to ¶ 2553 and the Discipline to accomplish the severance of its relationship, and had it then asserted ownership to the church property,[5] this might have been properly characterized as solely a property dispute, and it is highly likely that both parties would have sought the intervention of the civil courts in a pure real property dispute. But they did not. Instead, they chose to use a procedure crafted by the General Conference of the United Methodist Church to ameliorate the consequences of an ongoing fundamental theological and doctrinal disagreement over basic Christian doctrines and scriptural interpretations. Church of the Servant wants to leave the United Methodist Church because of that disagreement. However, as explained in detail above, civil courts lack the jurisdiction to resolve disputes over internal ecclesiastical affairs, or to interpret and apply internal church policies and procedures, and that includes disaffiliation under ¶ 2553.

Defendants vehemently maintain that this is a pure dispute over the ecclesiastical process, a process which has yet to be completed. However, since Church of the Servant has labeled its action as a property dispute, Defendants feel that it is necessary to address this issue. Contrary to Church of the Servant's assertions, this action does not involve the protection of a property right, such that this Court may entangle itself in the review and resolution of internal ecclesiastical policy

[5] Such an assertion would have required Church of the Servant to ignore ¶ 2501 of the *Discipline* quoted above (see footnote 1). This is in sharp contrast to, for example, *Jones v. Wolf, supra,* where the Georgia courts found nothing in the Presbyterian Church Book of Order suggesting that church property held in the name of a local church was held in trust for the national church. Here, the Court must start from the premise that the church property is held in trust by the local church.

and procedure. Church of the Servant is masquerading its claim as a property dispute in an attempt to utilize a very limited exception of the church autonomy doctrine. As we have briefly explained, and will explain further below, the Supreme Court has barred these veiled attempts to circumvent the church autonomy doctrine.

Church of the Servant cites the 1945 Oklahoma Supreme Court case of *First English Church of OKC v. Bloch*, 195 OK 175, 159 P.2d 1006 to support its legal conclusion that this Court has jurisdiction to inquire into the religious policies and procedures of the United Methodist Church and its *Book of Discipline*. *Bloch* is distinct from the case at bar for two reasons: First, *Bloch* involved the termination of membership of a Lutheran "congregational church as distinguished from a confederated church". Id. at ¶ 35. This distinction is important as courts across the nation, including Oklahoma courts, give deference to the "decisions of the highest ecclesiastical tribunal within a church of hierarchical polity" as opposed to congregational churches, where disputes are settled locally within the congregation. *Ferreira v. Harris*, No. 06-CV-01563, 2006 WL 1720546, *2 (N.D. Okla. June 20, 2006) (quoting *Milivojevich*, 426 U.S. at 709); *see also Guinn v. Church of Christ of Collinsville*, 1989 OK 8, ¶ 15, 775 P.2d 766 (quoting *Watson v. Jones*, 80 U.S. [13 Wall] at 727) (decisions of highest judicatories in hierarchical churches will be accepted as final by civil courts).

A further distinction is that in *Bloch*, the local church simply terminated its membership in the State Synod without seeking to take advantage of the internal procedures and policies of the State Synod to accomplish the termination of its relationship. In fact, after the local church voted to withdraw, the State Synod refused to consent to the withdrawal, arguing that the local church failed to follow the proper procedure of the State Synod. *Bloch*, 195 OK at ¶ ¶ 3 -5. Subsequently, officers of the local church "took possession of the church property and records . . . to the exclusion

of the officers and pastors recognized by the Kansas Synod." *Id.* at ¶ 5. The State Synod then sought injunctive relief in Federal Court and the local church was enjoined from possessing and managing the church property. *Id.* *Bloch* is clearly a dispute that involves the protection of property as opposed to the underlying facts of this case which involve a dispute over the ecclesiastical process of disaffiliation.

Defendants are aware of the opinion of the Court of Civil Appeals in *The Church of the Living God, the Pillar and Ground of the Truth of Muscogee, Oklahoma v The Church of the Living God, the Pillar and Ground of the Truth of Chickasha, Oklahoma*, Case No. 112,548 (June 19, 2015), a copy of which is attached. While Not For Official Publication, Defendants feel compelled to address that opinion given the involvement as a lawyer in the case of the Judge presiding in this case, and the reference by this Court to that case during the hearing in another case.

In *Church of the Living God*, the trial court determined that the local church never agreed to be bound by the constitution of the national church, and that finding of fact was upheld on appeal. Because it was not bound by national church's constitution, the local church was not required to comply with that constitution in order to sever its ties with the national church. Moreover, the local church was not bound by the provision in the constitution of the national church that provided that all property held in the name of the local church was held in trust for the national church.

In contrast, in this case, it is clear that Church of the Servant agreed to be bound by the *Discipline* of the United Methodist Church. Among other things, it declared itself to be part of the United Methodist Church in its corporate filings, accepted clergy appointed by the Bishop for over 50 years (the first of whom was sent by the Annual Conference to "plant" the church), paid apportionments, sent delegates to annual conferences and general conferences, and conducted

business in accordance with the *Discipline*. Of paramount importance, however, is the fact that, unlike the local churches in *Jones v. Wolf, Church of the Living God*, and numerous other cases, Church of the Servant has sought to sever its ties with the United Methodist Church ***utilizing the procedures set forth in the Discipline***, rather than simply declaring its independence and then filing suit to assert its alleged property interests. The clear implication in the *Church of the Living God* opinion is that, had the national church proved that the local church had agreed to be bound by the constitution of the national church, the determination of whether the local church had followed the proper steps to sever its ties with the national church would have been a matter for the national church to decide in accordance with its own constitution and the internal juridical mechanisms. *See, Church of the Living God*, Opinion ¶ 4, quoting *Rashedi v. General Bd. Of Church of Nazarene, 203 Ariz. 320, 54 P.3d 349, 353 (2002)*. Likewise, it is clear from the opinion had the local church agreed to be bound by the constitution of the national church, it would have been bound by the provision in the constitution that provided that the local church property was held in trust for the national church, irrespective of whether such trust was expressly stated in the deed to such property. *Church of the Living God*, Opinion ¶ 5, citing *Presbytery of Cimarron v. Westminster Presbyterian Church, supra.*

Where a civil court is presented with an issue that is a question of religious law or doctrine masquerading as a dispute over church property or corporate control, it must defer to the decisions of the proper church judicatories in so far as it concerns religious or doctrinal issues. *See Milivojevich*, 426 U.S. at 709 (finding that the controversy before the Court "essentially involved not a church property dispute, but a religious dispute the resolution of which . . . is for ecclesiastical and not civil tribunals."). "First Amendment values are plainly jeopardized when church property litigation is made to turn on the resolution by civil courts of controversies over religious doctrine

and practice." *Gelder v. Loomis*, 1980 OK 10, ¶ 14 (quoting *Presbyterian Church v. Hull Church*, 393 U.S. 440, 89 (1969)). "If civil courts undertake to resolve such controversies in order to adjudicate the property dispute, the hazards are ever present of inhibiting the free development of religious doctrine and of implicating secular interests in matters of purely ecclesiastical concern." *Id.*

c. Defendants have not willfully attempted to deprive Church of the Servant of property.

The Oklahoma Supreme Court has ruled that it will only review challenged decisions of a church body that were "not based upon religious philosophy or doctrine, but was the product of a willful attempt to deprive one of valid property rights." *Oklahoma Dist. Council v. New Hope Assembly of God Church of Norman, Inc.*, 1976 OK 46, ¶ 11. In this case, Church of the Servant is asserting a claim to property it simply does not own. Under ¶ 2501 of the *Discipline*, that property is only held in trust for the Annual Conference and the United Methodist Church. To be sure: Church of the Servant is trying to acquire ownership of the property free of trust a feat neither the Church of the Servant nor this Court can accomplish by employing only neutral principles of law.

B. Church of the Servant Failed to Utilize the Judicial Process of the United Methodist Church

The Judicial Council is the highest judicial body of the United Methodist Church. ¶ 2601 Among other things, the Judicial Council has the authority to "determine the constitutionality of any act of the General Conference" or "of any act of a jurisdictional or central conference," and to "hear and determine the legality of any action taken therein by any General Conference board or jurisdictional or central conference board or body..." ¶ 56(1) and (4). "All decisions of the Judicial Council shall be final." ¶ 57.

Chapter Seven of the *Discipline* deals with the "Judicial Administration" of the United Methodist Church. The jurisdiction of the Judicial Council includes appellate review of the decisions of Bishops under ¶ 2609(6):

> The Judicial Council shall pass upon and affirm, modify, or reverse the decisions of law made by bishops in central, district, annual, or jurisdictional conferences upon questions of law submitted to them in writing in the regular business of a session; and in order to facilitate such review, each bishop shall report annually in writing to the Judicial Council on forms provided by the council all the bishop's decisions of law.

District Superintendents are the local arbiters of disputes arising out of Church law or the *Discipline* per ¶ 419. Their decisions are reviewable by the Bishop. ¶ 419.10 ("The district superintendent shall interpret and decide all questions of Church law and discipline raised by the churches in the district, subject to review by the resident bishop of the annual conference.")

If, as Church of the Servant attempts to assert, the District Superintendent, Conference Board of Trustees, or the Bishop have acted improperly, the Discipline specifies the procedure to be followed to assert a complaint against them. ¶ 361.2, ¶ 362, and ¶ 2702.1. A pictorial summary of the judicial process, with references to the provisions of the *Discipline*, is attached. And if the complaint is that the Bishop is failing to follow the *Discipline* or is otherwise acting improperly, the *Discipline* provides a procedure for resolving such a complaint. ¶ 413, ¶ 2702.1, and ¶ 2704.1

These procedures set forth the path that Church of the Servant, as a body of the United Methodist Church, is required to follow if it believes the District Superintendent, the Conference Board of Trustees, and/or the Bishop have wronged them. They have not done so. This Court lacks subject matter jurisdiction to supplant those procedures.

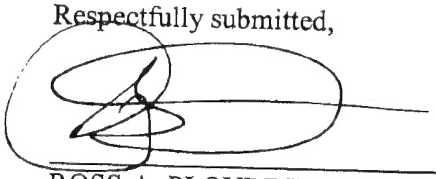
CONCLUSION

Each of the claims asserted in this case centers around Church of the Servant's disaffiliation from the United Methodist Church and a dispute as to the disaffiliation process under ¶ 2553 of

the Book of Discipline, not a dispute over ownership of property after Church of the Servant has already left the denomination. The First and Fourteenth Amendments of the Constitution prohibit civil courts from encroaching into these ecclesiastical matters. This jurisdictional barrier recognizes the power religious organizations have to decide matters of church government, faith, and doctrine without state interference. It is impossible to decide this case without making an extensive inquiry into matters of theology, usage and custom, church law, and governance. Accordingly, the Court lacks subject matter jurisdiction over this case.

For all the reasons stated above, the Conference Defendants respectfully requests the Court dismiss Church of the Servant's Petition, in its entirety, with prejudice.

Respectfully submitted,



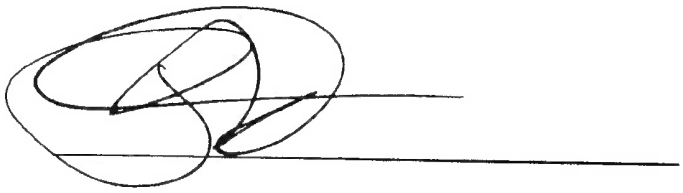
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CERTIFICATE OF SERVICE

This is to certify that on this 13th day of July 2023, a true and correct copy of the foregoing was mailed, postage prepaid, to:

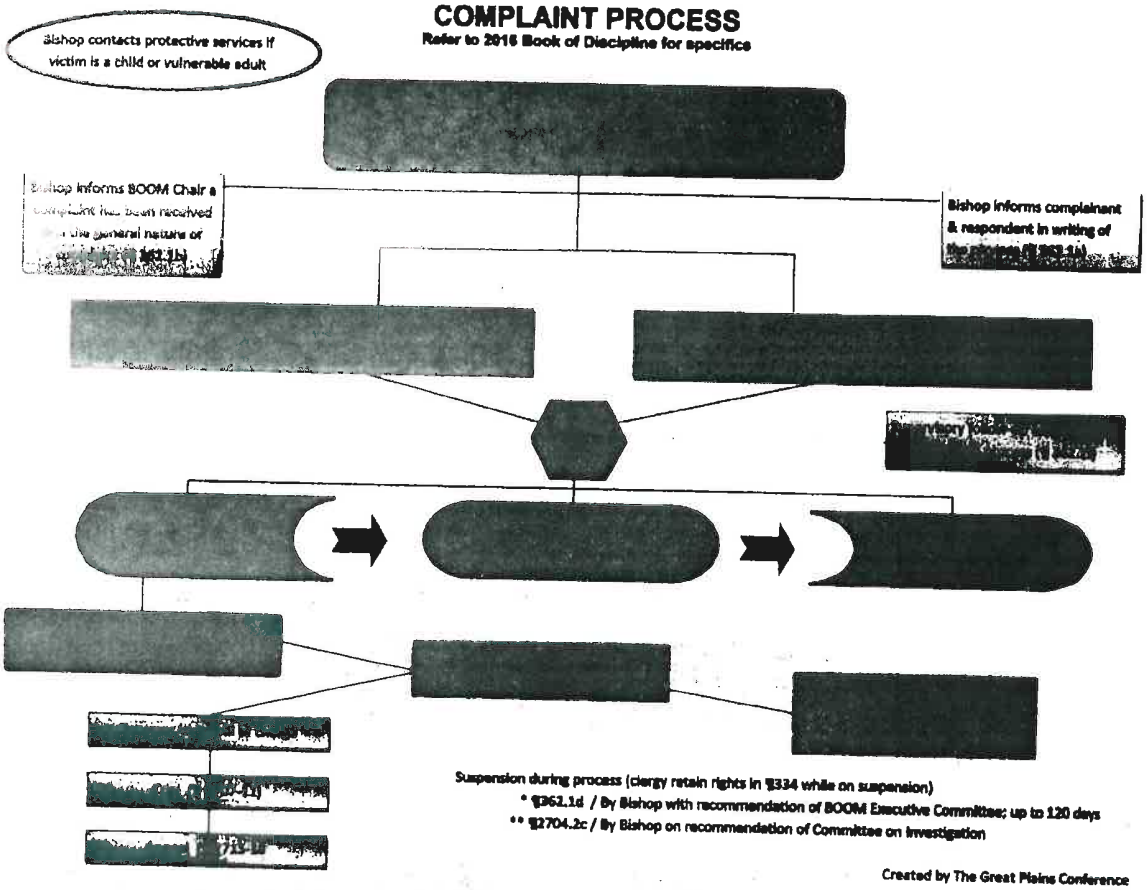
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COMPLAINT PROCESS

Refer to 2016 Book of Discipline for specifics



Suspension during process (clergy retain rights in ¶334 while on suspension)

* ¶362.1d / By Bishop with recommendation of BOOM Executive Committee; up to 120 days

** ¶2704.2c / By Bishop on recommendation of Committee on Investigation

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CERTIFIED COPY
AS FILED OF RECORD
IN DISTRICT COURT
FEB 26 2024
RICK WARREN COURT CLERK
Oklahoma County

Exhibit B

STATE OF NORTH CAROLINA

IREDELL COUNTY

IN THE GENERAL COURT OF JUSTICE
SUPERIOR COURT DIVISION
22-CVS-2775

2023 JAN 23 P 12:59

IREDELL CO., C.S.C.

BY

MOUNT CARMEL UNITED METHODIST CHURCH; BETHEL UNITED METHODIST CHURCH OF NEW LONDON; BETHESDA UNITED METHODIST CHURCH; CHESTNUT GROVE UNITED METHODIST CHURCH; CONCORD UNITED METHODIST CHURCH IN CATAWBA; GOOD SHEPHERD CHARLOTTE UNITED METHODIST CHURCH; LIBERTY & ROCKWELL UNITED METHODIST CHURCH; MINNEAPOLIS UNITED METHODIST CHURCH; MOUNTAIN VIEW UNITED METHODIST CHURCH; NEW HOPE UNITED METHODIST CHURCH; PALESTINE UNITED METHODIST CHURCH; PISGAH UNITED METHODIST CHURCH; ROCKWELL UNITED METHODIST CHURCH; WEDDINGTON UNITED METHODIST CHURCH; WESLEY CHAPEL UNITED METHODIST CHURCH; CROSSROADS UNITED METHODIST CHURCH; WEST BEND UNITED METHODIST CHURCH; BOILING SPRINGS UNITED METHODIST CHURCH; VANDERBURG UNITED METHODIST CHURCH; GRAY'S CHAPEL UNITED METHODIST CHURCH; CENTRAL UNITED METHODIST CHURCH; MILL GROVE UNITED METHODIST CHURCH; PROVIDENCE UNITED METHODIST CHURCH; MITCHELL'S GROVE UNITED METHODIST CHURCH; MT. MITCHELL UNITED METHODIST CHURCH; GOLD HILL UNITED METHODIST CHURCH; KISTLER'S CHAPEL UNITED METHODIST CHURCH; FAIRFIELD UNITED METHODIST CHURCH; CHRIST

MOTIONS TO DISMISS UNDER RULE 12
AND
MOTION TO DISMISS OR TRANSFER
FOR IMPROPER VENUE

UNITED METHODIST CHURCH; LEBANON UNITED METHODIST CHURCH; SHADY GROVE UNITED METHODIST CHURCH; ARNEYS FAIRVIEW UNITED METHODIST CHURCH; LIBERTY UNITED METHODIST CHURCH; EBENEZER UNITED METHODIST CHURCH - MOUNT ULLA; DELTA UNITED METHODIST CHURCH; ST. ANDREWS UNITED METHODIST CHURCH; GROOMETOWN UNITED METHODIST CHURCH; VICKREY UNITED METHODIST CHURCH; BETHESDA UNITED METHODIST CHURCH; and CENTRAL FALLS UNITED METHODIST CHURCH; individually and derivatively on behalf of WESTERN NORTH CAROLINA CONFERENCE OF THE UNITED METHODIST CHURCH,

Plaintiffs,

v.

THE WESTERN NORTH CAROLINA CONFERENCE OF THE UNITED METHODIST CHURCH;

Defendant and Nominal Defendant

and

THE BOARD OF TRUSTEES OF THE WESTERN NORTH CAROLINA CONFERENCE OF THE UNITED METHODIST CHURCH, and KENNETH CARTER, in his capacity as Bishop of the Western North Carolina Conference of the United Methodist Church,

Defendants.

COME NOW the Defendants, the Western North Carolina Conference of the United Methodist Church, The Board of Trustees of the Western North Carolina Conference of the United Methodist Church, and Kenneth Carter, in his capacity as Bishop of the Western North Carolina Conference of the United Methodist Church (collectively, the "Defendants"), through counsel, and hereby move to dismiss the Complaint pursuant to Rule 12 and to Dismiss or Transfer this case for improper venue as more specifically set forth below:

First Motion to Dismiss Pursuant to Rule 12(b)(1)

Defendants, pursuant to Rule 12(b)(1) of the North Carolina Rules of Civil Procedure, move the Court for an Order dismissing Plaintiffs' Complaint for lack of subject matter jurisdiction on two grounds: first, the claims are barred by the First Amendment to the United States Constitution and Article 1, Section 13 of the North Carolina Constitution; and second, the Plaintiffs lack standing to bring some, if not all, claims against Defendants. Attached to this Motion are the Affidavits of Bishop Kenneth H. Carter, Jr., Rev. Amy L. Coles, and Rev. Dr. R. Mark King, which Defendants submit in support of their motion under Rule 12(b)(1).[1]

First Amendment Grounds for Rule 12(b)(1) Motion to Dismiss

As shown by the Verified Complaint and the attached Affidavits, the plaintiff local churches are affirmatively asking a governmental court to intervene in their religious disputes and differences within their own denomination. The complaint attempts to state claims which civil courts cannot decide without violating the First Amendment to The United States Constitution and corollary provisions of the North Carolina Constitution.

[1] A motion to dismiss under Rule 12 (b)(1) tests subject-matter jurisdiction, which is the Court's "statutory or constitutional power to adjudicate a case." *Steel Co v. Citizens for a Better Env't*, 523 U.S. 83, 89 (1998)(citations omitted). For the Rule 12 (b)(1) motion, the Court may consider matters outside the pleadings. *Harris v. Matthews*, 361 N.C. 265, 271, 643 S.E.2d 566, 570 (2007); *Tubiolo v. Abundant Life Church, Inc.*, 167 N.C. App. 324, 327, 605 S.E.2d 161, 163 (2004)).

The Establishment Clause and the Free Exercise Clause of the First Amendment prohibit any "law respecting an establishment of religion, or prohibiting the free exercise thereof." *U.S. Const. amend. I.* "As applied to the states through the Fourteenth Amendment, the First Amendment also restricts action by state governments and the servants, agents and agencies, of state governments." *Hill v. Cox*, 108 N.C. App. 454, 461, 424 S.E.2d 201, 206 (1993) (citation and quotation marks omitted). As such, the civil courts of North Carolina are prohibited "from becoming entangled in ecclesiastical matters" and have no jurisdiction over disputes which require an examination of religious doctrine and practice in order to resolve the matters at issue. *Johnson v. Antioch United Holy Church, Inc.*, 214 N.C. App. 507, 510, 714 S.E.2d 806, 810 (2011); *see W. Conference of Original Free Will Baptists of N.C. v. Creech*, 256 N.C. 128, 140, 123 S.E.2d 619, 627 (1962).

"An ecclesiastical matter is one which concerns doctrine, creed, or form of worship of the church, or the adoption and enforcement within a religious association of needful laws and regulations for the government of membership, and the power of excluding from such associations those deemed unworthy of membership by the legally constituted authorities of the church; and all such matters are within the province of church courts and their decisions will be respected by civil tribunals." *E. Conference of Original Free Will Baptists of N.C. v. Piner*, 267 N.C. 74, 77, 147 S.E.2d 581, 583 (1966) (citation and quotation marks omitted), overruled in part on other grounds by Atkins v. Walker, 284 N.C. 306, 200 S.E.2d 641 (1973). The North Carolina Court of Appeals has held that "[t]he prohibition on judicial cognizance of ecclesiastical disputes is founded upon both establishment and free exercise clause concerns" because (1) by hearing religious disputes, a civil court could influence associational conduct, "thereby chilling the free exercise of religious beliefs"; and (2) "by entering into a religious

controversy and putting the enforcement power of the state behind a particular religious faction, a civil court risks 'establishing' a religion." *Emory v. Jackson Chapel First Missionary Baptist Church*, 165 N.C. App. 489, 492, 598 S.E.2d 667, 670 (2004) (citation omitted). *See*, *Doe v. Diocese of Raleigh*, 242 N.C. App. 42, 47-48, 776 S.E.2d 29, 34-35 (2015), *see also*, *Our Lady of Guadalupe Sch. V. Morrissey-Berru*, 140 S. Ct. 2049, 2060 (2020) (The Supreme Court prohibited state interference into matters of faith and doctrine and interference with "matters of church government" under the ecclesiastical abstention doctrine) and *Presbyterian Church in U.S. v. Hull Memorial Presbyterian Church*, 393 U.S. 440, 449 (1969) (where the Court prohibited litigation of "departure-from doctrine" claims by churches as a means of attacking the denominational trust interest in church property ecclesiastical abstention doctrine).

Proceeding through discovery and to a final determination on the merits of this case would:

1. Deprive The United Methodist Church and its members and constituent bodies of their right to interpret and determine their own theology, religious laws, doctrines, and practices;

2. Involve this civil court in the interpretation and adjudication of the biblical interpretations, theology, doctrines, usages and practices of The United Methodist Church and make rulings on the parties' compliance or divergence from such biblical interpretations, theology, doctrines, usages and practices;

3. Involve this civil court to intrude into, examine, and rule on the defined spiritual, theological, administrative, and doctrinal roles of the polity and governance of The United Methodist Church, including the roles, duties and authority of the bishops, local churches, legislative bodies (and their respective voting delegates), and judicial bodies of The United Methodist Church;

4. Require the court to determine the membership qualifications and status of local

churches and their individual members as professing Christian believers in The United Methodist denomination;

5. Supplant the roles of the various legislative bodies in The United Methodist Church and the legislation and regulations adopted by such bodies as to the matters contained in the Plaintiffs' complaint; and,

6. Overrule the final and binding decision of the highest ecclesiastical court of The United Methodist Church as to the core matters contained in the Plaintiffs' complaint.

Accordingly, all Plaintiffs' claims should be dismissed.

Lack of Standing Grounds for Rule 12(b)(1) Motion to Dismiss

Plaintiffs appear to be asserting that some or all of their claims are brought derivatively on behalf of the Western North Carolina Conference of The United Methodist Church ("WNCC"), but they do not have standing to do so because the WNCC is not an incorporated entity with "members" and, even if it were, the Plaintiffs are not in a position which is analogous to "members" of the WNCC itself. Annual Conference membership is defined in The Constitution of the United Methodist Church and *The Book of Discipline of The United Methodist Church* (2016 Ed., as amended) (the "Discipline"). Accordingly, they have no right to maintain any derivative action(s) on behalf of the WNCC, even if such a claim existed. The Plaintiffs' Second Claim for Relief, Third Claim for Relief, Fourth Claim for Relief, Fifth Claim for Relief, Sixth Claim for Relief and Seventh Claim for Relief should be dismissed. To the extent the Plaintiffs contend otherwise, resolving that difference is itself a determination prohibited by the ecclesiastical abstention doctrine.

In addition, the "pension plan" noted in the Plaintiffs' Fourth and Fifth Claims for Relief is a "church plan" under the Internal Revenue Code and exempt from the provisions of Title 1 of

the Employee Retirement Security Income Act of 1974 ("ERISA"). The Plaintiffs are not the beneficiaries of the pension plan, nor are they plan sponsors with any contractual privity with the plan trustees or administrator. Accordingly, they have no standing to make pension-based claims and those causes of action should be dismissed.

In addition, the Plaintiffs' complaint incorrectly states that certain of the plaintiffs are incorporated as non-profit corporations in North Carolina when they have not been so incorporated, as such, the alleged plaintiff entities either do not exist or are not the real parties in interest to the claims.

Motion to Dismiss for Improper Venue or to Transfer

This case should be dismissed without prejudice for lack of proper venue under N.C. Gen. Stat. § 1-76. The first, second, and third claims for relief in the Complaint seek determinations directly affecting the interests in real property claimed by the Plaintiffs and Defendants, or some of them. The Complaint does not affirmatively allege the location of the real property at issue but does allege that as at least thirty-five (35) of the Plaintiffs are residents outside of Iredell County, North Carolina (collectively, "Non-Iredell County Plaintiffs"). In fact almost all of the real property at issue is not located within Iredell County. As such, the Complaint should be dismissed without prejudice to the ability of each plaintiff to refile their claims in the appropriate venue. Although transfer is contemplated by the statute, because the Complaint does not disclose the location of all the real estate at issue, transfer is impossible based on the information in the complaint and would be overly cumbersome as well.

Motion to Dismiss Pursuant to Rule 12(b)(6)

The Complaint should be dismissed pursuant to Rule 12(b)(6) for failure to state any claims upon which relief may be granted. Specifically, the First and Second Claims for Relief

fails to adequately allege the necessary elements of the respective parties claims to title to the real estate at issue including the basis for claiming and interest or specifically identifying the property at issue. The Second Claim for relief additionally fails to allege the terms and components of the underlying claimed trusts applicable to each property. The Third Claim for Relief asserts the incorrect statute and relief cannot be given under any other statute. The Fourth Claim for relief fails to allege the existence of a fiduciary relationship, fails to allege the basis for any derivative standing, and fails to plead fraud with sufficient particularity as required by Rule 9(b). The Fifth Claim for relief likewise fails to allege the elements of a breach of fiduciary duty or standing to assert the claim. The Sixth and Seventh Claims for relief are barred to the extent the Complaint claims express agreements exist concerning these issues. The Plaintiffs do not plead any monetary damages in any claims. The Plaintiffs also make allegations upon information and belief yet have only attached a verification from one Plaintiff.

Motion to Dismiss Pursuant to Rule 12(b)(7)

The Defendants pursuant to Rule 12(b)(7) move the Court for an Order dismissing this matter for failure to join one or more necessary parties, specifically: The Board of Pension and Health Benefits, Inc., Western North Carolina Conference, The United Methodist Church; Wespath Benefits and Investments; and, the General Board of Pension and Health Benefits of The United Methodist Church, Inc.

Motion for Payment of Attorneys Fees

Some or all the claims in the Plaintiffs' complaint are nonjusticiable, and as to the such claims, the Defendants move that Plaintiffs be ordered to pay their reasonable attorneys fees as to any such claims.

WHEREFORE, Defendants respectfully move the Court to:

1. Dismiss the Plaintiffs' complaint without prejudice pursuant to Rule 12(b)(1) of the North Carolina Rules of Civil Procedure;

2. Dismiss the Plaintiffs' complaint without prejudice pursuant to N.C. Gen. Stat. § 1-76 as the venue selected by Plaintiffs is improper;

3. Dismiss the Plaintiffs' complaint with prejudice pursuant to Rule 12(b)(6) of the North Carolina Rules of Civil Procedure;

4. Dismiss the Plaintiffs' complaint pursuant to Rule 12(b)(7) for failure to join necessary and proper parties;

5. Tax all costs of this action to the Plaintiffs; and,

6. Order the Plaintiffs to pay the attorneys' fees of Defendants per N.C.G.S. § 6-21.5;

This 20th day of January, 2023.

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of **MOTIONS TO DISMISS AND MOTION TO DISMISS OR TRANSFER** has been served on all parties to this action by email pursuant to stipulation under Rule 5(b)(1)(A) to the following attorneys of record:

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REBECCA D. GRAY
BY

FILED

STATE OF NORTH CAROLINA

IREDELL COUNTY

2023 MAR 16 P 2:22

IREDELL COUNTY, C.S.C.

BY

IN THE GENERAL COURT OF JUSTICE
SUPERIOR COURT DIVISION
22-CVS-2775

MOUNT CARMEL UNITED METHODIST CHURCH; et al,

Plaintiffs,

v.

THE WESTERN NORTH CAROLINA CONFERENCE OF THE UNITED METHODIST CHURCH; et al,

Defendants.

MEMORANDUM OF LAW IN SUPPORT OF MOTION TO TO DISMISS FOR IMPROPER VENUE TO DISMISS PURSUANT TO RULE 12(b)(6) FOR FAILURE TO STATE A CLAIM

Defendants, the Western North Carolina Conference of the United Methodist Church (the "Conference"), The Board of Trustees of the Western North Carolina Conference of the United Methodist Church (the "Board"), and Kenneth Carter, in his capacity as Bishop of the Western North Carolina Conference of the United Methodist Church (the "Bishop" and all, "Defendants"), submit this Memorandum of Law in support of their Motion to Dismiss the Plaintiffs lawsuit for improper venue and pursuant to Rule 12(b)(6) for failure to state a claim.

INTRODUCTION

The Plaintiffs' lawsuit results from an intra-denominational dispute over the theology, doctrine, and practice of The United Methodist Church (sometimes, the "UMC") though the Complaint goes to great lengths to avoid the details of that dispute. The essence of Plaintiffs'[1] complaint is that the Christian theology, doctrines, and practices of The United Methodist Church have changed – or that the Defendants have departed from that theology, doctrine, and

[1] Plaintiffs are 37 separate local churches of the United Methodist Church in western North Carolina and this brief will not separately define them for brevity.

practice – in ways with which the Plaintiffs and their members disagree. The Plaintiffs and their members now want out of the UMC and disagree with the method of departure which the UMC has created for them because it involves payment of money in exchange for consenting to the Plaintiffs departure as in-tact bodies with their remaining assets in tow. Plaintiffs would like to leave and take their assets with them without a payment.

FACTS

For purposes of this memorandum, the facts are based on the Verified Complaint.[2]

The United Methodist Church is a global Christian denomination that is both hierarchical and connectional (Compl. ¶¶46-47). The Plaintiffs are all alleged to be North Carolina Non-Profit Corporations with principal locations within North Carolina, in various communities around the western part of the State. (Compl.¶ 4- 41; 59).

The Conference is an unincorporated association in western North Carolina and the Annual Conference within which all the Plaintiff Churches are affiliated with the UMC. (Compl. ¶¶ 47-49).

The Complaint alleges this is a property dispute between the Plaintiffs and the Defendants (and by extension, the UMC). (Compl. ¶55). While two Plaintiffs are alleged to be Iredell County residents, only one parcel of the Plaintiffs property is alleged to be in Iredell County. (Compl. ¶57; 96).

The UMC is governed by both its ecclesiastical Constitution and its internal legislation and laws, all of which are contained in *The Book of Discipline of The United Methodist Church* known within the denomination (and in this Memorandum) as "The Discipline". (Compl. ¶ 67).

The Plaintiffs allege broadly that they own real property which they purchased and

[2] To avoid confusion in the record, Defendants are submitting a separate Memorandum of Law in support of their Motions to Dismiss under Rules 12(b)(1).

maintained either with their own funds or by donation to them from their congregants or benefactors. (Compl. ¶ 3, 45, 55, 60-62, 66).

Without identifying the underlying issue, the Plaintiffs allege that something has recently changed in the UMC and with Defendants, and the Plaintiffs now want to move elsewhere (Compl.¶67). The Complaint alleges that the Plaintiffs property is held in Trust for the Defendants and the UMC. (Compl. ¶¶1, 3, 57-58, 73, 86, 88, 92-93, 98-102, 107-114, 116-124, prayer for relief). The Plaintiffs contend that there had formerly been pathways for congregations to leave the UMC and take their assets with them without any payment to the UMC, but that, in connection with the underlying changes in the doctrine and practice of the UMC which created deep conflict within the UMC on matters of conscience the UMC amended the Discipline to add a provision – paragraph 2553 – to permit congregations to disaffiliate, taking their assets with them in exchange for a one-time payment. (Compl. ¶77). The one-time payment for each of the Plaintiffs is, apparently, more than they want to pay. (Compl. ¶¶ 68, 78-79, 91). Their objection is based in part on past payments the Plaintiffs made to the Conference Defendant. The Complaint alleges that some components of the total one-time payment they are expected to pay is based on obligations to the retirement pension funds affiliated with the UMC and the Defendants, but that this component of the payment is overstated either because the Defendants, or some of them, have mismanaged the pension funds, or other funds within their control, or because the Defendants or some of them are misstating the current situation in some material respects. (Compl., generally).

The Plaintiffs generally assert that their real estate has been placed in a trust or trusts for the benefit of the UMC and the Defendants, and that some or all of the Defendants have some authority to bind the beneficiaries to that trust or trusts (or be bound on their behalf in

litigation). The Complaint does not allege the provisions of the trust(s), except to the extent it alleges the trust language in the Discipline, but acknowledges trust language may be elsewhere, such as Deeds to property (Compl. ¶102(d)).

Based on the changes to UMC doctrine and policy, both the unspecified underlying changes that are compelling these congregations to seek to depart the UMC and the policy changes concerning the alleged methods of departure and calculation of payments owed, the Plaintiffs contend these trust(s) should be revoked or modified in some manner that would permit these congregations to depart the UMC and take their property with them without paying the UMC and the Defendants what they expect to receive.

Based on these allegations, the Plaintiff Vanderburg UMC asserts a claim for Quiet Title. All the Plaintiffs assert a claim against all Defendants for declaratory relief and one for judicial modification of a trust, both of which seek a determination that they are not bound by **any** trust language which would prevent the disposition of their property without the consent of the Defendants. All the Plaintiffs assert claims which purport to be direct or derivative, alternatively, against the Board and Bishop for Constructive Fraud and Breach of Fiduciary Duty and assert that the Board and the Bishop have mismanaged the assets of the Conference, or of conference pension funds, in unspecified ways that harmed the Plaintiffs in unspecified ways and benefited those defendants. A general allegation that material, false statements were made by the Bishop and the Board is made without any specificity as to those allegations. Notably, no time frame is asserted in which these alleged misdeeds occurred. The Plaintiffs assert claims for Unjust Enrichment and Quantum Meruit asserting that, if their other claims are not granted, and they choose not to pay the one-time fee, but instead the individual members of the congregations leave and form new congregations with new church

entities, leaving behind the assets of these Plaintiffs, these Plaintiffs will somehow be harmed. The prayer relief does not seek a money judgment, only judicial rulings which will terminate or alter the terms of the alleged trust(s).

ARGUMENT

Because this is alleged to be a property dispute between the Plaintiffs and the Defendants, venue for the action should be in the county in which the real property is located for each such property. Rather than affirmatively allege the location of the property owned by each Plaintiff, only the location of one parcel of land is alleged, as such the Complaint should be dismissed without prejudice to permit the Plaintiffs to refile in the proper county as to each property at issue. This lack of specificity likewise dooms the allegations on the specific claims for relief.

The claim for Quiet Title fails because it does not sufficiently identify the land at issue or the Plaintiff's *prima facie* claim to titled ownership. Likewise, the claims for declaratory judgment or reformation of a trust do not identify the land at issue specifically enough to grant relief or for the Defendants to respond. There is no prayer for relief for money damages, but there are claims set out for Constructive Fraud, Breach of Fiduciary Duty, Unjust Enrichment and Quantum Meruit. To the extent the Plaintiffs have standing to sue for the claims for Constructive Fraud or Breach of Fiduciary Duty, they fail to allege the elements of the fiduciary relationship or any alleged fraudulent statement with sufficient particularity to survive. An express agreement -the discipline - bars the claims for Unjust Enrichment and Quantum Meruit and is speculative as to future harm in any event.

Standard of Review

In considering a Rule 12(b)(6) motion to dismiss for failure to state a claim, a complaint is properly dismissed "(1) when the complaint on its face reveals that no law supports

the plaintiff's claim; (2) when the complaint reveals on its face the absence of facts sufficient to make a claim; or (3) when some fact disclosed in the complaint necessarily defeats the plaintiff's claim." *United Daughters of the Confederacy v. City of Winston-Salem*, 881 S.E.2d 32, 43-44 (N.C. 2022) (citations and quotations omitted). Likewise, a motion to dismiss or transfer as of right under N.C. Gen. Stat.§1-76 is based on the allegations of the Complaint. *McCrary Stone Serv., Inc. v. Lyalls*, 77 N.C. App. 796, 799, 336 S.E.2d 103, 105 (1985).

The Complaint should be dismissed because the claims affect the Defendants' interest in land in other counties.

"Actions for the following causes must be tried in the county in which the subject of the action, or some part thereof, is situated, ...: (1) Recovery of real property, or of an estate or interest therein, or for ***the determination in any form of such right or interest....***" *N.C. Gen. Stat.* § 1-76 (emphasis added). The Plaintiffs admit that this is a local case: "This matter is a property dispute between the Plaintiff Churches, the UMC, and Defendants" (Compl. ¶55). Myriad other paragraphs focus on the real estate and the trust provisions applicable to the real estate. To the extent the court can reach those issues, then these are local actions which must be tried in the County in which the land at issue resides. Tellingly, the only substantive relief Plaintiffs seek is related to the whether, to what extent, and on what terms their property is held in trust or becomes free of the Defendants right to withhold consent to a future transfer of that property. (Compl., Claim for Relief ¶¶1,2).

This situation is most closely analogous to *Snow v. Yates*, 99 N.C. App. 317, 321, 392 S.E.2d 767, 769 (1990) where the Court of Appeals found an action to declare a landlord's interest under a lease to be terminated was a local action and upheld the grant of a motion to transfer. *Id.* There, as here, it did not matter that a judgment was *in personam*, because

granting the relief the Plaintiffs sought would extinguish the lessor's interest under the lease, the thereby affect title to land. *Id.* "When a party brings an action that seeks to terminate a vested estate or interest in real property and will require the Court to determine the respective rights of the parties with respect to the [] interest, the action falls within the purview of N.C.G.S. § 1-76."*Snow*, 99 N.C. App. 317, 320-21, 392 S.E.2d 767, 769 (1990). Notably, terminating the lessor's leasehold interest would not affect the lessor's status as fee owner of record for the property, but the action was still local. *Id.*

Here the difference is the Defendants' interest is as beneficiary of the trust(s) contained in the Discipline and otherwise, rather than as lessor under a lease. The Complaint clearly seeks a ruling altering or extinguishing that interest or those interests. Our courts have long held that beneficiaries of property granted in trust to a trustee have a vested interest in that real estate. See, *Jackson v. Langley*, 234 N.C. 243, 246, 66 S.E.2d 899, 900-01 (1951)("The fact that the legal title and control of the property are given to another in trust does not prevent the beneficiary from having a vested interest, as there may be vested equitable, as well as vested legal, interests."); *Blades v. Spitzer*, 252 N.C. 207, 211, 113 S.E.2d 315, 319 (1960) (life beneficiary of a trust estate has a vested equitable estate therein so as to entitle her to institute proceedings for the sale of lands of the estate for reinvestment). Curiously, the Complaint avoids any discussion of trust provisions in any documents other than the Discipline – such as the Deeds to the Plaintiffs -- which could also encumber or otherwise create an interest in their property, but the prayer for relief mentions "any" trust, not just the Trust language of the Discipline. To the extent this Complaint does not seek a ruling on any trust provisions other that the Discipline, then a decision on the issues in this case should not speak to those encumbrances on title and further litigation would be needed to

resolve the implication of those issues. Stated differently, if this is a transitory action, then it cannot affect title to land. See, *Snow*, 99 N.C. App. At 320, 392 S.E.2d at 769 (1990). Given the timelines at issue, the Plaintiffs cannot be contemplating filing subsequent lawsuits to determine the validity of trust provisions directly in their chains of title.

Notably, the Prayer for relief seeks a ruling that "**any** trust encumbering Plaintiff Churches' property for the benefit of the UMC is terminated...," not just the Trust provisions of the Discipline. The Plaintiffs may be attempting to back door local actions which belong in other Counties into this suit. The court should not allow that and should dismiss the case, without prejudice, to be refiled in the appropriate venues.

The Quiet Title Claim does not describe the real estate at issue or Vanderburg's claim to it. In order to state a claim to Quiet Title under N.C. Gen. Stat. § 41-10, the Plaintiff must allege a *prima facie* case. "To establish a prima facie case for removing a cloud upon title, two requirements must be met: (1) the plaintiff must own the land in controversy, or have some estate or interest in it; and (2) the defendant must assert some claim in the land adverse to plaintiff's title, estate or interest." *Greene v. Tr. Servs. of Carolina*, LLC, 244 N.C. App. 583, 592, 781 S.E.2d 664, 671 (2016). To evaluate this issue, even at the pleading stage, the Plaintiff must describe the specific tract(s) at issue sufficiently for the Defendant to respond. *See, generally, York v. Newman*, 2 N.C. App. 484, 488, 163 S.E.2d 282, 285 (1968) (the minimum requirements under N.C. Gen. Stat. § 41-10 to state a claim for quieting title are to allege that plaintiff owns the *described land* and that the defendant claims an adverse interest). Here, no allegation is made as to which specific parcel or parcels are the subject of the quiet title claim, indeed the Complaint suggests more than one parcel is at issue, but only one address is identified. This claim should be dismissed without prejudice to refile with sufficient description of the parcel(s)

at issue to permit a response.

Note, in our state courts, where denominational trust clause litigation has been permitted under neutral principles of law establishing the chain of title to the particular tracts of land involved are a key factor in the case, including establishing the vesting fee(s) to the local church, any denominational trust clauses contained in the deeds, and compliance with denominational governance related to real estate transactions as shown in the chain of title, despite who ultimately won the case. See, *African Methodist Episcopal Zion Church v. Parker*, 780 S.E.2d 760 (N.C. App. 2015); *Daniel v. Wray*, 158 N.C. App. 161, 580 S.E.2d 711 (2003). It is basic blocking and tackling. Stating an address and a county is not sufficient.

The claim for declaratory relief is overly broad and not sufficiently specific.

As a result of the Plaintiffs efforts to lump together thirty-seven (37) real property claims across dozens of local churches, almost all in different counties, each with a different chains of title, and different timelines of affiliation with the Defendants and the UMC, the Complaint contains no allegations about the specifics of each Plaintiff's property holdings, the specifics of trust language applicable to each chain of title, and the specifics of language the Plaintiffs want to see changed.

In a declaratory judgment action, a plaintiff's complaint must, on its face, make allegations sufficient to establish a basis for ownership. See, *United Daughters of the Confederacy* at 23. In a declaratory judgment action involving real estate and various parties rights in the property, that will involve specific allegations of ownership, including sources of title or some demonstrably specific information more than "hey, I own some property and my principal place of business is X". Otherwise, a party does even meet standing requirements in North Carolina. See, *Metcalf v. Black Dog Realty, LLC*, 200 N.C. App. 619, 684 S.E.2d 709

(2009).

Even if the court could enter a constitutionally appropriate ruling on whether or not the trust clause language in the Discipline was terminated or revoked by the Plaintiffs, or could be modified by judicial action, that is not sufficient to determine whether each Plaintiff could pass good title to its real estate to a new entity without the consent of the Defendants. As such, the Declaratory Judgment claim should be dismissed, without prejudice to each Plaintiff's right to refile a more specific pleading as to the relief sought and underlying facts.

The Chapter 36C Claim is not based on the proper statute and is not sufficiently pled. Likewise, the claim for reformation or modification of the trust (which on this point is just alleged to be the Discipline, see ¶117) should be dismissed, admittedly without prejudice at this stage, so that each Plaintiff can specifically allege the circumstances of the trust applicable to their real property. Chapter 61 applies to these claims, not Chapter 36, and individualized pleading regarding each church's property is appropriate. To the extent the claim is for judicial modification of the Discipline, the 1st Amendment issues apply.

Facts are not alleged with sufficient particularity on which to base a fiduciary or similar relationship between the Plaintiffs and the Defendant Board or Bishop.

Any purported derivative claims on behalf of the Conference against the Bishop and Board are dealt with in the other brief, although the absence of a statue creating derivative claims for unincorporated associations also renders them deficient under 12(b)(6). There are conclusory allegations of fiduciary obligations from the Board and Bishop to the Plaintiffs, but the Complaint alleges that the Plaintiffs' relationship is with the Conference (Compl. ¶46), that the Board's relationship is with the Conference (¶¶50, 127), and that the Bishop is the Bishop of the Conference (¶¶52, 128). The Complaint alleges that the pension assets are controlled by Wespath as an agency of the UMC and does not allege Defendants manage the funds (¶83). Although the complaint refers to statutory duties owed by the Board to the conference, no such duties are found in Chapter 59B.

For a constructive fraud claim:

> The particularity requirement may be met by alleging facts and circumstances (1) which created the relation of trust and confidence, and (2) which led up to and surrounded the consummation of the transaction in which defendant is alleged to have taken advantage of his position of trust to the hurt of plaintiff.

Terry v. Terry, 302 N.C. 77, 85, 273 S.E.2d 674, 678 (1981)(citations omitted).

"A fiduciary relationship must exist between parties before a claim can arise for breach of fiduciary duty." *White v. Consol. Planning, Inc.*, 166 N.C. App. 283, 293, 603 S.E.2d 147, 155 (2004). A fiduciary relationship exists when one party places special confidence in another such that the party in whom such special confidence is placed is bound to act in the best interests of the party placing the confidence. *Dalton v. Camp*, 353 N.C. 647, 651, 548 S.E.2d 704, 707-08 (2001). Influence over the complaining party by virtue of the trust placed in the alleged fiduciary is an essential element of a fiduciary relationship. *See Id.*, 353 N.C. at 652, 548 S.E.2d at 708.

There are no factual allegations from which the court could conclude that the Board or the Bishop are in a fiduciary relationship with the Plaintiffs, merely conclusory statements.

The allegations of misrepresentation are not pled with sufficient particularity.

The Constructive Fraud and Breach of Fiduciary Duty Claims also broadly assert misrepresentations by the Board and the Bishop (¶¶137, 153) but the Complaint does not allege those statements with the particularity required for a claim based on affirmative misrepresentation. Indeed, no transaction is alleged to have been consummated at all, other than a change to the Discipline. No dates, times, or specific communications are alleged regarding these claims.

Plaintiffs do not state any financial damages

Quite tellingly, no specific injuries (i.e. monetary damage) are alleged, and certainly not the $25,000.00 (or in excess thereof) required for superior court litigation. The prayer for relief does not seek a money judgment but does request interest.

Actions for breach of fiduciary duty and constructive fraud are not equitable in nature, they are legal and require allegations of financial harm, with some degree of specificity.

Failure to verify Complaint.

The claims for breach of fiduciary duty and constructive fraud contain allegations made "upon information and belief". (Complaint ¶¶ 138, 154). Yet, only one plaintiff of the original thirty-seven (37) verified the complaint. Plaintiffs' original counsel did not verify the complaint. There are no allegations made upon information and belief in Plaintiff Vanderburg's quiet title claim.

The Claims for Quantum Meruit and Unjust Enrichment fail.

The Plaintiffs assert claims for Quantum Meruit and Unjust Enrichment, but those fail because the Discipline, an express agreement, governs the financial obligations of the parties. "Quantum meruit is not an appropriate remedy when the plaintiff has alleged an express, oral contract." *Potter v. Homestead Pres. Ass'n*, 330 N.C. 569, 578, 412 S.E.2d 1, 7 (1992). Likewise, "A quasi contract or a contract implied in law is not a contract. The claim is not based on a promise but is imposed by law to prevent an unjust enrichment. If there is a contract between the parties the contract governs the claim and the law will not imply a contract." *Booe v. Shadrick*, 322 N.C. 567, 570, 369 S.E.2d 554, 556 (1988). Here, the Complaint alleges an express document governing the parties' relationships – the Discipline – so no claim for quantum meruit or unjust enrichment can proceed. In addition, these claims assert the potential for future harm, not past harm for which the Plaintiffs seek a remedy now. The alleged harm would also not be suffered by these Plaintiffs.

Plaintiffs' complaint concedes they are in full connection with the UMC

Plaintiffs' complaint, on its face, negates any notion or allegation that the Plaintiffs are not fully in connection with The United Methodist Church for all purposes. The complaint concedes that the Plaintiffs have held and still hold their real and personal property in trust for the benefit of The United Methodist Church. (Complaint, numerous). Specifically, they plead that, for decades, they have used their "real and personal property in service of the Conference and the United Methodist Church. (Complaint ¶¶ 157, 162). They admit and affirmatively plead that they are local churches in The United Methodist Church and within the bounds of the Western North Carolina Conference. (Complaint ¶ 47). They acknowledge they loyally and consistently have paid the apportionment payments required by the Discipline to the Defendant

Conference. (Complaint ¶¶ 48, 80, 126, 142, 157, 162). They acknowledge they have engaged in loyal ministry within The United Methodist Church for many, many years. (Complaint ¶¶ 126, 142).

These affirmative allegations are completely self-defeating allegations and undermine any contention that the Plaintiffs are not in connection with the UMC for all purposes.

In *Daniel v. Wray*, 158 N.C. App. 161, 580 S.E.2d 711 (2003), the Court of Appeals set out the indicia of a hierarchal, connectional local church in full connection with its denomination in the context of a trust clause fight. The local church at issue had complied with the Presbyterian cannons for years, clearly held its property in trust for the denomination under various iterations of the governing denominational documents year over year. The Court of Appeals upheld summary judgment on the enforcement of the trust provisions in favor of the denomination as the evidence (noted above) showed the church was in full connection with the denomination.

Here, the Plaintiffs plead that they have and are local churches in the UMC, that they abide by the Discipline by paying their apportionments and engaging in the ministry of the Church, that they have dedicated their personal and real property to the ministry of the UMC, and they assented to the trust relationship set out in the Discipline prior to the passage of Paragraph 2553. Accordingly, the entire complaint must fail and all claims dismissed.

CONCLUSION

Because this is a property dispute, as alleged by the Plaintiffs, venue is proper in the county where the property resides, and this case should be dismissed without prejudice to be refiled it the appropriate counties. To the extent that is not the result, the claims for quiet title, declaratory relief, and modification of the Trust should be dismissed without prejudice to be

refiled with sufficient specificity as to each Plaintiffs particular situation to permit a response by the Defendants, and the claims for constructive fraud, breach of fiduciary duty, unjust enrichment and quantum meruit should be dismissed with prejudice.

Respectfully submitted, this 15th day of March, 2023.

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing **MEMORANDUM OF LAW IN SUPPORT OF MOTION TO TO DISMISS FOR IMPROPER VENUE TO DISMISS PURSUANT TO RULE 12(b)(6) FOR FAILURE TO STATE A CLAIM** has been served on all parties to this action by email pursuant to stipulation under Rule 5(b)(1)(A) to the following attorneys of record:

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(admitted pro hac vice)

Dated: March 15, 2023

Michael P. Thomas
Counsel for Defendants

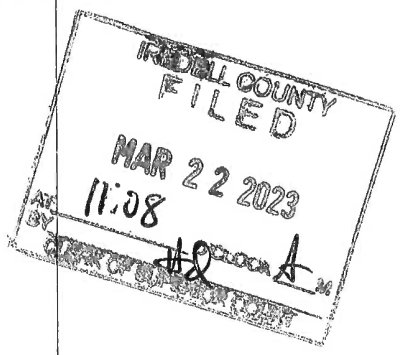
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Exhibit C

STATE OF NORTH CAROLINA

IREDELL COUNTY

IN THE GENERAL COURT OF JUSTICE
SUPERIOR COURT DIVISION
22-CVS-2775



MOUNT CARMEL UNITED METHODIST CHURCH; BETHEL UNITED METHODIST CHURCH OF NEW LONDON; BETHESDA UNITED METHODIST CHURCH; CHESTNUT GROVE UNITED METHODIST CHURCH; CONCORD UNITED METHODIST CHURCH IN CATAWBA; GOOD SHEPHERD CHARLOTTE UNITED METHODIST CHURCH; LIBERTY & ROCKWELL UNITED METHODIST CHURCH; MINNEAPOLIS UNITED METHODIST CHURCH; MOUNTAIN VIEW UNITED METHODIST CHURCH; NEW HOPE UNITED METHODIST CHURCH; PALESTINE UNITED METHODIST CHURCH; PISGAH UNITED METHODIST CHURCH; ROCKWELL UNITED METHODIST CHURCH; WEDDINGTON UNITED METHODIST CHURCH; WESLEY CHAPEL UNITED METHODIST CHURCH; CROSSROADS UNITED METHODIST CHURCH; WEST BEND UNITED METHODIST CHURCH; BOILING SPRINGS UNITED METHODIST CHURCH; VANDERBURG UNITED METHODIST CHURCH; GRAY'S CHAPEL UNITED METHODIST CHURCH; CENTRAL UNITED METHODIST CHURCH; MILL GROVE UNITED METHODIST CHURCH; MITCHELL'S GROVE UNITED METHODIST CHURCH; MT. MITCHELL UNITED METHODIST CHURCH; GOLD HILL UNITED METHODIST CHURCH; KISTLER'S CHAPEL UNITED METHODIST CHURCH; FAIRFIELD UNITED METHODIST CHURCH; LEBANON UNITED METHODIST CHURCH; SHADY GROVE UNITED

ORDER GRANTING MOTIONS TO DISMISS UNDER RULE 12 AND MOTION TO DISMISS FOR IMPROPER VENUE

METHODIST CHURCH; ARNEYS FAIRVIEW UNITED METHODIST CHURCH; LIBERTY UNITED METHODIST CHURCH; EBENEZER UNITED METHODIST CHURCH - MOUNT ULLA; DELTA UNITED METHODIST CHURCH; ST. ANDREWS UNITED METHODIST CHURCH; GROOMETOWN UNITED METHODIST CHURCH; VICKREY UNITED METHODIST CHURCH; BETHESDA UNITED METHODIST CHURCH; and CENTRAL FALLS UNITED METHODIST CHURCH; individually and derivatively on behalf of WESTERN NORTH CAROLINA CONFERENCE OF THE UNITED METHODIST CHURCH,

Plaintiffs,

v.

THE WESTERN NORTH CAROLINA CONFERENCE OF THE UNITED METHODIST CHURCH;

Defendant and Nominal Defendant

and

THE BOARD OF TRUSTEES OF THE WESTERN NORTH CAROLINA CONFERENCE OF THE UNITED METHODIST CHURCH, and KENNETH CARTER, in his capacity as Bishop of the Western North Carolina Conference of the United Methodist Church,

Defendants.

THIS MATTER, came before the undersigned at the March 20, 2023 session of

Superior Court of Iredell County upon the Motion of the Defendants, the Western North Carolina Conference of the United Methodist Church, The Board of Trustees of the Western North Carolina Conference of the United Methodist Church, and Kenneth Carter, in his capacity as Bishop of the Western North Carolina Conference of the United Methodist Church (collectively, the "Defendants") to dismiss the Complaint pursuant to Rule 12 and to Dismiss or Transfer this case for improper venue. Having reviewed: (1) the Verified Complaint filed by the Plaintiffs; (2) with regard to the Motion to Dismiss pursuant to Rule 12(b)(1) for lack of subject matter jurisdiction, only, but not with regard to the motion to dismiss for failure to state a claim under Rule 12(b)(6) or the motion to dismiss or transfer for improper venue, the Affidavits of Bishop Kenneth H. Carter, Jr., Rev. Amy L. Coles, and Rev. Dr. R. Mark King, with exhibits, which Defendants submitted in support of their motion on Rule 12(b)(1) grounds; (3) and, the arguments of counsel as set forth in the Motion filed by the Defendants, the Memoranda of Law submitted by the Plaintiffs and Defendants, and the arguments of counsel at the hearing – the Court finds that the Defendants' motions should be **GRANTED**, in part without prejudice and in part with prejudice as set forth below.

The First Claim for relief should be dismissed because the court lacks subject matter jurisdiction because the claims asserted are barred by the First Amendment to the United States Constitution and Article 1, Section 13 of the North Carolina Constitution and, in the alternative, fails to state a claim for which relief could be granted because it fails to allege a prima facie case for quiet title, and should therefore be, **DISMISSED WITHOUT PREJUDICE**.

The Second and Third Claims for relief should be dismissed because the court lacks subject matter jurisdiction because the claims asserted are barred by the First Amendment to the United States Constitution and Article 1, Section 13 of the North Carolina Constitution and, in

the alternative, the claims which the Plaintiffs are asserting affect an interest in real property and venue is not proper in Iredell County pursuant to N.C. Gen. Stat. §1-76, and those claims should therefore be, **DISMISSED WITHOUT PREJUDICE**.

The Fourth, Fifth, Sixth, and Seventh claims for relief in the Plaintiffs Complaint fail to state a claim for which relief could be granted, and the Plaintiffs lack standing to bring those claims, and those claims should, therefore, should be **DISMISSED WITH PREJUDICE**.

IT IS, THEREFORE, ORDERED, ADJUDGED, AND DECREED, that the Defendants Motion to Dismiss under Rule 12 and Motion to Dismiss for improper venue is hereby **GRANTED**, with Prejudice as to the Fourth, Fifth, Sixth, and Seventh Claims for relief and without prejudice as to the First, Second, and Third Claims for relief, and any remaining claims or allegations in the Complaint.

Pursuant to Rule 54(b) of the North Carolina Rules of Civil Procedure, and this Court having determined that there is no just reason for delay, this Order shall be deemed to be, and the same hereby is, a FINAL JUDGMENT, as to all claims hereby dismissed.

This 22nd day of March, 2023.

IT IS SO ORDERED

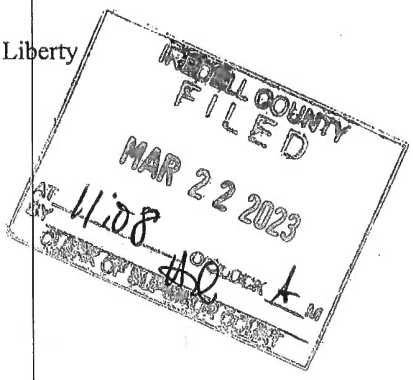
Hon. Richard. L. Doughton,
Superior Court Judge Presiding

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of **MOTIONS TO DISMISS AND MOTION TO DISMISS OR TRANSFER** has been served on all parties to this action by hand delivery in open court and by email pursuant to stipulation under Rule 5(b)(1)(A) to the following attorneys of record:

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Dated: March 22nd, 2023

Michael P. Thomas
Counsel for Defendants

FILED
5/15/2024 4:52 PM
Gloria A. Martinez
Bexar County District Clerk
Accepted By: Grace Rocha
Bexar County - 285th District Court

CAUSE NO. 2023CI09762

UNITED METHODIST RIO TEXAS CONFERENCE BOARD OF TRUSTEES	§	**IN THE DISTRICT COURT OF**
V.	§	**BEXAR COUNTY, TEXAS**
FIRST METHODIST CHURCH OF ALICE, TEXAS, *ET AL.*	§	**285th JUDICIAL DISTRICT**

PLAINTIFF'S RESPONSE TO DEFENDANTS' MOTION TO DISMISS

TO THE HONORABLE JUDGE OF THIS COURT:

Plaintiff, The United Methodist Rio Texas Conference Board of Trustees ("Rio Texas"), files this its Response to Defendants' Motion to Dismiss,[1] and would respectfully show this Court the following:

I. SUMMARY

Contrary to Defendants' assertion, this case falls within the neutral principles doctrine and should not be dismissed. But even if the Court disagrees, the Motion should be denied in deference to the decisions of the Church's higher ecclesiastical bodies.

To the extent Defendants challenge the sufficiency of Rio Texas's pleadings, such claim likewise should fail. Rio Texas has pled that Defendants expressly or impliedly agreed to follow the church Discipline, that they have breached their agreements, and that Rio Texas has suffered damage as a result.

[1] This Response addresses both Defendants' Motion to Dismiss and Defendants' Supplement to Motion to Dismiss and Brief in Support Thereof ("Supplement"). These documents will be collectively referred to as the "Motion."

And finally, to the extent Defendants challenge jurisdictional facts, they have failed in their burden of conclusive proof, and there is in any event ample evidence of such facts.

II. BACKGROUND

Rio Texas has sued Defendants (28 United Methodist ("UM") churches) for breach of contract/anticipatory breach of contract for failing and refusing to pay their apportionments and unfunded pension liabilities required in connection with their disaffiliation from the United Methodist Church (the "Church"). Although Defendants attempt to couch this as a "religious disagreement" that is subject to ecclesiastical abstention,[2] it is not.

Rio Texas does not contest Defendants' decisions to disaffiliate on religious or doctrinal grounds, nor does it seek to prevent Defendants from leaving the Church based on a difference of faith. It simply seeks to enforce the agreements expressly or impliedly made by Defendants as UM churches to pay their monetary disaffiliation obligations as set forth in the Book of Discipline of the United Methodist Church (the "Discipline"), as they contracted to do in becoming and remaining local churches affiliated with the Church. Although a number of other churches in the Rio Texas Conference have complied with this mandatory disaffiliation procedure—including paying their allocated apportionments and unfunded pension liabilities—and have successfully disaffiliated from the Church, Defendants have refused to comply.

The Discipline[3] is the governing instrument of the Church. *See, e.g., Gen. Council on Fin. & Admin. of the United Methodist Church v. Superior Court*, 439 U.S. 1369, 1370

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[2] *See* Supplement at 3 (stating that "[t]he root of the parties' dispute is the role of the Church in ordaining pastors and recognition of ceremonial marriage of LGBTQ members in the Church.").

[3] A copy of the Discipline and its Addendum can be found at https://www.cokesbury.com/book-of-discipline-book-of-resolutions-free-versions. A copy of the Addendum is also attached hereto as Ex. 26.

(1978) (Rehnquist, Circuit Justice) (stating that the Discipline "contains the constitution and bylaws of the Methodist Church"). In 2019, the General Conference adopted ¶ 2553 of the Discipline, which created a process for local churches to disaffiliate from the Church.[4] Paragraph 2553 of the Discipline required that, following the vote of a local church to disaffiliate, the terms of the disaffiliation be memorialized in a disaffiliation agreement between the local church and the annual conference ("Disaffiliation Agreement"). The Disaffiliation Agreement is required to include, among other things, that the local church shall pay unpaid apportionments for the 12-month period prior to disaffiliation, as well as an additional 12 months of apportionments, and a contribution of withdrawal liability in an amount equal to its pro-rata share of any aggregate unfunded pension obligations to the annual conference (the "Unfunded Pension Liability").[5]

Additionally, ¶ 1504.23 of the Discipline requires that a local church in the United States that changes its relationship to the Church shall contribute its Unfunded Pension Liability.[6] Paragraph 1504.23 further provides that the annual conference shall determine this liability from the aggregate funding obligations of the annual conference (here, the Rio Texas Conference), as determined by the General Board of Pension and Health Benefits using market factors similar to a commercial annuity provider.

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[4] Ex. 26, ¶ 2553.

[5] *Id.*

[6] *Id.* at ¶ 1504.23.

Paragraph 2553 of the Discipline expired by its own terms on December 31, 2023.[7] Since that time, Rio Texas has proceeded with disaffiliation of local churches under ¶¶ 1504.23 & 2049 (regarding closure of a church) of the Discipline.

III. STANDARD OF REVIEW

The Motion, though couched as a motion to dismiss, is really a plea to the jurisdiction. A jurisdictional plea challenges a trial court's ability to exercise subject matter jurisdiction and is determined as a question of law. *Tex. Dep't of Parks and Wildlife v. Miranda*, 133 S.W.3d 217, 226-28 (Tex. 2004); *Bhakta v. Tex. Dep't of Transp.*, No. 04-15-00297-CV, 2016 WL 1593163, *1 (Tex. App.—San Antonio Apr. 20, 2016, no pet.) (mem. op.).

In determining a jurisdictional challenge based on the pleadings, the court must "look to the pleader's intent, construe the pleadings liberally in favor of jurisdiction, and accept the allegations in the pleadings as true to determine if the pleader has alleged sufficient facts to affirmatively demonstrate the trial court's jurisdiction to hear the case." *City of El Paso v. Fox*, 458 S.W.3d 66, 69 (Tex. App.—El Paso 2014, no pet.); *see also Miranda*, 133 S.W.3d at 226. A plea to the jurisdiction based on the pleadings "does not authorize an inquiry so far into the substance of the claims presented that plaintiffs are required to put on their case simply to establish jurisdiction." *Bland Indep. Sch. Dist. v. Blue*, 34 S.W.3d 547, 554 (Tex. 2000); *see also Bhakta*, 2016 WL 1593163, at *1 ("[A] plea to the jurisdiction should be decided without delving into the merits of the case.").

Where a jurisdictional plea challenges the plaintiff's pleadings, a court must determine whether the plaintiff alleged facts sufficient to affirmatively demonstrate the trial

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[7] *Id.* at ¶ 2553.

court's subject matter jurisdiction. *Miranda*, 133 S.W.3d at 226; *Bhakta*, 2016 WL 1593163, at *1. The plaintiff's pleadings must be construed liberally in favor of jurisdiction, and look to the pleader's intent. *Id.* If deficient, the plaintiff must be given an opportunity to replead; a plea to the jurisdiction may be granted only if the pleading, even after amendment, does not afford a basis to invoke the court's subject matter jurisdiction. *Id.*

Where the plea challenges jurisdictional facts, a court may look beyond the pleadings and consider the relevant evidence submitted. *Miranda*, 133 S.W.3d at 227; *Bland*, 34 S.W.3d at 555. Notably, a trial court is not required to determine subject matter jurisdiction at the outset and acts within its discretion to "await a fuller development of the merits of the case." *Bland*, 34 S.W.3d at 554. If the trial court concludes that the jurisdictional issue should be determined prior to proceeding with the claim, the court should consider only such evidence as is necessary to determine its jurisdiction. *Id.* Such examination mirrors the standard of review applied to summary judgment review. *Miranda*, 133 S.W.3d at 227-28; *City of San Antonio v. Rogers Shavano Ranch, Ltd.*, 383 S.W.3d 234, 241 (Tex. App.—San Antonio 2012, pet. denied). In this regard, the movant must assert and present conclusive proof that the trial court lacks subject matter jurisdiction; it is not enough to simply deny the existence of jurisdictional facts. *Miranda*, 133 S.W.3d at 227-28. Such proof is conclusive only if reasonable people could not differ in their conclusions. *City of Keller v. Wilson*, 168 S.W.3d 802, 816 (Tex. 2005); *Bhakta*, 2016 WL 1593163, at *2. Assuming the movant meets its burden, the non-movant need only show that a disputed material fact exists regarding the jurisdictional issue. *Miranda*, 133 S.W.3d at 228. The trial court, when evaluating the evidence presented, must take as true all evidence favorable to the non-movant and resolve any doubts and indulge every reasonable

inference in favor of the non-movant. *Id.* Should examination of the evidence reveal a fact issue as to jurisdiction, the plea must be denied and the issue resolved by the fact finder. *Id.* at 227-28.

IV. EVIDENCE IN SUPPORT OF RESPONSE

To the extent the Motion challenges the existence of factual support for subject matter jurisdiction in this case, Rio Texas relies on the following evidence:

Exhibit 1		**Alice First Methodist Church f/k/a First Methodist Church of Alice, Texas:**
	A	Charter of First Methodist Church of Alice, Texas
	B	Objections and Responses to Plaintiff's Request for Admissions by Defendant, Alice First Methodist Church
Exhibit 2		**Aransas Pass Methodist f/k/a First United Methodist Church of Aransas Pass:** Objections and Responses to Plaintiff's Request for Admissions by Defendant, Aransas Pass Methodist
Exhibit 3		**Asbury Corpus Methodist Church f/k/a Asbury United Methodist Church:**
	A	Articles of Incorporation of Asbury United Methodist Church
	B	Objections and Responses to Plaintiff's Request for Admissions by Defendant, Asbury Corpus Methodist Church
Exhibit 4		**Barksdale Methodist Church f/k/a First United Methodist Church of Barksdale:**
	A	Articles of Incorporation of First United Methodist Church of Barksdale
	B	Objections and Responses to Plaintiff's Request for Admissions by Defendant, Barksdale Methodist Church
Exhibit 5		**First Methodist Church of Burnet Texas f/k/a First United Methodist Church of Burnet, Texas:** Objections and Responses to Plaintiff's Request for Admissions by Defendant, First Methodist Church of Burnet, Texas

Exhibit 6		**Dewville Methodist Church f/k/a Dewville United Methodist Church:**
	A	Articles of Incorporation of Dewville United Methodist Church
	B	Objections and Responses to Plaintiff's Request for Admissions by Defendant, Dewville Methodist Church
Exhibit 7		**Dripping Springs Methodist Church f/k/a Dripping Springs First United Methodist Church, Inc.:** Objections and Responses to Plaintiff's Request for Admissions by Defendant, Dripping Springs Methodist Church
Exhibit 8		**First Methodist Church of Eldorado f/k/a First United Methodist Church of Eldorado:**
	A	Articles of Incorporation of First United Methodist Church of Eldorado
	B	Objections and Responses to Plaintiff's Request for Admissions by Defendant, First Methodist Church of Eldorado
Exhibit 9		**First Methodist Church Ganado, Inc.:** Objections and Responses to Plaintiff's Request for Admissions by Defendant, First Methodist Church of Ganado, Inc.
Exhibit 10		**First Methodist Church Harlingen, Texas, Inc. f/k/a First United Methodist Church of Harlingen, Texas, Inc.:**
	A	Articles of Incorporation of First United Methodist Church of Harlingen, Texas, Inc.
	B	Objections and Responses to Plaintiff's Request for Admissions by Defendant, First Methodist Church Harlingen, Texas, Inc.
Exhibit 11		**Ingleside Methodist Church f/k/a Ingleside United Methodist Church, Ingleside, Texas:**
	A	Articles of Incorporation of Ingleside United Methodist Church, Ingleside, Texas
	B	Objections and Responses to Plaintiff's Request for Admissions by Defendant, Ingleside Methodist Church

Exhibit 12		**Karnes City Methodist Church f/k/a United Methodist Church Incorporated, Karnes City, Texas:** Objections and Responses to Plaintiff's Request for Admissions by Defendant, Karnes City Methodist Church
Exhibit 13		**New Life Methodist Church f/k/a First United Methodist Church of La Grange, Texas:**
	A	Articles of Incorporation of Travis Street United Methodist Church of La Grange, Texas
	B	Articles of Amendment to Articles of Incorporation by Directors of Travis Street United Methodist Church of La Grange, Texas [changing name to First United Methodist Church of La Grange, Texas]
	C	Objections and Responses to Plaintiff's Request for Admissions by New Life Methodist Church
Exhibit 14		**Lampasas Methodist Church f/k/a First United Methodist Church of Lampasas, Incorporated:**
	A	Articles of Incorporation of First United Methodist Church of Lampasas
	B	Objections and Responses to Plaintiff's Request for Admissions by Defendant, Lampasas Methodist Church
Exhibit 15		**Lutie Watkins Memorial Methodist Church f/k/a Lutie Watkins Memorial United Methodist Church:** Objections and Responses to Plaintiff's Request for Admissions by Defendant, Lutie Watkins Memorial Methodist Church
Exhibit 16		**Louise Methodist Church f/k/a Louise United Methodist Church:** Objections and Responses to Plaintiff's Request for Admissions by Louise Methodist Church
Exhibit 17		**First Methodist Church of Lyford f/k/a First United Methodist Church of Lyford:** Objections and Responses to Plaintiff's Request for Admissions by Defendant, First Methodist Church of Lyford
Exhibit 18		**Mertzon Methodist Church f/k/a First United Methodist Church of Mertzon, Texas:**

	A	Articles of Incorporation of First United Methodist Church of Mertzon, TX
	B	Mertzon Methodist Church's Objections and Responses to Plaintiff's Request for Admissions
Exhibit 19		**First United Methodist Church of Mission, Texas, Inc.:** Articles of Incorporation of First United Methodist Church of Mission, Texas, Inc.
Exhibit 20		**Raymondville Methodist Church f/k/a First United Methodist Church of Raymondville:**
	A	Articles of Incorporation of First United Methodist Church of Raymondville
	B	Objections and Responses to Plaintiff's Request for Admissions by Defendant, Raymondville Methodist Church
Exhibit 21		**Rio First Church f/k/a First United Methodist Church of Rio Grande City:** Objections and Responses to Plaintiff's Request for Admissions by Defendant, Rio First Church
Exhibit 22		**First Methodist Church, Rocksprings, Texas f/k/a First United Methodist Church, Rocksprings, Texas:**
	A	Articles of Incorporation of First United Methodist Church, Rocksprings, Texas
	B	Objections and Responses to Plaintiff's Request for Admissions by Defendant, First Methodist Church, Rocksprings, Texas
Exhibit 23		**First Methodist San Saba f/k/a First United Methodist Church of San Saba:**
	A	Articles of Incorporation of First United Methodist Church of San Saba
	B	Objections and Responses to Plaintiff's Request for Admissions by Defendant, First Methodist San Saba
Exhibit 24		**Taft Methodist f/k/a First United Methodist Church, Inc. of Taft, Texas:**
	A	Articles of Incorporation of First United Methodist Church, Inc. of Taft, Texas

	B	Objections and Responses to Plaintiff's Request for Admissions by Defendant, Taft Methodist Church
Exhibit 25		**First United Methodist Church, George West:** Objections and Responses to Plaintiff's Request for Admissions by Defendant, First United Methodist Church, George West
Exhibit 26		Addendum to *The Book of Discipline of The United Methodist Church, 2016*
Exhibit 27		Affidavit of Shawn Taylor, with Ex. 1 thereto (March 30, 2023 email from Shawn Taylor to Robert Schnase, et al. regarding Dripping Springs United Methodist Church)
Exhibit 28		April 26, 2023 letter from Curt Kurhajec to Kevin Reed regarding Representation of Methodist Churches

Exhibits 1A, 3A, 4A, 6A, 8A, 10A, 11A, 13A, 13B, 14A, 18A, 19, 20A, 22A, 23A and 24A are authenticated by the Affidavit of Janis Buchanan, attached hereto. Exhibits 1B, 2, 3B, 4B, 5, 6B, 7, 8B, 9, 10B, 11B, 12, 13C, 14B, 15, 16, 17, 18B, 19, 20B, 21, 22B, 23B, 24B, 25, 26, and 28 are authenticated by the Affidavit of James M. Kimbell, attached hereto.

V. DISCUSSION

A. The Texas Bifurcated Approach to Determining Matters Involving Religious Entities.

The Supreme Court of Texas, in *Episcopal Diocese v. Episcopal Church*, identified three historical approaches to civil adjudication of church disputes:

1. The "departure-from-doctrine approach," which it rejected as contrary to the First Amendment;

2. The "deference approach," under which courts "defer to **and enforce** the decision of the highest authority of the ecclesiastical body to which the matter has been carried;" and

3. The "neutral principles approach," mostly but not exclusively applicable to property disputes (*see In re Diocese of Lubbock*, 624 S.W.3d 506, 513 (Tex. 2021)), in which the court applies neutral principles of law to resolve non-ecclesiastical disputes.

602 S.W.3d 417, 427 (Tex. 2020) (emphasis supplied). The Court held that Texas follows the neutral principles approach, but immediately qualified that statement:

> But the neutral principles approach is not without limitations. When ecclesiastical questions are at issue, "**deference is compulsory** because courts lack jurisdiction to decide ecclesiastical questions."
>
> . . .
>
> So while neutral principles of law are applied to issues "such as land titles, trusts, and corporate formation, governance, and dissolution, even when religious entities are involved," if an instrument "incorporates religious concepts" so that "interpretation of the instruments of ownership would require the civil court to resolve a religious controversy," **the court must defer to the authoritative ecclesiastical body's resolution of that issue**. And in some instances, "deferring to decisions of ecclesiastical bodies in matters reserved to them by the First Amendment may … effectively determine the property rights in question."

Id. at 428 (emphasis supplied; internal citations omitted). The case then quotes from the U.S. Supreme Court's decision in *Serbian E. Orthodox Diocese v. Milivojevich*, 426 U.S. 696, 713 (1976): "**a civil court must accept the ecclesiastical decisions of church tribunals as it finds them**." *Episcopal Diocese*, 602 S.W.3d at 429 (quoting *Milivojevich*, 426 U.S. at 713) (emphasis supplied).

So Texas is <u>not</u> exclusively a neutral-principles state; it applies

- neutral principles to non-ecclesiastical disputes, and
- deference principles to ecclesiastical disputes.

B. <u>If a Dispute Is Ecclesiastical, Deference Sometimes Means Dismissal, But Sometimes It Means Enforcement.</u>

Typically, intra-church litigation is brought by a hierarchically inferior person or body against a hierarchically superior person or body, seeking to overturn the superior

authority's decision.[8] Thus the normal way of deferring to higher ecclesiastical authorities in ecclesiastical disputes is to dismiss for want of jurisdiction. Indeed, *In re Lubbock* has an overbroad statement that "if the substance and nature of the plaintiff's claims are inextricably intertwined with matters of doctrine or church governance, then the case must be dismissed." 624 S.W.3d at 514. But both *In re Lubbock* and the case it cites for this proposition (*Jennison v. Prasifka*, 391 S.W.3d 660, 665, 668 (Tex. App.—Dallas 2013, no pet.)) were cases in the standard inferior-vs.-superior model in which dismissal is an appropriate means of deference to the defendant as the higher church authority. The statement was correct in the procedural posture of *In re Lubbock*, but distinguishable here.

Where a case involves superior-vs.-inferior, and seeks to civilly enforce rather than to overturn the superior authority's decision, dismissal does **not** defer to the authoritative ecclesiastical decision. In such a case, the Court does not have jurisdiction to adjudicate the merits of the dispute (because that would be inconsistent with deference). But it does have a duty to defer to the higher authority, a duty it can perform only by enforcing the higher authority's decision. If it instead dismisses, it is erroneously deferring to the lower authority.[9]

Defendants have not cited any case in their Motion (nor can Rio Texas find any) holding that a court does not have jurisdiction to civilly enforce the decision of the

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[8] In fact, almost all of the cases cited by Defendants in support of dismissal based on ecclesiastical abstention involve a suit by a hierarchically inferior person or body against a hierarchically superior person or body challenging the latter's decision on church matters.

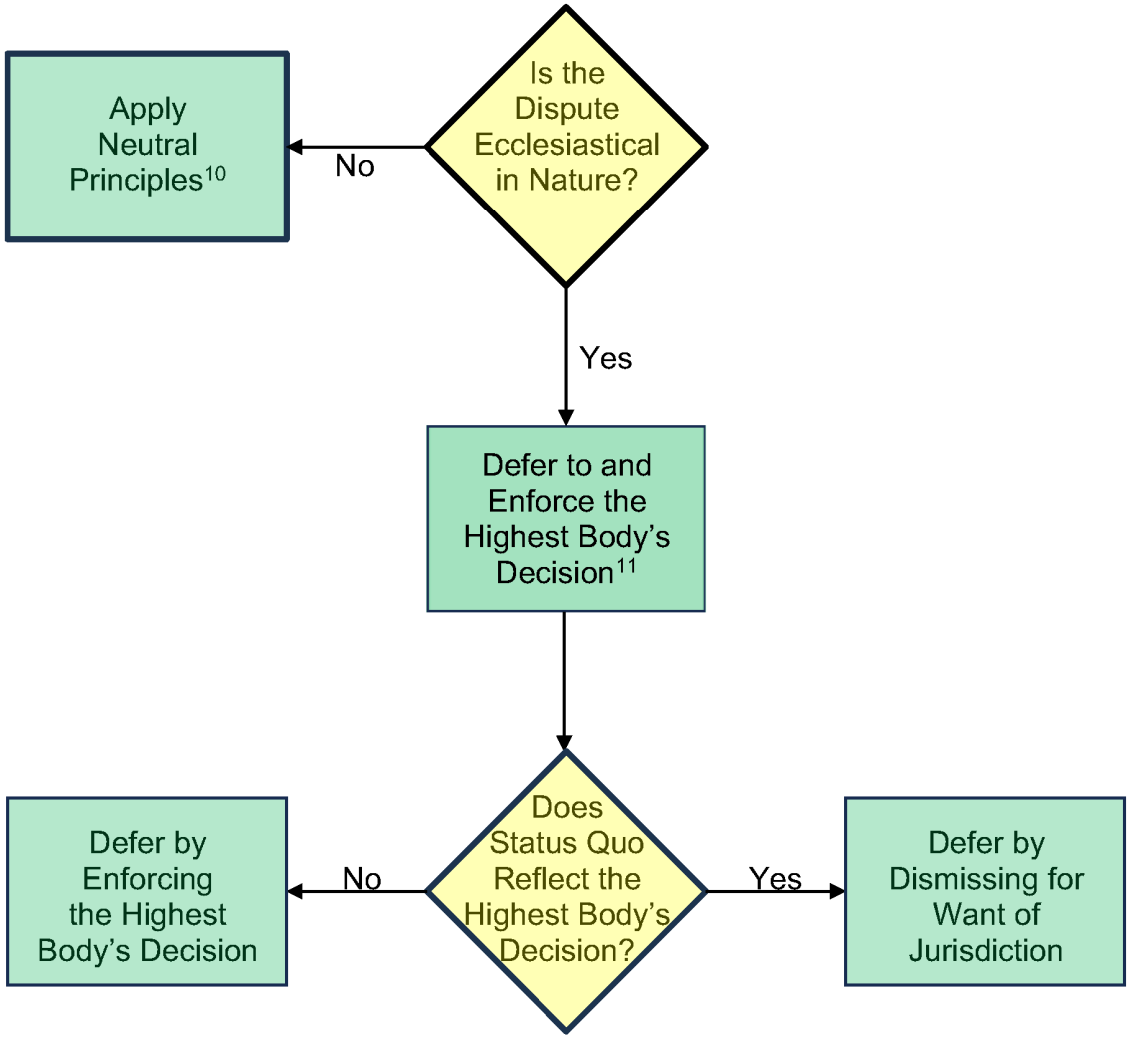
[9] Imagine, if you will, a minister who is defrocked by higher church authority, but who nevertheless persists in appearing at a local church and purporting to perform pastoral functions. The higher church sues the minister for an injunction to prevent this. The status of the defendant as an authorized minister is of course an ecclesiastical matter, and deference to the higher authority is required. If the minister had sued the higher church authority, deference would have taken the form of dismissal for want of jurisdiction, But If the court dismisses the suit brought by the higher authority, it has not followed its duty to defer to that authority—indeed, it has deferred to the minister, who is the lower church authority.

authoritative ecclesiastical body. To dismiss such a case for want of jurisdiction would undermine, rather than defer to, the higher authority's decision. It would not constitute an application of the deference approach to an ecclesiastical dispute, but instead would create a non-existent "judicial abdication approach," under which the courts relegate the parties to self-help.

C. The Court Must Apply Neutral Principles if It Can, But Must Enforce the Discipline if the Dispute Is Ecclesiastical.

A diagram illustrates the decisions this Court must make, and the actions it must take pursuant to those decisions:

[Diagram appears on page 14]



D. <u>This is a Contract Dispute to Which Neutral Principles Apply.</u>

An implied contract between individual churches (such as Defendants) and their hierarchically superior organization (such as the Church, acting here through Rio Texas) was recognized by the United States Supreme Court as early as 1871:

> The right to organize voluntary religious associations to assist in the expression and dissemination of any religious doctrine, and to create tribunals for the decision of controverted questions of faith within the association, and

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[10] *Episcopal Diocese*, 602 S.W.3d at 427.

[11] *Id.* at 427-28.

> for the ecclesiastical government of all the individual members, congregations, and officers within the general association, is unquestioned. **All who unite themselves to such a body do so with an implied consent to this government, and are bound to submit to it. But it would be a vain consent and would lead to the total subversion of such religious bodies, if any one aggrieved by one of their decisions could appeal to the secular courts and have them reversed. It is of the essence of these religious unions, and of their right to establish tribunals for the decision of questions arising among themselves, that those decisions should be binding in all cases of ecclesiastical cognizance, subject only to such appeals as the organism itself provides for**.

Watson v. Jones, 80 U.S. 679, 728-29 (1871) (emphasis supplied). The Court further recognized the contractual nature of the relationship between higher and lower church authorities in 1929:

> In the absence of fraud, collusion, or arbitrariness, the decisions of the proper church tribunals on matters purely ecclesiastical, although affecting civil rights, are accepted in litigation before the secular courts as conclusive, **because the parties in interest made them so by contract or otherwise**[.]

Gonzalez v. Roman Catholic Archbishop, 280 U.S. 1, 16 (1929) (Brandeis, J.) (emphasis supplied).

As stated in *Watson v. Jones*, "religious organizations come before us in the same attitude as other voluntary associations for benevolent or charitable purposes, and their rights of property, or of contract, are equally under the protection of the law, and the actions of their members subject to its restraints." 80 U.S. 679, at 714 (emphasis supplied); *see also So. Central Juris. Conference of United Methodist Church v. Southern Methodist Univ.*, 674 S.W.3d 334, 365 (Tex. App.—Dallas 2003, pet. filed) (concluding that the trial court erred in dismissing the Conference's breach of contract claim against SMU, and finding that the Conference's pleadings sufficiently alleged a binding contract between the Conference and SMU).

Here, Rio Texas's suit does not seek an interpretation of Church law—that has already been declared by the Church in the Discipline. Nor does Rio Texas seek to determine whether the reasons for the Defendants' departure conform to church doctrine. Rather, Rio Texas simply seeks to enforce the Church's contractual rights as to these Defendants, who have defied their obligations to pay apportionments and Unfunded Pension Liabilities in connection with their attempted disaffiliation from the Church. This falls with the U.S. Supreme Court's contemplation that civil courts may in some cases adjudicate the "rights of property, or contracts" of ecclesiastical organizations. *See Watson,* 80 U.S. at 714.

This purely contractual dispute over money can be adjudicated under neutral principles of contract law. The Defendants' florid claims that the Discipline is "an ecclesiastical manual" are overbroad and misleading—although parts of the Discipline are indeed ecclesiastical, the parts at issue here are purely mechanical. It is as though a local chapter of the American Heart Association tried to disaffiliate from the regional organization without following the contract between them, or a McDonald's franchisee tried to switch to Burger King without following its franchise agreement.

Rio Texas is seeking no injunctive relief, and so the local churches and their members will not be compelled by the Court to remain affiliated with a church they don't support, or to believe religious doctrine which they do not believe, or to be served by ministers in whom they lack confidence. The Defendants have purported to disaffiliate; their doing so imposes non-ecclesiastical contractual obligations on them, and the Court is merely enforcing those contractual obligations. To refuse to enforce those obligations merely because the contract at issue is between religious bodies and contains religious elements

not at issue here would itself be discrimination against religious bodies in violation of the First Amendment and would also violate the Texas Open Courts Provision.

E. Defendants Expressly or Impliedly Contracted with Rio Texas to Follow the Discipline.

Rio Texas has adequately pled a claim for breach of contract / anticipatory breach of contract and for a declaration for specific performance. In its Fourth Amended Petition on file in this matter, Rio Texas alleges that (1) it has standing to act on behalf of both the Church and Rio Texas; (2) the Discipline is a contractual agreement between the Church and Defendants; (3) Defendants have indicated through statements and actions that they either have repudiated or intend to repudiate their obligations under the Discipline with respect to disaffiliation; (4) as a result, they have breached their contract with the Church; and (5) Rio Texas is entitled to payments from each Defendant in connection with such breach. Pl.'s 4th Am. Pet., ¶¶ 48, 52-55.

The Defendants appear to deny any contractual relationship with the Church, whether express or implied, that binds them to the Discipline. The Motion appears to be based solely on the pleadings, making Rio Texas's adequate pleading of a breach of contract determinative of the Motion, notwithstanding the Defendants' denial of these allegations. To the extent that the Motion is based on the evidence, it was the Defendants' burden to come forth with conclusive evidence (beyond mere non-evidentiary denials) negating Rio Texas's contract claim. *See* Section III above. They have not done so.

But in any event there is evidence supporting the contract claim. Several of the Defendants have expressly bound themselves to follow the Discipline, as evidenced by the wording in their Articles of Incorporation as UM churches:

- "This corporation shall support the Doctrine and shall be subject to the laws, usages, and ministerial appointments of The Methodist

Church as from time to time established, made, and declared by the lawful authority of said Church."[12]

- "The plan, polity and process by which United Methodists govern themselves is set forth in The Book of Discipline of the United Methodist Church. ... Pursuant to Article 1396-2.14, Section "C" of the Revised Civil Statutes, the management of the affairs of the Corporation is vested in its members, in accordance with the provisions of The Book of Discipline of the United Methodist Church."[13]

- "The purpose for which the corporation is organized is to maintain a local congregation of The United Methodist Church. The management of the affairs of the corporation shall be vested in and governed by The Book of Discipline of The United Methodist Church as the same now exists or may hereafter be amended by the General Conference of The United Methodist Church."[14]

- "The purpose for which the corporation is organized is to maintain a local congregation of the United Methodist Church. The management of the affairs of the corporation shall be vested in a Board of Trustees and governed by The Book of Discipline of The United Methodist Church as the same now exists or may hereafter be amended by the General Conference of The United Methodist Church."[15]

- "The purpose or purposes for which the corporation is organized are: ... (2) To extend and fulfill the mission and ministry of the First United Methodist Church of Harlingen, Texas, Inc. and/or the United Methodist Church in accordance with the discipline, doctrine, worship and service of the United Methodist Church. (3) To receive gifts, grants, devises, and bequests of any nature whatsoever, whether real or personal, for the use and benefit of the First United Methodist Church of Harlingen, Texas, Inc., and/or the United Methodist Church."[16]

- "That the purpose for which said corporation is formed shall be to promote the cause of Christ in the community; that the corporation shall support the doctrine of the Methodist Church as from time to

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[12] Ex. 1A, ¶ I.

[13] Ex. 3[a], Art. IV.(1).

[14] Ex. 4A, Art. III; Ex. 8A, Art. IV; Ex. 18A, Art. III; Ex. 20A, Art. III; Ex. 23[a], Art. III.

[15] Ex. 6A, Art. Four.

[16] Ex. 10A, Art. Four.

time established, made and declared by the lawful authority of said church."[17]

- "The affairs of this corporation shall be governed by and conducted in accordance with the Book of Discipline of the United Methodist Church, as amended, and the procedures contained therein."[18]

- "All business of the corporation shall be conducted and transacted according to the laws of the United States and the State of Texas and the Discipline of The United Methodist Church."[19]

- "The purpose or purposes for which the corporation is organized is to be a local congregation of The United Methodist Church and provide the services usually associated with an organization of religion. The management of the corporation will be governed by The Book of Discipline of The United Methodist Church as now exists or as may be from time to time amended."[20]

- "The purposes for which the corporation is organized are to manage and operate a United Methodist Church pursuant to and in accordance with The Book of Discipline of The United Methodist Church."[21]

- "The affairs of the Corporation shall be governed by the Board of Trustees of the Corporation in accordance with 'The Book of Discipline of the United Methodist Church.'"[22]

Moreover, all Defendants impliedly agreed, as local UM congregations within the body of the Church, to follow the Discipline.[23] An implied-in-fact contract "arises from the acts and conduct of the parties, it being implied from the facts and circumstances that

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[17] Ex. 11[a], Art. II.

[18] Ex. 13[a], Art. Eight.

[19] Ex. 14[a], Art. X.

[20] Ex. 19, Art. Four.

[21] Ex. 22A, Art. Four.

[22] Ex. 24A, Art. Nine.

[23] *See* Discipline at ¶ 203 ("The local church is a connectional society of persons who ... have assumed the vows of membership in The United Methodist Church. ... Such a society of believers, being within The United Methodist Church and subject to its *Discipline*, is also an inherent part of the church universal....."

there was a mutual intention to contract." *Haws & Garrett Gen. Contractors, Inc. v. Gorbett Bros. Welding Co.*, 480 S.W.2d 607, 609 (Tex. 1972); *accord*, *Mann Frankfort Stein & Lipp Advisors, Inc. v. Fielding*, 289 S.W.3d 844, 850 (Tex. 2009). A meeting of the minds is an essential element of an implied-in-fact contract. *Tex. Ass'n of Counties Cnty. Gov't Risk Mgmt. Pool v. Matagorda Cnty.*, 52 S.W.3d 128, 133 (Tex. 2000).

To determine the terms of the contract on which the minds of the parties met, the court must look to the conduct of the parties. *Parker Drilling Co. v. Romfor Supply Co.*, 316 S.W.3d 68, 75 (Tex. App.—Houston [14th Dist.] 2010, pet. denied); *Wal-Mart Stores, Inc. v. Lopez*, 93 S.W.3d 548, 557 (Tex. App.—Houston [14th Dist.] 2002, no pet.). The determination of a meeting of the minds is based on the objective standard of what the parties said and did, not on their subjective states of mind. *Parker Drilling Co.*, 316 S.W.3d at 75; *Lopez*, 93 S.W.3d at 557.

Defendants' conduct as UM churches prior to their self-declared "disaffiliation" from the Church evidence the existence of an implied contract. Such conduct includes

- holding out to the public that Defendant is a "United Methodist" or "UMC" church;[24]
- displaying the Cross and Flame as indicia of the Church;[25]
- using the Church hymnal during worship services;[26]
- using the Church service liturgy during worship services;[27]

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[24] Ex. 1B, 2, 3B, 4B, 5, 6B, 7, 8B, 9, 10B, 11B, 12, 13C, 14B, 15, 16, 17, 18B, 20B, 21, 22B, 23B, & 25 at RFA 3; Ex. 27 at Ex. 1 thereto.

[25] Ex. 1B, 5, 6B, 7, 8B, 9, 10B, 11B, 12, 13C, 14B, 15, 16, 17 , 18B, 20B, 21, 23B, 24B, & 25 at RFA 5; Ex. 27 at Ex. 1 thereto.

[26] Ex. 1B, 4B, 5, 6B, 7, 8B, 9, 10B, 11B, 12, 13C, 14B, 15, 17, 18B, 20B, 21, 22B, 23B, 24B, & 25 at RFA 7.

[27] Ex. 1B, 2, 3B, 4B, 5, 6B, 7, 9, 10B, 11B, 12, 13C, 15, 16, 17, 20B, 21, 22B, 23B, 24B, & 25 at RFA 9.

- accepting the pension and health care plans provided by the Rio Texas Conference;[28]

- accepting the property and liability insurance provided by/through the Rio Texas Conference;[29]

- receiving pastoral appointments through the Rio Texas Conference;[30]

- sending delegates to the Annual Conference of the Rio Texas Conference;[31]

- having delegates vote on various issues at the Annual Conference of the Rio Texas Conference; and[32]

- acknowledging Defendant's connection to the Church via social media, its website and/or the internet.[33]

Yet despite availing themselves of the rights and privileges that derive from the Discipline and their association with the Church, one or more Defendants admit that

- they have publicly stated their intent to disaffiliate from the Church;[34]

- they do not intend to comply with the disaffiliation procedures set forth in ¶ 2553 of the Discipline;[35]

- they do not intend to pay some or all of the unpaid apportionments for the 12 months prior to disaffiliation, as well as an additional 12

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[28] Ex. 2, 3B, 4B, 5, 6B, 7, 10B, 11B, 12, 13C, 14B, 15, 17, 18B, 20B, 21, 23B, & 24B at RFA 11.

[29] Ex. 3B, 5, 6B, 7, 10B, 11B, 12, 13C, 14B, 15, 18B, 20B, 21, 23B, & 24B at RFA 13.

[30] Ex. 1B, 2, 3B, 4B, 5, 6B, 7, 8B, 9, 10B, 11B, 12, 13C, 14B, 15, 16, 17, 18B, 20B, 21, 22B, 23B, 24B, & 25 at RFA 17.

[31] Ex. 1B, 2, 3B, 4B, 5, 6B, 7, 8B, 9, 10B, 11B, 12, 13C, 14B, 15, 16, 17, 20B, 21, 22B, 23B, 24B, & 25 at RFA 18.

[32] Ex. 2, 3B, 6B, 7, 8B, 9, 10B, 11B, 12, 13C, 15, 16, 17, 18B, 20B, 21, 22B, 24B, & 25 at RFA 19.

[33] Ex. 1B at RFA 15; Ex. 2 at RFA 15, 34; Ex. 3B & 23B at RFA 33, 37; Ex. 4B, & 20B at RFA 33; Ex. 5, 7, 8B, 9, 10B, 11B, 12, 13C, 14B, 15, 16, 18B & 24B at RFA 34, 38; Ex. 25 at RFA 34.

[34] Ex. 1B, 2, 3B, 5, 6B, 7, 8B, 10B, 11B, 12, 13C, 14B, 15, 16, 18B, 20B, 22B, 23B, 24B, & 25.

[35] Ex. 1B, 3B, 4B, 5, 6B, 8B, 9 , 10B, 16, 17, 18B, 20B, 21, 22B, 23B, & 25 at RFA 21; Ex. 7 at RFA 24; Ex. 27 at Ex. 1 thereto; *see also* Ex. 28.

months of apportionments, as required by ¶ 2553 of the Discipline;[36] and

- they either do not intend to pay their pro rata share of any aggregate unfunded pension obligations to the Annual Conference, as required by ¶ 2553 of the Discipline, or dispute the necessity of such payment.[37]

These actions only enforce the legitimacy of Rio Texas's claims in this lawsuit.

F. If Neutral Principles Cannot Be Applied, the Court Must Nevertheless Deny the Motion.

If the Defendants are right that the case cannot be adjudicated using neutral principles, then the deference approach is applicable. *Episcopal Diocese*, 602 S.W.3d at 428. The only way the Court can defer is to enforce the decision of the authoritative ecclesiastical body (here either (1) the General Conference of the Church in enacting Sections 1504.23, 2049, and 2553 of the Discipline, or (2) Rio Texas in enforcing those provisions). To dismiss would not only fail to defer, but would violate the First Amendment and the Open Courts provision by depriving authoritative ecclesiastical bodies of any judicial remedy to enforce their decisions while affording such remedies to private persons and entities and to secular nonprofits.

VI. CONCLUSION

The Defendants have spilled much ink addressing the question of whether Rio Texas's claims are ecclesiastical or not. The Court need not resolve that question to decide the present Motion. If (as Rio Texas believes), the claims are non-ecclesiastical, then Rio Texas adequately pled a breach-of-contract claim that can be decided under neutral

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[36] Ex. 1B, 3B, 4B, 6B, 7, 8B, 10B, 11B, 12, 13C, 15, 16, 17, 20B, 21, 22B, 23B, 24B, & 25 at RFA 25; *see also* Ex. 28.

[37] Ex. 1B, 2, 3B, 4B, 6B, 7, 10B, 11B, 13C, 17, 18B, 20B, 21, 23B, 24B, & 25 at RFA 26; Ex. 27, at Ex. 1 thereto; *see also* Ex. 28.

principles. If (as the Defendants believe), the claims are ecclesiastical, then the deference doctrine requires that this Court enforce the decision of the highest ecclesiastical body that has passed upon the claims. In either event, the Motion should be denied.

VII. PRAYER

WHEREFORE, PREMISES CONSIDERED, Plaintiff The United Methodist Rio Texas Conference Board of Trustees respectfully requests that this Court deny Defendants' Motion to Dismiss (as supplemented), and grant such other and further relief to which Plaintiff may be justly entitled.

Respectfully submitted,

CLARK HILL PLC

By: */s/ James M. Kimbell*

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ATTORNEYS FOR PLAINTIFF
UNITED METHODIST RIO TEXAS CONFERENCE BOARD OF TRUSTEES

CERTIFICATE OF SERVICE

I hereby certify that on this the 15th day of May, 2024, a true and correct copy of this document was served on all counsel for Defendants via email, facsimile, first class mail, electronic file & serve, and/or otherwise.

/s/ James M. Kimbell
JAMES M. KIMBELL

CAUSE NO. 2023CI09762

UNITED METHODIST RIO TEXAS CONFERENCE BOARD OF TRUSTEES	§	**IN THE DISTRICT COURT OF**
V.	§	**BEXAR COUNTY, TEXAS**
FIRST METHODIST CHURCH OF ALICE, TEXAS, *ET AL.*	§	**285th JUDICIAL DISTRICT**

AFFIDAVIT OF JANIS BUCHANAN

STATE OF TEXAS §
§
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared **Janis Buchanan**, known to me to be the person whose name is subscribed below, and upon her oath deposed and stated as follows:

> "My name is Janis Buchanan. I am over 21 years of age, have never been convicted of a felony or other crime, and am otherwise competent to make this Affidavit. I am a paralegal at Clark Hill PLC in Houston, Texas, and I have personal knowledge of the facts contained herein, which are true and correct.
>
> "Attached hereto as **Exhibit 1A** is a true and correct copy of the Charter of First Methodist Church of Alice, Texas, which I downloaded from the Texas Secretary of State's corporate database.
>
> "Attached hereto as **Exhibit 3A** is a true and correct copy of the Articles of Incorporation of Asbury United Methodist Church, which I downloaded from the Texas Secretary of State's corporate database.
>
> "Attached hereto as **Exhibit 4A** is a true and correct copy of the Articles of Incorporation of First United Methodist Church of Barksdale, which I downloaded from the Texas Secretary of State's corporate database.
>
> "Attached hereto as **Exhibit 6A** is a true and correct copy of the Articles of Incorporation of Dewville United Methodist Church, which I downloaded from the Texas Secretary of State's corporate database.

"Attached hereto as **Exhibit 8A** is a true and correct copy of the Articles of Incorporation of First United Methodist Church of Eldorado, which I downloaded from the Texas Secretary of State's corporate database.

"Attached hereto as **Exhibit 10A** is a true and correct copy of Articles of Incorporation of First United Methodist Church of Harlingen, Texas, Inc., which I downloaded from the Texas Secretary of State's corporate database.

"Attached hereto as **Exhibit 11A** is a true and correct copy of the Articles of Incorporation of Ingleside Methodist Church, Ingleside, Texas, which I downloaded from the Texas Secretary of State's corporate database.

"Attached hereto as **Exhibit 13A** is a true and correct copy of the Articles of Incorporation of Travis Street United Methodist Church of La Grange, Texas, which I downloaded from the Texas Secretary of State's corporate database.

"Attached hereto as **Exhibit 13B** is a true and correct copy of the Articles of Amendment to Articles of Incorporation by Directors of Travis Street United Methodist Church of La Grange, Texas, which I also downloaded from the Texas Secretary of State's corporate database.

"Attached hereto as **Exhibit 14A** is a true and correct copy of the Articles of Incorporation of First United Methodist Church of Lampasas, which I downloaded from the Texas Secretary of State's corporate database.

"Attached hereto as **Exhibit 18A** is a true and correct copy of the Articles of Incorporation of First United Methodist Church of Mertzon, TX, which I downloaded from the Texas Secretary of State's corporate database.

"Attached hereto as **Exhibit 19** is a true and correct copy of the Articles of Incorporation of First United Methodist Church of Mission, Texas, Inc., which I downloaded from the Texas Secretary of State's corporate database.

"Attached hereto as **Exhibit 20A** is a true and correct copy of the Articles of Incorporation of First United Methodist Church of Raymondville, which I downloaded from the Texas Secretary of State's corporate database.

"Attached hereto as **Exhibit 22A** is a true and correct copy of the Articles of Incorporation of First United Methodist Church, Rocksprings, Texas, which I downloaded from the Texas Secretary of State's corporate database.

"Attached hereto as **Exhibit 23A** is a true and correct copy of the Articles of Incorporation of First United Methodist Church of San Saba, which I downloaded from the Texas Secretary of State's corporate database.

"Attached hereto as **Exhibit 23A** is a true and correct copy of the Articles of Incorporation of First United Methodist Church of San Saba, which I downloaded from the Texas Secretary of State's corporate database.

"Attached hereto as **Exhibit 24A** is a true and correct copy of the Articles of Incorporation of First United Methodist Church, Inc. of Taft, Texas, which I downloaded from the Texas Secretary of State's corporate database."

FURTHER AFFIANT SAYETH NOT.

Janis Buchanan

JANIS BUCHANAN

SUBSCRIBED AND SWORN TO BEFORE ME on this the 13th day of May, 2024, to which witness my hand and seal of office.

NEIL C. M. OLSEN
Notary Public, State of Texas
Comm. Expires 11-19-2024
Notary ID 125119762

N. C. M. Olsen

Notary Public in and for
The State of Texas

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CAUSE NO. 2023CI09762

UNITED METHODIST RIO TEXAS CONFERENCE BOARD OF TRUSTEES	§	**IN THE DISTRICT COURT OF**
V.	§	**BEXAR COUNTY, TEXAS**
FIRST METHODIST CHURCH OF ALICE, TEXAS, *ET AL.*	§	**285th JUDICIAL DISTRICT**

AFFIDAVIT OF JAMES M. KIMBELL

STATE OF TEXAS §
§
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared **James M. Kimbell**, known to me to be the person whose name is subscribed below, and upon his oath deposed and stated as follows:

> "My name is James M. Kimbell. I am over 21 years of age, have never been convicted of a felony or other crime, and am otherwise competent to make this Affidavit. I am counsel of record for Plaintiff United Methodist Rio Texas Conference Board of Trustees in the above-styled cause, and I have personal knowledge of the facts contained herein, which are true and correct.
>
> "Attached hereto as **Exhibit 1B** is a true and correct copy of Objections and Responses to Plaintiff's Request for Admissions by Defendant, Alice First Methodist Church, served in this litigation on or about November 1, 2023.
>
> "Attached hereto as **Exhibit 2** is a true and correct copy of Objections and Responses to Plaintiff's Request for Admissions by Defendant, Aransas Pass Methodist, served in this litigation on or about November 1, 2023.
>
> "Attached hereto as **Exhibit 3B** is a true and correct copy of Objections and Responses to Plaintiff's Request for Admissions by Defendant, Asbury Corpus Methodist Church, served in this litigation on or about November 1, 2023.

"Attached hereto as **Exhibit 4B** is a true and correct copy of Objections and Responses to Plaintiff's Request for Admissions by Defendant, Barksdale Methodist Church, served in this litigation on or about November 1, 2023.

"Attached hereto as **Exhibit 5** is a true and correct copy of Objections and Responses to Plaintiff's Request for Admissions by Defendant, First Methodist Church of Burnet, Texas, served in this litigation on or about November 1, 2023.

"Attached hereto as **Exhibit 6B** is a true and correct copy of Objections and Responses to Plaintiff's Request for Admissions by Defendant, Dewville Methodist Church, served in this litigation on or about November 1, 2023.

"Attached hereto as **Exhibit 7** is a true and correct copy of Objections and Responses to Plaintiff's Request for Admissions by Defendant, Dripping Springs Methodist Church, served in this litigation on or about October 27, 2023.

"Attached hereto as **Exhibit 8B** is a true and correct copy of Objections and Responses to Plaintiff's Request for Admissions by Defendant, First Methodist Church of Eldorado, served in this litigation on or about October 27, 2023.

"Attached hereto as **Exhibit 9** is a true and correct copy of Objections and Responses to Plaintiff's Request for Admissions by Defendant, First Methodist Church of Ganado, Inc., served in this litigation on or about November 1, 2023.

"Attached hereto as **Exhibit 10B** is a true and correct copy of Objections and Responses to Plaintiff's Request for Admissions by Defendant, First Methodist Church Harlingen, Texas, Inc., served in this litigation on or about November 6, 2023.

"Attached hereto as **Exhibit 11B** is a true and correct copy of Objections and Responses to Plaintiff's Request for Admissions by Defendant, Ingleside Methodist Church, served in this litigation on or about November 6, 2023.

"Attached hereto as **Exhibit 12** is a true and correct copy of Objections and Responses to Plaintiff's Request for Admissions by Defendant, Karnes City Methodist Church, served in this litigation on or about October 27, 2023.

"Attached hereto as **Exhibit 13C** is a true and correct copy of Objections and Responses to Plaintiff's Request for Admissions by New Life Methodist Church, served in this litigation on or about November 6, 2023.

"Attached hereto as **Exhibit 14B** is a true and correct copy of Objections and Responses to Plaintiff's Request for Admissions by Defendant, Lampasas Methodist Church, served in this litigation on or about November 6, 2023.

"Attached hereto as **Exhibit 15** is a true and correct copy of Objections and Responses to Plaintiff's Request for Admissions by Defendant, Lutie Watkins Memorial Methodist Church, served in this litigation on or about November 6, 2023.

"Attached hereto as **Exhibit 16** is a true and correct copy of Objections and Responses to Plaintiff's Request for Admissions by Defendant, Louise Methodist Church, served in this litigation on or about November 6, 2023.

"Attached hereto as **Exhibit 17** is a true and correct copy of Objections and Responses to Plaintiff's Request for Admissions by Defendant, First Methodist Church of Lyford, served in this litigation on or about November 6, 2023.

"Attached hereto as **Exhibit 18B** is a true and correct copy of Defendant Mertzon Methodist Church's Objections and Responses to Plaintiff's Request for Admissions, served in this litigation on or about October 27, 2023.

"Attached hereto as **Exhibit 20B** is a true and correct copy of Objections and Responses to Plaintiff's Request for Admissions by Defendant, Raymondville Methodist Church, served in this litigation on or about October 27, 2023.

"Attached hereto as **Exhibit 21** is a true and correct copy of Objections and Responses to Plaintiff's Request for Admissions by Defendant, Rio First Church, served in this litigation on or about October 27, 2023.

"Attached hereto as **Exhibit 22B** is a true and correct copy of Objections and Responses to Plaintiff's Request for Admissions by Defendant, First Methodist Church, Rocksprings, Texas, served in this litigation on or about October 27, 2023.

"Attached hereto as **Exhibit 23B** is a true and correct copy of Objections and Responses to Plaintiff's Request for Admissions by Defendant, First Methodist San Saba, served in this litigation on or about October 27, 2023.

"Attached hereto as **Exhibit 24B** is a true and correct copy of Objections and Responses to Plaintiff's Request for Admissions by Defendant, Taft Methodist Church, served in this litigation on or about November 6, 2023.

"Attached hereto as **Exhibit 25** is a true and correct copy of Objections and Responses to Plaintiff's Request for Admissions by Defendant, First United

Methodist Church, George West, served in this litigation on or about November 1, 2023.

"Attached hereto as **Exhibit 26** is a true and correct copy of the Addendum to *The Book of Discipline of The United Methodist Church, 2016.*

"Attached hereto as **Exhibit 28** is a true and correct copy of an April 26, 2023 letter from Curt Kurhajec (counsel for Defendants) to Kevin Reed regarding Representation of Methodist Churches."

FURTHER AFFIANT SAYETH NOT.

JAMES M. KIMBELL

SUBSCRIBED AND SWORN TO BEFORE ME on this the 13th day of May, 2024, to which witness my hand and seal of office.

NEIL C. M. OLSEN
Notary Public, State of Texas
Comm. Expires 11-19-2024
Notary ID 125119762

Notary Public in and for
The State of Texas

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