

## **Boy Scouts of America Bankruptcy Court**

The Boy Scouts of America (BSA) sought Chapter 11 bankruptcy protection in February 2020, in order to protect itself from over 80,000 claims of sexual abuse. Chapter 11 is defined as protection from creditors given to a company in financial difficulties for a limited period to allow it to reorganize.

In general, there are two types of claimants in the BSA bankruptcy proceedings. The first type of claimants are individuals accusing the BSA of sexual abuse. The second claimants are organizations like Wesley UMC who have or currently charter a troop.

In October, 2020, the Governing Board, with information from the Northern Illinois Conference risk management office, filed a claim in the bankruptcy proceedings. Wesley UMC is a chartered organization for Troop 11. As such, we have a charter agreement with BSA. Under the agreement, BSA agrees to provide full insurance coverage for our church in the event of a sexual abuse lawsuit. Wesley UMC, like other organizations who have chartered with the BSA, is owed insurance coverage by the BSA if the church is named in a lawsuit for sexual abuse in a chartered troop. This is why Wesley UMC made a claim in the bankruptcy proceedings. At this time no lawsuits have been filed against Wesley UMC or Troop 11.

A team representing the UMC denomination has been participating in the negotiations at the bankruptcy court.

The BSA has finalized a plan. The plan does not provide full insurance coverage for local congregations from all claims. Anyone who has a claim in the bankruptcy proceedings must vote on the plan. Wesley UMC received a voting ballot in the mail on October 21, 2021. We were notified on November 15<sup>th</sup> by the Northern Illinois Conference that the Conference Treasurer will be communicating to local churches guidance and direction from the denominational team at the end of November on how each local church should vote. This will help local churches like Wesley UMC decide how to vote on the ballot we have received. Wesley UMC's ballot must be received by the court no later than December 14<sup>th</sup>.

The following will be voted on at the charge conference on December 8th:

### ***PROPOSED RESOLUTION***

*We the Wesley United Methodist Church give authority to the board of trustees to review the recommendation of United Methodist lawyers in conjunction with annual conference leadership, the Council of Bishops and legal counsel as to whether or not to approve the BSA plan of reorganization, and to vote on the plan on behalf of the church. The chair of the board of trustees is further empowered to execute the plan ballot document.*

At our church conference on December 8<sup>th</sup>, we will be voting to authorize the trustees/Governing Board to complete the ballot and return it to the bankruptcy court by December 14<sup>th</sup> after receiving guidance on how we should vote.

If you have any questions about this, please contact Pastor John Bell at [revjohnbell@gmail.com](mailto:revjohnbell@gmail.com) or 630-417-8202.