

**Clergy Housing:
Parsonages & Housing Allowance Guidelines & Policies
Western NC Conference
The United Methodist Church**

Revised 2008, 2010, 2013, 2015

The Book of Discipline – 2012 provides that the pastor parish relations committee in consultation with the church council and charge conference shall provide “adequate housing for the pastors..., which comply with the annual conference housing policy and parsonage standards,” (§252.4e). *The Book of Discipline – 2012* further stipulates that this housing may be either a “church-owned parsonage or a housing allowance in lieu of a parsonage” (§258.2g16). The following pages contain the policies, guidelines, and procedures that are to be used by local churches and the Cabinet of the Western North Carolina Conference in implementing the housing provisions of *The Book of Discipline of the United Methodist Church*.

Parsonages¹

Every charge is required to provide “adequate housing” for its pastor(s), and such housing is not to be considered as part of compensation or remuneration.” (*2012 Book of Discipline*, § 252.4e). In fulfillment of this requirement, most churches continue to provide a parsonage for its pastor and family. While the church owns the parsonage, church members and committees are urged to view it as the family’s home and to provide the family respect and privacy. (See § 258.2g16)

It is part of the work of several committees within the church to cooperate in maintaining the parsonage as a suitable, healthy, positive environment for the pastor and family. The duties of the Committee on Staff/Pastor-Parish Relations include, “To consult on matters pertaining to...housing (which may be a church-owned parsonage or housing allowance in lieu of parsonage if in compliance with the policy of the annual conference)...and to make annual recommendations regarding such matters to the church council, reporting budget items to the committee on finance.” (§ 258.2g16) The Board of Trustees “have the supervision, oversight, and care of all real property owned by the local church...” (§2533) While not required, it is strongly suggested that churches elect a Parsonage Committee, which might be primarily responsible for interior, furnishings, and decorating, while the Trustees maintain responsibility for the outside structure, HVAC systems, plumbing, electrical, etc. In any case, a cooperative effort is necessary to ensure that the parsonage is adequate, well maintained, and conducive to a healthy life for the family.

The Parsonage Committee

It is suggested that members of the Parsonage Committee, if elected, include:

- The chairperson or designated member of the Board of Trustees.
- The chairperson or designated member of the Committee on Pastor/Staff-Parish Relations.
- The pastor and pastor’s spouse as ex officio members.
- Other members as deemed necessary.

Care and Maintenance

1. While the church is expected to maintain the parsonage and respect it as the family’s home, the pastor and family are expected to respect the parsonage as the property of the church, and to keep it,

¹ Approved by the 2008 session of the Western North Carolina Conference.

including the attic, basement, and yard, in a clean and sanitary condition. (See ¶ 258.2g16)

2. The family has the right to own a pet. However, the family is responsible for any damage to the parsonage structure or furnishings by the pet, including flea and tick extermination.
3. While cleaning the parsonage is the family's responsibility, the church is encouraged to assist in matters that might prove dangerous or extensive, including such activities as gutter cleaning, outside window cleaning, etc.
4. Regular, expected maintenance is the responsibility of the church. This includes, but is not limited to, painting, HVAC service and repairs, plumbing and electrical repairs, structural repairs, mold and other allergen elimination, etc.
5. There is to be an annual review of the parsonage, scheduled with the cooperation of the parsonage family, conducted by the Parsonage Committee, if elected, or by the chairperson of the Committee on Pastor-Parish Relations, the chairperson of the Board of Trustees, and the pastor, to assure proper maintenance (¶258.2g16). As a result of the annual parsonage review, a report concerning the parsonage should be made, including a statement on the physical condition of the parsonage and its furnishings, and a listing of long-and short-term goals. A copy of the report shall be presented to the Charge Conference, the Board of Trustees, and the Committee on Pastor-Parish Relations.
6. The annual church budget should include adequate funds for maintenance and furnishings amounting to not less than 1.5% of the value of the house. Unused moneys should be set aside in a separate fund and allowed to accumulate for use as needed for future maintenance and/or renovations.
7. "In instances of multiple-church charges, the charge conference shall provide for an equitable distribution of parsonage maintenance and upkeep expense... among the several churches." (¶ 247.18) It is recommended that multiple-church charges maintain a joint parsonage fund to which moneys are budgeted each year and unused funds are allowed to accumulate for future maintenance and/or renovations.

Purchasing or Building a Parsonage

The *Discipline* provides a process for purchasing, building, or remodeling a parsonage when the cost will exceed 25% of the value of the existing structure. (¶2544) When the Charge Conference elects a Building Committee, it is recommended that the pastor and spouse be ex-officio members of the committee. In order to allow the cabinet to make the best possible appointments, parsonages should be designed so as to accommodate families of various sizes and configurations.

When purchasing or building, the Discipline requires (¶ 2544.3b, 2544.4d) that on the ground floor there shall be:

1. One room that can be used as a bedroom by a person with a disability
2. One fully accessible bathroom
3. Fully accessible laundry facilities

Goals for the Parsonage

1. Four bedrooms, with one located on the first floor and fully accessible by persons with disabilities.
2. At least one bedroom uncarpeted for persons with allergies.
3. A den/family/great room
4. At least two full baths, with one located on the first floor and fully accessible by persons with disabilities.
5. Kitchen cabinets with work space of standard height.
6. Closets in each bedroom (double, if possible), with linen closets separate.
7. Adequate DRY storage space large enough for furniture storage and out-of-season items.
8. Sufficient electrical receptacles, fire extinguishers, and smoke and carbon monoxide detectors to comply with building and fire codes.
9. Adequate heating system; zoning is recommended.
10. Air conditioning.
11. Insulation in ceilings, floors, and exterior walls to meet current codes.
12. Storm doors and windows, or equivalent.
13. Insulated metal or solid wood outside doors.
14. Dead-bolt locks on all outside doors.
15. Double garage, with automatic garage door opener.
16. Paved driveways.
17. A furnished study or study space. If study must be used as an office, a private entrance is necessary.
18. Adequate yard/play area. Safety should be considered.
19. Deck, porch, or patio with furniture.
20. Adequate outside security lighting.
21. Gutter guards.
22. Adequate off-street parking.
23. A safe exit when leaving the driveway.

Furnishings and Equipment

Inside the house:

1. Energy-efficient, family-size, frost-free refrigerator, with freezer compartment and automatic icemaker.
2. Quick-recovery, energy efficient water heater, 40-gallon minimum.
3. Energy-efficient washing machine, dryer and dishwasher; disposal, if possible. Laundry facilities are to be fully accessible.
4. Formal living and dining rooms will be fully furnished.
5. If there is a great room instead of a formal living room and den/family room, the great room will be left unfurnished.
6. Churches will furnish the pastor's study, whether located in the parsonage or in the church.
7. Clergy will provide their own furnishings for den/family room or great room, master bedroom, and two other bedrooms. If there are more than three bedrooms, those bedrooms will be furnished by the church.
8. The committee on staff-parish relations, the board of trustees, and the parsonage family will negotiate the disposal of the present furnishings at the time of the next change of appointment, beginning with the June 2008 changes.
9. Window shades, blinds, curtains and draperies in furnished rooms; shades or blinds in unfurnished rooms.
10. Floors: hardwood, wall-to-wall carpeting, vinyl, or tile.
11. Discarded furnishings should not be put in the parsonage.
12. Memorials or other gifts to the parsonage can be stored at the church's expense when not needed.
13. The pastor is to furnish linens, quilts, blankets, pillows, and cooking and eating utensils.

Outside the house:

1. Power lawnmower in safe working condition, adequate for size of lot, or lawn service.
2. Cable connection or satellite dish.

Gifts to the Parsonage:

The Board of Trustees, in consultation with the Parsonage Committee, must approve all non-monetary gifts to the parsonage. Gifts to the pastor and/or the parsonage family should be clearly designated as such.

Record-Keeping

The Parsonage File/Notebook:

1. A book or file of pertinent information should be compiled by the chairperson of the Parsonage Committee and maintained by the parsonage family.
2. The file/notebook should include:
 - An inventory of furnishings, with dates of purchase, upholstery dates, swatches, firms, cleaning methods, etc.
 - An inventory of appliances, with dates of purchase, warranties, repair information, etc.
 - An inventory of heating, plumbing, and cooling systems, with dates of purchase, warranties, manuals, and service and repair records.
 - An inventory of lawn equipment, with manuals and warranties; a list of lawn improvements and dates when completed
 - A list of service and repair phone numbers.

The Parsonage Insurance File:

An insurance file should be kept in the church office.

The file should include:

- Parsonage inventory.
- Photographs or videos of each room's furnishings.
- Purchase dates and costs of all appliances and furnishings

Housing Allowances²

Some churches choose to provide “adequate housing” for their pastor by means of a housing allowance rather than a parsonage (*The 2012 Book of Discipline*, ¶ 258.2g16) which, like a parsonage, “is not to be considered as part of compensation or remuneration.”

Although the *2012 Book of Discipline* provides that a local church shall determine how best to provide adequate housing for their pastor(s), it is necessary that that decision be made in consultation with the District Superintendent.

If in consultation with the District Superintendent a church determines to provide housing by means of a housing allowance in lieu of a parsonage, the church shall set the allowance taking into consideration the fair market value of housing in the area which would comply with the “Parsonage Guidelines of the WNCC”.

² Guidelines approved by the Cabinet.

A church providing a housing allowance in lieu of a parsonage shall pay by voucher, to a pastor who, for the first time, is moving from a church-owned parsonage or a pastor who is receiving his/her first appointment, an amount not to exceed \$3000 to assist with the necessary purchases and deposits associated with owning or renting a home. The church shall be expected to provide these funds every time they receive a pastor who, for the first time, is moving from a parsonage or a pastor who is receiving his/her first appointment. A pastor moving from a housing allowance to a housing allowance shall not be eligible to receive these funds. A pastor will be eligible for this assistance one time, either when he/she moves from a church-owned parsonage to a housing allowance for the first time or when he/she receives his/her first appointment if the church provides a housing allowance.

Since pastors are appointed to ministry in a community as well as a local church, a pastor who receives a housing allowance in lieu of a parsonage, shall do everything possible to live within the community where the church is located. However, if suitable and affordable housing cannot be located within a ten (10) mile radius of the church, the pastor shall consult with the District Superintendent and the Pastor Parish Relations Committee before purchasing or renting a home.

Clergy Couple Housing Policy³

Pursuant with ¶252.4e and 258.2g16 of *The 2012 Book of Discipline* and Judicial Council decisions 547 and 562, housing for clergy couples in the Western North Carolina Conference shall be administered under the following policy.

A clergy couple appointed to a charge that provides a housing allowance in lieu of a parsonage shall be entitled to receive that housing allowance even if his/her clergy spouse receives a housing allowance from another charge or extension appointment. The cost of the \$3000 grant to assist with the necessary purchases and deposits associated with owning or renting a home that is to be provided to a pastor who is moving from a church-owned parsonage or a pastor who is receiving his/her first appointment shall be divided equally between the two charges.

When a clergy couple is appointed to serve two separate charges both of which provide a parsonage, the district superintendent in consultation with the clergy couple and the pastor parish relations committees of both charges, shall select the parsonage in which the clergy couple shall live. The charge whose parsonage is vacant shall consult with the District Superintendent, the couple, and the PPRC of the other charge to determine a just contribution to the shared housing arrangements. The charge whose parsonage is vacant shall contribute one half of the costs of refurbishing the lived-in parsonage at the time the clergy couple moves out. (This may include cleaning carpets, drapes/blinds, windows, but does not include HVAC, roof, and structural repairs.) The vacant parsonage may be leased or sold pursuant to the provisions of paragraphs 2540 or 2541 and 2543 of *The 2012 Book of Discipline*. If the vacant parsonage is not leased or sold it must be insured.

A clergy couple appointed to serve two separate charges one of which provides a parsonage and the other of which provides a housing allowance in lieu of the parsonage, shall live in the parsonage. The charge whose allowance is not used to provide housing shall, in consultation with the District Superintendent, negotiate a contribution to the charge of the lived-in parsonage for the care and maintenance of the lived-in parsonage. The charge whose allowance is not used to provide housing shall also contribute one half of the costs of refurbishing the lived-in parsonage at the time the clergy couple moves out. (This may include cleaning carpets, drapes/blinds, windows, but does not include HVAC, roof, and structural repairs.)

³ Guidelines approved by the Cabinet.

A clergy couple appointed to serve a single charge that provides a housing allowance in lieu of a parsonage shall be entitled to split the designated housing allowance for the purpose of pension credit.

Pursuant with IRS regulations there shall be no reimbursement for travel between the church and the clergy's residence.

Other Housing Considerations

1. When a parsonage is sold, the provisions of ¶2540 or 2541 of *The 2012 Book of Discipline* shall be observed. Pursuant with the provisions of ¶2543 of *The 2012 Book of Discipline*, the principal proceeds of the sale of the parsonage shall not be used for operating expenses, provided that provisions are made for the current and future housing needs of a pastor. In light of this provision, the Cabinet strongly recommends that churches maintain a percentage of the proceeds from the sale of a parsonage in an escrow account in the event that the church decides to return to the custom of providing a parsonage for their pastor. Although these funds shall not be used for any other operating expense, they may be used for capital expenditures with written approval of the pastor and district superintendent (¶2543.1) and for “congregational redevelopment efforts” as stipulated in ¶ 2543.3.
2. When a parsonage is rented, the provisions of ¶2540 or 2541 of *The 2012 Book of Discipline* shall be observed and the rental income may be used for the purpose of maintenance on the rented parsonage, necessary property tax, or providing a housing allowance for the appointed pastor. When renting church-owned property, churches are advised to consult a tax specialist, since such action may result in property and/or income tax liabilities to the church.
3. A pastor who owns his/her own home and serves a church which provides a parsonage may request approval of the church council and the district superintendent to live in his/her own home rather than the church-provide parsonage. If permission is granted, the church shall not provide a housing allowance. *Pastors who elect to live in their own homes rather than the church provided parsonage should be aware that such action will result in a potential reduction in pension contributions from the annual conference to the clergy retirement security program—defined contribution—and in incapacity leave benefits from the Comprehensive Protection Program.*⁴
4. A pastor who is under full-time appointment and living in a church-provided parsonage shall reside in the parsonage at least 4 nights per week.⁵
5. Housing for pastors appointed as Intentional Interim Ministers shall be the parsonage or housing allowance which the charge provides for the pastor.
6. In the event that a new charge is created from two or more churches each of which owns a parsonage, the district superintendent, in consultation with the pastor and the PPRC, shall select the parsonage in which the pastor and family shall live. The church whose parsonage is vacant shall consult with the District Superintendent and the PPRC of the charge of the lived-in parsonage to determine a just contribution to the housing arrangements. The charge whose parsonage is vacant shall also contribute one half of the costs of refurbishing the lived-in parsonage at the time the clergy moves out. (This may include cleaning carpets, drapes/blinds, windows, but does not include HVAC, roof, and structural

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repairs.) The vacant parsonage may be leased or sold pursuant to the provisions of paragraphs 2540 or 2541 and 2543. If the vacant parsonage is not leased or sold it must be insured.⁶

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