

27. PARSONAGE GUIDELINES, SAFETY AND STANDARDS, IACJ, 2003, Item 806, p. 183.

Action Item #806 - Pastors' Housing Policy

The Iowa Annual Conference adopts the Recommendation of the Cabinet to adopt the Pastors' Housing Policy as a Standing Item of the Annual Conference.

Housing Task Force members:

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The Parsonage System: Itineracy is at the heart of the deployment of United Methodist clergy in full time ministry. This mode of pastoral assignment is dependent upon the use of the parsonage system. It is our expectation that pastors shall reside in a parsonage provided by the local charge. If an exception to living in a parsonage is initiated by a pastor, approval for such must be given by the local charge conference and the cabinet. Each parsonage should meet the standards of the conference and in cases where these standards are not met, it is the responsibility of the pastor, the charge, and the district superintendent to work together to move toward these standards.

Study/Office and Parsonage Standards (designed as a check list for parsonage committees and boards of trustees):

Pastor's Study/Office and Church Office

A. Location

1. The church office (defined as location of office equipment, secretarial/or volunteer work space, etc.) should not be located in the parsonage.
2. A pastor's study/office should be available in the church or in a location other than within the parsonage. If located in the church, it should be as easily accessible as possible to an outside entrance with designating signs posted. A study included in the parsonage should be removed as far as possible from the rooms most used by the family, preferably on the ground floor. All study/office locations should take into consideration accessibility to the handicapped.

B. Condition. The pastor's study/office and the church office each should contain no less than 150 square feet of floor space with adequate heating and lighting facilities. Air conditioning for extremely warm weather is desirable.

C. Equipment for Pastor's Study/Office

1. An adequate sized desk with drawer space, including one letter-sized file drawer.
2. Desk lamp and swivel-type desk chair.
3. At least 42 lineal feet of book shelves.
4. A private-line telephone –especially if the pastor's study/office is located in the parsonage.
5. A waste paper basket
6. At least two occasional chairs for visitors
7. One (1) file cabinet for personal files
8. Locks on desk and filing cabinet
9. Computer and printer with e-mail capability
10. Answering machine

___ adequate

minor improvements needed

major improvements needed

If improvements are needed, please describe.

D. *Church Office.* An additional room or space should be provided for the office equipment, secretarial/volunteer work space, etc. with the following items:

1. Adequate sized desk with drawer space
2. Desk lamp and swivel-type desk chair
3. Fire-resistant metal filing cabinet for church records
4. Locks on desk and filing cabinet
5. Additional storage space for magazines, equipment, and supplies
6. Copy machine, typewriter, computer and printer (Pastor and secretary should have separate computers and printers.)
7. E-mail capability or fax machine is recommended
8. A waste paper basket
9. Adequate staplers and access to paper cutter and pencil sharpener
10. Desk calculator
11. Answering machine

adequate

minor improvements needed

major improvements needed

If improvements are needed, please describe.

Parsonage

General Standards

A. *Accessibility.* For all newly constructed or newly purchased parsonages, the following guidelines shall apply:

1. At least one full bathroom on the ground floor.
2. At least one bedroom on the ground floor.
3. Laundry facilities located on the ground floor.
4. Doorways at least 32 inches in width to the above three items.
5. At least one entry to the ground floor from the outside which is level with no steps, ramped or able to be ramped.

While these standards will be mandatory for new construction or purchase, the trustees of each charge are urged to take steps to bring all existing parsonages into compliance with these standards.

B. *Structurally sound.* Foundation, roof, and walls in good condition. No evidence of major cracks or water damage. No evidence of termite damage or activity.

structure in sound condition

minor repairs needed

major repairs needed

If repairs needed, please describe:

C. *Yard.* Appropriate landscaping with sidewalks in good repair must be provided. Space for gardening is also recommended.

yard in good condition

minor repairs needed

major repairs needed

If repairs needed, please describe:

D. *Plumbing.* All plumbing in good condition. Must have adequate water pressure and a safe drinking water supply.

plumbing in sound condition

minor repairs needed

major repairs needed

If repairs needed, please describe:

E. *Electrical System.* Wiring must be in safe condition with adequate grounding and sufficient circuits for handling air conditioning and heavy duty appliances. Circuit breakers replacing fuse boxes are recommended. Switches and outlets should be conveniently located in every room. A permanently installed television antenna and cable access, if available, for TV reception must be provided.

electrical system in sound condition

minor repairs needed

major repairs needed

If repairs needed, please describe:

F. *Heating and Cooling Systems.* A thermostatically controlled central heating and cooling system should be provided with ducts for every room in the house. (Also provision to shut off ducts to unused rooms). If central cooling is not possible, at least one individual wall/window unit should be provided. Gas water heater and furnace must be properly vented. Systems should be serviced each year by qualified person to ensure safety and efficiency. In parsonages with a fireplace, the church will provide for an annual cleaning.

heating and cooling systems in sound condition

minor repairs needed

major repairs needed

If repairs needed, please describe:

G. *Safety.* Smoke, fire and carbon monoxide detectors should be installed in appropriate locations. A test for the presence of radon gas should be done every year. If levels are high, the

church will develop a plan for compliance within 90 days. A test for presence of radon gas should be done every 5 years. A dry chemical fire extinguisher (Underwriter's Laboratory approved - five pound ABC type) should be installed according to manufacturer's recommendations. There should be a safe exit from each sleeping room; outside steps safe and well lighted, with motion sensitive lights; all outside doors, including garage, equipped with keyed locks and dead bolts that work. Locks should be changed with each pastoral securable and equipped with locks if possible.

adequate safety equipment provided

minor repairs needed

major repairs needed

If repairs needed, please describe:

H. *Telephone.* One private telephone line and one telephone with one extension outlet is required.

Private line and telephone provided

telephone service inadequate

If telephone service inadequate, please describe:

I. *Furnishings.* Appropriate floor coverings in good condition must be provided. Shades, curtains, or drapes must be provided. Painting and redecorating is required as needed..

appropriate furnishings provided, in good repair

minor repairs needed

furnishings not provided, or major repairs needed

If furnishings inadequate, please describe.

J. *Insurance.* Adequate coverage on the house and church-owned furnishings is required.

adequate insurance coverage provided

insurance coverage not provided or inadequate

If insurance coverage is inadequate, please describe:

K. *Energy Conservation.* The house has been audited for energy efficiency and a detailed plan for bringing the house up to the current energy efficiency standards has been established. (The conservation measure that will be most cost effective will vary from house-to-house.) In general, the following energy efficiency standards are recommended as minimum requirements: ceiling insulation, 10 inches; wall insulation, wall cavity filled; basement insulation, 1 ½ inches of rigid panel insulation; crawl space insulation, 6 inches; storms on all doors and windows; caulking and weatherstripping to fill cracks and crevices.

energy conservation features meet minimum standards

minor energy conservation improvements needed

major energy conservation improvements needed

If energy conservation improvements needed, please describe:

L. *Living Room/Dining Room Area.* It should be large enough to be used for entertaining small groups.

- adequate
- minor improvements needed
- major improvements needed

If improvements needed, please describe:

M. *Kitchen.* The kitchen should have adequate eating space, adequate counter tops and easily-cleaned floor covering. It should contain energy-efficient appliances in good working condition: a range; a refrigerator with a freezer compartment; adequate appliance outlets, dishwasher, garbage disposal, exhaust fan, and microwave oven. If water quality is poor, a bottled water dispenser or purification system is recommended.

- adequate
- minor improvements needed
- major improvements needed

If improvements needed, please describe.

N. *Laundry.* Complete automatic laundry facilities conveniently located shall be provided in each parsonage having both washer and dryer as energy efficient as possible. (See accessibility guidelines). Provisions for outside drying is recommended, if possible. Provisions for water softening shall be provided as needed.

- adequate
- minor improvements needed
- major improvements needed

If improvements needed, please describe:

O. *Bathroom.* Bathroom with both tub and shower including medicine cabinet and adequate storage space for linens, plus an additional half-bath, shall be provided. An extra shower is recommended. (See Accessibility guidelines).

- adequate
- minor improvements needed
- major improvements needed

If improvements needed, please describe:

P. *Bedrooms.* A minimum of three bedrooms, all with adequate closet space, with at least one bedroom located on the main floor shall be provided. (See Accessibility guidelines)

- adequate
- minor improvements needed
- major improvements needed

If improvements needed, please describe:

Q. *Storage.* Space in dry basement, attic or other room for storage of seasonal clothing, Christmas decorations, etc. shall be provided.

- adequate
- minor improvements needed
- major improvements needed

If improvements need, please describe:

R. *Pest Control.* Each parsonage should be regularly checked for household pests and necessary control measures adopted. Between moves a professional pest control company shall be used. Full disclosure by the Board of Trustees shall be made regarding the chemicals used in the cleaning.

- adequate
- minor improvements needed
- major improvements needed

If improvements needed, please describe:

S. *Garage.* If possible, a garage shall be provided with sufficient space for two cars. The garage shall have an automatic door opener, adequate lights and electrical outlets, and additional space for gardening and lawn equipment, bicycles, etc.

- adequate
- minor improvements needed
- major improvements needed

If improvements needed, please describe:

Care of Property: The parsonage family is expected to keep the parsonage clean and attractive. When a move is made, the church will clean all carpets. If the parsonage family has a pet or pets, the family is responsible for any property damage caused by the pet(s). The pet owner must conform to all state and local ordinances. The pet owner is responsible for liability for any injury caused by the pet(s). The pet owner is responsible for professional pest extermination of the parsonage when moving if needed. It is the responsibility of the parsonage family to leave the parsonage clean and in good condition when they move to another charge. Any damage beyond normal wear and tear is to be repaired at the expense of the parsonage family. A written report of such damage shall be signed by the members of the parsonage committee and the pastor. A copy of this report shall be sent to the district superintendent, a copy to the parsonage family and a copy kept in the church files.

Annual Tour: A walk through of the parsonage and study/office shall be done annually and at the time of pastoral change by the chairperson of the Board of Trustees or the chairperson of the parsonage committee, if one exists, the chairperson of the committee on pastor-parish relations, and the pastor to ensure proper maintenance (see ¶12532.4 The Book of Discipline, 2000). It is suggested that pictures be taken periodically for the purpose of keeping track of parsonage conditions and repair. The Board of Trustees shall report to the Charge Conference any deviations from conference standards and any need for repairs and upkeep in order to comply with these standards. Within the three months following the charge conference report, the trustees shall bring a recommendation to the Administrative Board of the ways the parsonage and study/office will be brought up to standards and the regular maintenance and safety items taken

care of. A reasonable time table shall be established for such change or correction as must be made and reported back to the next Charge Conference.

- a. The annual tour, as mandated by the Book of Discipline, ¶2532.4, shall be arranged with the parsonage family by the parsonage committee and shall include at least two men and two women, with representatives from the Board of Trustees and Staff-Parish Relations Committee.
- b. The parsonage family shall be encouraged to make a list of things that need attention.

Parsonage Maintenance Fund: The Board of Trustees shall request that the finance committee include in the annual church budget a minimum of 2% of the replacement value of the parsonage for parsonage repairs and maintenance. This amount shall continue to accrue until the fund reaches a minimum of 7% of the replacement value of the parsonage and then be maintained at that level. The trustees shall keep a record of the date of purchase and repair of all appliances, including the heating system, and of all painting and decorating inside and out. A report of purchases and repairs shall be part of the report at the annual charge conference meeting.

Housing Arbitration: Provision for clergy housing is the responsibility of the local church. Issues regarding housing should be resolved between the clergy family and the local church. If housing issues cannot be resolved to the satisfaction of both parties, the district superintendent should be invited for mediation by the Staff-Parish Relations Committee or pastor. The district superintendent may invite the District Church Building and Location Committee to assist in the arbitration. This committee shall then come to the local church or charge to hear the concerns of all interested parties, and to offer recommendations and/or solutions that shall be mutually binding. Recommendations and solutions offered by the district committee shall be consistent with the parsonage standards of the Iowa Annual Conference. If a walk through has not been done at the time of a change of pastors, there will be no basis for arbitration.

Clergy Couple Housing Policy: The following shall govern housing situations where two clergy persons are married and serving two separate appointments: When there is more than one parsonage available, the district superintendent(s), in consultation with the clergy couple and the churches, shall determine appropriate living arrangements. Additional remuneration may be provided to each pastor to reflect the attendant decrease in housing costs to each charge and the pension implications for the clergy couple. Where no parsonage is provided by either charge, the two charges shall share equitably in the payment of an adequate housing allowance for the clergy couple.

Parsonage Costs in Multiple-Point Charges and/or for Clergy Couples with One Parsonage: Repairs and equipment should be divided among churches on a multiple charge by percentage of ownership. When no interest is owned in a parsonage on a multiple-point charge by one or more churches, each church having no ownership should pay its pro-rata share of the fair rental value of the parsonage. Rental money should be placed in a savings account to be used for repairs and equipment. The church or churches which own the parsonage should repair and equip the parsonage. While the Book of Discipline recognizes that a local church has a responsibility to provide for adequate housing for the pastor(s), the provision of a housing allowance may in certain situations provide another approach to housing needs. If an incoming pastor does not wish to purchase a home, the congregation(s) must provide a house. The following guidelines are designed to assist in establishing an equitable housing allowance for pastors serving local churches without parsonages and for clergy and laity employed by the annual conference, who are provided housing allowance as a part of their benefits.

Sale of Parsonage: If the parsonage is sold with the intent to provide a housing allowance for the pastor(s), the proceeds of the sale shall be retained and invested to create

an investment corpus equal to 100% of the current average housing cost in the ministry area of the local church. Interest from the investment corpus may not be used until the newly established 100% level is reached. "Current average housing cost" is defined as that amount needed to purchase a house which meets the current Iowa Annual Conference parsonage standards without financing in the ministry area of the local church. (Rationale: If in the future a housing allowance is no longer to be provided and a parsonage must be purchased, the funds would be available.) The current average housing cost shall be recalculated annually and the 100% corpus adjusted accordingly. Investment income beyond that necessary to meet the newly 100% corpus may be used to provide the agreed upon housing allowance. This investment shall be maintained until such time as a local church charge conference and the cabinet shall decide (for missional reasons) that a parsonage is no longer necessary on that charge. Use of the principal proceeds will then need to conform to requirements of the Book of Discipline which stipulates that these funds cannot be used for operating costs; they can be used to pay down capital debt. The District Church Building and Location Committee must be involved in determining whether or not a parsonage should be sold. A charge conference and approval of the Cabinet are also required.

Parsonage Rental: A local church paying a housing allowance to the pastor(s) may retain the existing parsonage and rent it to a third party. Unless there are compelling missional reasons, rental to a third party should be at an amount equal to the fair market rental value of a house similar to the parsonage in the community where the parsonage is located. Rental income can be used to help provide the agreed upon housing allowance and parsonage expenses. The parsonage shall continue to be maintained in the manner provided for in the current Iowa Annual Conference standards, including an annual inspection. Whenever possible, the lease term should be for one year (renewable annually by agreement) commencing July 1 and ending June 30 of the following year. A notice of termination of lease shall be given at least 30 days prior to the vacating date. This will keep the parsonage available for future appointment needs. Precautions must be taken to insure that the church does not become financially dependent on rental income to maintain the parsonage. The church needs to continue to be able to pay for maintenance and improvements without depending on rental income so that the parsonage is available for future appointment needs. While the parsonage is rented, it must be placed on the tax rolls.

Mortgage Loans: When a housing allowance is paid to the pastor in lieu of providing a parsonage and the incoming pastor wishes to purchase a home, but does not have funds for a down payment, the congregation(s) may lend the amount of a down payment as a low or no interest loan, which may be borrowed from the escrowed funds from sale of the previous parsonage. The interest not paid may be subject to IRS taxes.

Providing a Fair Housing Allowance: In determining the appropriate percentage of the Conference Average Compensation for an annual housing allowance the following factors are to be considered in the following order:

1. The radius around the church in which the pastor will live;
2. The average cost of homes in that area that meet the annual conference standards;
3. The property taxes and insurance costs in that housing area;
4. The current standard interest rate for a 15-year mortgage.

When a parsonage is not provided, the housing allowance shall be figured at between 25 percent and 40 percent of the CAC.