

**The Virginia Annual Conference
Clergy Housing Policy**

1. Each full-time appointment for itinerant clergy will provide housing that meets or exceeds The Virginia Annual Conference minimum parsonage standards including heat and air conditioning by either providing a parsonage or an adequate housing allowance. Churches may, at their discretion, provide housing for United Methodist Deacons on their staff. Housing provided for Deacons must meet the same Conference requirements as housing provided for itinerating clergy.
2. In some circumstances, the district superintendent may work with the church and pastor to arrange for the church to rent a parsonage for the pastor, in lieu of a housing allowance; or, to provide a loan for a security deposit so that the pastor can use a housing allowance to enter into a rental agreement.
3. If a parsonage is not accessible for persons with disabilities and the pastor or pastoral family requires accessible housing, either the parsonage shall be made appropriately accessible, or a housing allowance shall be paid.
4. The church shall submit the "Annual Parsonage Inspection" or "Housing Allowance Review" to the district by June 1 of each year.
5. Each clergy person appointed to a local church/charge who receives a housing allowance, including United Methodist Deacons (see #1 above) will receive the same housing allowance.
6. Housing allowances shall be based on the fair rental value for a 3-bedroom, 1.5 bath home in the community (zip code) in which the church is located (including heat and air conditioning). See Housing Allowance Review document for calculation of Housing Allowance.
7. If housing is offered and the pastor chooses NOT to live in the church-provided housing, the church is not obligated to pay housing allowance. If the parsonage is rented out, then a housing allowance must be paid.
8. If a parsonage is to be rented, ¶2540 of the 2020/2024 Book of Discipline shall be followed for approval.
9. If a church has a parsonage that is rented, the rental funds should be placed in a designated parsonage/housing account. If the local church rents out the parsonage, the rental income may be paid towards a housing allowance for the pastor. It is recommended that some portion of the rental income be set aside for a maintenance reserve for the parsonage. *(see above regarding the calculating amount of housing allowance—it is not based on what rent is received for the parsonage)*
10. Churches are responsible for compliance with any tax laws applicable to income generated from rental and for taxes related to the change in property use.
11. Housing arrangements for clergy couples are made in consultation with the District Superintendent. (see below)
12. The sale of parsonages must be done in collaboration with the District Superintendent and in accordance with ¶2540 and 2543.1 of the 2020/2024 Book of Discipline. Please note that principal proceeds from the sale of a parsonage may not be used for the current (or budget) expenses of the local church. Interest on the proceeds of the sale may be used for a housing allowance. The principal proceeds may be used for capital expenditures, with the approval of the District Superintendent.

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Policy continues on next page.

Clergy Couple Housing Policy

- If both churches have a parsonage, the clergy couple may choose in which to reside. The other church will provide a full housing allowance (see above).
- If both appointments provide a housing allowance, each church provides a full housing allowance to both appointed pastors.
- If one appointment provides a parsonage and one appointment provides a housing allowance, the parsonage will serve to house the couple and the housing allowance will be provided to the clergy of the church that provides that allowance (if the clergy couple, in consultation with their churches and the district superintendent, arrange to live in a home other than the provided parsonage, refer to above policy regarding housing allowance in lieu of parsonage).

Approved by Cabinet 11/23