

SALE OF A PARSONAGE
The Book of Discipline of the United Methodist Church, 2016

The church must present to the District Superintendent a compelling missional reason for selling the parsonage (a compelling missional reason include building a new building, renovating an existing building. The missional reasons must demonstrate how the proceeds will make a ministry impact to the community). The DS presents that compelling missional reason to the Bishop for approval. The Bishop must approve the sale of the parsonage.

If the Bishop approvebys the plan to sell, then District Board of Church Location and Building would meet with your church to determine if it makes sense for the church to move in that direction (This vote occurs through email correspondence between the board and the superintendent). This step serves to help churches think through their plans and to make decisions that will serve the church in the future.

Once the District Board of Church Location and Building approves the sale, you must then have a charge/church conference to approve the sale of the building. To set that up, the pastor will need to contact the district office to get approval from the District Superintendent and to determine who should be the presiding elder at the charge/church conference.

Notice of the charge/church conference must be given at least 10 days prior (the 10 days must include 2 Sundays.) An announcement of the charge/church conference must come from the pulpit and in the weekly bulletin, newsletter, electronic notice, or other means if required or permitted by local law using 2 different methods of communication (see Paragraphs 2540, 2541 & 2542 of the 2016 Book of Discipline.).

A resolution authorizing proposeda majority vote shall pass the proposed action (DS recommends a super majority of 70% or higher) of the members present and voting at the charge/church conference. Once the charge conference approves it and the parsonage sale is complete, there are some restrictions on the use of the money.

The principal proceeds cannot cover current budget or operating expenses.

- Paragraph 2543 of the 2016 Book of Discipline set forth those restrictions.
- But with proper provisions made for current and future missional needs of the congregation and current and future housing needs of a pastor, the principal may be used for capital improvements beyond the regular budget with written approval from the pastor and District Superintendent.

Examples of capital expenditures as it relates to your church include:

- Building a new fellowship hall or the renovation of such (new walls, flooring, etc.)
- Replacing your HVAC system
- Purchase of new major equipment (organs or other musical instruments)
- Kitchen equipment
- Audio-visual equipment
- Furnishings

Paragraph 2543 of the 2016 Book of Discipline states that in specially designated instances the church could request the Bishop and Cabinet to grant an exemption to provide for congregational redevelopment efforts. A clear and detailed three-to-five-year redevelopment plan that projects a self-supporting ministry must accompany the request.

The interest on the proceeds is allowed for any purpose. If the church keeps the parsonage, but rents it out there would be no restrictions on the use of that income.

STEPS FOR SALE OF PARSONAGE

1. The pastor or Trustee chairperson informs the District Superintendent (DS) of the potential sale of the parsonage. DS responds and asks trustees to make a presentation about the possible sale during Trustee meeting.
2. Trustees agree/disagree to the sale of the parsonage in Trustee meeting (reasons for sale and the plans for the proceeds).
 - If trustees disagree on the sale, the process ends.
3. With trustee approval, the pastor or trustee chairperson contacts the DS about Trustee vote. DS will contact Bishop and district board on church location about the potential sale. Bishop and church location board may require additional information before the approval/decline of the possible sale.
 - If the Bishop and or church location board declines the sale of the parsonage, the process ends.
4. With the Bishop's and church location board's approval, the trustees shall present the recommendation to its administrative body (Administrative Council or the Council) to vote on the potential sale.
5. With the approval of the church's administrative body, a Church Conference (all members) is scheduled (10 days' notice) with the DS for a church vote on the sale of parsonage (DS recommends 70% approval). The DS will preside over the meeting.