

## **Solomons UMC 213 Final Report to the District Superintendent of the Washington East District**

### **SUMMARY OF FINDINGS: Paragraph 213 Assessment Study**

The following findings are based on the work of the Assessment Task Force. Over the past several months we have met various times in prayer, discernment and research for intentional assessment to understand how God desires for Solomons United Methodist Church, located at 14454 Solomons Island Road, Solomons, MD 20688-0403 (hereinafter “Solomons”) to be designated a Mission Center.

Below are highlights of the many hours and sessions of work from December 2020-February 2021.

### **BACKGROUND AND HISTORY**

Established in 1866, Solomons is the oldest church on Solomons Island. The building is a typical 19<sup>th</sup> century tidewater country church, made of wood and painted white. The vestibule is in a bell tower. A center aisle leads to a chancel and antique crafted pulpit. The lectern is made of original building studs removed during the 2002 renovation. Beautiful antique stained glass memorial windows surround the Sanctuary.

Physically built as a (inverted) ship’s hull, Solomons navigates heaven and earth with God at our helm. It has been said of the Chesapeake Bay that heaven and earth never framed a more perfect place, and we could not agree more.

Solomons Island itself and Solomons came to be as those before us went down to the water, making their living on the mighty Patuxent River and Chesapeake Bay. The abundance of life in the Bay and the abundant life God offers feeds the community surrounding Solomons physically and spiritually. With their health inextricably linked to the health of the Chesapeake Bay, Solomons engages in ministries of fellowship and stewardship with creation and community. Solomons seeks to end hunger in the community with locally sourced, sustainably harvested food. They seek to build relationships with those who live there and those who are passing through their harbor. Solomons envisions a Bay healthy enough to support oysters, rockfish, blue crabs, and the rest of its aquatic residents. They envision a Bay healthy enough to support the residents who live, play, and work along the Bay. Solomons envisions a Bay restored, whose waters can once again baptize those who seek to be restored in God’s image.

However, in recent years a number of factors have impacted the viability of the church sustaining itself as just a worship center.

While the Solomons Island consists of year round residents, it is primarily a resort community and thrives during the summer months. Over the past years, the church has had a dramatic drop in attendance. Membership rolls were not updated and show

numbers that are inaccurate. While the church is in the process of updating the membership rolls, the end product will be significantly less than what is currently in the system.

Several years ago, due to financial matters, the appointment was revisited and went from full-time to part-time because the current membership could not sustain a full-time appointment.

The congregation participated in an appreciative inquiry retreat conducted by Just Peace several years ago, but they did not follow through on the recommendations that came out of the retreat.

The passion of the congregation is inextricably tied to feeding the community and is actively engaged in several community food programs.

### **COMMUNITY IMPACT ASSESSMENT OF SOLOMONS UMC**

As a church, Solomons United Methodist Church offers its members, visitors and the community, ministries and missions related to worship, Christian education and service. If SUMC did not exist, the local community would be affected by the loss of their food ministry. Weekly, this would deny an average of 65 persons from receiving food as follows.

- More Tasty Blessings serves an average of 40 persons with a free weekly meal. Before COVID, this mission was shared between Johns/Eastern UMC's and Solomons UMC. Quarterly the local rotated between the two churches.
- The Heartfelt program serves 25 needy children from Dowell Elementary School. Each Friday, the children receive filled backpacks with food for their weekend.
- A food pantry is available at SUMC and serves 35 persons weekly. However, an ecumenical community food pantry (SMILE) is available 5.9 miles north of SUMC. If SUMC's food pantry did not exist, persons could receive their food through SMILE.

### **BUILDINGS AND LOCATIONS**

During a virtual meeting with Rev. Dottie Yunger and the chair of Trustees, Pat Keely, for Solomons UMC, a number of helpful facts were gathered. An outline of those facts is below.

The building at Solomons UMC is being well used even in a pandemic. There is a food pantry/feeding program that is feeding on average 50 persons a day. The church supports this ministry through donations and volunteer hours. This ministry is also well supported by the community including by local restaurants who donate food. Solomons

UMC also assembles food filled backpacks for school children through the Heartfelt ministry. Again, the congregation supports this ministry with resources and time.

The overall building condition is good. There is only the one main building and attached Sanctuary that is located on the waterfront of Back Creek in Solomons. The building is handicapped accessible with an ADA ramp at the entrance, an elevator and accessible bathroom on first floor. The Sanctuary space and equipment is in good order. The kitchen is up to date on Health Department inspections and volunteers using the kitchen have served safe certification. The building and property are estimated to be valued at 1.4 million dollars.

Currently there are no outstanding repairs. A year ago floors in the Fellowship Hall were found to be sloping and the double glass doors were sagging. Both of these were repaired. The elevator is regularly maintained and repaired through a service contract. The HVAC system is aging with the last replacement being 18 years ago. There are maintenance contracts in place. The roof was last replaced 10 years ago and is in good repair. The bulkhead along the waterfront was replaced within the last ten years through a grant from the state.

Solomons UMC also owns a cemetery that is located near the Thomas Johnson bridge. It was represented that the cemetery is in good condition with yearly maintenance of \$5000 via the church budget although there is no perpetual care fund. A church member maintains the records of the cemetery. The cemetery is valued at 1.1 million dollars.

There is currently a Capital Endowment Fund valued at \$65,000. The Heartfelt ministry has \$9000 in dedicated funds. There are no liens against the church property. Church bills are paid to include Trustee expenses and SPRC expenses but it was described as a 'month to month' situation. One expense that the church is struggling to afford is the yearly \$6000 flood insurance premium. The rest of the insurance premiums are up to date. Apportionments are not up to date. The church paid approximately 50% in 2020.

The church has received some grants in the last year including \$10,000 from Calvert County Government for the food pantry (used between March and December 31, 2020). Solomons also received \$250.00 from the BWAC for outreach ministry.

One outstanding question that needs to be addressed regards a pier across from the church off the Solomons Pier and boardwalk. This pier is in serious disrepair to the point that it is closed off (I have personally observed the condition while visiting Solomons Island). There is a question regarding the ownership of the pier. Some local residents are under the impression that Solomons UMC owns the pier. Pastor Younger has not been able to locate any record that documents that they own it but there have been phone calls in the past to the church inquiring about selling it. She heard from the former pastor that

several such inquiries were made over the last 5-10 years. It would seem prudent to verify the ownership of the pier.

The members of Solomons UMC hope to be able to keep serving the community. It gives them a “sense of purpose and a comfortable place to be.” Pastor Yunger wants the food pantry and mission to the community to continue and for the congregation to own that. She thinks that Solomons location lends itself well to a mission center.

### **FINANCIAL ANALYSIS AND OVERVIEW OF SOLOMON’S UMC (see enclosures)**

The following Financial Report for Solomon’s UMC is based on data and information obtained from an official copy of a “Local Church Trends & Forecasts for SUMC” survey of years 2013-2017; a Church Statistical Report covering years 2018 and 2019; church giving and attendance data for 2013-2017; a 2019 demographic “QuickInsite Report” of a one mile radius of the church with five and ten year projections; and interviews with Pastor Dottie Yunger and current Church Finance Chair, Eldon Baldwin.

The interviews with Pastor Yunger and Finance Chair, Eldon Baldwin were especially helpful in interpreting and illuminating the financial data and in filling in some of the missing gaps of information. It is hoped that these findings will contribute, along with the other church assessment sections, to a better understanding of Solomon’s current status as well as her future potential for ministry in this particular setting.

#### Historical Data and Context

Data collected from an Income Trends Analysis which surveyed years 2013-2017 shows an abrupt, almost 50% decline in Year to Date (YTD) Income in year 2015 (\$101,027) from the previous 2014 year (\$200,029). Year 2014 was the pinnacle year in this 5 year survey and seems to have been the apex of an accelerating trend. Conversely, year 2015 was a dramatic low point that signaled an abrupt shift in the congregation’s giving patterns with very modest and inconsistent growth in the years that followed.

#### YTD Income

2013	\$175,862
2014	\$200,029* (High)
2015	\$101,027* (Low)
2016	\$124,623
2017	\$117,000 (Projected)

In the Local Church Trends & Forecast survey summary of cumulative YTD expenses, cumulative YTD expenses are provided only for years 2017 and 2016. In October 2017, the last month for which data was collected, YTD expenses were \$252,502 in contrast

with \$206,907 for the same 10 month period in 2016. This represented a 22% increase in expenses over the same period in 2016. Total year end expenses for 2016 were \$253, 121.

The 2017 expansion of increase appears to have been driven in part by cumulative recorded payments of \$34,455 in apportionments for year 2017, an amount \$12,902 above the 2017 budgeted apportionment figure of \$21,553 and representing a 60% increase. The 2017 paid apportionment figure was, in fact, an outlier among previous and future apportionment figures which typically ranged from \$20k-25K.

YTD Apportionments (Local Church Trends & Forecasts SUMC)

2014	\$ 20,916
2015	\$ 25,200
2016	\$ 18,566 (Low)
2017	\$ 34,455* (High)

The apportionment records provided by Solomon’s current Finance Chair, however, are generally one year out of sync and behind the figures provided in the Local Church Trends & Forecasts survey. Additionally, these records never approximate the high figure (\$34,455) recorded in the Trends & Forecasts survey. In 2020 Solomon’s essentially stopped paying apportionments after May of that year.

Solomon’s UMC Finance Chair Apportionment Records

2013	\$20,917	(\$12,202 open balance)
2014	\$25,199	
2015	\$18,563	(low, paid)
2016	\$21,553	
2017	\$21,553	
2018	\$21,553	
2019	\$27,481	(high)
2020	\$ 7,365	(\$14,731 open balance)

YTD Salary & Payroll

Cumulative data on salary and payroll for years 2014-2017 is provided in the Local Church Trends & Forecast survey.

2013	(No Data)
2014	\$130,587
2015	\$137,698
2016	\$147, 357

2017 \$146,931

From the 2018 and 2019 Solomon's Church Statistical Report combined salary for Pastor (Line 53a) and all other staff (Line 60) totaled \$87,127 in 2018 and \$67,300 in 2019. These figures represent a decline of 41% and 54% respectively from salary and payroll figures reported above in 2017 (\$146,931). They also reflect, in part, a change from full-time pastoral status in 2017 and previous years, to three-quarters status in the first half of 2018, and then half-time status beginning in July 2018. Housing benefits were also reduced from \$3,311 in 2018 to zero in year 2019.

While these reductions in salary, housing, and vocational status reflect a heightened level of financial distress for the church, they also represent the church's capacity to turn to creative solutions in response to these escalating funding challenges. As an example of this, the church views Pastor Yunger's work as a biologist at the Calvert Marine Museum as an extension of her ministry and therefore counts this external source of funding as a component of her salary. Additionally, Solomon's appears open to resourcing other aspects of the church's ministry through the use of creative community partnerships.

Solomon's also appears predisposed to designated giving. Approximately \$9k, for example, was reportedly given directly to the "Hearfelt Project", a Children's Backpack Feeding Ministry in 2018. The 2019 Church Statistical Report reveals a 158% increase in costs related to local church missions and ministry (from \$4,645 to \$12,000 in line 48.b). According to the Finance Chair, member giving is often designated for specific aid programs instead of the general church treasury.

The 2018 and 2019 Church Statistical Report has revealed total non-capital, non-designated income of \$197,129 for year 2018 and \$163,100 for year 2019. Of these totals, \$60,000 (30% of year 2018), and \$40,000 (24.5% of year 2019) represented transfers from liquid assets, the majority of which, most likely were transfers from a church endowment fund. A review of the church's financial records with the Finance Chair indicates that in April 2014 a \$150,00 general church endowment fund was established by consolidating miscellaneous church bank savings accounts. It appears that, beginning in 2016, this general church endowment fund has become the primary source of funding for budgeting shortfalls in this post-2015 church period. At least \$25k was transferred out in 2016 and \$36k in 2017 according to church giving and attendance data from 2013-2017. Beyond the transfers made in 2018 (\$60K) and 2019 (\$40k) and counted as income in the 2018-2019 Church Statistical Report, this accelerated trend has continued into the present such that this general church endowment fund has now been reduced to approximately \$12k. A separate Capital Endowment Fund has approximately \$73k and is now being used to fund larger capital costs.

### Community Demographics

From the "QuickInsite Report" we see that in a one mile radius of the church, 87.5% of the population is White and 7.6% African American, with 5 year projections for modest

growth in the White (Non-Hispanic) population. Average household income stood at \$122,916 in 2019 with a 5 year growth projection of \$130,457 in 2024. Median family income stood at \$110,506 in 2019 and was projected to be roughly the same in 2024. One hundred percent of the area population was above the poverty level as compared to 93.6% in the state. Roughly 22% of the households had incomes between \$100-150k, and roughly 22% had incomes of \$150-200K. These were the two largest population demographics by income.

In summary, Solomon's UMC exists in a very stable area characterized by modest growth and a demographic with above average financial health and income.

#### Closing Financial Summary & Analysis

Solomon's UMC currently exists at a financial crossroads. Beginning in 2015 it has undergone a dramatic financial reversal, with 2015 YTD church income declining approximately 50% from the previous year. While Solomon's exists within a stable community characterized by above average financial health and income, it has witnessed its Pastor go from full-time status in 2017, to three quarters time and then half-time status in 2018. Concurrently, over the last six years it has had to rely on a \$150k general church endowment fund to make up budgetary shortfalls, depleting this fund to a current level of \$12k. Since May of 2020, the church has not remitted further Conference apportionments.

While some financial metrics appear to work in Solomon's favor: it has no current debt; through May of 2020 it has consistently paid its apportionments (although the appropriate levels may be in dispute); it does not appear to have much deferred maintenance and does have a capital reserve of \$73K— at the same time, much of its accelerated financial decline has been masked by the existence and consumption of a finite general church endowment fund.

Conversely, Solomon's has shown a willingness to give to designated benevolent causes such as a Food Pantry and the "Heartfelt Project" Backpack Program for Elementary School children. It has also demonstrated some capacity for creative partnering with community institutions such as the Calvert Marine Museum where Pastor Yunger's work with the "Earthkeeper's Project" is funded by the Museum as part of the church's environmental ministry and outreach. With its unique history and setting on the Chesapeake Bay, Solomon's UMC is now both prompted and poised to explore where this apparent fork in the road will lead them.

## **TASK FORCE RECOMMENDATIONS**

Based on the findings of the Task Force with regard to its demographics, buildings and maintenance of the physical plant and its declining financial trends over the past 5-10 years, it is recommended that Solomons consider one or all of the following options.

1. Become a mission center for the community providing food and continuing their food bank and also provide a modified worship service during food distribution
2. Become a partnership in worship with Olivet
3. Discontinuance

Respectfully Submitted:

Pastor Nona Colbert, Mt Hope UMC, Chair

Rev. Laurie Gates-Ward, Conference Chair, Buildings and Locations

Rev. Linda Motter, Pastor Olivet UMC

Rev. Brenda McIlwain, Pastor Lusby Charge

Rev. Mark Venson, Pastor Ebenezer UMC

Mr. Eldon Baldwin, Laity, Solomons UMC

Ms. Anna Decker, Laity, Solomons UMC

Ms. Eleanor Keeley, Laity, Solomons UMC

Mr. Wayne Parsons, Laity, Solomons UMC

Encs.