

PILGRIM LODGE

West Gardiner, Maine
Maine United Church of Christ

Sustainability Study Executive Summary
October 2017



KALEIDOSCOPE inc.
a new perspective

FIRM PROFILE

The Business Plan for Pilgrim Lodge was completed to provide a comprehensive review of the ministry operation and provide a path for the future operation that can be sustainable. It was completed by the consultants based on research, analysis and workshops with a task force of the camp and leaders from the Conference.

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Specializing in planning and consulting services for camps, retreat and outdoor centers to help them thrive.

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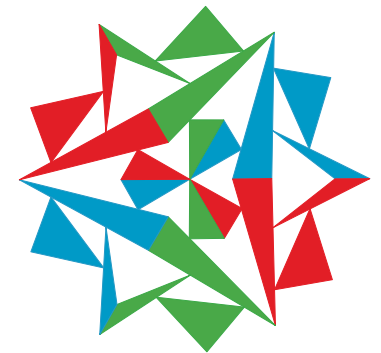


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CONTEXT

Pilgrim Lodge has provided life-changing ministry in summer camps and retreats in the spring and fall for many years. While the camp is a smaller operation, it has been able to be viable. Recently, with a decline in use, moderate financial losses have been realized the past two years. While the situation of Pilgrim Lodge is not a unique story in mainline Christian camps, the movement of camping is alive and strong in many settings, including faith-based centers. Kaleidoscope was pleased to partner with Maine Conference leadership to once again work with Pilgrim Lodge and find pathways toward sustainability for the long-term future.

The consultation included a comprehensive assessment of the current ministry operation, shaping of the 2018 budget proposal and developing a business plan for long term viability.

Current Use of Pilgrim Lodge

Kaleidoscope conducted a use analysis of the guests for the past two complete years (2015 and 2016). This analysis includes all users of the property, summer campers, programmed retreats in the shoulder season and groups hosted on site that stayed overnight but did not receive meal service from Pilgrim Lodge.

Pilgrim Lodge is a small sized operation among denominational camps with 3,132 user days in 2016 and 3,756 in 2015. Most denominational camps will range from 5,000-15,000 user days with some reaching 25,000 or more. Kaleidoscope's experience is that a minimum of 5,000-6,000 user days are necessary to be financially viable.



Pilgrim Lodge Mission

Our mission is to help young people and adults grow as Christians.

We achieve this growth through week long experiences in group living involving exposure to the world of nature, helpful caring relationships, experiences of sharing, recreation, fellowship, and worship. By engaging in purposeful programming, campers and counselors broaden their understanding of God and the world. Together we seek to overcome fears and frustrations and to experience the joy of giving and receiving love. The camp community creates a life-style in accordance with Christian values, an openness to the Holy Spirit, and the grace of Jesus Christ.

SUMMARY OF PRIMARY OPERATING SHIFTS

The key components of the recommendations and the updates to the operating model are listed below. These recommendations shaped the financial planning model delineated for the next five years.

- Summer camp program growth AND consolidation
- Develop clear outcomes for summer camp program – update all aspects accordingly
- Review mission statement & develop vision statement
- Host and partner with other groups to fill summer camp weeks
- Shoulder weekends – goal to fill 80% of beds, provide meal service, increase exclusive use
- Develop annual fund to raise 15% of operating budget
- Pause funding of depreciation for 3 years (fully fund again in year 4)
- Increase marketing budget to 4% of expense budget, develop marketing plan
- Increase regular maintenance budget toward 10% of operating budget
- Develop clear messaging about process and model moving forward



2018 BUDGET

The development of the 2018 budget was based on the need to provide a balanced budget for the ministry. Erasing the deficit from 2015 and 2016 requires significant effort in increasing income while remaining as flat as possible on expenses.

Pilgrim Lodge 2018 Budget Summary			
INCOME			
		2018	NOTES
		Budgeted	
TOTAL OPERATIONS	\$	429,032.00	
Programmed events	\$	335,674.00	Summer camp and programmed retreats
Hosted Groups	\$	44,783.00	Hosted retreats
Camp Store / Other	\$	20,575.00	Camp store and reimbursements
Contributions	\$	18,000.00	
Transfers	\$	10,000.00	Marketing funding by Conference
TOTAL INCOME	\$	429,032.00	
EXPENSE			
		2018	
		Budgeted	
Admin Salary expense	\$	195,674	Professional staff
Administration	\$	52,000	
Property and Facilities	\$	30,425	
Site Overhead	\$	278,099	Cost for One UD = Site Overhead + 3 Meals \$74.54
Food Service	\$	72,150	Cost for three meals \$15.31
			5.75 day Summer Camp = cost per UD +
Programmed Events	\$	78,783	Program Fee \$549.74
TOTAL EXPENSES	\$	429,032	
Profit / Loss		\$-	

Income

- Consolidate summer camp events into at least 1 less week to allow camp to host an outside group of 50 people for a week of summer camp.
- Increase camp attendance in each session by 5% (or at least increasing by 2 campers) over and above the 2017 session attendance.
 - Increase attendance in Pride session by 50% in 2018 (grow from 51 campers to 75 campers) and raise funding assistance with grants and scholarships
- Update hosting practices and policies to increase hosted retreat income with meals and space to welcome new groups on weekends. See initial operating model below.
- All other income lines remain flat with no increase over 2016/2017
- Budgeted \$10,000 for new marketing efforts.

Expenses

- Primary expenses remain flat with no increase over 2016/2017
- Staff expenses increased in medical insurance and food service staff with projected increase in meal service
- Increased food and supplies for increased food service
- Added expense for NEW marketing initiatives, \$10,000
- Removed depreciation funding for 2018

PROGRAM MODEL

PROGRAM MODEL: HOSTING TO DIRECTING

The program model of Pilgrim Lodge has been one of directed summer programs and a few retreat weekends in the shoulder seasons with the target audience of UCC members and friends from churches in the conference. A limited number of retreat weekend groups (5-7 groups) were also welcomed to use the property for their program. Camp provided space for lodging, meeting and a kitchen for the group to prepare meals.

The consultant recommends a fuller compliment of ministry with utilization of the site to a reasonable capacity during the months of operation. This will require welcoming many more people and groups from outside the primary constituency of UCC members and friends. This shift is from serving only as a ministry arm and extension of the local church and judicatory to a place of ministry in the name of (and values of) the United Church of Christ to the larger community. The shift is an extension of mission and purpose for the sake of greater vitality and viability for long-term sustainability.



FIVE YEAR SUSTAINABILITY PLAN (2018-2022)

Guiding Operating Model

- Goal – seek to fill at least 80% of all beds each week of summer and weekend during the shoulder season, serving multiple groups concurrently
- Increase minimum for exclusive use from 65 to 104 (80% of beds)
- Provide meal service for all groups and sell a package of lodging and food. Pilgrim Lodge provides all food service.

SUMMER

Summer camp sessions for children, youth, adults and families may be offered in three different models. There are 130 total beds available, with typically 110 available for campers, 20 for staff in directed events where Pilgrim Lodge provides supervision with volunteer or paid staff counselors.

1. Directed sessions created and led by UCC leaders with consolidated calendar to efficiently fill the beds available at camp. Currently approximately 700 campers attend summer camp sessions filling roughly 50% of available beds.
 - a. If UCC summer camp grows in the future, it can re-claim additional weeks
 - b. Consider new models of summer camp. How can Pilgrim Lodge best serve UCC churches in Maine? Possible areas to explore include intergenerational events and all church sessions.
2. Partnerships: Seek to develop interfaith camp events in partnership with other groups, potentially 1-2 weeks of the summer
3. Host/Resource 1-2 weeks of mission compatible events

SHOULDER WEEKENDS (Spring and Fall)

There are 5 weekends available in the spring and 8 weekends available in the fall. There are 130 total beds available.

Directed

Currently Pilgrim Lodge directs these weekend programs in the shoulder seasons: Women at the Well, Family Camp, Women's Autumn and SYC Autumn. Consideration of consolidating these events may be necessary to utilize the capacity of the site.

Hosted

Each weekend has the potential to host up to 3 groups with 30-40 people per group. Groups would share meal times and use three different meeting spaces with two groups in the lodge and one group in the dining room. Hosting three groups will require careful planning to share the lodge to be sure groups are compatible.



FINANCIAL PLAN AND ASSUMPTIONS

Financial Plan

The financial plan for the next four years (2019-2022) is based on the model outlined above. The definition below is for the full growth through 2022. This serves as a guide for growth goals.

2018-2022 Projected Model Summary					
INCOME	2018	2019	2020	2021	2022
	Budgeted	Projected	Projected	Projected	Projected
FEE Income	\$ 401,032	\$ 417,222	\$ 435,351	\$ 455,779	\$ 478,941
Gift Income	\$ 28,000	\$ 43,075	\$ 53,152	\$ 63,231	\$ 73,311
TOTAL INCOME	\$ 429,032	\$ 460,297	\$ 488,503	\$ 519,010	\$ 552,252
EXPENSE	2018	2019	2020	2021	2022
	Budgeted	Projected	Projected	Projected	Projected
Overhead Expenses	\$ 278,099	\$ 306,428	\$ 327,605	\$ 353,395	\$ 371,570
Food Service	\$ 72,150	\$ 74,629	\$ 77,196	\$ 79,856	\$ 82,612
Programmed Events	\$ 78,783	\$ 80,753	\$ 82,771	\$ 84,841	\$ 86,962
TOTAL EXPENSES	\$ 429,032	\$ 461,810	\$ 487,572	\$ 518,092	\$ 541,144
Profit / Loss	\$-	\$(1,513)	\$931	\$918	\$11,108

Note: the full financial analysis included in the Supporting Information

FINANCIAL PLAN AND ASSUMPTIONS



Income

Summer

- Increase Pilgrim Lodge summer camp income by 2% annually. This assumes limited program growth or slight fee increases.
- Welcome hosted or partner groups for 3 weeks of the summer.

Shoulder Seasons

- Seek to host each weekend to 80% capacity
 - The model proposed two new shoulder groups per year with a total of 8 new groups over 4 years.

Gift Income

- Gift income increases each year, ramping up toward 15%, the best practice of a not for profit camp. In 2022, gift income is represented at 14% of all income.

The 2022 projected model represents 5,500 user days. Kaleidoscope continues to verify that across the country, 5,000-6000 user days will allow a camp to be minimally viable. Note that Pilgrim Lodge can achieve financial viability in 2022 with this level of use.

Expenses

- Primary expenses grow at 2.5% per year with some line items growing at a greater rate as necessary, for example staff medical expenses and food service
- Marketing funds continue to increase, up to 4% of expenses by 2022. The norm is norm is 5-6%.
- Maintenance expenses are increased toward 10% of expenses per the industry norm.
- Depreciation is added back into expenses beginning in 2020.

OTHER KEY AREAS



Marketing

Currently marketing at Pilgrim Lodge is focused on the same audience it has been for its history, that is to UCC churches in the Conference and other groups who have utilized Pilgrim Lodge. While the tools and medium for reaching these markets has been updated, the message remains focused to a small segment of the population. While this narrow market has served through the years, this market is shrinking as churches are smaller and are aging. Limited funds are being spent in marketing efforts, 1.8% of the operating budget. Thriving camps are budgeting 5-6% of their expense budget towards marketing.

Mission and Vision Development

While the passion and love for the ministry of Pilgrim Lodge is clear, the stated mission may need to be reviewed in relation to the current reality and vision. The current mission statement is:

Pilgrim Lodge Mission: Our mission is to help young people and adults grow as Christians.

The task force had great conversation about welcoming groups beyond the Christian faith, yet staying true to the roots of the UCC. One vision iteration shared is that Pilgrim Lodge might be a “Progressive faith center welcoming all faiths to explore spiritual growth.”

Exploring mission and vision is a key next step for leaders to consider.

OTHER KEY AREAS

Summer Camp Outcomes

The most successful camp and retreat centers have clearly identified outcomes that each participant experiences when involved in a program on site. Outcomes should be mission focused relating to the primary purpose of the organization. Three to four clearly focused outcomes will shape the ministry model in a multitude of ways, including marketing, staff recruitment, program development, next steps of discipleship for campers and churches, continued growth and design of the program, and even potential fund development as measured outcomes are reported to donors. Outcomes should be clearly communicated and measured for effectiveness in delivery.

Governance Model

Currently there are two operational volunteer groups (Outdoor Ministry Team and Pilgrim Lodge Advisory Team) that provide visioning and planning for camp facilities and program, but neither of these groups is connected to the governance structure of the Conference. Oversight and fiduciary responsibility is through the Mission Council. In the future, Conference leaders should explore a model that provides a more relevant, active governance model for Pilgrim Lodge.



SUMMARY

The ministry of Pilgrim Lodge has been important to thousands of people. The passion and love for the ministry is clear in the quality of facilities, interest of volunteers and the participation of churches. While the current financial challenge has raised awareness of the need for review and updating for long- term health, the hope for sustainability is high.

Faith based camps must become wise about business practices while always living into and sharing the strong mission of why they exist. Pilgrim Lodge can do both, but the operating model must shift in numerous ways outlined in this plan. As with all of our life, costs to operate continue to increase. Expenses to operate camp are not going to decline. Sustainability for Pilgrim Lodge must include welcoming more paying guests. Growth in attendance must come from outside the United Church of Christ members and friends. The ministry can continue to serve effectively AND broaden its welcome.

We wish you the best in the work ahead, knowing there is great hope for a long future for Pilgrim Lodge – a new future yet to be defined, but full of promise.

Kaleidoscope, inc.

