

# Deerhaven Campground Feasibility Study

Requested by motion of Florida Mission Center Annual  
Conference 11/10/2018

## Committee:

Serena Tankersley (Clearwater)

Candi Gray (Orlando)

Bill Wegner (Tavares)

Sam Nichols (Fort Myers)

Charlie Brown (Palm Bay)

## **PURPOSE**

The 2018 Florida Mission Center Conference passed a motion to authorize a study group to investigate the continued ownership of Deerhaven Campground by the Community of Christ, Florida Mission Center. The motion approved by the conference was as follows:

*Be it resolved, that the Florida Mission Center (FMC) authorize a study group to investigate the continued ownership of the Deerhaven Campground.*

*The study group will include five (5) members.*

*One appointed by the FMC Presidency*

*One appointed by the Deerhaven Board of Directors*

*Three elected at large by the FMC Conference*

*The study group is to prepare a report and present their findings to a combined meeting of the FMC Presidency and the Deerhaven Board of Directors by or before October 15, 2019.*

*This report is not limited to, but should include, the following:*

- 1. The number of FMC user days*
- 2. The cost of a user day*
- 3. What options would be available if Deerhaven Campground was sold*
- 4. What is the cost of keeping Deerhaven*
- 5. Identify other facilities that could be used to accommodate FMC activities*

3 people were elected by the conference to serve on the Committee: Serena Tankersley, Sam Nichols and Charlie Brown. Bill Wegner was appointed by the Deerhaven Board, Candi Gray was appointed by the FMC Presidency.

## CONCLUSIONS

We believe the camping ministry of the church is important to our youth as well as many adults.

We believe the sense of belonging to a particular place of ministry is also important to our youth.

Participation in the camping ministry is not uniform across the Mission Center.

No other facility seems to be available that could be used consistently, under FMC leadership, compatible with Community of Christ doctrine, in a cost-effective manner.

There is significant opportunity (from a calendar perspective) to increase both Community of Christ and Guest usage of the facilities, increasing revenue, and offsetting support currently coming from FMC Congregational Assessments. Deerhaven Board has been exploring this for several years and can better reflect the real potential for increased revenue. The most recent 3-year trend shows increasing revenue from Guest sources.

Alternatives to the current FMC Assessment structure should be explored to relieve the burden on smaller congregations with fewer resources, those distant from Deerhaven, and those not participating in programming at Deerhaven. Retirement of the debt in 7 years will help decrease budget demands. There is some concern however, that by that point, there will be fewer contributors supporting the budget, with continually increasing costs

While Deerhaven has some money in reserve, it may not be enough to cover a significant expense.

# FINDINGS

The committee focused on several areas of exploration:

**Mission** - Does Deerhaven ownership support the mission of the Florida Mission Center, the Mission and Mission Initiatives of the Community of Christ world church, or the goal of the mission of Christ, and World Church directives of how to accomplish this mission?

**Youth Impact** – How does Deerhaven meet the goal of ministering to youth and can that ministry be provided through other avenues?

**Alternatives** – What alternatives are available to support any camping experiences for the Florida Mission Center camping and retreat ministries?

**Finance and Participation** - What is the current cost of ownership and current participation by both FMC activities and Guest Activities? How are current operating expenses being supported? What options are available to shift some support away from assessments?

**Balance Sheet** – Current status of Deerhaven financial assets.

Our exploration led to an additional discussion regarding the allocation of the cost of maintaining Deerhaven, beyond what is supported through FMC & Guest activities. Do we continue to, or how do we continue to support the difference not supported by revenue?

**MISSION** – The committee was not unanimous on their belief in whether the campground ownership supports the designated mission of the Florida Mission Center, the World Church Mission Initiatives, or the general goal of the mission of Christ and World Church directives of how to accomplish this mission.

As a reminder, the mission statement for Community of Christ is “We proclaim Jesus Christ and promote communities of joy, hope, love, and peace.” The 5 mission Initiatives supporting this mission are: Invite People to Christ, Abolish Poverty and End Suffering, Pursue Peace, Develop Disciples to Serve, and Experience Congregations in Mission

The mission of the Florida Mission Center is providing spiritual ministries, leadership, training, services, and resources to inspire and support congregations, members, and friends in their discipleship.

Some felt Deerhaven supports a unique ministry offered by the Community of Christ as a World Church, and that it was an important ministry to our youth whose needs are often not met by traditional congregational worship & fellowship. Some felt it was a drain on resources that could be used to support congregational ministry and placed a burden on the local congregation. This is an area that should be more extensively explored with a larger group of Mission Center leadership, Deerhaven board members and this committee or others chosen by the conference.

## **MISSION & YOUTH IMPACT**

Jesus had times he gathered with the disciples and taught them about the kingdom of Heaven and the love of the Creator God. He met with multitudes of followers and did the same thing. After meeting with the disciples he sent them out to "share the mission". When he ascended he told the multitudes to go and share the mission. But, they had to have the gathering times of teaching and training to be equipped to go out.

A place like Deerhaven provides such a gathering place for our youth. It is a place to step away from their lives in community, church, and school, and be with a larger group with which they have many factors and experiences in common. It is a place where their faith is strengthened and re-affirmed, where leadership is developed, and where they are reminded they are part of a larger community of youth in our faith.

Our local churches/congregations work to provide worship and experiences which are meaningful to a broad range of demographics. For generations, youth have felt that local congregational ministry doesn't always "speak" to them. The church camping programs have provided an opportunity to provide ministry, activities, and service specifically geared to the needs and desires of the youth. It is a ministry that allows them to more fully be themselves.

If we take that away we risk sending the message that we don't consider their needs important enough to provide this sacred space to gather, grow, learn and be equipped for the mission. While the numbers at some camps may be fewer, the value of the opportunity for those who do attend cannot be measured in dollars and numbers. The bond that is formed at Deerhaven, the growth in the youth on a spiritual level, and the potential for them as leaders has value.

### **Another Perspective**

Regarding our youth and children, both member and non-member, who may attend events sponsored by the Mission Center or locally. I believe in today's society our children, youth, young adults / postmodern and middle age adults are looking not only for being together but also something different from Old Traditions or what has always been and not necessarily at a campground. I also think that there is more that could be done for our youth and children in a local setting or even linking arms outside the walls of the church with others who have a belief in Jesus Christ in Community activities. Maybe even looking at a multiyear contract with a hotel near an area that has numerous activities they would enjoy (Disney, tours, etc.) but still a place to gather to worship and learn what it is to be a disciple of Jesus Christ. If we reject the potential of something new, then we will miss what new things God has for us and that would not be where any of us should want to be. Change is never an easy thing but trying to hold onto the past just because that's the way it's always been isn't the correct way to discern the future. Being out in the public to hold these events, youth, children, reunions and retreats could reap

benefits for the body by being the “salt and light” that people are looking for or in other words the Mission of Christ to the World rather than being secluded in a place away from any public view.

**INTRINSIC VALUE** – While the financial assessment can help make an objective judgment on the cost-benefit of continue ownership of Deerhaven, it is difficult to quantify the more subjective value of the campgrounds, especially for the youth of the Mission Center.

For a large number of the youth, it is their link to the church - It is where they develop lifelong relationships.

It is where many make their decisions to follow Christ.

It is a safe haven for them.

It is where we train future generations of disciples to lead and serve

It is a place they see others of their faith and connect to a larger church experience than in their local congregations

## **ALTERNATIVES TO CURRENT CAMPING MINISTRY**

No Camping Options - Support local congregational opportunities and provide periodic group activities at local congregations.

Camping options at other campgrounds

Mission and Outreach Opportunities instead of camps

Service projects that reflect Christ Mission

## **ALTERNATIVES TO DEERHAVEN FOR CAMPING PROGRAMS**

The committee surveyed 20 campgrounds in Florida to determine what options might be available to FMC for a camping program if Deerhaven were not available. This was NOT a formal survey with exact questions asked directly of each location. Some information was gathered from web sites. Most was gathered from phone conversations. Appendix A contains a table listing the facilities contacted and some general information about requirements and availability.

We found some limitations at the facilities contacted. Not all limitations apply to all facilities. No facility was without some limitation that we do not experience working with Deerhaven.

Some campgrounds do not avail their facilities to outside groups and only rent to those of their faith and **do not allow groups with belief's contrary to theirs.**

Some require a **contract stating you will adhere to their tenets of faith** and if you violate their tenets you will be removed from the property and all monies are non-refundable.

Some camps **required their staff to lead your program** and didn't allow for you to provide your own leadership.

The **majority book the camps with churches in their own faith/denomination for the majority of the year with little to no time available** for those outside their denomination. Florida Mission Center has this same priority scheduling at Deerhaven for the Mission Center camping programs.

There **is little guarantee of continuity**. Camps can be bumped for larger camps or camps affiliated with the supporting organization. Time frames can't be guaranteed from year to year without guaranteed bookings & deposits.

The **majority already operate at full capacity**.

Camps have to be **reserved well in advance**.

The majority had a **minimum number of campers of 30** before they would reserve their facilities for a group.

For some, a **deposit was required, by 60 days out, in order to reserve space**. This deposit is based on the number of campers and meals anticipated to be needed with varying percentages being required up front. Dates are not always guaranteed, even with a deposit.

**Average daily cost** to rent another camp, when and if it is available was between \$35.75 and \$44.50 per person per day. This range was based on the number of campers and the number of meals to be provided along with the ages of the campers. Lower costs were for younger campers with the cost increasing with the age of the camper.

The majority **require a Certificate of Insurance** for use of facilities in the amount of \$1,000,000 liability, \$5,000 medical coverage and with them being listed as the certificate holder.

**Summary:** Given the above, it could be extremely challenging to plan for camps and that could further diminish attendance by our campers.

## FINANCIAL ASSESSMENT

An extensive financial assessment was performed that included review of Income & Expenses for the past 2 years as well as reviewing and tabulating camp participation and revenue from the individual camp invoices for that time period. For simplicity, the final analysis was based ONLY on 2018 participation and revenue. It seemed to be the cleanest data, based on current fees, and would be most useful in forecasting future revenue. However, we were able to make some topline comparisons between 2017, 2018 and forecast 2019 outcomes.

- Cost-of-Goods type expenses (food, guards, cooks) have been moved to the income side to offset that revenue charged for those services. This shows the profit from these activities that is available to offset operations.
- There has been NO attempt to factor in inflation for future years.

## FINANCIAL SUMMARY SNAPSHOT

### 2018 Operating expenses (including loan, not including special projects and refundable costs)

\$ 200,000	Total Annual Operating Expense
\$ 545	Expense Per Calendar Day
\$ 1,801.80	Cost per Occupied Event Day
\$ 35,102	Current Annual Loan payment (included in Operating Expense Above)
\$ 204,069.77	Current Loan Balance as of 10/1/2019

### Current revenue support of operating expense breaks down as follows

32%	Congregational Assessment
50%	Rental Income (Guest)
16%	FMC Camp Use fees
4%	Donations
0%	OTHER (due to investment pool loss?)
<hr/> 102%	(revenue exceeded expense in 2018)

### Usage Days (24 hour periods) See Appendix B for 2018 Event Detail

42	FMC (this is 24hr periods, not the number of days used for WC insurance)
69	Guest
<hr/> 111	Total

**FMC Activity 2018**

	9	FMC Events (not including work days)
	42	24-hr Days
	4	Average days per camp
	41.7	Average Campers/Staff per day
\$	687.93	Avg. Rev per camp day*
\$	16.49	Avg. Rev per CAMPER per camp day**
\$	28,893.00	Total FMC Camp Revenue
\$	687.93	Average Total Revenue/Day

\* Deerhaven does not charge a separate "Lodging" fee for FMC camps. A one time "Event" fee and a "Daily Use Fee" are charged for each camper.

\*\* Adults at youth camps are included in "Campers" for this average.

**Guest Activity 2018**

	21	Guest Events
	69	Total 24-hr days
	4	Average days per camp
	41.30	Avg. # Campers per day
\$	1,323.23	Avg. Lodging Rev per camp day
\$	32.04	Avg. Lodging Rev per CAMPER per camp day
\$	119,081.00	Total Guest Revenue
\$	1,471.92	Avg. total Revenue per day (with food costs adjusted out)

**FOOD Revenue (this includes cooks)**

\$	337.71	Average Food Revenue per day (across ALL Non-FMC camps)
	-75%	Expense % of Revenue
\$	83.82	Average Food Profit per day
\$	7.56	Profit per camper per day for a camp with food

## DEERHAVEN USAGE AND REVENUE 3-YEAR TREND

The following table compares key measures over the last 3 years:

	2017	2018	2019
<b>Number of Events</b>			
FMC		9	8
Guest	20	22	24
Total	20	31	32
<b>Number of Event Days</b>			
FMC		42	34
Guest	63	69	72
Total	63	111	106
<b>Guest Camper Days</b>			
Guest Total	2826	2850	3052
Guest Average/Event	149	130	133
Guest Average Campers/day	47	41	44
<b>Guest Revenue</b>			
Lodging	\$ 82,292.00	\$ 91,303.00	\$ 98,859.50
Food	\$ 16,885.00	\$ 23,302.00	\$ 20,639.00
Extras	\$ 4,866.00	\$ 4,476.00	\$ 4,962.50
Total Revenue	\$ 104,043.00	\$ 119,081.00	\$ 124,461.00
<b>Guest Revenue Averages</b>			
Average Lodging per event	\$ 4,331.16	\$ 4,347.76	\$ 4,298.24
Average Lodging per day	\$ 1,306.22	\$ 1,323.23	\$ 1,373.05
Average Total Rev per Event	\$ 5,475.95	\$ 5,670.52	\$ 5,411.35
Average Total Rev per Day	\$ 1,651.48	\$ 1,725.81	\$ 1,728.63

## ADDITIONAL REVENUE AND THE DEERHAVEN ASSESSMENT

Some concern behind this exploration is the burden the current Deerhaven Assessment places on congregations in the Florida Mission Center, particularly those who are distant and participating minimally in Deerhaven activities.

2018 assessments supported approximately \$60,000 of the DH budget or about 30%. The 2019 assessments are lower than 2018, but this reduction is relying on increased withdrawal from

the Deerhaven Operating Reserves. The 2019 combination of Assessment and Reserve withdrawal are still supporting about 30% of the operating cost.

The current annual loan balance of \$204,069.77 will be paid off in 7 years. Annual payment is about \$35,000. This loan is a consolidation that occurred in 2014. The original loan balance was \$336,456.56. With the loan retirement, over half of the assessed amount could be eliminated. However, this assumes other income and costs will remain at the current rates. Decreasing enrollment due to aging congregations could also shift more of the responsibility for support to fewer congregations.

Additional revenue from increased usage, or increased fees could offset all or part of the assessment placed on congregations (see below). Other models for receiving support from congregations should be explored including but not limited to, a “Generosity” model where congregations voluntarily make contributions to Deerhaven as part of their annual budget in place of the required “Assessment”, or additional emphasis on individual contributions, perhaps through a campaign to “Sponsor a Day at Deerhaven” or “Sponsor a Loan Payment”.

**Additional Revenue** – While beyond the scope of the original motion, the committee looked at ways to increase revenue to offset current congregational assessments.

The following assumptions were made for this analysis:

- \$1472/day current net revenue for Guest Camp use
- Current Assessment Revenue plus Guest Rental Revenue need to support 80% of budget
- All revenue increase would come from Guest Camp use (FMC use remains static supporting 15% of budget)

Based on these assumptions:

- 108 Guest rental days would be necessary to support 80% of the expenses (at current fee and participation levels). This is an increase of 39 days over current rental.
- 89 Guest rental days would be necessary to support 80% of expenses AFTER the payoff of the loan. This is an increase of 20 days.

The table below identifies potential revenue impact for specific changes in activity and fee levels.

**NEW REVENUE/PROFIT**

**Added Events**

\$ 4,415.76	Potential Profit from 1 added 3 day event (includes 40% use of food service)
\$ 7,359.60	Potential Profit from 1 added 5 day event (includes 40% use of food service)
\$ 1,234.57	Potential Profit from adding food service to 1 existing 3 day event

**Changing Fee Structure - FMC Camper fees**

\$ (175.00)	Raising the FMC daily use fees to \$20 A/\$10Ch and eliminating the Event fee.
\$ 1,000.00	Raising FMC fees to \$20 A/\$12 Ch and eliminating the Event Fee.

### Changing Fee Structure - Guest Lodging

\$	5,217.31	6% Increase in lodging fees (\$30/\$35)
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### Changing Fee Structure – Kitchen

\$	760.00	Changing Kitchen fee from \$40 to \$60 per day (Based on current number of camp days with food service)
\$	2,580.00	Changing Kitchen fee from \$40 to \$100 per day (Based on current number of camp days with food service)
\$	2,448.50	Change Kitchen use fee to \$2/camper/day (at current occupancy levels)

## DEERHAVEN BALANCE SHEET

Some concern behind this inquiry stems from potential large ticket maintenance expenses that could be incurred in the future and the source of revenue that would be required to cover those expenses. Catastrophic damage to buildings by fire or hurricane would be covered by insurance, but Deerhaven board might investigate what costs would be placed on Deerhaven itself.

Of specific concern by one member of the committee was the long-term viability of the sewer processing system and the cost of potential greater environmental regulation/restriction of such systems. This is an unknown. Deerhaven is not in a coastal area, but it might be worth investigating how similar operations are managing their waste water.

The committee inquired with some other Mission Centers about their income & expenses and their sources of funding. Deer Park has over a \$1.2M endowment. Happy Valley is over \$.5M. This raises some concern about Deerhaven's cash assets, and the current use of some reserve to offset expenses. More work could be done in this area, and might be more successful with Mission Center leadership connections/support or through a World Church connection.

## Appendix B

### 2018 Campgrounds Use Summary

WEEK Start (Friday)	FMC/ GUEST	Start Date	FMC Days	Guest Days	TOTAL CAMPER DAYS
12/29/2017					0
1/5/2018					0
1/12/2018					0
1/19/2018					0
1/26/2018	FMC Winter Reunion		10		0
2/2/2018	FMC Youth Retreat		3		0
2/9/2018	GUEST	10-Feb		1	29
2/16/2018	GUEST	16-Feb		2	56.25
2/23/2018	GUEST	23-Feb		3	104.25
3/2/2018	GUEST	3-Mar		7	160
3/9/2018	GUEST	12-Mar		3	225.75
3/16/2018	GUEST	20-Mar		2	40
3/23/2018					0
3/30/2018					0
4/6/2018	GUEST	5-Apr		3	67
4/13/2018	GUEST	13-Apr		2	52.5
4/20/2018	GUEST	20-Apr		2	47
4/27/2018					0
5/4/2018					0
5/11/2018					0
5/18/2018	FMC Spiritual Growth		2		0
5/25/2018	FMC Celebracion		3		0
6/1/2018	GUEST	4-Jun		5	431
6/8/2018	GUEST	11-Jun		5	150
6/15/2018	FMC JR CAMP		5		0
6/22/2018	FMC SR HIGH		7		0
6/29/2018	GUEST	1-Jul		5	467
7/6/2018	FMC JR HIGH		7		0
7/13/2018	GUEST	17-Jul		5	347
7/20/2018	GUEST	26-Jul		2	123
7/27/2018					0
8/3/2018					0
8/10/2018					0
8/17/2018					0

8/24/2018					0
8/31/2018	FMC Labor Day Reunion		3		0
9/7/2018	GUEST	13-Sep		3	171
9/14/2018	GUEST	18-Sep		4	112
9/21/2018	GUEST	24-Sep		5	93
9/28/2018					0
10/5/2018	FMC Women's Retreat		2		0
10/12/2018					0
10/19/2018					0
10/26/2018	GUEST	26-Oct		2	0
11/2/2018	GUEST	3-Nov		1	29
11/9/2018	GUEST	9-Nov		1	26
11/16/2018					0
11/23/2018	GUEST	23-Nov		2	79
11/30/2018					0
12/7/2018					0
12/14/2018	GUEST	14-Dec		4	40
12/21/2018					0
Count			9	22	21
TOTAL			42	69	2850
Average/Event				4.0	130
Average/Day					41.3007246