



## ***Building on Blessings***

# **New Lodge Business Plan**

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## ***Building on Blessings – A New Lodge for Van Es***

The Van Es Camp & Conference Centre has blessed the Moravian Church in Canada for over 70 years. It features a beautiful natural property 30 minutes east of Edmonton with a state of the art commercial kitchen and a dining hall that seats 175, a multi-purpose building with an indoor pool, hot tub and meeting room that seats 180, a rustic chapel and 7 winterized cabins serviced by a centralized washroom and shower house. The existing lodge, Wedman, has become outdated and costly in terms of energy and maintenance. The Moravian church uses Van Es for summer camp programs, seasonal and day programs and it is used by a variety of rental groups for functions such as conferences, weddings, etc.

Building on those blessings, a lodge at Van Es with private/semi-private bedrooms with their own bathrooms is proposed for Van Es. The new lodge will expand program opportunities for the Moravian Church and increase appeal to the local rental market.

In 2008 the Canadian District Synod directed the Van Es Board to conduct feasibility study and come to 2012 Synod with a design for a new lodge. The study revealed there was strong support in the Canadian District for a new lodge and that there were very few comparable facilities within a one hour drive from Edmonton. Synod voted unanimously to commence with fundraising for the new lodge and once \$700,000 was raised to start construction. The County of Strathcona has approved the design and issued a development permit.

The feasibility study was completed and this business plan for the new lodge will determine projected revenue and costs as well as how Van Es and the new lodge will be marketed.

This plan includes:

- How will the new lodge be used by the Moravian Church?
- Reaching markets beyond the Moravian Church
- Revenue/cost analysis of the new lodge
- Sustainability

## ***How Will the Moravian Church be Blessed by the New Lodge?***

Presently the Moravians use Van Es for summer camps targeted at school age children and for day events such as Camp Sunday. Junior/senior high retreats are held in the fall. Occasionally workshops are held at Van Es but not on a regular basis. Lack of overnight accommodation suitable for adults has restricted the amount of programming that can be offered. The annual Pastors' Cup of Covenant and congregational retreats are offered at other locations.

At both the 2008 and 2012 District Synods a desire for more frequent District Events was expressed. With a new lodge, the following could be held on site at Van Es:

- weekend long District Conferences and workshops, allowing facilitators to expand on program and make the most of resource people,
- mid-week retreats for the many Moravians that are retired,
- Christian growth retreats, (spiritual direction, music, prayer, etc.)
- Pastors' Cup of Covenant,
- Denominational events (PEC meetings, other denominational board meetings)

Based on statistics from other Moravian camps, it is estimated that the Moravian Church will use Van Es for one third of the year. The remaining two thirds of the year is available for rentals with revenue that could potentially offset Van Es' operating costs.

### ***Potential Rental Markets***

Its beautiful natural location and close proximity to Edmonton make Van Es desirable to many rental groups. Presently Van Es rents to school groups, service groups, other denominations, professional groups and private individuals for family reunions and weddings. Director of Guest Services, Bonnie Hauch frequently receives inquiries for overnight accommodations.

In 2011 the Van Es Board commissioned Catapult Marketing to develop a marketing plan and to identify potential markets. Catapult identified several groups which include community and volunteer groups, Sherwood Park non-profit associations, political groups, church organizations, unions and government groups, educational groups and school systems and professional and consulting groups. A copy of the marketing plan is available upon request.

Catapult identified other facilities that would be in competition to Van Es. Star of the North Retreat Centre (St. Albert) and Kings Fold Retreat Centre (Waprous) were used for terms of reference as they are comparable of what the new lodge will offer. The services offered at Van Es would not be identical to these facilities but they are used as a benchmark as competitors.

### ***Potential Revenue/Cost Analysis***

#### ***Rental Rates:***

- Rental rates are set based on two comparative facilities, Star of North Retreat Centre (\$60 to \$70 per bedroom without meals) and Kings Fold Retreat Centre(\$95 per person with 3 meals)  
Suggested per dium rates for Van Es are:
  - \$50 per night per private room
  - \$60 per night for a shared room
- A **minimum** rental charge for use of lodge (\$500 per night).
- Weekend rentals should be only two nights rather than a one night rental.
- Priority given to larger groups and groups booking multiple nights.
- Rates are based assuming Van Es is supplying bedding. Van Es can offer a reduction in rates if renters are willing to supply their own bedding.

- These rates are lower than the other centres in order to get a foothold in the rental market. Once Van Es has established itself in the rental market, rates will be reviewed.

### *Potential Revenue:*

After anticipated Moravian use and holidays such as Christmas and Easter, the camp would be available approximately 30 weeks a year. There are a few combinations of rental scenarios that could occur during a week; a weekend rental plus a mid-week rental (3 nights) or a possible weeklong rental (6 nights at a reduced rate). Based on the \$500 per night minimum rental charge (less cleaning and laundry charges), possible weekly net revenue is \$2,100 to \$3,000 which could amount to **\$63,000 to \$90,000 annually if the lodge is rented for the whole 30 weeks**. This does not include proceeds from Moravian rentals. Please refer to the calculations chart in the appendix for details.

In addition to lodge rentals, there will be revenue from food services, pool rental and Harmony Centre use.

### *Moravian Church Use:*

- Historically Moravian programs get a 50% discount on facility rentals which should continue. Groups should be expected to do their own cleaning and supply their own bedding, otherwise there would be a surcharge to offset cleaning and laundry costs.
- It is expected that Moravian use will be 33% of camp time (summer camps, retreats, etc.).

### *Per Rental Costs*

These costs would vary depending on the size of group, etc. Estimated cleaning and laundry costs per rental are \$200 to \$300 per rental depending how many bedrooms are used.

### *Estimated Annual Fixed Costs*

Insurance	\$3,500
Marketing/Advertising costs	\$10,000
Furnishings (replacement fund)	\$2,000
Maintenance fund	\$3,000
Electricity & Water*	\$5,000
<b>Total</b>	<b>23,500</b>

\* Presently Wedman Lodge is a burden to Van Es in terms of energy costs. With the decommissioning of Wedman, those energy costs will not be incurred and this will offset the costs of the energy used by the new lodge. It is possible energy costs will be less after opening the new lodge.

### *Reducing Heating and Water Costs*

These items are a significant factor in lodge costs. The building committee will be investigating installing energy efficient and water saving features.

### ***Marketing Strategies***

Using the Marketing Plan prepared by Catapult Marketing as a guide, Van Es will recruit a volunteer committee to:

- Identify potential rental markets, develop contact lists and engage potential renters.
- Build relationships with renters.
- Generate brochures, publications, etc. to promote Van Es.
- Facilitate open houses and promotions.
- Generate and maintain social media.
- Communicate with Van Es Director of Guest Services.
- Report regularly to Van Es Board on activities.

This committee will require a \$10,000 annual budget for marketing expenses.

### ***Sustainability***

It is critical that the new lodge be sustainable and not be a financial burden to the Moravian Church. To do so, the Van Es Board must do the following:

- Rent the lodge enough to cover annual fixed costs. If there is surplus income it should be used to offset overall camp operational costs after which funds should be designated to a sustainability fund.
- Initiate an effective marketing plan to promote Van Es to new potential renters and existing renters.
- Strictly monitor and manage energy consumption and water usage.
- Encourage and affirm existing staff. Our caretaker, Rupert Neuman, cook, Lois Derkson and Director of Guest Services, Bonnie Hauch are the “front line” with renters. They are responsible for a renter’s positive experience at Van Es and the likelihood of return visits.
- Continue to recruit a volunteer core to assist staff in maintenance, cleaning, hosting and cooking.

Van Es was built for Moravians and for over 70 years it has been a blessing to the Moravian Church. It has been a place to relax, renew and to grow spiritually and personally. To sustain this blessing Moravians must:

- Use Van Es for events.
- Be good stewards when booking and using Van Es. Book early and with some flexibility.
- Be mindful of energy/water consumption, cleaning and maintenance when using Van Es.
- Support Van Es through prayer, volunteering and finances.
- Promote Van Es to friends and colleagues.

## ***Conclusion***

Van Es is not just a property; it is a blessing built on the prayers, toil, support and generosity of Moravians for more than 70 years. The new lodge is building on blessings.

The Van Es Board thanks God and all those who have supported Van Es in the past and prays for your continued support in the future.

## ***Van Es Board***

Alice Sears (Chair), Randy Adam, Brandon Salzyn, Brenda Kittlitz, Carmen Gibbs Allen, Jake Wollf, Ian Edwards, Matt Gillard, Grant Wudel, Lynne Hennig, Leah Bartz

Advisors: Mel Fenske, Karl Hauch

## ***Marketing Sub Committee***

Alice Sears, Brandon Salzyn, Matt Gillard, Lynne Hennig, Bonnie Hauch

## ***New Lodge Building Committee***

Randy Adam, Alice Sears, Lynne Hennig, Keith Wyllie, Berniece Adam

## ***New Lodge Fund Raising Committee***

Jerry & Lynne Hennig (Co-Chairs), Alice Sears, Doug Brese, Grant Wudel, Matt Gillard, Ian Edwards, Catherine Clarke, Karl Hauch, Freeman Taylor

Advisors: Bobbie O'Connor, Bill Pringle

## ***Environmental Committee***

Carmen Gibbs Allen

## ***Finance Committee***

Alice Sears, Mel Fenske, Matt Gillard

## ***Potential Revenue Calculation Charts***

Rates: Low - \$500/night, High - \$60 per room X 12 rooms

Low        \$500/night

High       \$60 per room X 12 rooms = \$720

### **Split Week Booking:**

#### **Weekend Bookings (2 night minimum)**

Revenue		Less Cleaning	Net
Low	\$ 1,000	\$ 200	\$ 800
High	\$ 1,440	\$ 300	\$ 1,140

#### **Mid-Week Bookings (3 nights)**

Revenue		Less Cleaning	Net
Low	\$ 1,500	\$ 200	\$ 1,300
High	\$ 2,160	\$ 300	\$ 1,860

#### **Possible Net Revenue on Split Booking**

Low	\$ 2,100
High	\$ 3,000

#### **Possible Annual Net Revenue on Split Bookings (30 weeks)**

Low	\$ 63,000
High	\$ 90,000

### **Weekly Booking (6 nights at reduced rate):**

Revenue		Less Cleaning	Net
Low	\$ 2,500	\$ 400	\$ 2,100
High	\$ 3,600	\$ 500	\$ 3,100

#### **Possible Annual Net Revenue on Weekly Bookings (30 weeks)**

Low	\$ 63,000
High	\$ 93,000