



DFLC Governance Council Update **Regarding the DFLC Construction Project and the Building Team**

The purpose of this statement by your DFLC Governance Council is to explain to the Congregation the process of overseeing and moving forward with the DFLC Construction Project (the “Project”) as approved by the DFLC Voting Assembly in May 2022, to achieve a proper, budgeted, and timely completion of the Project. As explained in greater detail below, to help accomplish this, the Council has appointed a Building Team to act as the day-to-day project manager.

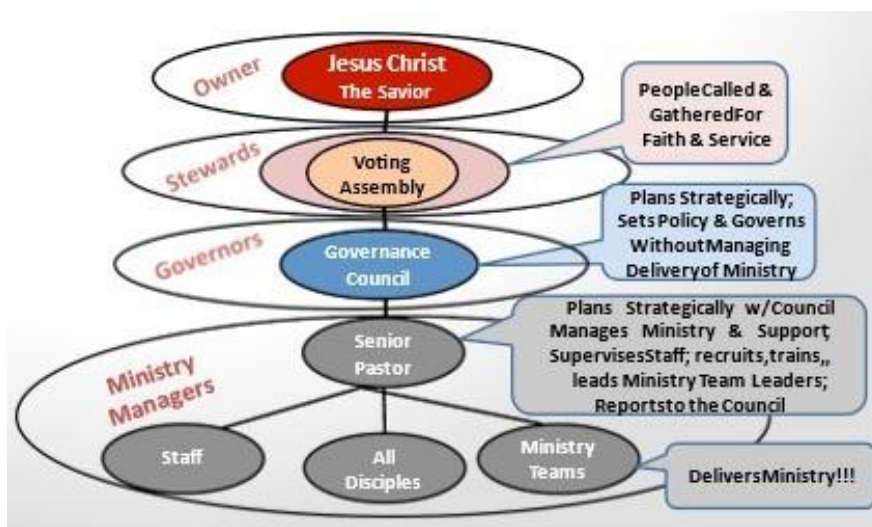
Brief Overview of the DFLC governance structure.

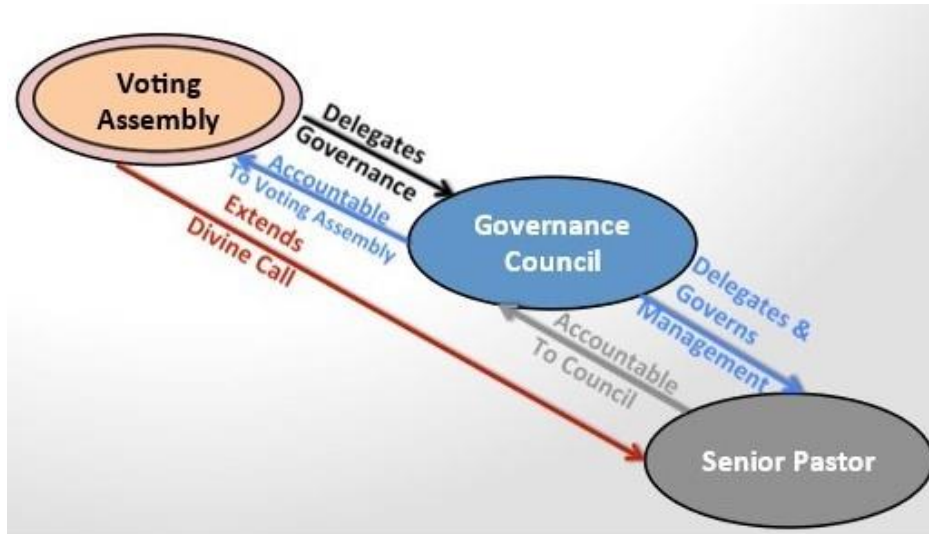
In 2016, DFLC, through a vote of its Members, implemented a policy-based governance structure. In the most basic terms, under this governance structure, the “owner” of DFLC is **Jesus Christ**, the Savior. Members of the **Voting Assembly** (the DFLC congregation) are the stewards of DFLC, and people called by Christ for faith and service. The Voting Assembly – including you – is ultimately in control of and responsible for carrying out Christ’s Mission through DFLC.

Through the DFLC Bylaws, the Voting Assembly has delegated the governance of DFLC to the **Governance Council** (the “Council”). The Council plans strategically and in collaboration with the Senior Pastor, plans the near and long-term direction of the congregation. The Council also sets policy and governs DFLC, including oversight and accountability of the Senior Pastor, without managing the Senior Pastor’s delivery of ministry. Members of the Council are elected by, and are accountable to, the Voting Assembly.

The **Senior Pastor**, who is called by the Voting Assembly, is then delegated by the Council the authority to deliver and manage ministry for the purpose of carrying out the Mission as set by the planning of the Council and the Senior Pastor. The Senior Pastor plans with the Council, manages the ministry and support activities, supervises, recruits and trains staff and ministry leaders. The Senior Pastor reports to and is accountable to the Council.

A brief visual summary of this governance structure in the DFLC Bylaws, is:

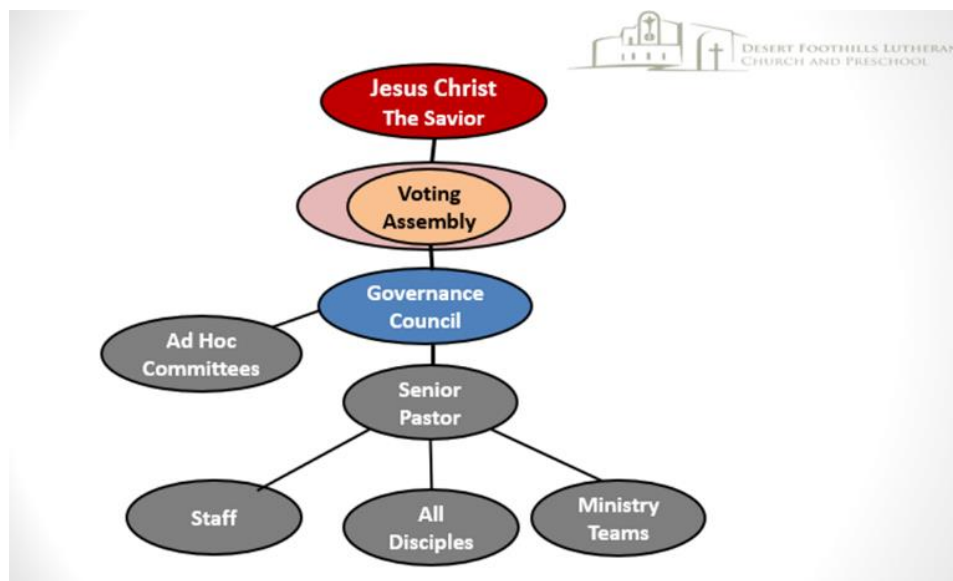




How this DFLC governance structure relates to the DFLC Building Project.

The Council, which is elected by the Voting Assembly, is responsible for the governance of DFLC, and setting the long and short-term direction of DFLC, and ensuring through oversight and accountability functions the carrying out that Mission and direction by the Senior Pastor's delivery of ministry activities. The ongoing construction Project at DFLC is part of and will have a significant impact on the long-term Mission of DFLC. As presented to the Congregation at the May 2022, Voters Meeting approving the DFLC construction Project, the Governance Council is the de facto steering committee for the Project.

Under the DFLC Bylaws (Bylaws 3.3.2), the Council may appoint ad hoc committees to assist Council activities. These ad hoc committees are supervised by, accountable to, and report to the Council.



An experienced construction **Project Manager** is required to work with the architect, construction company, and other professionals on a day-to-day basis through this ongoing and changing Project as the details are worked out, and as approvals from the City of Scottsdale are required and obtained. A project manager will also help to continue to achieve ongoing value engineering and cost-reduction strategies, in addition to the cost-reduction savings already achieved. Moreover, ongoing day-to-day supervision of the construction Project is necessary to ensure that the construction is completed properly, on-budget, and in accordance with the established timelines. Therefore, the Council has appointed an ad hoc Building Team Committee (the **"Building Team"**) to perform these roles and responsibilities as the day-to-day project manager. The Council approved minutes appointing the Building Team are attached to this summary.

What will be the roles and responsibilities going forward relating to the Project?

- **The Voting Assembly (the Congregation).**

The Voting Assembly, as the ultimate authority at DFLC, should be kept informed by the Building Team regarding the Project, and the Building Team will provide reasonably regular updates to the congregation regarding the Project. DFLC is YOUR Church, and we are all in this Project together – the Project is a collective DFLC effort to expand our Mission of Connecting People to Jesus. Thus, continued input from the congregation to the Building Team regarding value engineering and opinions is both encouraged and valued. However, keep in mind that many Members have strongly differing opinions regarding the Project, particularly relating to aesthetics, and the opinions of individual Members cannot substitute for the voice of the Voting Assembly speaking as a whole. While it would be impracticable to vote on every granular change to the building Project, major changes to the Project as presented at the Voters' Meeting must be approved by the entire Voting Assembly.

- **The Building Team.**

The Building Team, which is appointed by, supervised by, accountable to, and reports to the Council, will act as the day-to-day project manager for the construction Project. Input from the congregation should be made to the Building Team, again keeping in mind that the will of the Voting Assembly as a whole must take preference over individual Member opinions.

While it would be impossible to collectively decide every detail of the Project moving forward, the Building Team is not authorized to make significant or major changes to the Project on its own. The Building Team must report at least monthly (or as issues arise) to the Council and keep the Council informed about the Project to enable the Council to make decisions, or for the Council to refer issues to the entire Voting Assembly for a decision, when necessary.

The Building Team Members appointed by the Council are:

- John Wendel (Chairman of Building Team)
- Chuck Krah
- Greg Billmyer
- Alex Williams
- Ethan Robinson
- Mark Torre (ex officio)

- **The Governance Council.**

The Building Team reports to and is supervised by the Council. The Building Team is responsible for keeping the Council regularly informed (at least monthly, or as issues arise) to allow the Council to make decisions or refer issues to the Voting Assembly at a validly called Voters' meeting, as may be necessary. The Council can approve minor changes to the building Project, but for any major changes, the Council will refer the issue to the Voting Assembly for a decision.

Any concerns or issues with the Building Team should be referred to the Council. However, no individual Council Member may speak on behalf of the Council, except where specifically authorized by the Bylaws or Council Policies. The Council is a group of five equals that speaks with one collective voice, and only through decisions made as reflected in Council Policies or in the official Minutes of Council meetings (which are published online on the DFLC website and are also available for review in the Church office). Bylaws 3.1.2; 3.1.8; 3.2.1.

The current Governance Council Members are:

- John Wendel (Chairman)
- Mark Torre
- Marlene Halden
- Jay Jasper
- Ernie Behnke

This is an exciting time for our Church, and the Project presents a great opportunity for us to advance the Mission of DFLC in Connecting people to Jesus. For questions, further details, or explanations, please contact the Council.

In His Service,

Your DFLC Governance Council