



# **GROWING LEGACY**

## FOR THE GOSPEL

### IMPACT PHASE

### FREQUENTLY ASKED QUESTIONS

UPDATED APRIL 24, 2022



## **1. WHAT ARE THE RESULTS OF THE GROWING LEGACY CAPITAL CAMPAIGN?**

We currently have 159 commitments totaling \$7,849,877.

## **2. WHAT IS THE CURRENT SCOPE AND SEQUENCE RECOMMENDATION?**

The current recommendation that the congregation will be asked to approve is as follows: 1.) Expand the parking, 2.) Construct a new building for contemporary worship, 3.) Expand and remodel the existing sanctuary, 4.) Build the commons area between the two worship spaces, 5.) Remodel the original portion of the preschool, 6.) Remodel the current contemporary worship space (the old fellowship hall) into a children/youth facility.

## **3. WHAT IS THE PROJECTED TIMELINE TO COMPLETE?**

Construction should start early 2023 and take approximately 16 months to complete.

## **4. WHAT ARE THE ESTIMATES FOR CONSTRUCTING THE ENTIRE MASTER PLAN PROJECT?**

We have three construction bids:

Chasse:	\$19,405,000
Concord:	\$16,918,335
Redden:	\$15,935,909

## **5. DO THE THREE CONSTRUCTION BIDS COMPARE ‘APPLES TO APPLES’?**

Yes. All three companies had the same, very detailed, blueprints. They also all had over a month to tour the campus and ask questions of the staff and architect.

## **6. WHO OR WHAT ENTITY OVERSEES THE MANAGEMENT AND EXECUTION?**

Similar to the formation of the Building Committee and Capital Campaign Team, a Construction Team will be formed comprised of four or five people who are experienced in managing construction projects. Those team members will be announced once they are appointed by the Council.

**7. DO YOU HAVE A QUALIFIED PROJECT MANAGER TO REPRESENT DFLC DURING THE PROJECT PHASE?**

Yes. Indeed the entire construction committee is immensely qualified, with over 100 years of construction industry experience, including a general contractor and an architect.

**8. WILL THERE BE A STEERING COMMITTEE?**

The Governance Council is charged with leading the congregation's strategic efforts and is the *de facto* Steering Committee, evaluating priorities, phases, budgets, etc. that best align with DFLC's Mission and SMP.

**9. WHO WILL BE THE MANAGING AUTHORITY FOR SIGNIFICANT CHANGES DURING THE EXECUTION PHASE?**

The Bylaws empower the Governance Council to make moderate course corrections when needed. Anything major must go to the congregation.

**10. HOW MUCH TIME WILL BE GIVEN TO CONSIDER AND EVALUATE PROPOSALS, REFINEMENTS, AND CHANGES VERSUS COST BEFORE CONGREGATIONAL APPROVAL?**

The congregation has been involved for two years to get us to this point. The required two-week notice will be given before a Voters Meeting.

**11. WHAT PROVISIONS ARE MADE TO ENSURE OUR INTERNET BANDWIDTH AND TECHNOLOGY CAPACITY IS EXCELLENT AND MEETS OUR NEEDS?**

A few years ago the church upgraded from DSL to cable internet. It has worked well since then but unfortunately the cable internet solution no longer can handle our upload demand. We will need to move to a fiber optic solution and are currently investigating our next steps.

## **12. HOW MUCH MORE WILL THE OPERATIONAL COSTS BE FOR NEW FACILITIES?**

We are adding 12,337 new square feet in this Phase I & II project, which is 57% more than our current square footage. Obviously not all operating cost components will increase commensurately. In addition, the new spaces will be much more efficient than the current 24 year old facility.

Actual facility costs from 2021 were:

Utilities – Electric:	\$20,864
Utilities – Gas:	\$ 1,730
Utilities – Water/Trash:	\$ 8,973
Janitorial:	\$21,230
Insurance:	\$13,172
Pest Control:	\$ 2,200
<b>Total:</b>	<b>\$68,169</b>

## **13. WHY IS THE PROPOSED NEW EXTERIOR PAINT COLOR SO DARK?**

The City of Scottsdale has changed their rules on paint color since our original building was completed. The current color is not allowed because it is too light. In addition, it's important to show the community that something different and new is happening at DFLC so it would be a missed opportunity to paint the buildings a color similar to what we already have.

## **14. GIVE DESERT FOOTHILLS LANDSCAPING AN OPPORTUNITY TO BID IN VIEW OF YEARS OF VOLUNTARY SERVICE.**

Many subcontractors will bid on every trade and aspect of the project. None have been selected yet.

## **15. WHY IS THE CONTEMPORARY WORSHIP VENUE PRIORITIZED OVER THE FAMILY LIFE CENTER?**

- Worship is our purpose for existing and first goal for our people and the community.
- With a new, larger, first-class worship space and the resulting increase in people brought into the church, we will have the opportunity to build the Family Life Center in the near future.
- We currently have the staff to properly utilize a new contemporary worship space. A new gym or other space will be a new area programmatically.
- Attendance impact-Basketball and Volleyball in a gym scheduled for 5 days a week for 5 different time slots with 10 people per time slot will fill the building

with 250 people a week. One Sunday morning in a worship space has the potential of impacting 400 people.

- A Contemporary Worship venue can also be utilized during the week. We will host music festivals, orchestras, plays, conferences, speakers, bands, seminars, etc.
- The Contemporary worship space will also serve as a visual for the community. New church worship spaces attract new people. This building will be a landmark on Scottsdale Rd.
- Using a gym as a worship space is not ideal. There is high potential for wear and damage. This can be chairs damaging the floor or a ball damaging a projector.
- Using a worship space as a gym is not ideal. There are less options for games that can be played, and it is more prone to injury.
- We will better teach and train disciples with a new sanctuary, thus impacting the attendance of heaven with this tool. People can donate to gyms at their alma maters, but here we have the opportunity to grow a legacy in helping build a temple for the Lord.

#### **16. HAVE ADEQUATE PROVISIONS BEEN MADE FOR ACTUAL CLASSROOMS TO BE AVAILABLE FOR BIBLE STUDY/MEETINGS?**

Until the congregation fully funds the master facility plan, there will be many compromises to utilize the spaces we have. The lobby of the contemporary building will most often serve as a wonderful meeting space, closely located to refreshments and rest rooms.

#### **17. WHAT IS INVOLVED IN THE SANCTUARY REMODEL, AND HOW LONG IS IT ESTIMATED TO COMPLETE?**

The existing sanctuary will be expanded, and the finishes will be updated. The sanctuary was designed to be expanded, which will make the construction somewhat simpler. The actual construction on that one building will take about 4 to 6 months.

#### **18. WHERE WILL WE WORSHIP DURING THAT REMODEL?**

We will need to have the traditional service in the new worship venue for a few months.

**19. HOW WILL THE THREE CLASSROOMS IN THE CHILDREN'S BUILDING ENHANCE THE PRESCHOOL'S OPERATION?**

Our preschool is currently operating at capacity. With the increase in classrooms, as well as a second outdoor playground, our capacity increases by 50%.

**20. WILL THE PRESCHOOL CAPITAL IMPROVEMENTS ENHANCE THE FUNCTION, CAPACITY, AND SAFETY?**

Yes.

**21. WILL THE RESTROOMS BE ABLE TO HANDLE THE MAXIMUM NUMBER OF OCCUPANTS IN ALL THE VENUES?**

All restrooms and the number of restrooms will meet all ADA and City requirements for occupancy.

**22. IS THE STORAGE SPACE ADEQUATE FOR ALL ITEMS NEEDED THROUGHOUT THE YEAR AS WELL AS SUPPLIES FOR ALL PROGRAMS AND EVENTS?**

Yes.

**23. WHY ARE THERE SO MANY TREES ON THE LANDSCAPE PLAN?**

On our plans, we have the minimum number of trees the City will allow.

**24. ARE WE ACCOUNTING FOR SURPRISES IN THE CONSTRUCTION BUDGET?**

Yes. About \$1,000,000 is set aside as contingency for Phases I and II.

**25. WILL THE OPERATING COSTS NEEDED FOR THE ENHANCED FACILITIES AND ONGOING STRATEGIC MINISTRY PLAN BE CONSIDERED?**

Yes, they have. See below:

**2022-26 SMP FINANCIAL EFFECTS (\$,000)**

	<b>Effective Year</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
Expense Budget – Increase 3%		1,189	1,225	1,261	1,299	1,338
<b>ADD</b>						
Director of Christian Education	2022	80	82	84	86	88
Business Manager (half time)	2022	40				
Business Manager (full time)	2023		80	82	84	86
Facility Manager	2024			82	84	86
Community Connections Cord.	2024			82	84	86
<b>Total Expense Budget</b>		<b>1,309</b>	<b>1,387</b>	<b>1,591</b>	<b>1,637</b>	<b>1,684</b>

**PRESCHOOL ENROLLMENT FORECAST**

Based on the three new classrooms available in the 2023-24 school year and assuming increase enrollment by 10 students per year until at capacity in 2028.

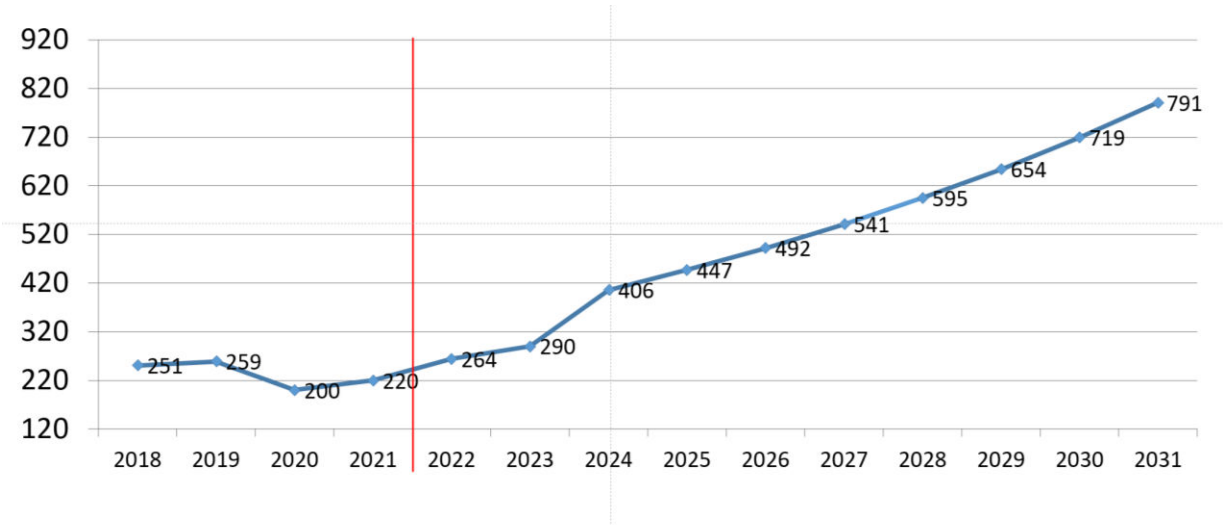
<b>2022</b>	<b>2023*</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028**</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>
90	100	110	120	130	140	150	150	150	150

**PRESCHOOL REVENUE FORECAST (\$,000)**

Based on 3% annual increase in tuition plus the additional students each year.

<b>2022</b>	<b>2023*</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028**</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>
\$300	\$333	\$366	\$400	\$436	\$469	\$500	\$515	\$530	\$546

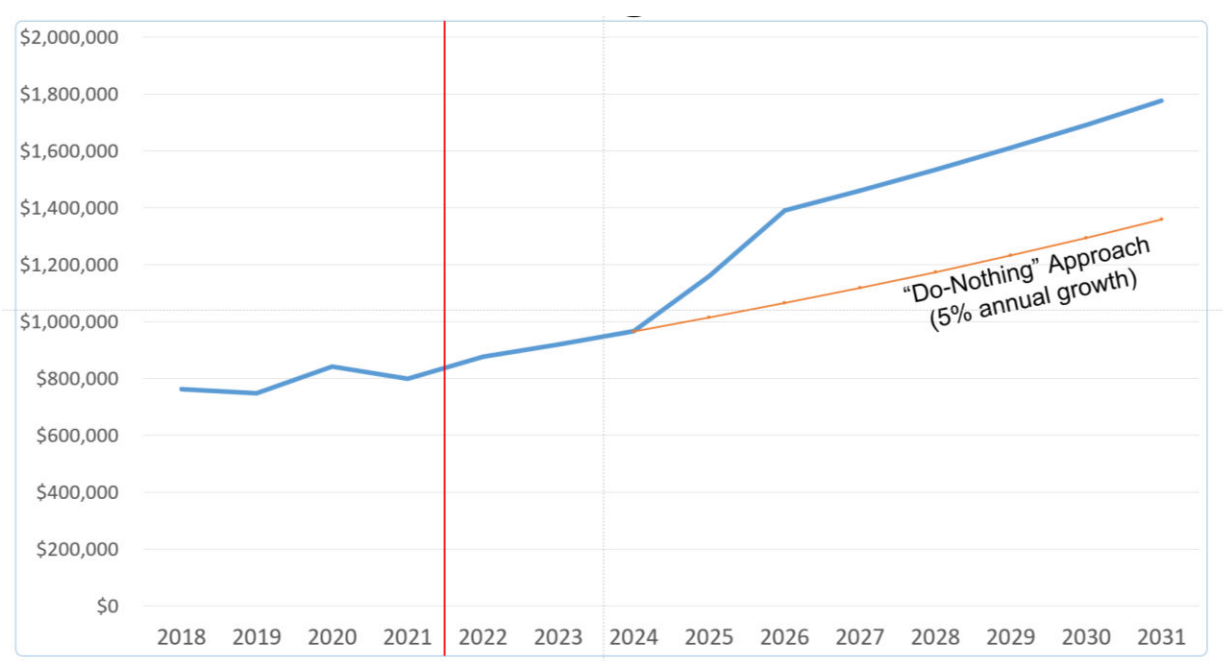
**AVERAGE IN-PERSON SUNDAY WORSHIP ATTENDANCE FORECAST**



\*Assumptions: 2022 recovery, 40% jump at completion of worship venues, and 10% growth thereafter

**PLATE OFFERINGS FORECAST**

Based on 5% annual increase in offerings, except for the first two years the new worship venues are opened (20% increase each of those two years)



**ANNUAL MORTGAGE PAYMENT SCENARIO**

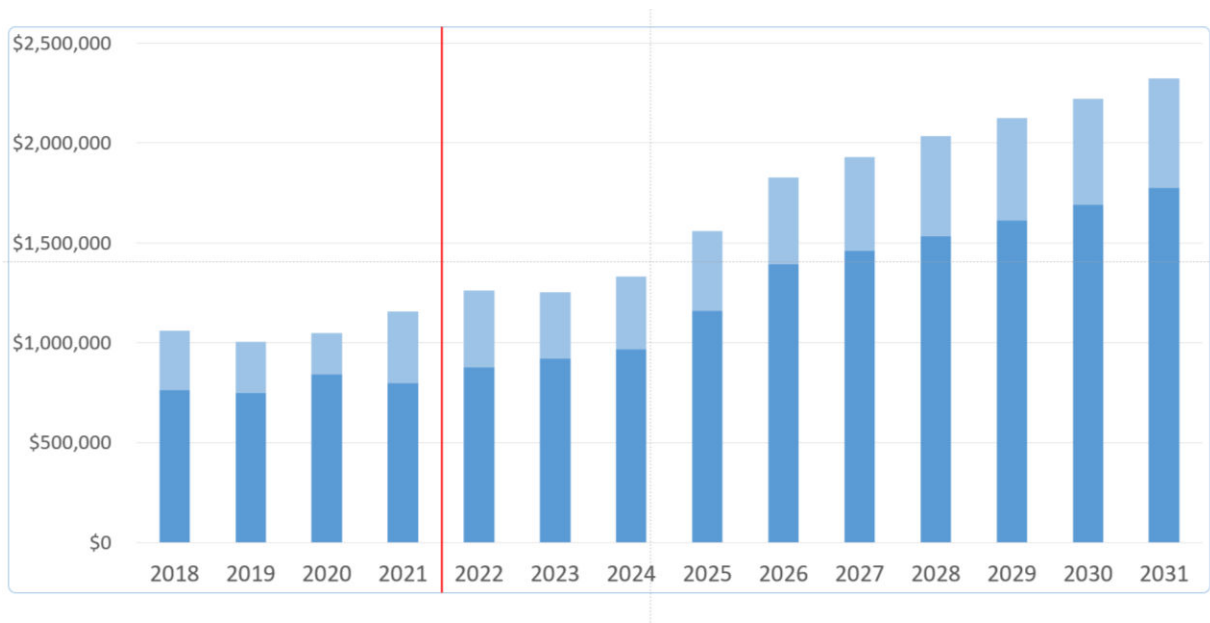
New Mortgage Payment: \$324,000\*  
Current Mortgage Payment: \$128,648  
Increase to Our Annual Budget: \$195,352 (17% of 2021's Income)

Projected increase in Offerings by 2025: \$283,000  
Projected increase in Tuition by 2025: \$100,000

\*Assumptions: \$5 Million Total (\$4M for Construction plus \$1M from old debt) at 5% interest

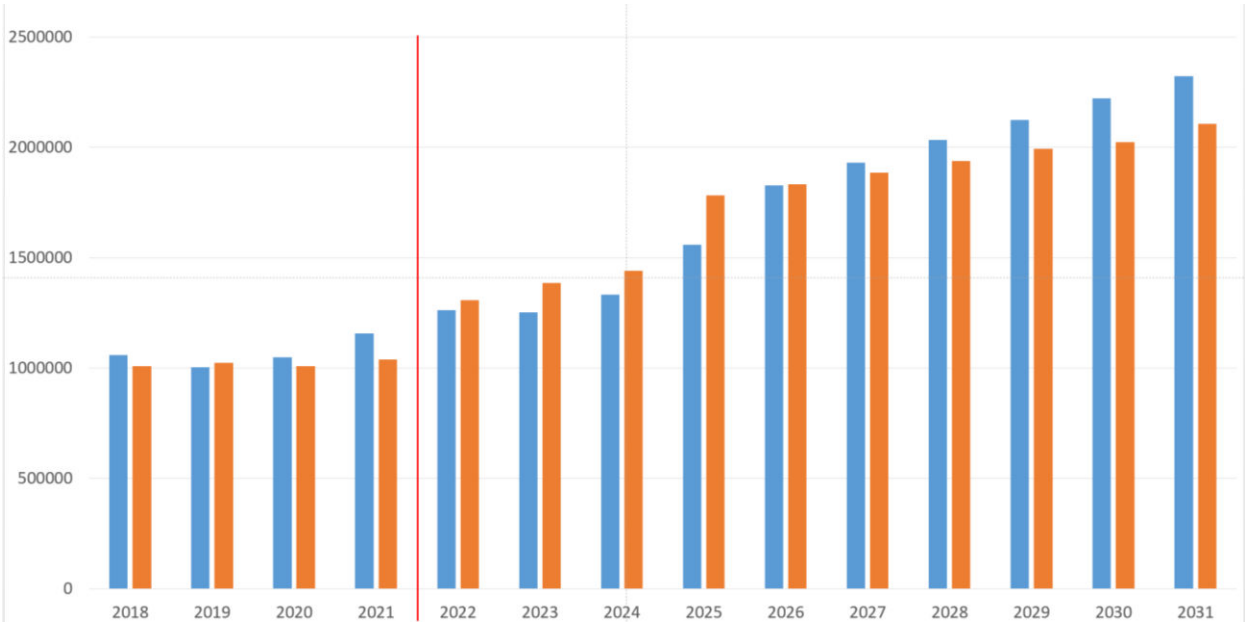
**TOTAL INCOME FORECAST**

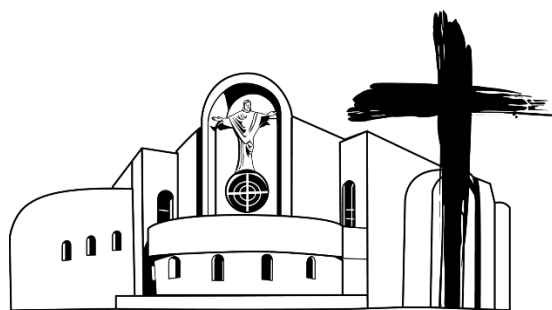
The combined income from offerings and tuition, historic and forecast.



**P&L FORECAST**

The Total Income and Total Expenses, historic and forecast.





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