

1. 15-Year Repairs Program and Capital Fund Campaign
Endorsed by the Board of Trustees on March 11, 2021
for Congregational Approval at the Annual Meeting on May 16, 2021

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I. The Charge of the Board of Trustees to the Capital Review Group

On January 14, 2021, the Board of Trustees created the Capital Review Group (CRG) and charged it to **review and update the multi-decade program of Repairs to the Congregation's facilities.** [The charge from the Board from January 14 is in Appendix A.]

That program was first developed in 2019 by then Board Co-President Patrick Gunn, Director of Facilities Chris Johnson, and Member of the Facilities Committee (FC) Gate Pratt. The authors of the 2019 catalog intended it to be updated every few years, and the Board charged the CRG to perform the first such update. A primary purpose of the update was to determine how much funding the upcoming Capital Fund Campaign (the Campaign) would need to add to the existing Capital Reserve Fund to enable it to pay for anticipated Repairs over this period to keep the facilities in good working order and to ensure that the Fund is sustainable into the future. The Board named John Carroll as the Board Liaison to the CRG, and designated its members as Tom Check (Chair of CRG and Co-Chair of the Campaign), Lee Pardee (Member of the Finance Committee and Co-Chair of the Campaign), Chris Johnson (Director of Facilities), Gate Pratt (Member of FC), and Liz Davis (Chair of FC). On March 11, the Board received the report of CRG and endorsed the 15-Year Repairs Program, and the Capital Fund Campaign with a goal of \$500,000, for approval by the Congregation at the Annual Meeting on May 16.

On January 14, the Board also charged CRG to create **standards to bid, award, and manage work by contractors.** On April 8, the Board received the report of the CRG and adopted the **Standard Contract** and accompanying **Instructions** recommended by CRG.

II. The Program of Repairs over the Next 15 Years, and the Capital Fund Campaign

The CRG met weekly throughout the month of February 2021, and consulted with Patrick Gunn in its first meeting. During February John Carroll and Tom Check also updated the Standing Committee on CRG's progress, and John Carroll updated the full Board of Trustees.

The CRG first reconciled all known lists of Repairs and potential Improvements that had been proposed in the past couple of years, starting with the 2019 plan, to create a master catalog of work. The group then proceeded to inventory all components of all four of the Congregation's buildings to identify any additional Repairs that might be needed in the coming years. Chris Johnson's broad and deep knowledge of the facilities, and of the Repairs done to date and needed in the future, were indispensable in this review.

The end result is a program of Repairs envisioned over the next 15 years, through FY35-36. This is a comprehensive catalog of Repairs through 15 years, together with reminders of several significant Repairs anticipated after that time. The program of Repairs is detailed in the attached five-page

document “**2. 15-Year Repairs Program by Year, from FY21-22 forward**”. [A list of repairs already completed since 2019 or currently underway is in Appendix B. The 15-Year Repairs Program sorted by building rather than year is in Appendix C.]

CRG pointed out that:

- **The 15-Year Repairs Program should be reviewed and updated at least every 5 years**, just as the CRG reviewed and updated the original program from 2019. And throughout the 15-year period, the schedule of projects may change from year to year, and final costs may vary from current estimates. The capital budget each year will be more precise than the 15-year plan.
- **Some complex Repairs may require detailed planning in the year before the Repair itself is undertaken**, and it will sometimes be prudent to move some of the project budget into the planning year to cover consultations with independent engineers.

Establishing a target for the proposed Capital Fund Campaign: **CRG found that a Capital Fund Campaign of \$500,000 will be adequate to pay for the entire 15-year Repairs program and two near-term Improvement projects**, when added to the existing Capital Reserve Fund along with other revenues the Congregation had already committed to the Fund (primarily 10% of annual rental income from major tenants). And the Fund will end the 15-year period with a sustainable balance for future Repairs. The financial analysis is in the attached one-page “**3. Capital Projects Financial Model.**”

Establishing the scope of the proposed Capital Fund Campaign: The Capital Fund Campaign Committee (co-chaired by Tom Check, Lee Pardee, and Cybele Raver) recommended that the Campaign also include **a small number of Improvement projects to tangibly enhance First Unitarian’s mission and its members’ worship experience**, in addition to funding Repairs to keep the facilities in good working order. In light of First Unitarian’s principled recognition of links between “justice and stewardship of the earth,” CRG recommended including two such projects: **environmentally responsible cooling and heating for the Chapel and Frances White Room, and solar panels on the roof of 48 Monroe** to meet a portion of the facilities’ electricity needs. These projects are described further in the attached one-page document “**4. Improvement Projects to Include in Financial Model and Campaign.**”

As was so powerfully illustrated this past summer during the “Black Lives Matter” actions, First Unitarian’s location is a major asset for Brooklyn’s diverse and politically active communities as a place to meet as well as to worship. Cooling the Chapel and FWR will greatly increase the usefulness of those rooms in the summer, benefiting the summer Worship Services, congregational and community meetings, and arts performances by both Congregants and community groups that rent our space. **Both Improvement projects embody our commitment to reduce our carbon footprint and to contribute to the sustainability of the planet.**

In sum, CRG submitted this entire program – the 15 Year Repairs Program, the two Improvements, and the \$500,000 goal for the Campaign – to the Finance Committee and the Board, and on March 11 the Board endorsed it for adoption by the Congregation at the Annual Meeting on May 16.

III. **Other Potential Improvements to Evaluate in FY2021-2022 for Possible Future Funding**

CRG reviewed a draft of the 15-Year Repairs Program with various Committees and staff, and found broad support for the program as well as proposals for several additional Improvement projects over the next few years. CRG recommends that **over the coming year, these potential Improvement projects would benefit from further analysis of feasibility, scope, costs and benefits, further design, prioritization, and Congregational input**, which could result in their being funded by a **future campaign**.

Broader Congregational review is needed in particular for several potential Improvements that would address needs for which various groups within the Congregation may currently prefer various solutions. The most significant potential Improvement projects that emerged in reviews with Committees and staff, together with recommendations of how to evaluate them over the coming year, are described in the attached one-page document “**6. Three Potential Improvement Projects to Evaluate in FY21-22.**”