

Capital Campaign 2022 – Upholding Our Values

FAQs

Q. Why have a Capital Campaign?

A. There are goals we wish to achieve that cannot be contained in the annual operating budget, but can be funded and realized with a Capital Campaign.

Q. Why have a campaign now?

A. We had considered a campaign two years ago, but the onset of the Covid pandemic ended those plans. Now, the uncertainty triggered by the pandemic makes retirement of the mortgage more critical to give us operational flexibility to respond to the situation as it evolves. Also, we need to have a plan now for the SGD HVAC system, or we will find ourselves replacing the present system piecemeal by default.

Q. Have we had other Capital Campaigns?

A. Yes. In the last 30 years we have had 3 campaigns:

- In the 1990s a campaign raised about \$1.7 million for the new building
- In 2002-5 a campaign raised almost \$1.9 million for the SGD wing
- In 2013-15 a campaign raised over \$1.4 million to retire a mortgage allowing us to refinance for desperately needed capital improvements

Q. Do commitments made to this campaign replace my annual pledge?

A. No, any commitments made over the 3 year period are in addition to your annual pledges, and allow us to make the investments described.

Q. How were the campaign goals selected?

A. The goals are the product of congregational work over the past several years.

Climate Action | Climate Justice was one of the 3 priority areas of Vision 20/50, which included a goal to make our buildings and grounds carbon neutral. The first action listed was to consult with experts to create a roadmap to carbon neutrality. We had a group of students from the Graham Sustainability Institute do a one-year study to create that roadmap, which included increased solar panels, a building envelope audit, replacement of natural gas HVAC equipment, and improved landscaping. This campaign addresses all these issues. The Graham study recommended other actions, but none requiring significant capital investment.

Vision 20/50 also highlighted the need for strengthening our financial stability. Retirement of the mortgage is would be a major step in this direction.

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The synthesis of all this work was presented to the Board, and it was agreed to proceed with a capital campaign to support the 20/50 Vision.

Q. What will happen if we don't raise sufficient money? Which actions will we do?

A. This would depend on how much money we raise. When we know the money available, Operations will present a plan to the Board. UUAA bylaws require congregation approval of any annual capital investment outlay of over 5% of the annual operational budget (about \$55,000), so that will constitute final approval of any plan.

Q. Will the solar project supply all our electric needs?

A. Our best estimate now is not all, but close. Our projected electric requirements will be affected by the actions resulting from the energy audit, the replacement of the SGD HVAC system, and – very much an unknown – the eventual building usage.

Q. Why form a private company (LLC) for the solar panels?

A. This alternative remains under evaluation. The present tax code gives private investors a 26% tax credit (22% next year and zero the following year) for solar investments. UUAA doesn't pay taxes, so the credit is of no use to us. But congregants acting as investors in an LLC can capture this benefit, which would, if structured properly, reduce the investment required by about 20%. There will be more information on this as the alternative is developed.

Q. How much are our annual utility bills?

A. In 2021, our annual bill was \$19,483.88 for electric and \$7,457.89 for gas.

Q. How much electricity do we use?

A. In the 12 months ending June 2021, we used about 165,000 kilowatt hours (kWh), of which our present solar panels and wind turbine generated about 24,000 kWh.

Q. Will heat pumps work in the SGD wing?

A. Yes, heat pumps are being increasingly used. In fact, two recent student high-rise buildings in Ann Arbor – the Foundry on the corner of Huron and Division and the Yard at South Main and Madison – both use heat pumps for their HVAC systems.