# 2026 ILLINOIS CONFERENCE

# FINANCE COMMITTEE ANNUAL REPORT

**From Governance Renewal to Financial Stewardship**
The Finance Committee emerged within the Illinois Conference's renewed governance model, developed through a multi-year process of listening, discernment, constitutional and bylaw revision, and implementation. Under the new structure, Finance is one of three (3) Standing Committees, working with the Board of Directors (BoD) and ministry teams to steward Conference resources in support of mission. The 2025 comparison chart also placed Stewardship within a broader Community & Vitality team, making collaboration across the new governance model essential.

The Conference's call to promote congregational health and vitality and pursue God's peace and justice provides the theological context for this work. Our committee therefore approaches budgeting, financial integrity, generosity, property, investments, and longer-range planning not as ends in themselves, but as practical means of sustaining covenantal relationships and shared ministry.

**2026 Committee Organization and Action Plans**
Revision eight of the 2026–2027 Finance Committee Action Plans (see attachment) established ongoing communications, priority governance and stewardship work, and visionary planning. Four (4) subcommittee/taskforce teams were identified:

- Accounting + Narrative Budgeting
- Property
- Investment
- Possible Conference merger(s)

Several taskforce team appointments and committee positions are still unfilled in the membership lists, so formation should not be confused with completion of every assignment.

**Evidence of Progress and Work Underway**
**Financial oversight and budget development**
The Finance Committee meetings reviewed the preliminary 2027 budget, 2026 variance information, revenue visibility, and the potential draw on reserves. Members raised questions about OCWM trends, forecasting precision, staffing costs, and appropriate reserve sources. The UCF accounts to cover the projected shortfall are as follows:

- IC UCC trust funds
- IL UCC General operating fund
- Sold Properties Fund

**Property stewardship**
The Property Subcommittee, chaired by Bill McCarthy in the task-force roster, reported work on a donated residential lot, member recruitment, and plans to publicize its expertise so churches could request assistance with real-property matters.

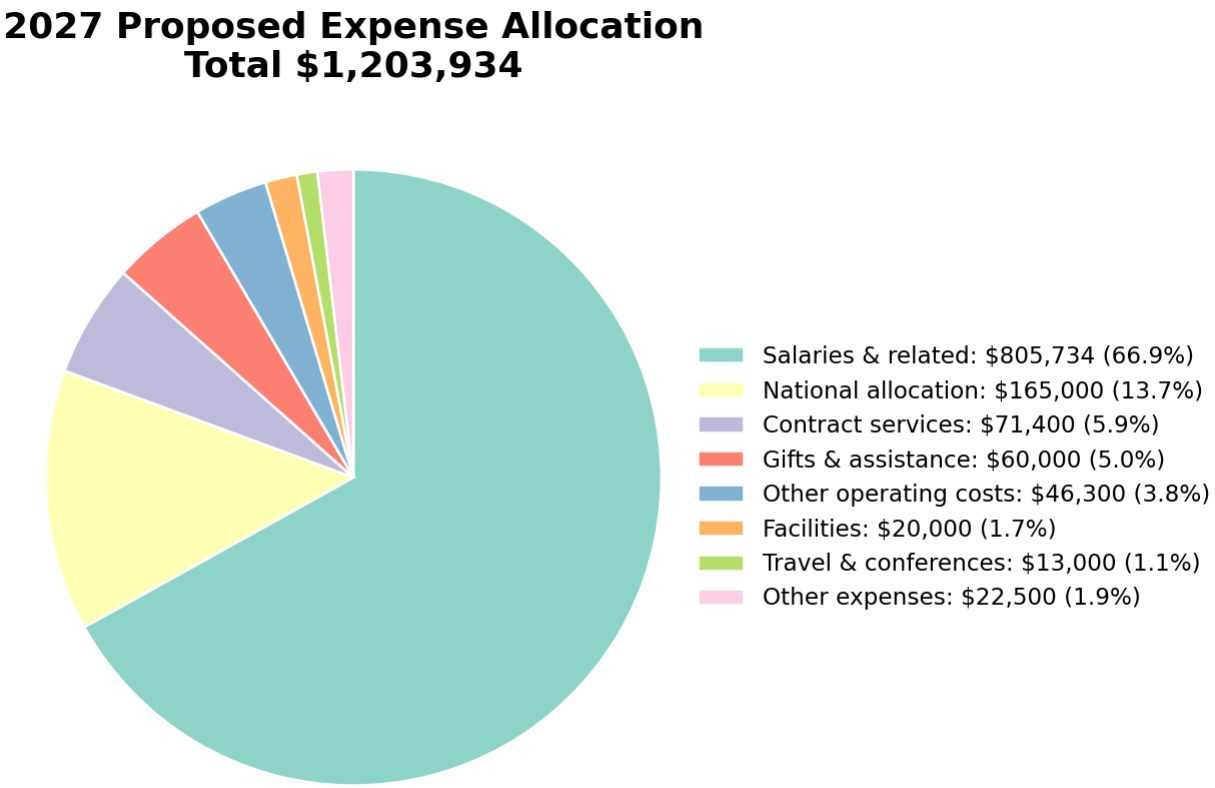
**Generosity and covenantal relationships**
The Finance Committee identified generosity and relationship programs that will be jointly developed with the Community & Vitality Ministry Team. Discussions

emphasized church visits, better communications, OCWM reporting visibility, and narrative communication of ministry value. Scott Peterson, Ken Webster, and Rev. Martin Nussbaum are working on this initiative.

**Accounting, narrative budgeting, and investment**
The Accounting + Narrative Budgeting team was charged with assessing in-house versus external accounting and developing a narrative budgeting process compatible with the existing accounting system. Members discussed learning from the Wisconsin Conference and preparing for 2027. Investment discussions included relationships with Cornerstone Funds and United Church Funds. The task forces' evaluations were still in development.

**Longer-term Conference sustainability**
A visionary task force was proposed to study the financial and operational feasibility of closer Conference relationships or merger. The Interim Conference Minister's and the Finance Committee Chair preliminary conversations with other regional Conferences are discussed in every monthly meeting. This is a study objective, not a decision to merge.

**2027 Narrative Budget: Resources and Mission**
The preliminary October 5, 2026, budget anticipates $850,000 in income, including $825,000 from Our Church's Wider Mission, $10,000 from Friends of the Conference, and $15,000 from sponsorships and grants. Expenses total $1,203,934, yielding a projected operating deficit of $353,934. This plan relies heavily on covenantal giving, while demonstrating a pressing need to broaden sustainable revenue and responsibly evaluate reserve use.



**Narrative interpretation:** Approximately two-thirds of proposed spending ($805,734, 66.9%) supports salaries and related expenses—the people who provide Conference leadership, care, and organizational capacity. The $165,000 National allocation (13.7%) supports broader UCC covenantal commitments. Gifts and direct assistance ($60,000, 5.0%) represent tangible support to other organizations. Contract services ($71,400, 5.9%) support professional capacity; the remaining operating, facility, travel, and other costs sustain the day-to-day infrastructure of shared ministry.

This chart shows how funds are budgeted by accounting classification, not a definitive measurement of ministry outcomes. In the next narrative-budget iteration, staff and ministry teams should attach concrete examples, activity measures, and congregational stories to each major category.

**Financial Policies and Procedures Handbook Version 3.0**
The existing Financial Policies & Procedures Handbook dated 21 May 2024 *v2.0* is being updated. This 47-page Finance Policies and Procedures Manual will summarize: governance controls, duties, approval authority, accounting, and reporting requirements used by the new Illinois governance organization and the local churches of the Illinois Conference. Educational classes will begin in 2027.

**Priorities for 2027**
The Committee's forward agenda calls for completion of the financial policy review; fuller subcommittee staffing and work plans; stronger OCWM and church-relationship reporting; an integrated narrative-budget method; the first-quarter accounting feasibility review; evaluation of investment and alternative funding options; property assistance upon invitation; and an initial merger-feasibility study report targeted for the third quarter.

Each outcome should have an accountable lead, dated milestone, and progress report to the Board.

**Closing Reflection**
Financial stewardship is a ministry of trust. As we continue to discern how the Illinois Conference can be stronger together, our work must combine disciplined financial practice with generosity, transparency, collaborative relationships, and faithful support for congregations and ministries across the Conference.

Peace,
Ken Webster
Finance Chair