

**SOUTHERN CALIFORNIA NEVADA CONFERENCE UCC  
We Are the Ones! Annual Gathering 2026  
Budget Presentation**

INTRODUCTION

Thanks for your ongoing support of the Conference's ministries. We hope this presentation demonstrates our continuing efforts to increase transparency in financial reporting. We appreciate your attention to this presentation and welcome your questions.

**We are presenting the 2027 budget for your approval.** This budget was prepared in early April 2026, eight months before the start of 2027. Our reporting year is from January to December.

PROCESS

Because the 2026 budget had been approved eight months before January 2026, **a revised budget was prepared for the Board of Directors' approval in early 2026.** The revision considered actual results for twelve months of 2025 and two months of 2026. Differences between the two versions of the 2026 budget are highlighted in "2026 Revised Budget" below.

**The 2027 budget is mostly a continuation of the 2026 revised budget.** Differences are highlighted in "2027 Budget" below. This budget presentation was prepared before actual results for the first quarter of 2026 were finalized. The 2027 budget does consider actual results from the first two months of 2026.

REPORTING FORMAT

The 2027 budget includes two new categories, which increase transparency and help to highlight the impact of our missional efforts.

- **Sources of Funds: Board-Designated Funding from Endowments and Other Sources.** In prior years, these amounts were not fully reflected in reports.
- **Uses of Funds: Grants and Support Funded by Endowments and Other Sources** includes local church grants and additional support to the national ministries of the UCC. In prior years, these amounts were shared as supplemental information.

Consistent with prior years, the 2027 budget does not include an estimate of investment gains or losses on our endowments held at United Church Funds. It does include an estimate of interest income from funds held at the Cornerstone Fund.

**SOUTHERN CALIFORNIA NEVADA CONFERENCE**  
**Statements of Activities (non-GAAP)**  
**For the twelve months ending December 31**

	2025 ACTUAL	2026 BUDGET Revised	2027 BUDGET	DIFFERENCE 2026 v. 2027
<b>SOURCES OF FUNDS</b>				
Local Church Annual Giving	\$ 399,429	\$ 512,900	\$ 487,900	\$ (25,000)
Other Contributions	50,328	20,000	20,000	-
Programs and Missions	37,300	42,000	42,000	-
Interest and Other	176,090	102,250	102,250	-
Board-Designated Funding from Endowments and Other Sources	757,412	714,015	464,015	(250,000)
<b>Total Sources of Funds</b>	<b>1,420,559</b>	<b>1,391,165</b>	<b>1,116,165</b>	<b>(275,000)</b>
<b>USES OF FUNDS</b>				
Human Resources	471,427	667,758	796,913	129,155
Grants and Support Funded by Endowments and Other Sources	694,000	550,000	300,000	(250,000)
Programs and Other Missions	262,090	155,700	155,700	-
Office and Administration	182,568	210,100	218,008	7,908
Ministers Expenses	51,498	70,000	70,000	-
Property	64,139	14,000	14,000	-
<b>Total Uses of Funds</b>	<b>1,725,723</b>	<b>1,667,558</b>	<b>1,554,621</b>	<b>(112,937)</b>
<b>Deficit</b>	<b>\$ (305,164)</b>	<b>\$ (276,393)</b>	<b>\$ (438,456)</b>	<b>\$ (162,063)</b>

	2025 ACTUAL	2026 BUD Rev	2027 BUDGET
<b>Deficit (Funded from Reserves)</b>			
\$	\$ 305,164	\$ 276,393	\$ 438,456
as a % of Reserves	3.0%	2.7%	4.2%
	as of 12/31/25	as of 03/31/26	
<b>Reserves</b>			
Cornerstone	\$ 5,653,147	\$	5,623,387
United Church Funds	4,557,577		4,795,483
Total	<u>\$ 10,210,724</u>	<u>\$</u>	<u>10,418,870</u>
<i>For details about Deficit (Funded from Reserves), please see page 7.</i>			

2026 REVISED BUDGET

Because the 2027 budget is mostly a continuation of the 2026 revised budget, the following highlights differences between the two versions of the 2026 budget.

	2025 ACTUAL	2026 BUDGET			
		AG	Revised	Difference	*
<b>SOURCES OF FUNDS</b>					
Local Church Annual Giving	\$ 399,429	\$ 512,900	\$ 512,900	\$ -	
Other Contributions	50,328	20,000	20,000	-	
Programs and Missions	37,300	27,000	42,000	15,000	<b>A</b>
Interest and Other	176,090	102,250	102,250	-	
Board-Designated Funding from Endowments and Other Sources	757,412	-	714,015	714,015	<b>B</b>
<b>Total Sources of Funds</b>	<b>1,420,559</b>	<b>662,150</b>	<b>1,391,165</b>	<b>729,015</b>	
<b>USES OF FUNDS</b>					
Human Resources	471,427	695,752	667,758	(27,994)	<b>C</b>
Grants and Support Funded by Endowments and Other Sources	694,000	-	550,000	550,000	<b>D</b>
Programs and Other Missions	262,090	66,700	155,700	89,000	<b>E</b>
Office and Administration	182,568	199,040	210,100	11,060	<b>F</b>
Ministers Expenses	51,498	46,500	70,000	23,500	<b>G</b>
Property	64,139	10,000	14,000	4,000	<b>H</b>
<b>Total Uses of Funds</b>	<b>1,725,723</b>	<b>1,017,992</b>	<b>1,667,558</b>	<b>649,566</b>	
<b>Deficit</b>	<b>\$ (305,164)</b>	<b>\$ (355,842)</b>	<b>\$ (276,393)</b>	<b>\$ 79,449</b>	

- A** The revision includes \$15K for grants from the national setting related to Annual Gathering and the Clergy Retreat.
- B** As mentioned in “Reporting Format” above, this is a new category this year. This category is detailed in “2027 Budget” below.
- C** The revision is based on actual human resources expenses for the first two months of 2026.
- D** The other new category. Detailed in “2027 Budget” below.

2026 REVISED BUDGET (cont'd)

**E** The \$89K increase includes the following:

	2025 ACTUAL	2026 BUDGET			*
		AG	Revised	Difference	
<b>USES OF FUNDS</b>					
<b>Programs and Other Missions</b>					
Annual Gathering	\$ 64,643	\$ 28,000	\$ 30,000	\$ 2,000	
Regional Gatherings	8,648	-	6,000	6,000	
Clergy Development	94,565	-	50,000	50,000	<b>E1</b>
General Synod	38,841	20,000	20,000	-	
Council of Conference Ministers	11,707	14,700	14,700	-	
Local Justice Movements	10,000	1,000	15,000	14,000	<b>E2</b>
Mini-grants to Churches and Leaders	31,000	-	15,000	15,000	<b>E3</b>
Other Programs and Missions	2,688	3,000	5,000	2,000	
<b>Total Programs and Oth Missions</b>	<b>\$ 262,090</b>	<b>\$ 66,700</b>	<b>\$ 155,700</b>	<b>\$ 89,000</b>	<b>E</b>

**E1** The May clergy retreat (\$20K), Communities of Practice (\$10K) and other clergy support (\$20K).

**E2** Support for community organizers like CLUE, LA Voice and others

**E3** Mini-grants to local churches, like a minister’s discretionary fund for congregations

**F** The \$11K increase includes a \$15K increase for the Board of Directors’ DEIB efforts, partially offset by a \$4K decrease in Office expenses.

**G** This category represents travel expenses for the conference ministry team. It does not include compensation-related expenses. The original budget had not fully considered three full-time staff.

**H** The revision reflects slight increases for maintenance and repairs and utilities related to the parsonage.

2027 BUDGET

The following highlights differences between the 2026 revised budget and the 2027 budget.

	2025 ACTUAL	2026 BUDGET Revised	2027 BUDGET	DIFFERENCE	
				2026 v. 2027	*
<b>SOURCES OF FUNDS</b>					
Local Church Annual Giving	\$ 399,429	\$ 512,900	\$ 487,900	\$ (25,000)	<b>A</b>
Other Contributions	50,328	20,000	20,000	-	
Programs and Missions	37,300	42,000	42,000	-	
Interest and Other	176,090	102,250	102,250	-	
Board-Designated Funding from Endowments and Other Sources	757,412	714,015	464,015	(250,000)	<b>B</b>
<b>Total Sources of Funds</b>	<b>1,420,559</b>	<b>1,391,165</b>	<b>1,116,165</b>	<b>(275,000)</b>	
<b>USES OF FUNDS</b>					
Human Resources	471,427	667,758	796,913	129,155	<b>C</b>
Grants and Support Funded by Endowments and Other Sources	694,000	550,000	300,000	(250,000)	<b>D</b>
Programs and Other Missions	262,090	155,700	155,700	-	
Office and Administration	182,568	210,100	218,008	7,908	<b>E</b>
Ministers Expenses	51,498	70,000	70,000	-	
Property	64,139	14,000	14,000	-	
<b>Total Uses of Funds</b>	<b>1,725,723</b>	<b>1,667,558</b>	<b>1,554,621</b>	<b>(112,937)</b>	
<b>Deficit</b>	<b>\$ (305,164)</b>	<b>\$ (276,393)</b>	<b>\$ (438,456)</b>	<b>\$ (162,063)</b>	

**A** The 2027 budget reflects a more conservative estimate for giving from local churches through Our Church’s Wider Mission (OCWM). OCWM represents local churches’ basic support of the Conference and the National Ministries of the UCC.

	2025 ACTUAL	2026 BUDGET Revised	2027 BUDGET	DIFFERENCE 2027 v. 2026
<b>SOURCES OF FUNDS</b>				
<b>Local Church Annual Giving</b>				
OCWM	\$ 326,142	\$ 425,000	\$ 400,000	\$ (25,000)
<i>Transfer to National (10%)</i>	(32,614)	(42,500)	(42,500)	-
Per Capita	97,130	125,000	125,000	-
<i>Transfer to Southern (3%)</i>	(1,882)	(3,600)	(3,600)	-
Strengthen the Church (Conference)	10,653	9,000	9,000	-
4 Special Offerings to National	131,848	132,000	132,000	-
<i>Transfer to National (100%)</i>	(131,848)	(132,000)	(132,000)	-
<b>Net Local Church Annual Giving</b>	<b>\$ 399,429</b>	<b>\$ 512,900</b>	<b>\$ 487,900</b>	<b>\$ (25,000)</b>

2027 BUDGET (cont'd)

**B** The 2026 revised budget includes funding for a one-time \$250K loan to Abundant Peace UCC.

	2025 ACTUAL	2026 BUDGET Revised	2027 BUDGET	DIFFERENCE 2027 v. 2026
<b>SOURCES OF FUNDS</b>				
<b>Board-Designated Funding from Endowments and Other Sources</b>				
Grants to Local Churches	\$ 494,000	\$ 250,000	\$ 250,000	\$ -
Support for Middle East	100,000	-	-	-
Additional Support to National	100,000	-	-	-
ACM BTF	43,412	164,015	164,015	-
Altadena UCC	-	50,000	50,000	-
Abundant Peace UCC	-	250,000	-	(250,000)
General Synod 2025 (accrued in 2024)	20,000	-	-	-
<b>Total Funding from Endow and Other</b>	<b>\$ 757,412</b>	<b>\$ 714,015</b>	<b>\$ 464,015</b>	<b>\$ (250,000)</b>

**C** The \$129K increase reflects compensation and benefits for an executive assistant (\$113K) and an estimated cost of living adjustments (COLA) for existing employees (\$16K). The COLA has been estimated at 3%.

**D** The 2026 revised budget includes a one-time \$250K loan to Abundant Peace UCC.

	2025 ACTUAL	2026 BUDGET Revised	2027 BUDGET	DIFFERENCE 2027 v. 2026
<b>USES OF FUNDS</b>				
<b>Grants and Support Funded by Endowments</b>				
Grants to Local Churches	\$ 494,000	\$ 250,000	\$ 250,000	\$ -
Support for Middle East	100,000	-	-	-
Additional Support to National	100,000	-	-	-
Altadena UCC	-	50,000	50,000	-
Loan to Abundant Peace UCC	-	250,000	-	(250,000)
<b>Total Grants and Support</b>	<b>\$ 694,000</b>	<b>\$ 550,000</b>	<b>\$ 300,000</b>	<b>\$ (250,000)</b>

**E** The net increase of \$8K reflects additional accounting costs and increases in office rent and insurance, partially offset by a decrease in consulting for Board of Directors DEIB efforts.

2027 BUDGET (cont'd)

**THE DEFICIT**

The deficit is funded from the Conference’s general reserves. In 2025, the draw from reserves was 3%. The 2027 budget includes an estimated draw of 4%.

**The Board of Directors is grateful for local churches’ ongoing support through OCWM, which helps reduce the Conference’s deficit. *Thank you!***

The Cornerstone investments are 10-month and 36-month term notes with rates of return between 3.00% and 4.76%. The United Church Funds investments are managed funds in fixed income, equity, and alternative investments. The related investment returns vary by fund and period.

	2025 ACTUAL	2026 BUD Rev	2027 BUDGET
<b>Deficit (Funded from Reserves)</b>			
\$	\$ 305,164	\$ 355,842	\$ 438,456
as a % of Reserves	2.9%	3.3%	4.1%
	as of 12/31/25	as of 03/31/26	
<b>Reserves</b>			
Cornerstone	\$ 5,807,773	\$	5,879,014
United Church Funds	4,557,577		4,795,483
<b>Total</b>	\$ 10,365,350	\$	10,674,497

## ASSETS AND LIABILITIES

The following is a non-GAAP view of assets and liabilities as of March 31, 2026:

*rounded to the thousands*

### **ASSETS**

Cash in bank accounts	\$ 129,000
Cornerstone Fund	5,879,000
United Church Funds	4,795,000
Loans receivable from local churches	290,000
Parsonage, net of accumulated depreciation	1,101,000
<b>Total assets</b>	<b><u>\$ 12,195,000</u></b>

### **LIABILITIES**

Donations received for general wildfire relief yet to distributed	\$ 161,000
Donations received for Altadena UCC yet to be distributed	10,000
Credit card payables	13,000
Funds held on behalf of Western Regional Youth Event	3,000
<b>Total liabilities</b>	<b><u>\$ 186,000</u></b>

*The above excludes:*

- *the Right of Use Asset and Lease Liability related to the office lease*
- *the pending sale of the property of First Congregational Church of San Bernardino*