

Annual Meeting Agenda  
January 25, 2026

Call to Order

Opening Prayer

Approval of Agenda

Approval of Minutes

Southwood 2025: Highlights

Treasurer's Report

Adoption of 2026 Annual Budget

Nominating Committee Report

Election of Church Council, Endowment Trustees, Nominating Committee, Synod Assembly Delegates

Constitutional Amendments

Adjournment

Benediction



**SOUTHWOOD LUTHERAN CHURCH  
ANNUAL MEETING MINUTES  
January 26, 2025**

**Call to Order:** The meeting was called to order by Council President Brenda Semin.

**Opening prayer:** Pastor Jessica Kingsborough led the opening prayer.

**Approval of the Agenda:** It was motioned and seconded to approve moving the land resolution agenda item to follow the agenda approval. Motion carried.

It was motioned and seconded to approve the agenda. Motion passed.

**Land Sale Resolution:** Neal Lyons introduced the provisions of the proposed land sale. Brad Marshall from Olsson Associates addressed the congregation and presented the land sale proposal in detail. He also outlined the approval process to the congregation. Brad acknowledged that the proposal needed to be beneficial to Southwood and explained the benefits to our church. Questions from congregational members were answered by Brad specifically regarding the grading and drainage plans for the property. This will be the responsibility and expense of Olsson Associates. A question was asked regarding whether the council noted any cons to the land sale proposal. Brenda Semin shared that none were noted. After all questions were answered, a vote on the proposal was requested by Brenda Semin. It was motioned and seconded to approve the land sale. Motion carried.

**Approval of minutes:** It was motion and seconded to approve the minutes from the January 21, 2024 annual meeting. Motion carried.

**Nominating Committee Report:** Council Secretary and Nominating Committee Member Sharon Harms presented the candidates for election to the church council. Candidates presented were Amy Pfingsten, Dustin Reinbold, Brenda Semin, and Brian Stelzer.

It was motioned and seconded to approve these candidates for church council positions. Motion carried.

Sharon Harms presented Jeff Maschka as a candidate for election to the Endowment Fund Trustees.

It was motioned and seconded to approve this candidate. Motion carried.

**Treasurer's Report:** Neal Lyons presented the details of the treasurer's report for year end 2024. Southwood ended the year with \$559,224 cash on hand with a budget deficit of \$95,819 which indicates that we used \$95,819 of our cash in 2024.

**Adoption of the 2025 Annual Budget:**

Neal presented the proposed 2025 annual budget plan. Several questions were asked and answered during the budget discussion. It was noted that with the current pledged giving, this

budget shows a deficit of \$376,964 which would use up a significant amount of our \$559,224 cash on hand. Future budgets will need careful consideration to preserve cash on hand. It was asked and noted that the senior pastor salary and benefits are included in this budget. Neal shared that property insurance has increased significantly but felt it would not increase further in the near future. This expense has been built into the budget as well.

It was motioned and seconded to approve the 2025 budget. Motion carried.

**Election of the 2025 Nominating Committee:** Benda Semin presented the candidates for election to the 2025 Nominating Committee. Candidates presented were Melanie Crocker, Tiffany Heng-Moss, Mike Jagadich, Matt Novosad, and Brenda Semin.

It was motioned and seconded to approve these candidates. Motion carried.

**Election of Assembly Delegates:** Benda Semin presented the candidates for synod assembly delegates. Candidates presented were Deborah Ring and Brenda Semin.

It was motioned and seconded to approve these candidates. Motion carried.

Brenda also shared that there are additional spots available for assembly delegates if any congregational members are interested in attending. Members can reach out to Brenda or to Lori Changstrom in this regard.

**Constitutional Amendments:** Brenda Semin outlined the reason for the constitutional amendments and the history, structure, and requirements of the document. The provision regarding Facilities and Finance Committee is being withdrawn at this time to allow the council to have further discussion regarding the design of this committee. It was motioned and seconded to approve the constitutional amendments with the Facilities and Finance provision withdrawn. Motion carried unanimously with 121 affirmative votes.

**Pastoral Candidate Update:** Brenda Semin provided an update regarding the pastoral search and answered congregational questions. After multiple candidate interviews, a recommended senior pastor candidate has been presented to the church council and a decision has been made to move forward with this candidate. Currently, we do not have a timeline in place. The timeline will be established based upon what is best for the candidate and for Southwood. Brenda answered several questions regarding the process while maintaining confidentiality as is required.

**President's Report:**

Brenda reviewed the church council work throughout 2024.

*This has been a busy year for the council as you can see from the previous agenda items. As a council we worked to address concerns brought by pastors, staff and congregation while maintaining the health of the church as an organization.*

*Some of the actions taken this year include reviewing our constitution as part of a review of our processes as an organization and the consideration of the offer to purchase land as shown in the previous items in today's meeting. In addition, the council reviewed topics such as our organizational structure, the best use of dental equipment in Honduras, the passing of the plate*

*at holidays in order to boost donations dedicated to missions, and other logistical decisions. The council made the decision to invest in staff with the addition of contracting with Lutz for HR consulting services including staff development and updating personnel policies. We engaged in conversations looking towards future possibilities for where God is calling us with the continuation of participation in the Vitality program conducted by the Nebraska synod as part of an ELCA initiative.*

*We also had conversations with congregation, staff and leadership of where our strengths lie as a congregation and where we have opportunities. We continue to have opportunities for growth in membership as the neighborhood and community around us grows. Our membership was slightly up in 2024 to 4184 from a membership of 4146 in 2023. I would like to point out that if you look at our membership back to 2017 there have been trends of ups and down over the years. The highest was in 2021 when there was a total membership of 4353. So, at this time we are just 169 members from the highest membership in the last eight years. As our community around us grows, we have opportunities to share who Southwood is and continue to invite others to join us in worship, service, and faith growth.*

*Another opportunity is to increase giving as discussed earlier in the Treasurer's report. I would encourage you this year to participate in the fundraisers that the Mission team is planning to support dedicated giving to missions. I would also ask you to consider continuing or increasing your financial support for the terrific staff and programming that we have at Southwood as our expenses continue to grow.*

*Finally, we have opportunities to find ways to communicate who we are inside and outside our walls as we find ways to continue to inspire each other and invite others to gather and hear where God is calling us.*

*All of these conversations have also shared our strengths and reinforced our goal as a church which is to Love God and Love Others. We are a congregation that still very much focuses on the importance of inviting others and being welcoming to everyone. We love worshiping together and we still deeply feel the importance of serving in our church, our community and with our partners in Honduras and Tanzania. We want to facilitate opportunities for faith growth for all ages from Sunday School, VBS, DELVE, adult classes, to our seniors that gather. You can also gather for faith growth in small groups, or groups based on common interests of which there are too many to list. Our worship is reaching people far outside our walls via online service and allows our members to stay in touch with service even while away. Southwood is still very much a vital church.*

*I can't thank the council enough for their time and dedication. I can't thank the pastors and staff enough for the opportunities this year to work and collaborate together. Most of all, I thank the congregation for your continued support and passion for Southwood. You are what makes us a church that continues to Worship, Grow, Give, Serve, and Invite. As we begin 2025, I am hopeful for the year ahead and have continued dreams for the next steps for Southwood. May we all continue to pray for God's guidance and the ability to share HIS love in the year ahead.*

Following Brenda's report, Pastors Michael and Jessica were acknowledged and appreciated for their excellent work during our tenure without a senior pastor. They received a standing ovation for their continued dedication and support.

**Adjournment:** It was motioned and seconded to approve adjournment. Motion carried.

The meeting was adjourned at 12:44 pm.

**Closing Prayer:** Pastor Michael Ryan led the closing prayer.

Respectfully submitted,  
Sharon Harms

**SPECIAL MEETING MINUTES  
SOUTHWOOD LUTHERAN CHURCH  
MARCH 23, 2025**

**AGENDA:**

**CALL TO ORDER:** Church Council President Brian Boesiger called the meeting to order. The purpose of the meeting is to vote on calling Pastor Heidi Binstock as the senior pastor to Southwood Lutheran Church.

**PRAYER:** Pastor Michael Ryan shared a prayer with the congregation.

**NOMINATION:** Secretary Brenda Semin shared the following: "As Secretary of the Church Council, I nominate Pastor Heidi Binstock of Gloria Dei Lutheran Church in Sioux Falls, South Dakota, be called to serve as senior Pastor at Southwood Lutheran Church." The nomination motion was seconded.

**CALL COMMITTEE REPORT AND RECOMMENDATION:** Scott Kiefer shared a history of the call process over the last three years. He shared the reasoning for the hiring of Vanderbloemen to assist in the call process in December of 2023. Vanderbloemen is a professional search firm that specializes in finding pastors for congregations. He gave an overview of the processes that Vanderbloemen uses in finding candidates, screening candidates and assisting in the interviewing process. He shared an overview of the experience with Vanderbloemen specific to Southwood. He shared the recommendation of Pastor Heidi Binstock including her experience, background and qualifications.

**COMMENTS:** Pastor Michael Ryan shared his excitement at such a strong turnout. He shared his recommendation of Pastor Binstock including his interactions with Pastor Binstock. He also shared the importance of this meeting and process to Southwood's future.

**DISCUSSION:** There was limited discussion by the congregation. Questions were answered regarding the process. Comments were made sharing support of current staff and their handling of the transition. Comments were shared thanking the call committee and council for their leadership.

**VOTE BY BALLOT:** Brian Boesiger shared that only voting members can vote and stated the definition of voting member from the constitution. The vote was taken by a written ballot. Ballots were collected through the offering plates. The votes were counted by the tellers

**Tellers for Voting: Lori Changstrom, Pastor Michael Ryan, Jo Sheets, Bob Kacvinsky, and Joel Barjenbruch**

**ANNOUNCEMENTS OF BALLOTS:** Brian Boesiger announced the result of the vote. 350 in favor and 34 opposed of calling Pastor Heidi Binstock. The motion carried.

**EXPLANATION OF NEXT STEPS:** Brian Boesiger explained that the next steps would be the presentation of the call to Pastor Heidi Binstock. The congregation will be kept informed through email, the bulletin, and other means as the process moves forward.

**ADJOURNMENT:** A motion was made to adjourn, was seconded and passed by voice vote with none opposed.

**LORD'S PRAYER:** The congregation joined together in the Lord's Prayer.

Submitted by Church Council Secretary, Brenda Semin

## Nominating Committee Report for Church Council

The Nominating Committee has selected these members of Southwood as nominees for the vacancies on the Church Council. Each nominee was asked to tell us a little bit about themselves. They provided the following information:

**Toni M. Goldenstein**-UNMC Regional Pathology Services Account Manager and Laboratory Technical Consultant. Toni has been a member of Southwood for 30 years. Her service to Southwood Lutheran Church includes being a current member of the Mission Advisory Board, Co-Chair of the 2016 United for Mission Fundraiser, volunteer in the nursery and being a small group leader. Other church service that Toni has done includes being a Tanzania student scholarship sponsor. Toni's community service includes being the Lab Coordinator and volunteer at Clinic with a Heart since 2005 and delivering Meals on Wheels since 2006. *"What do you see as the greatest challenges and opportunities for Southwood Lutheran?" "Southwood is uniquely situated in an area of rapid growth that will allow us to reach out to a large number of people. Our emphasis on families and children, as well as our culture of inclusiveness, provide a strong position for growing the congregation. Our focus on local and global mission has made Southwood one of the "go-to" churches in Lincoln. Continuing to provide meaningful yet easy ways for people to participate is key to continuing to support our mission partners. With the shift to more online worship, the ability to reach more people is a great opportunity. The challenge is to encourage in-person attendance and engage volunteers for service within the church."*

**Mark A. Hummel**-Retired. Mark has been a member of Southwood for 20 years. His service to Southwood Lutheran Church includes participating in Southwood Serves, being a café host, usher, serving for 3 years on the Finance & Facilities Advisory Board and provided assistance with Sunday School and DELVE. Other church service that Mark has done is participating the Men's Group and being a board member of Seeking the Spirit Withing (Spiritual Direction Institute within NE Synod ELCA). Mark's community service through Southwood includes serving at The Gathering Place, F St Rec Center and volunteering with the Food Bank Distribution. *"What do you see as the greatest challenges and opportunities for Southwood Lutheran?" "Facility Maintenance and upkeep. Growing Southwood with members feeling connected. Search for an Associate Pastor."*

**Neal Lyons**-Chief Financial Officer. Neal has been a member of Southwood for 27 years. His service to Southwood Lutheran Church includes serving on Church Council and being treasurer and serving on the Finance & Facilities Advisory Board and volunteering as an usher, communion assistant and greeter on Sunday mornings. Neal's community service includes serving on the Tabitha Board of Directors and the Nebraska Society of CPA's Board.

**Amber J. Smith**-Associate Principal at LPS. Amber has been a member of Southwood for 21 years. Her service to Southwood Lutheran Church includes being a VBS volunteer and Director, a wedding coordinator (2007-2012), a sponsor for the Middle School Mission Trip to Minnesota in 2018, DELVE Leader (2023-2025), an adult sponsor on the Youth Service Trip to Tanzania in 2024, participated in Southwood Serves for many years and helped planned United for Mission Friendly Feud in 2025. Amber's community service includes being a Youth Sports Coach and a Girl Scout Leader (2010-2022). *"What do you see as the greatest challenges and opportunities for Southwood Lutheran?" "I believe that the greatest challenge is also our greatest opportunity. It is important that we continue to grow and strengthen our youth programs in order to continue the membership and mission of Southwood."*

## **Nominating Committee Report for Endowment Fund Trustees**

This member of Southwood has agreed to be a nominee for Endowment Fund Trustee. The nominee was asked to tell us a little bit about themselves. They provided the following information:

**Kim S. Moore**-Retired RN and Healthcare Executive. Kim has been a member of Southwood for 39 years. Her service to Southwood includes serving as a Sunday School teacher for many years, being a co-chair of the Advent Festival, serving on the Church Council and the Executive Committee (including being the chairperson for two terms), leading Strategic Planning on two occasions and a being a current member of the Endowment Fund Committee. Other service to the church includes being a host and communion assistant and serving food for the hungry. Her service to the community includes being on multiple community boards; Community Health Endowment (chairperson for one term), Lincoln Chamber of Commerce and other health care related boards and having served at Matt Talbot Kitchen & Outreach and Clinic with a Heart.

**Brandi L. Novosad**-Trust Officer. Brandi has been a member of Southwood for 20 years. Her service to Southwood includes serving as a communion server and café host. Other service to the church includes participating in Southwood Serves.

## SOUTHWOOD LUTHERAN CHURCH

### REPORT ON INTERNAL FINANCIAL PROCEDURES

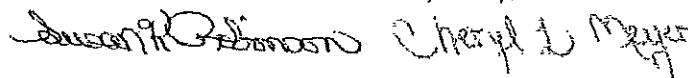
We reviewed certain internal financial procedures for 2024 for Southwood Lutheran Church. Procedures performed and any suggestions for the financial procedures are as follows:

- Ten General Fund deposits, one Designated Fund deposit and two Mission Fund deposits were randomly selected. Deposits included electronic fund transfers. All deposits selected were traced to the corresponding bank statement. Deposits were checked for accuracy and a sample of contribution amounts were matched to the contributor record control sheets. There were no discrepancies noted. The deposit procedures were reviewed with the Director of Administration/Finance. Control procedures include dual controls and rotation of duties. Procedures were deemed adequate.
- Twelve General Fund checks or withdrawals, three Designated Fund checks or withdrawals and two Mission Fund checks or withdrawals over several different months were randomly selected. Reviewed invoices for proper account coding and payment approval. The check or withdrawal was traced to the corresponding bank statement and any check was reviewed for an approved signee. Wire transfers are initiated by the Director of Administration/Finance and the Treasurer approves and releases the transfer. It was noted that emails for reimbursement of Mission items often lacked supporting documentation. It is recommended that any cash payment made during a Mission Trip be acknowledged by a second person that the payment was received by the intended recipient. It was noted that the material portion of an estimate invoice was paid in May (\$12,244.14) and the final full invoice including labor was paid in September (\$17,614.34) instead of just paying the labor amount of \$5,370.20. This resulted in an overpayment of \$12,244.14 that went undetected by both the vendor and the church. The vendor was contacted 07/03/2025 and the church received a full refund of the amount overpaid. We recommend all invoices be reviewed for proper cancellation and payment.
- All monthly bank statements were reviewed. Monthly checking account bank reconciliations were performed in a timely manner. Agreed bank reconciliation amounts to the monthly financial statements. No exceptions. Bank reconciliations were reviewed for evidence of the review/approval by the Council Treasurer. It was noted that September and October bank statements did not contain official stamp of review/approval by Treasurer, Neal Lyons. Reviewed outstanding checks at year end and none were older than one year so seems reasonable.
- The money market account includes designated and restricted funds. Designated and restricted funds are accounted for and reconciled within the Church's accounting software. Reviewed the accounting detail, no exceptions noted. The Director of Administration/Finance gets the statements online so that interest is recorded in a timely and accurate manner.
- The two certificates of deposit for \$250,000 that were purchased at Cornhusker Bank and Union Bank in 2023 are recorded on the balance sheet with the original principal amount on the General Fund balance sheet. The compounded interest portion of the CDs is recorded as income in the Designated Funds in the same manner as the ICS interest which is earned monthly. The interest on the two CDs is compounded quarterly, however not all the compounded interest from 2024 had been posted in the Church's financial statements because CD statements are not mailed and the Director of Administration/Finance does not have online access to these banks. We recommend each bank be contacted on a quarterly basis to inquire about account balances and to timely record the interest earned. It was noted that both CDs exceeded the \$250,000 FDIC Insurance maximum on December 31, 2024. To ensure full coverage we recommend the following considerations:
  - Change from compounding interest to receiving an interest check and
  - Lower the face amount of the CD to \$245,000 so that the principal amount plus any accrued interest would be below the FDIC insurance amount.

- The loan payment activity for 2024 was reviewed. The lender statement was compared to the general ledger. Also traced debt payments to approved budget amounts, including an extra principal payment of \$5,000 in May and \$9,200 in December. No exceptions noted.
- Seven interfund transfers, in addition to the four monthly budgeted transfers, were randomly selected and the related transactions were traced to the related general ledger accounts. No exceptions were noted.
- No review of insurance policies was performed.
- Reviewed quarterly payroll tax returns, W-2 and 1099 forms. Compared W-2 forms to quarterly payroll tax returns. Reconciled gross wages and employer payroll tax expense on annual financial statements to payroll records. No exceptions noted.
- We commend the Director of Administration/Finance for incorporating the 2023 financial review suggested wording in the resolution establishing the housing allowance at a specific dollar amount and that said amount would remain in effect until changed. Because there were twenty-seven payroll periods in 2024, two ministers' housing allowances exceeded the amount set forth in the resolution dated December 2023. We understand how the error occurred, but housing allowance changes cannot be made retroactively. To avoid this error, we recommend the number of payroll periods in the upcoming year be reviewed before the annual salary data of employees is input into the church's payroll system. The only information on salaries set by the Executive Committee was a spreadsheet prepared by the Director of Administration/Finance. This was not traced to any individual payroll records. The personnel cost categories were below the amount budgeted, except for one.
- Several vendors for services exceeding \$600 during 2024 were randomly selected and tested for 1099s being issued. No exceptions were noted.
- The minutes of the Church council were reviewed. Traced any financial matters to the ledger with no exceptions noted.
- The valuation of the building, land, furniture and equipment remained the same as it was on the December 31, 2023 balance sheet. Real estate was recorded at a prior year Lancaster County assessment of \$1,323,180.00 of which an increase over cost of \$834,940.00, which is shown as a separate account from the cost. Director of Administration/Finance will review the assessor's valuation and make an annual entry for any necessary adjustment or when real estate is sold.
- Five Nines Technology continues to be the independent IT consultant that performs a continuous review and is available on call as needed. Monthly invoices for services provided and status report are provided. The Director of Administration/Finance stated that this continues to be a very good policy. It is recommended that it is periodically reviewed that all laptops have identification showing that they are property of Southwood Lutheran Church.
- Discussed with the Director of Administration/Finance the need for a succession plan for the Office Staff. This continues to be in process as the church council is determining if the current positions are required or if there is an advantage to reorganizing the positions. It is recommended that a backup plan is in place.

Susan K. Robinson

Cheryl L. Meyer



**Southwood Lutheran Church**  
**Statement of Net Assets**  
**Wednesday, December 31, 2025**

	<u>General Fund</u>	<u>Designated Funds</u>	<u>Missions Fund</u>
<b>Assets</b>			
Cash and cash equivalents	\$ 436,305		\$ 217,540
Miscellaneous Receivables	\$		
Contingency Fund		\$ 113,217	
Building/Grounds Repairs/Maintenance Fund		\$ 229,156	
Equipment Replacement Fund		\$ 29,788	
Other Dedicated Funds		\$ 199,994	
Furniture and equipment	1,387,826		
Land and buildings	<u>8,823,180</u>	<u>-</u>	<u>-</u>
<b>Total Assets</b>	<b><u>\$ 10,647,311</u></b>	<b><u>\$ 572,155</u></b>	<b><u>\$ 217,540</u></b>
<b>Liabilities</b>			
40American National Notes	\$ -	\$ -	\$ -
Other	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Liabilities</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Net Assets</b>			
Unrestricted	10,647,311	-	
Temporarily restricted	<u>-</u>	<u>572,155</u>	<u>\$ 217,540</u>
<b>Total Net Assets</b>	<b><u>10,647,311</u></b>	<b><u>572,155</u></b>	<b><u>217,540</u></b>
<b>Total Liabilities and Net Assets</b>	<b><u>\$ 10,647,311</u></b>	<b><u>\$ 572,155</u></b>	<b><u>\$ 217,540</u></b>

**Southwood Lutheran Church**  
**Statement of Revenue and Expenses, Actual and Budget, General Fund**  
**For the Year Ended December 31, 2025**

	<u>Annual Budget</u>	<u>Y-T-D Actual</u>	<u>Percentage of Actual to Budget</u>
<b>Revenues</b>			
Giving	<u>\$ 2,720,000</u>	<u>\$ 2,747,219</u>	<u>101.00%</u>
<b>Expenses</b>			
<b>Exec Committee/Council</b>			
Personnel Costs	2,022,088	1,838,599	90.93%
ELCA/Synod support	80,000	80,000	100.00%
<b>Total Exec Committee/Council</b>	<u>2,102,088</u>	<u>1,918,599</u>	<u>91.27%</u>
<b>Ministry Board</b>			
Hospitality	31,900	32,375	101.49%
Youth	44,900	27,488	61.22%
Children & Family	33,800	36,804	108.89%
Adult Education	3,500	3,435	98.14%
<b>Total Ministry Board</b>	<u>114,100</u>	<u>100,101</u>	<u>87.73%</u>
<b>Worship Board</b>			
Worship Board	79,400	78,606	99.00%
<b>Mission Board</b>			
Mission Board	160,000	156,346	97.72%
<b>Care Board</b>			
Care Board	7,675	5,934	77.32%
<b>Finance &amp; Facilities Board</b>			
Administration/Office	135,200	114,172	84.45%
Building & Grounds	378,500	382,102	100.95%
Debt Service	120,000	114,312	95.26%
<b>Total Finance &amp; Facilities Board</b>	<u>633,700</u>	<u>610,586</u>	<u>96.35%</u>
<b>Total Expenses</b>	<u>3,096,963</u>	<u>2,870,172</u>	<u>92.68%</u>
<b>Net Revenues Over (Under) Expenses</b>	<u>\$ (376,963)</u>	<u>\$ (122,953)</u>	

**Southwood Lutheran Church**  
**Dedicated Mission Fund Activity**  
**For the month ended 12/31/2025**

Mission Fund	Beginning Balance 1/1/2025	2025 Income	2025 Expenses	Ending Balance 12/31/2025
Mission				
Disaster Relief Fund	176,566	149,060	175,070	150,557
Community Mission	15,035		15,035	-
Hunger	327		327	-
Global Mission	95	11,454	10,095	1,455
Honduras	0			
Honduras Agriculture	380	8,600	2,880	6,100
Tanzania	1,892			
Tanzania School	4,697	2,110	4,697	2,110
Tanzania Scholarships	5,280			
Travel	70,545	33,874	49,530	54,389
	0	13,500	13,243	257
Total Fund Balances	<u>274,817</u>	<u>218,599</u>	<u>275,876</u>	<u>217,540</u>

## 2026 Budget Narrative

The Church Council proposes that the Congregation approve the 2026 Budget as presented. General fund giving is projected to remain about the same in 2026 as compared to 2025 giving with a small contingency for the opportunity of additional income.

- **Staff**—Personnel costs are the biggest part of Southwood's budget. We recognize that high quality worship, ministry, and mission happen with and through the work of committed staff. This year's number includes salary increases; reductions in this area are due to retirements and combining some roles.
- **Building**—As our building ages, building repair costs continue to rise. We continue to set aside money for more costly repairs and building/grounds improvements. The budget remains unchanged to what we spent in 2025 with the consideration that we will continue to need those additional funds. We were able to reduce the budget for building insurance since it will not increase at the level we projected in 2025.
- **Youth Ministry**—We want to provide additional opportunities for our youth, so we have included a slight increase over 2025 actual spending.
- **Missions**—For past years we have been supporting our Mission partners with dedicated Mission funds. We will continue to utilize the dedicated funds from 2025 year-end to assist in supporting the mission budget. The increase in 2026 budget is necessary to bridge the gap to provide uninterrupted service to our Mission partners. We are not considering the dedicated funds that will be forthcoming in 2026 but will reserve those for our budget year 2027.
- **Debt Service**—There is **no** debt included in this budget; we made our last mortgage payment in April 2025.
- **Deficit Budget**—The proposed budget shows a deficit of \$71,000, which is a reduction from last year's projected \$376,963 deficit and actual \$122,953 deficit. We currently have available cash of \$436,000.

**Southwood Lutheran Church**  
**Statement of Budget Revenue and Expense**  
**For the Year 2026**

	<u>2025 Budget</u>	<u>2025 Actual</u>	<u>2026 Budget</u>	<u>Percentage Change 2025</u>
				<u>Actual versus 2026 Budget</u>
<b>Revenues</b>				
<b>Total Income</b>	<u>2,720,000</u>	<u>2,747,219</u>	<u>2,825,000</u>	<u>2.8%</u>
<b>Expense</b>				
<b>Executive Committee/Council</b>				
Staff	2,022,088	1,838,599	1,900,470	3.4%
ELCA Support	80,000	80,000	80,000	0.0%
<b>Ministry</b>				
Hospitality	31,900	32,375	33,000	1.9%
Youth	44,900	27,488	39,250	42.8%
Children and Family	33,800	36,804	40,000	8.7%
Adult Education	3,500	3,435	4,500	31.0%
<b>Worship</b>	79,400	78,606	78,700	0.1%
<b>Mission</b>	160,000	156,346	221,000	41.4%
<b>Pastoral Care</b>	7,675	5,934	6,675	12.5%
<b>Finance and Facilities</b>				
Building and grounds	378,500	382,102	368,200	-3.6%
Administration and office	135,200	114,172	124,200	8.8%
Mortgage payment	120,000	114,312	-	-100.0%
<b>Total Expense</b>	<u>3,096,963</u>	<u>2,870,172</u>	<u>2,895,995</u>	<u>0.9%</u>
<b>Income Less Expense</b>	<u>\$ (376,963)</u>	<u>\$ (122,953)</u>	<u>\$ (70,995)</u>	

Mission Spending Plan		
2025 Income	2026 Spending Planned	
Total of Dedicated Mission Funds 12/31/2024	\$274,817	<b>Community Missions</b> \$ <b>135,400</b>
<b>2025 Mission Income</b>		Clinic With a Heart Clinics \$ 23,400
Lent/Easter Offering	\$ 27,150	The Gathering Place \$ 25,000
Friendly Feud	\$ 28,394	Tabitha Meals on Wheels/Food Box \$ 20,000
Thanksgiving Offering	\$ 3,224	Food Bank \$ 55,000
Christmas Offering	\$ 37,075	Matt Talbot Kitchen & Outreach \$ 10,000
		Garden \$ 2,000
		<b>Global Mission</b> \$ <b>177,500</b>
Total Dedicated Mission Funds 12/31/2025	\$ 162,651	Tanzania Sister Church \$ 50,000
Balance Other Dedicated Mission Funds 12/31/2025		Honduras Sister Church \$ 50,000
Tanzania Scholarship Fund	<u>\$ 54,889</u>	Haley Janssen \$ 50,000
Total Dedicated Mission Funds	<u>\$ 217,540</u>	Honduras Pastor Salary & Church Support \$ 10,000
		Tanzania Salaries \$ 17,500
		<b>Mission</b> \$ <b>57,100</b>
		Mission Events \$ 18,000
		Administrative Costs \$ 6,000
		Mission Staff/Leader Travel \$ 15,000
		Travel Insurance \$ 2,500
		Travel Scholarships \$ 10,600
		Global Team Support \$ 7,500
		Total Dedicated Fund Planned Spending \$ <b>149,000</b>
		Total General Fund Planned Spending \$ <b>221,000</b>
		Total Mission Planned Spending 2025 \$ <b>370,000</b>

**SOUTHWOOD LUTHERAN  
CHURCH ENDOWMENT FUND  
2025 ANNUAL REPORT**

The Southwood Lutheran Church Endowment Fund is invested in socially responsible mutual funds that meet criteria established by the Church and the Trustees. As of December 31, 2025, the balance in the Endowment Fund was \$693,639.13. As of 12/31/2025, the Endowment assets are allocated 57.30% Stock, 34.99% to bonds and 7.71% in money markets.

The Endowment Fund had a return of 13.50% for 2025. The Endowment Fund produced income of \$19,385, of which approximately \$17,446 will be available for distribution in 2025. (Per guidelines, 10% of the annual income must be reinvested back into the fund balance). We also have a carryover of \$18,000 from previous year so there is approximately \$35,500 available.

The Trustees reviewed and approved the following requests for funding in 2025:

1. Annual gift for Tanzania scholarships - \$1,191.15
2. Tanzania pastoral support - \$5,000
3. Friendship Home - \$10,000
4. Sunday School Southwood Serves - \$1,800
5. The Lutheran Center, Nebraska Lutheran Campus Ministry - \$2,000

Income from the Endowment Fund can be used in these four areas:

- Outreach into the community and Nebraska Synod
- Missions of the ELCA in this continent and worldwide
- New ministry opportunities within Southwood
- Other causes and programs which enhance the mission outreach of Southwood

Southwood members can apply for funds that meet the above qualifications.

Gifts to the Endowment Fund may be designated in memory or honor of a loved one, in response to God's goodness, as a witness to one's faith or as a financial boost to the mission and ministry of the church. There are many ways to give to the fund. Gifts can be given outright, deferred from a final estate, given anonymously, or given to celebrate. If you are feeling called to give, we encourage you to visit with a financial planner who can offer additional creative ways to give to maximize your gift.

For the Endowment Fund Trustees,  
Michelle Grieser