

Westwood Lutheran Church  
2023 Financial Report

Annual Report



# Treasurer's Report

Westwood continued in 2023 on the theme "Journey Inward to Journey Outward". Our 2023 journey reflected a year of transition: Jason as the new senior pastor, Sarah as the new executive pastor, Tania moved to two-thirds-time pastor, and Alison as the new coordinator of CYF ministry.

Westwood's 2023 financial highlights include:

- Westwood is a large congregation with revenue from the Church, WECC, and Prayer of Good Courage/Capital totaling over \$3.8M.
- While Church giving finished \$131,000 behind budget, expenses and capital transfer expense, were lower by almost the same amount. The total Church Fund balance came in on budget setting up nicely for 2024.
- Your generous giving supported \$164,000 for outreach programs.
- WECC ended the year with 95 children. Tuition was less than budget due to timing in various classrooms this past fall. That also resulted in lower expenses/fewer teachers with the WECC fund balance on budget.
- With continued strong congregational support, Westwood contributed \$275,000 in 2023 to the Prayer of Good Courage appeal to support the Rise Early Learning Center which opened in January 2024. This brings the total contributed to date at \$850,000 toward our \$1M goal, on track for completion in spring 2024.
- Our long-term mortgage balance with Thrivent is now down to \$1,017,000 and matures in 2035.
- Westwood Lutheran Memorial Foundation granted over \$59,000 to support many different programs.
- In 2023 Westwood was blessed with the first year of our new Director of Administration, Jane Severson. To her credit the financial management of Westwood continued to move ahead smoothly. I would like to thank Jane for her dedicated leadership and support of Westwood this past year.

On behalf of the Financial Management Advisory Group, I would like to especially thank each of you for all you have done and continue to do financially to support Westwood.

Dave Hill, Treasurer

# Audit Report

12/19/2023

To the Financial Management Advisory Group  
Westwood Lutheran Church  
St. Louis Park, Minnesota

We have performed the procedures on the Church's financial statements and financial systems described in Appendix B of the Westwood Lutheran Church audit work program as of 12/31/2022. The Church Council and management are responsible for the Church's financial statements, accounting records, and transactions. The sufficiency of these procedures is solely the responsibility of the Church Council and management. Consequently, we make no representation regarding the sufficiency of the procedures referred to below either for the purpose for which this report has been requested or for any other purpose.

We have conducted our procedures in accordance with Westwood Policies, which are guided by the ELCA Congregational Audit Guide. These procedures are not in accordance with attestation standards established by the American Institute of Certified Public Accountants. Our procedures included tests of the nature of the financial statements and financial systems and to the extent we considered necessary to reach our conclusions and to conform to Westwood policy. The scope of the procedures examines all aspects of the Church in varying levels of details. The procedures were not designed on a basis to detect fraud and were performed in our volunteer capacity as members of the audit committee.

This report is intended solely for the information and use of the Church Council and management and is not intended to be and should not be used by anyone other than these specified parties. This report does not constitute an opinion on the financial statements or financial systems.

## **Conclusion**

Based on the work performed, no material errors were found in the financial statements. Testing performed also found that the controls governing the financial operations process appear to be in place and operating as intended.

Jared Settingsgard, CPA (inactive)  
Westwood Lutheran Church Audit Committee Member  
12/19/2023

Westwood Lutheran Church  
STATEMENT OF FINANCIAL POSITION  
For the Years Ended December 31, 2023 and 2022

	2023	2022
<b>ASSETS</b>		
Cash and Investments		
Cash (Unrestricted and Restricted)	\$ 606,208	\$ 1,522,066
Certificates of Deposit	800,000	
Property and Equipment at Cost	10,804,476	10,584,235
Total Assets	\$ 12,210,684	\$ 12,106,301
 <b>LIABILITIES AND NET ASSETS</b>		
Liabilities		
Mortgage Payable	1,071,644	\$ 1,138,772
Short Term Loan		
Other Liabilities	48,255	39,801
Total Liabilities	1,119,899	1,178,573
 Net Assets		
Unrestricted	10,082,004	10,175,443
Temporarily Restricted	1,008,780	752,285
Total Net Assets	11,090,784	10,927,728
Total Liabilities and Net Assets	\$ 12,210,684	\$ 12,106,301

Westwood Lutheran Church  
STATEMENT OF ACTIVITIES

<b>WESTWOOD LUTHERAN CHURCH GENERAL FUND</b>	<u>2023 Budget</u>	<u>2023 Actual</u>	<u>2024 Budget</u>
NET ASSETS - GENERAL FUND - BEGINNING	\$ 287,284	\$ 287,284	\$ 118,549
REVENUES			
Annual Giving	1,617,367	1,486,073	1,604,358
Other Receipts	109,058	130,506	131,775
Total Revenues	<u>1,726,425</u>	<u>1,616,580</u>	<u>1,736,133</u>
EXPENSES			
Salaries and Benefits	1,114,707	1,060,944	1,200,888
Outreach	179,948	164,316	160,436
Administration	149,840	141,117	139,708
Building and Grounds	186,601	181,568	165,075
Program	89,005	91,626	82,479
Total Expenditures	<u>1,720,101</u>	<u>1,639,571</u>	<u>1,748,586</u>
CHANGE IN NET ASSETS	6,324	(22,991)	(12,453)
Transfer from(to) Other Funds	<u>(180,000)</u>	<u>(145,744)</u>	<u>0</u>
NET ASSETS - GENERAL FUND - ENDING	<u>\$ 113,608</u>	<u>\$ 118,549</u>	<u>\$ 106,096</u>

Westwood Lutheran Church  
STATEMENT OF ACTIVITIES

<b>WESTWOOD EARLY CHILDHOOD CENTER FUND</b>	<u>2023 Budget</u>	<u>2023 Actual</u>	<u>2024 Budget</u>
NET ASSETS - WECC FUND - BEGINNING	\$ 446,994	\$ 446,994	\$ 234,920
REVENUES			
Tuition	1,859,500	1,779,298	1,886,997
Other Receipts	78,500	126,622	133,240
Total Revenues	<u>1,938,000</u>	<u>1,905,920</u>	<u>2,020,237</u>
EXPENDITURES			
Salaries and Benefits	1,621,740	1,562,741	1,646,411
Operating	129,200	142,900	166,586
Food Service	74,000	82,052	88,000
Program	23,000	18,301	29,500
Total Expenditures	<u>1,847,940</u>	<u>1,805,993</u>	<u>1,930,497</u>
Change in Net Assets	90,060	99,927	89,740
Transfer from(to) Other Funds	<u>(312,000)</u>	<u>(312,000)</u>	<u>(137,000)</u>
NET ASSETS - WECC FUND - ENDING	<u>\$ 225,054</u>	<u>\$ 234,920</u>	<u>\$ 187,660</u>

Westwood Lutheran Church  
STATEMENT OF ACTIVITIES

<b>CAPITAL FUND</b>	2023 Budget	2023 Actual	2024 Budget
NET ASSETS - CAPITAL FUNDS - BEGINNING	\$ 471,468	\$ 471,468	\$ 714,240
REVENUES			
Capital Fund	35,000	38,216	
Appeals	350,000	275,346	225,000
Other Receipts	10,000	9,935	30,400
Total Revenues	<u>395,000</u>	<u>323,497</u>	<u>255,400</u>
DEBT FINANCING			
Principal and Interest Payments	(114,228)	(114,228)	(114,228)
Net Debt Financing	<u>(114,228)</u>	<u>(114,228)</u>	<u>(114,228)</u>
EXPENDITURES			
Capital Expenditures	532,000	220,242	555,000
Capital Expenditures - POGC Appeal	425,000	204,000	290,545
Total Capital Expenditures	<u>957,000</u>	<u>424,242</u>	<u>845,545</u>
CHANGE IN NET ASSETS	(676,228)	(214,972)	(704,373)
Transfer from(to) Other Funds	492,000	457,744	137,000
NET ASSETS - CAPITAL FUNDS - ENDING	<u>\$ 287,240</u>	<u>\$ 714,240</u>	<u>\$ 146,867</u>

Westwood Lutheran Church  
STATEMENT OF ACTIVITIES

<b>DESIGNATED FUNDS</b>	2023 Budget	2023 Actual	2024 Budget
NET ASSETS - DESIGNATED FUNDS - BEGINNING	\$ 280,817	\$ 280,817	\$ 294,541
REVENUES			
Outreach	65,000	136,789	31,000
Operating	40,000	126,138	159,700
Memorials	5,000	11,840	-
Total Revenues	<u>110,000</u>	<u>274,767</u>	<u>190,700</u>
EXPENDITURES			
Outreach	65,000	148,506	31,000
Operating	60,000	89,513	236,700
Memorials	5,000	23,025	10,000
Total Expenditures	<u>130,000</u>	<u>261,043</u>	<u>277,700</u>
Change in Net Assets	(20,000)	13,724	(87,000)
Transfer from (to) Other Funds			-
NET ASSETS - DESIGNATED FUNDS - ENDING	<u>\$ 260,817</u>	<u>\$ 294,541</u>	<u>\$ 207,541</u>

