

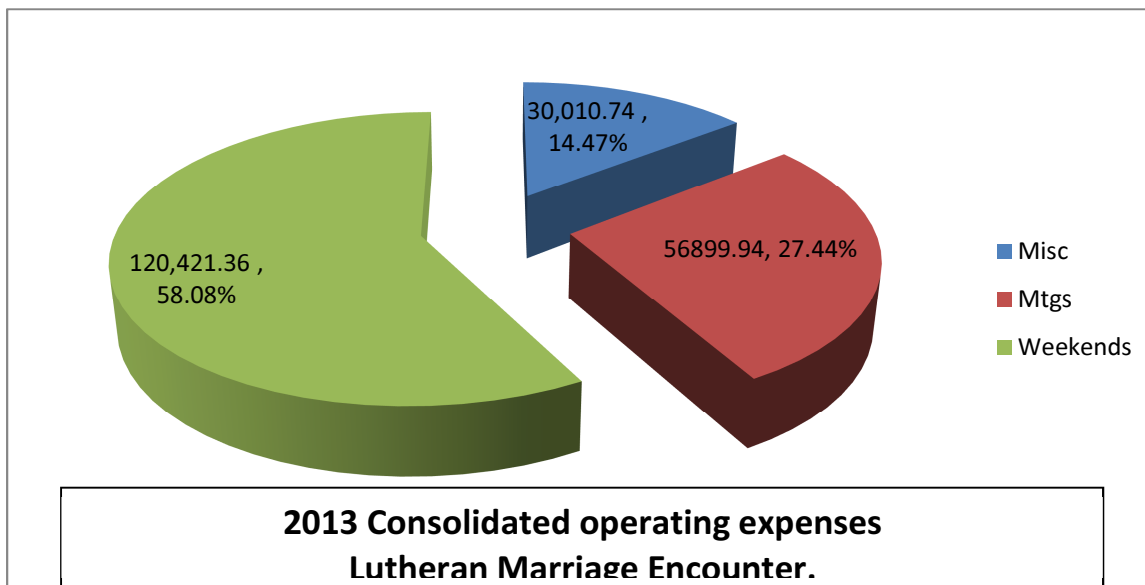
## Call To Be Family dba Lutheran Marriage Encounter Annual Financial Report 2013

Preparation of this report has been somewhat daunting. First because of the change in finance position causing headaches in transferring and updating accounts. Second, because of the disappointing statistics for the 2013 year.

One of the difficulties in setting up new accounts or transferring old ones is the financial institutions need for documentation of the authority to set up an account. To address this I am proposing that at each Board meeting when a Board or officer change occurs a resolution be adopted showing the current corporate officers and Directors. I am attaching a draft sample for this resolution for consideration.

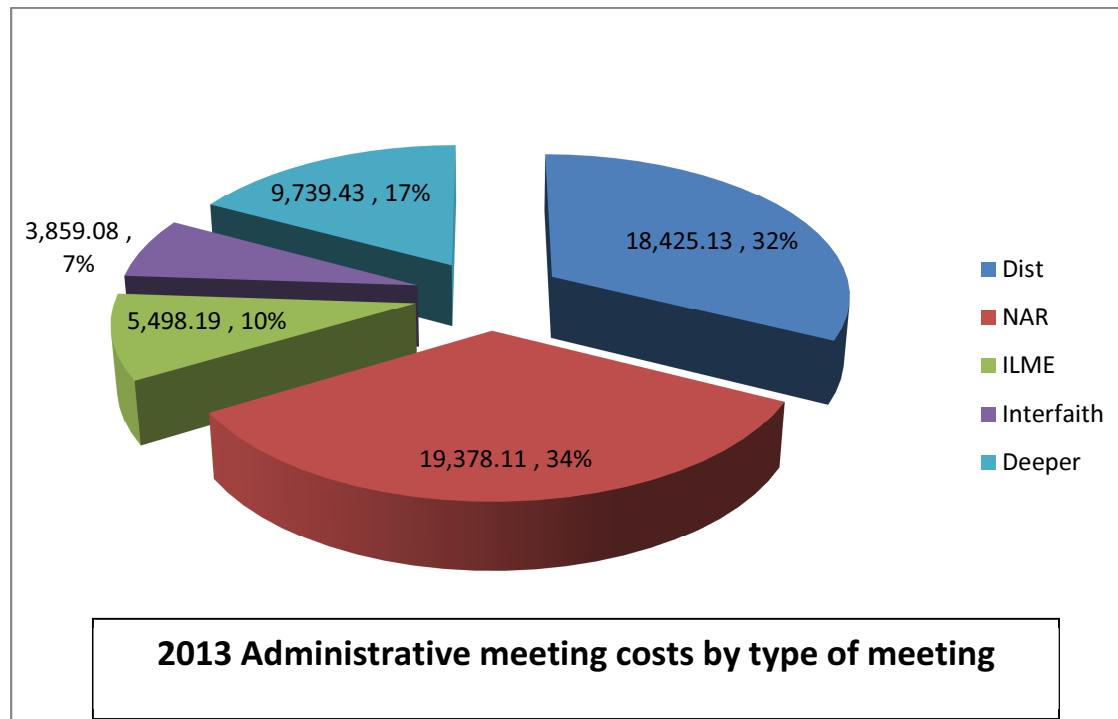
The weekend statistical report is attached to this report and a cursory review shows that we had 7 fewer weekends in 2013 and 104 fewer couples on weekends. This is over 25% reduction in program services in a single year. From a financial perspective I cannot establish why such a change. I can however evaluate the impact. In simple numbers we had a \$40,916.91 operating loss for 2013. This is partially offset overall by a \$10,944.16 gain in value of the DREAM Fund. Weekend donations exceeded weekend facility, travel, and pastoral supply by \$2,985.

In evaluating the per-couple cost on weekends it is clear that our weekend quote falls considerably short. In simple terms the average weekend quote across the country should be \$712 to cover all expenses. To explain this I inserted the graph below. The biggest expenses are the direct weekend expenses and the administrative meetings (including Deepers). Using these figures; the cost per couple attending a weekend breaks down as follows: Direct weekend expense \$413.82, administrative costs and supplies \$103.13, meeting costs 195.53 for a total of \$712.48 per couple.



Of the \$30,010.74 miscellaneous some expenses such as a portion of printing is actually a weekend expense. Current reporting does not permit separating these items as administrative or weekend expense. I plan to change the expense line items so that weekend expenses can be identified.

The graph below shows the cost breakdown of meeting costs. It should be clear that most of the cost involves transportation and housing with a smaller portion going toward meeting space.



The table below shows the 2013 balances for the DREAM Fund.

| 2013 DREAM FUND              | 12/31/13          | 6/30/13           | 9/30/13           | 12/31/13          |
|------------------------------|-------------------|-------------------|-------------------|-------------------|
| Morgan Stanley Mutual Funds  | 67,656.41         | 74,228.24         | 78,478.82         | 85,128.64         |
| Morgan Stanley cash position | 27,884.85         | 27,886.23         | 27,886.94         | 27,792.66         |
| Cash in NAR Operating Accts  | 33,367.09         | 26,981.75         | 23,789.08         | 22,206.92         |
| <b>TOTAL BALANCE</b>         | <b>128,908.35</b> | <b>122,710.88</b> | <b>126,962.17</b> | <b>133,546.06</b> |

The Morgan Stanley balances reflect unrealized growth in value.

The cash in NAR accounts reflect the following transactions:

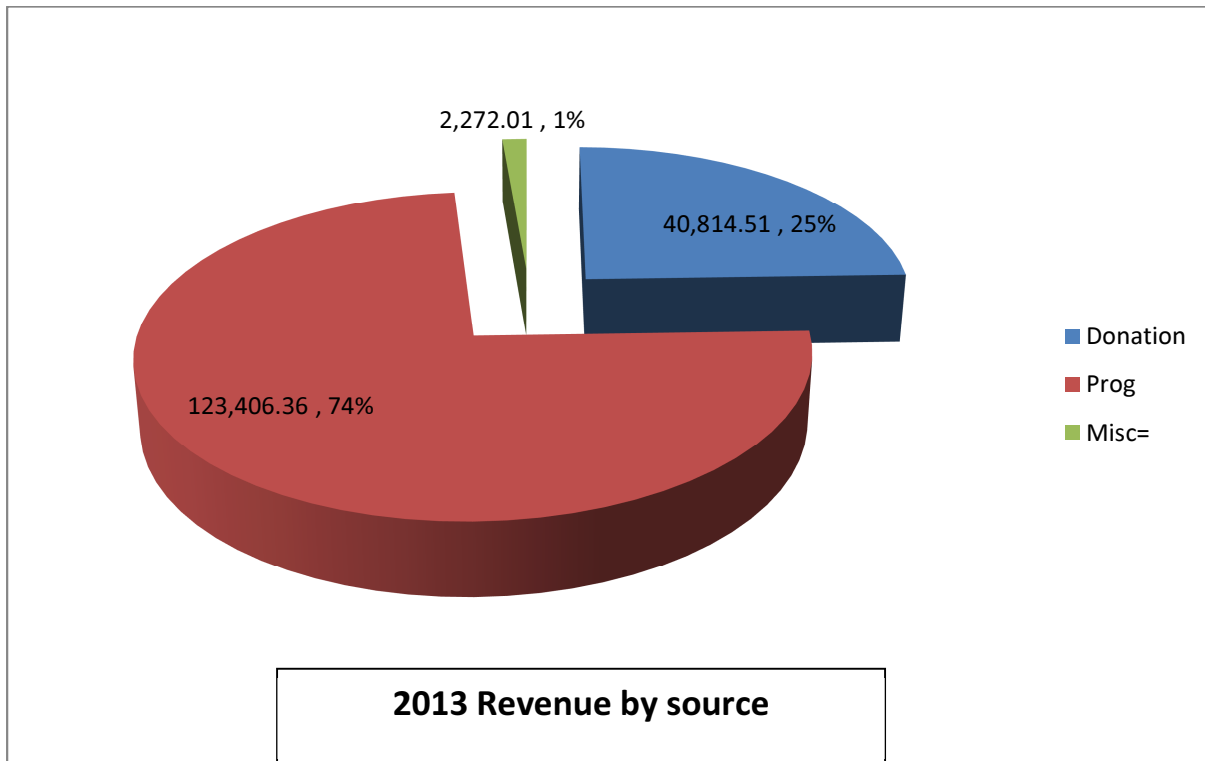
|          |   |            |
|----------|---|------------|
| 1-23-13  | Leinicke Group Marketing                      | -\$3192.67 |
| 4-11-13  | Leinicke Group Marketing                      | -\$3192.67 |
| 7-9-13   | Leinicke Group Marketing                      | -\$3192.67 |
| 10-21-13 | Leinicke Group Marketing                      | -\$3192.67 |
| 12/31/13 | Credit for memorial donations in NAR accounts | + 1,610.51 |

I believe that payment for the two year contract for the marketing plan is complete with the 4th quarter payment in 2013. Continuation of the marketing plan would require new approval.

The reason for the remaining balance in the NAR operating accounts is that DREAM Fund donations (including the Hillman estate in 2012 were not deposited to the Morgan Stanley accounts due to investment costs). I intend to open new no-load accounts to eliminate future investment front-end fees.

I offer the graph below which analyzes revenue sources. Over 99% comes from donations. As mentioned earlier, weekend revenue (application, W.E. donations, & post-dated) actually covered the direct weekend charges (facility, presenter travel, pastoral supply). This is consistent with prior years.

What is different in 2013 is that the other donations fall considerably short of covering the administrative costs. In prior years a shortfall was typical but in 2013 it was \$40,000 which is significantly greater than prior experience.



The following table shows the annual surplus or shortfall of revenues and expenses in prior years:

| 2006-07 | 2007-08 | 2008-09 | 2010    | 2011    | *2012   | All     | Average |
|---------|---------|---------|---------|---------|---------|---------|---------|
| -4,811  | -27,444 | -25,435 | -17,158 | +15,735 | +22,198 | -36,915 | -6,153  |

\*2012 includes \$46,667 from Hillman estate and about \$18,000 Reunion profit. If these exceptional revenues are excluded, the average shortfall would be \$16,930 per year. This is probably the appropriate average figure to compare with the \$40,817 shortfall in 2013.

These data reflect the status of our operating reserve fund. While the DREAM Fund continued to grow the operating reserve has declined.

For the six years that Ken & Gina provided the financial reports they routinely warned of the impact of the declining reserve fund. Each year they stated that we could run out of funds within a few years. Considering the current status of over \$40,000 in shortfall and just under \$80,000 in operating reserves the date for running out of funds is now only two years away if we stay on the current course.

We wish to pass on thanks to the District Finance couples for their attention to their tasks and their prompt reporting of District finances.

Following is a list of actions intended for 2014

- Revise operating account designations to separate weekend expenses from administrative expenses such as supplies and printing.
- Open new no-load funds to transfer the Morgan Stanley investments into.
- Add a cash position DREAM Fund account with check writing for withdrawals.
- Transfer DREAM Fund cash from operating accounts into DREAM Fund accounts.

Following this narrative are the following attachments:

1. Proposed resolution to be updated and approved each time an officer or director position changes.
2. Consolidated financial report showing combined totals for District and NAR accounts.
3. Worldwide Marriage Encounter weekend statistics report for NAR and European Region

Respectfully submitted,

*Dean & Marcia Redman*

Dean & Marcia Redman,  
NAR Finance

**Call To Be Family, dba Lutheran Marriage Encounter  
Resolution**

The following resolution was hereby adopted by consensus action of the North American Region of call To Be Family, dba Lutheran Marriage Encounter at the Board meeting February 7-9, 2013.

This organization is a tax exempt corporation registered in the State of Washington as a non-profit corporation under UBI# 601427528. The registered agent for the corporation is: Carl Presley, 4420 51st Ave NE, Seattle, WA 98105-4933

We are a public charity (determination letter 1978) under the rules of the U.S. Internal Revenue Service and are classified as a 501 c(3) organization. Our federal EIN is 91-1003177. Our charitable tax filing (Form 990) is on file with the IRS, on our International website [www.ilme.org](http://www.ilme.org), or available by request. Our website for weekend application and program information is [www.godlovesmarriage.org](http://www.godlovesmarriage.org).

Principal Corporate officers of this organization are:

|  |   |  |   |
|--|---|--|---|
| Donald Christiansen<br>President<br>2539 Larry Tim Dr<br>Saginaw, MI 48601<br>989-777-1877<br>Fv4t@chartermi.net | John Orwig<br>Vice President<br>2860 1st Ave West<br>Buffalo, WY 82834<br>307-684-2700<br>johnorwig@hotmail.com | Charlotte Ricks<br>Secretary<br>1220 Gift Ave.<br>Peoria, IL 61604<br>309-682-7273<br>Dcrlme1094@comcast.net | Dean Redman<br>Treasurer<br>3615 Amberidge Dr<br>Chapel Hill, NC 27514<br>Ph 919-797-0501<br>narfinancecouple@gmail.com |
|--|---|--|---|

This organization has no fixed business address. Official business is conducted out of the homes of volunteers. Official business contacts may be to one of the appropriate corporate officers listed above.

Formal actions of the organization are made by the Board of directors as listed below. Directors serve jointly as husband and wife with one vote per couple.

- North American Region Lay Executive                      Donald & Judy Christiansen
- North American Region Clergy Executive                      John & Nancy Orwig
- District 1 Lay executive    Steve & Sue Rufe
- District-1 Clergy Executive    Ted & Jane Guthrie
- District-2 Lay Executive    Roger & Chris Williams
- District-2 Clergy executive    Dan & Judy Teuscher
- District-3 Lay Executive    Larry & Coke Guilfoile
- District-3 Clergy Executive    Dave & Elsa Larson
- District-4 Lay Executive    John & Jennifer Pettinger
- District-4 Clergy Executive    Ted & Marty Hartman

This Resolution hereby adopted

\_\_\_\_\_  
Donald Christiansen, President

\_\_\_\_\_  
Date

\_\_\_\_\_  
Charlotte Ricks, Secretary

\_\_\_\_\_  
Date

### Consolidated ILME North American Region

| <b>Revenue</b> |                      |                                  |                   |
|----------------|----------------------|----------------------------------|-------------------|
|                | <b>Program</b>       |                                  |                   |
| 4010           |                      | Application Fees                 | 15,697.06         |
| 4020           |                      | Couple Donations                 | 26,901.00         |
| 4030           |                      | Weekend Donations                | 97,549.30         |
| 4040           |                      | Post Dated Donations Deposited   | 10,160.00         |
| 4050           |                      | Echo Credit Card Donations       | 0.00              |
| 4052           |                      | Pay Pal Credit Card Donations    | 0.00              |
| 4054           |                      | Deeper Participant Donations     | 962.00            |
| 4056           |                      | Thrivent - Simply Giving (Vanco) | 7,960.00          |
| 4058           |                      | Thrivent Choice                  | 3,381.00          |
| 4060           |                      | 10/10 Ministry                   | 0.00              |
|                |                      |                                  |                   |
|                |                      | PROGRAM REVENUE                  | 162,610.36        |
|                |                      |                                  |                   |
|                | <b>Miscellaneous</b> |                                  |                   |
| 4100           |                      | Area Fund Raisers                | 0.00              |
| 4120           |                      | District Fund Raisers            | 0.00              |
| 4200           |                      | Reunion                          | 0.00              |
| 4400           |                      | Bank Interest                    | 22.25             |
| 4500           |                      | Returned Checks                  | 0.00              |
| 4520           |                      | Credit Cards Rejected            | (25.00)           |
| 4600           |                      | Donations to Dream Fund          | 1,610.51          |
| 4610           |                      | Transfer to Dream Fund account   |                   |
| 4650           |                      | Miscellaneous                    | 2,297.01          |
|                |                      |                                  |                   |
|                |                      | <b>Total Revenue</b>             | <b>166,515.13</b> |

| <b>Expenses</b> |  |  |                   |
|-----------------|--|--|-------------------|
|                 |  | <b>ADMINISTRATIVE</b>                      |                   |
| 6010            |  | Area Expenses (Petty Cash)                 | 0.00              |
| 6100            |  | Bank Charges                               | 83.40             |
| 6120            |  | Echo/Intuit                                | 2,252.54          |
| 6140            |  | Pay Pal                                    | 1,018.84          |
| 6200            |  | International Administrative Expenses      | 0.00              |
| 6420            |  | Postage/Shipping - District                | 1,170.85          |
| 6440            |  | Postage/Shipping - NAR                     | 218.63            |
| 6445            |  | Printing & Copying - District              | 2,064.54          |
| 6450            |  | Printing & Copying - NAR                   | 1,239.30          |
| 6500            |  | Website Development and Maintenance        | 13,005.52         |
| 6520            |  | Tax Return Preparation                     | 380.00            |
| 6540            |  | Insurance/Bonding                          | 0.00              |
| 6560            |  | WWME Licensing                             | 1,291.00          |
| 6570            |  | Interfaith Membership Expense (Foundation) | 0.00              |
| 6580            |  | Washington State Corp. registration        | 0.00              |
| 6600            |  | Internet Fees                              | 300.00            |
| 6620            |  | Prayer Chain                               | 0.00              |
| 6700            |  | District Administrative Supplies           | 4,238.35          |
| 6720            |  | NAR Administrative Supplies                | 0.00              |
| 7000            |  | Other Miscellaneous (Explain on page 2)    | 2,747.77          |
|                 |  | <b>MEETINGS</b>                            |                   |
| 6300            |  | Reunion *                                  | 0.00              |
| 6320            |  | District Facility                          | 8,019.36          |
| 6322            |  | District Travel                            | 10,405.77         |
| 6324            |  | District Pastoral Supply                   | 0.00              |
| 6330            |  | NAR Facility                               | 8,132.92          |
| 6332            |  | NAR Travel                                 | 11,245.19         |
| 6334            |  | NAR Pastoral Supply                        | 0.00              |
| 6340            |  | Interfaith Meeting Travel                  | 3,859.08          |
|                 |  | <b>INTERNATIONAL</b>                       |                   |
| 6350            |  | ILME Travel & Lodging                      | 5,498.19          |
| 6355            |  | ILME Meeting Facility Expense              | 0.00              |
|                 |  | <b>TRAINING</b>                            |                   |
| 6800            |  | Deeper Facility                            | 3,039.99          |
| 6810            |  | Deeper Travel                              | 6,699.44          |
| 6850            |  | Deeper Pastoral Supply                     | 0.00              |
|                 |  | <b>PROGRAM</b>                             |                   |
| 6900            |  | <b>Weekend Program Facility Expense</b>    | 118,371.16        |
| 6920            |  | <b>Weekend Presenter Travel Expense</b>    | 1,845.15          |
| 6950            |  | <b>Weekend Pastoral Supply Expense</b>     | 205.05            |
|                 |  | <b>Total Expenses</b>                      | <b>207,332.04</b> |

|                 |   |                              |                    |
|-----------------|---|------------------------------|--------------------|
|                 |   | <b>Revenue less Expenses</b> | <b>(40,816.91)</b> |
|                 |   | Cash at Beginning of Period  | 143,678.26         |
| 1052            |   | Cash in from NAR             | 0.00               |
| 1050            |   | Cash out to NAR              | 0.00               |
|                 |   | Cash at end of period        | 102,861.35         |
| <b>CHECKING</b> | <b>End of Year Balance Sheet</b>                                  |                              |                    |
|                 | ECHO Account (First Citizen's Bank)                               |                              | 9,245.28           |
|                 | First Bank + Wells Fargo new account                              |                              | 35,102.44          |
|                 | Paypal  |                              | 38,677.82          |
|                 | <b>Total</b>  |                              | <b>83,025.54</b>   |
|                 | <b>District Checking</b>  |                              | <b>18,628.56</b>   |
|                 | <b>Total funds District &amp; NAR checking/operating accounts</b> |                              | <b>101,654.10</b>  |
|                 | <b>Deduct from NAR accounts cash allocated to DREAM Fund</b>      |                              | <b>-22,206.92</b>  |
|                 | <b>NAR Operating accounts 12-31-13 Balance</b>                    |                              | <b>79,447.18</b>   |
|                 | <b>DREAM FUND (Morgan Stanley + NAR cash) 12/31/13</b>            |                              | <b>135,128.22</b>  |
|                 | <b>TOTAL ASSETS 12/31/13</b>                                      |                              | <b>214,575.40</b>  |

Reflects \$40,816.91 Operating loss and \$10,944.16 DREAM Fund gain



**WORLDWIDE MARRIAGE ENCOUNTER**  
**Lutheran North American and European Regions**  
**WEEKEND STATISTICS - YEAR ENDING 2013**

| Year 2013                                   |                     |                       |                          |             |                | Deeper Notes  |                       |                          |
|---|---------------------|-----------------------|--------------------------|-------------|----------------|---|-----------------------|--------------------------|
| YTD at end of 4th Quarter                   |                     |                       |                          |             |                | Lay incl 1 UCC, 1 Reformed Lutheran clergy attended Methodist |                       |                          |
| Indicate Quarters Being Reported            |                     | Original Weekends     |                          | Presenting  | Presenting     |   | Deeper Weekends       |                          |
|   | # of Weekends       | Lay Couples Attending | Clergy Couples Attending | Lay Couples | Clergy Couples | # of Deeper   | Lay Couples Attending | Clergy Couples Attending |
| <b>Inside USA &amp; Canada By Country:</b>  |                     |                       |                          |             |                |   |                       |                          |
| USA   | 29                  | 291                   | 15                       | 59          | 18             | 1   | 8                     | 1                        |
| Canada                                      | 0                   | 0                     | 0                        | Incl above  | 1              |   |                       |                          |
| <b>North American Region Summary Total</b>  | <b>29</b>           | <b>291</b>            | <b>15</b>                | <b>59</b>   | <b>19</b>      | <b>1</b>  | <b>8</b>              | <b>1</b>                 |
| <b>Outside USA &amp; Canada By Country:</b> |                     |                       |                          |             |                |   |                       |                          |
| Denmark                                     | 2                   | 29                    |                          | 3           | 0              |   |                       |                          |
| Finland                                     | 8                   | 244                   |                          | 30          | NR             |   |                       |                          |
| Iceland                                     | 4                   | 77                    |                          | 14          | 5              |   |                       |                          |
| Norway                                      | 3                   | 65                    |                          | 7           | 3              |   |                       |                          |
| Sewden                                      | 2                   | 26                    | 0                        | 6           | 2              | 0   | 0                     | 0                        |
| <b>Europe Summary Total</b>                 | <b>19</b>           | <b>441</b>            | <b>0</b>                 | <b>60</b>   | <b>10</b>      |   |                       |                          |
| <b>Brazil</b>                               | <b>Not Reported</b> |                       |                          |             |                |   |                       |                          |
|   |                     |                       |                          |             |                |   |                       |                          |
| <b>Grand Total</b>                          | <b>48</b>           | <b>732</b>            | <b>15</b>                | <b>119</b>  | <b>29</b>      | <b>1</b>  | <b>8</b>              | <b>1</b>                 |

North American Region had 7 fewer weekends and 104 fewer couples than in 2012 and 17 fewer Lay and 1 fewer Clergy PC's.  
European Region had 1 additional weekend and 68 more couples than in 2012. European PC strength not reported in prior yrs.