

**Call to Be Family dba Lutheran Marriage Encounter
North American Region
2020 Financial Report January 15, 2021**

OVERVIEW

The 2020 Financial Report shows an overall balance increase of \$17,689 from \$250,566 to \$268,255. The most significant source of the gain (about 77%) was from realized and unrealized gains in long-term investment funds. The 2020 gains occur in an unusual year with the COVID pandemic causing several cancelled events and the introduction of Virtual events. The result is about a 50% reduction in charitable donations, reduced event costs and revenues, and greatly reduced administrative meeting costs. The DREAM Fund had a modest gain of \$545 while the Operating Fund (NAR and District combined) has a gain of \$17,145. During 2020 the District finance accounts were discontinued with all District funds transferred to NAR accounts.

Our program activities (Weekends) show a 78% reduction in the number of weekends (from 14 to 3) and a 72% reduction in the number of attendees (from 87 to 24). The dramatic reduction in services is certainly mainly a result of the COVID Pandemic. As an organization, we will all look forward to re-growth of our program services when conditions allow.

**Year to year operating accounts financial summaries are in the table below:
(This does not include the DREAM FUND)**

Balance summary-Operating acct		Annual Change
2013	\$79,374.21	-\$28,441.04
2014	\$69,811.66	-\$9,562.55
	2-year average change	-\$19,001.80
2015	\$101,762.93	\$31,951.27
2016	\$111,025.27	\$9,263.34
2017	\$143,595.60	21,667.73
2018	\$145,488.43	1,892.83
2019	\$169,653.37	24,164.94
2020	\$186,798.05	17,145.57
	5-year average change	+\$17,681

Our financial story over the past few years remains remarkable. The results show evidence of attention to our overall operations and reflects the charitable donations from previously encountered couples.

Balance Sheet

Please note that for reporting to the IRS, both Operating and DREAM accounts are combined. The combined balance sheet increase in the operating and DREAM accounts was + \$17,689 with \$10,630.27 being unrealized gains in DREAM investment accounts.

Our combined 2020 Balance Sheet details are in the tables below.

Balance Sheet Distribution of assets	Ending Balance 2019	Ending Balance 2020
cash, checking, PayPal, and non-interest bearing accounts	\$43,179.94	45,244.36
Savings and temporary cash investments	3,159.35	4,932.62
Investments-publicly traded investments	204,226.91	218,078.84
End of Year Total assets	250,566.20	268,255.82
Liabilities (All transactions are on a cash basis)	-0-	-0-
Unrestricted net assets (Operating account)	169,653.48	186,798.05
Temporarily restricted net assets (DREAM Fund)	80,912.42	81,457.77
Total Assets all funds	250,566.20	268,255.82
Gains or (losses) 2018-2019	-(20,568.03)	+ \$17,689.62

Change in DREAM Fund +\$545.05 See table on next page for details)

Change in Operating Fund **+\$17,144.57**

Account balance details, where assets are held

250,566.20	Beginning combined Oper + DREAM fund Balance Jan 1, 2019
NOTE:	All District funds transferred to NAR during 2020
Account balances Dec 31, 2020	
\$38,560.83	Wells Fargo NAR Acct (checking & savings) Incl \$700 deposited in 2021
\$11,616.15	PayPal holding account
\$81,457.77	*Morgan Stanley DREAM investments
\$32,748.74	*Morgan Stanley NAR account investments (with DREAM Acct total = \$114,206.51)
\$103,872.33	T Rowe Price Money Market fund
268,255.82	Total balance of all accounts
\$17,689.62	Year-End total Increase in Operating and DREAM account balance

*Morgan Stanley funds originally were 100% DREAM funds. As DREAM Expenditures occurred not all expenditures were pulled from these accounts resulting in the portion shown being NAR funds.

Experience Statistics

As reported in the overview, we held 3 North American weekends which compares to 14 in the comparable 2019 period. More significant is the reduction from 87 to 24 couples completing weekends between 2019 and 2020. This is a 72% drop in attendance and follows a 40% drop in attendance between 2018 and 2019. Listed below are the basic results for 2019 and 2020.

	2020 W/E's	2020 couples	2019 W/E's	2019 Couples
Dist-1	1	16	7	54
Dist-2	2	0	1	4
Dist-3	1	8	4	20
Dist-4	0	0	2	9
NAR total	3	24	14	87

Operating accounts

As Weekend Programs are the primary function of our organization the financial results are listed below. The transfers of expenses from the DREAM Fund are embedded as revenues in accts 4010 (application fees) and 4013 (scholarships for Facility fees).

Weekend summary		
ACCOUNT #	ACCOUNT NAME	Total Of Amount
4010	Application Fee	\$5,674.00
4012	Weekend donations	\$2,140.00
4013	W/E Facil pre-pay	\$2,340.00
4016	INTUIT Credit card	\$1,152.50
4070	Donate W/E Travel	\$232.22
	Weekend Revenue	\$11,538.72
ACCOUNT #	ACCOUNT NAME	Total Of Amount
6900	W/E facility	(\$4,973.78)
6940	W/E Pastoral	(\$30.05)
6950	W/E postage/supplies	(\$464.44)
	Total Weekend Expenses	(\$5,468.27)
Net Weekend gain (Loss)		\$6,070.45

NOTE: Some line items may be included in other tables.

The overall result is a net gain of \$6,070.45 or \$252.94 per couple attending. The gain shown include funds for some registrants who did not attend in 2020, did not receive a refund, and may attend an event in 2021. These data include transfers from the DREAM Fund for the application fee discount and for scholarships awarded.

Non-Weekend business meetings & travel

In prior years a significant cost of operations is the cost of business meetings which contributed from \$150 to \$200 of the cost of attendance per couple. The unusual factors of 2020 reduced these costs from \$13,416 in 2019 to just \$907 in 2020 or \$37.79 per attending couple. As many of you will recall, this is a significant reduction of expenses from several years ago when these expenses were in the range of \$30,000 to \$40,000. The use of virtual meetings has had a major impact in reducing this cost. Going forward the cost of business meetings is a key operating expense for the Board to monitor if we are to remain financially viable.

Non-weekend meeting expenses		
Account#	Acct_name	Total Of Amount
6332	NAR Travel	(\$906.99)
2020 total	Total non-W/E meetings	(\$906.99)
2019 total	Total non-W/E meetings for comparison	(\$13,416.10)

Charitable Donations received

(Weekend, DREAM, and Meetings data also in other tables)

Our charitable donations had remained relatively stable over several years and through 2019. As we might expect, the effect on program services due to COVID in 2020 and had impact on donations with nearly a 50% reduction from 2019. The reductions came from two causes. First, with the significant drop in newly encountered couples there were fewer weekend donations. Secondly, several who had donated regularly in prior years discontinued donations during 2020 and cited changes in their financial situations. It is still to be determined if we will recover from these reductions after the pandemic is over. But, the Board should be ready to consider long-term impacts on total financial operations.

Account#	Donation type Acct_name	Total Of Amount
4012	Weekend donations	\$2,140.00
4016	INTUIT Credit card	\$1,152.50
4020	Donations	\$10,095.00
4056	Thrivent/VANCO	\$5,855.00
4058	Thrivent-Choice	\$343.00
4070	Donate W/E Travel	\$232.22
2020 Net donations		\$19,817.72

The 2020 data shown in the table compares to the 2019 total of \$36,942 of a reduction of \$17,125.

General revenue and expenses

As shown in the tables below our general expenses and offsetting revenues are quite low for an organization such as Call To Be Family.

General Revenues not including weekend revenue, donations, or DREAM

Account#	Acct_name	Total Of Amount
4400	Interest and Dividends	\$285.32
	Other General Reveune	\$285.32

General expenses not including weekends, meetings, or DREAM payments

Account#	Acct_name	Total Of Amount
6110	Bank fee <> Interest	(\$50.00)
6120	INTUIT fee	(\$270.00)
6130	Thrivent fee	(\$144.69)
6140	Ppal fee	(\$586.49)
6150	Postage non-W/E	(\$236.92)
6184	License fees	(\$2,094.90)
6186	Insurance/Liability	(\$1,450.00)
6199	See note below: Misc expenses	(\$259.73)
	Total general expenses	(\$5,093.73)

Net General revenue & expenses	\$17,112.49
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Chart of revenues by source

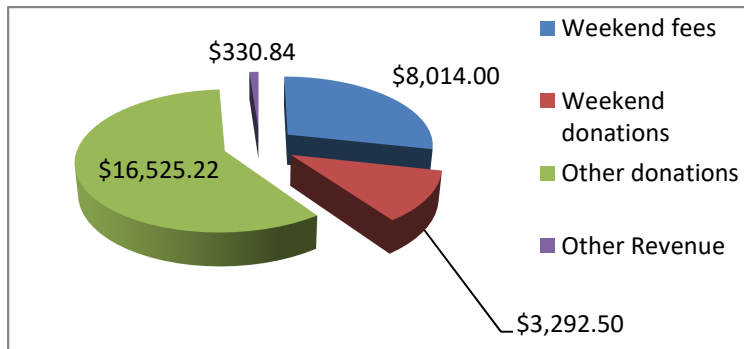
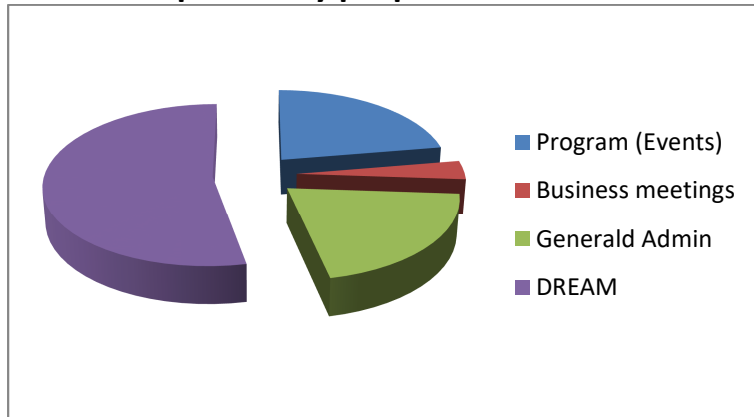


Chart of Expenses by purpose



DREAM Fund

Key revenue aspects of the DREAM Fund for 2020 were realized (\$2,978.14) and unrealized (\$10,669.63) gains from investment accounts totaling \$13,647.77. Itemized details are shown in the table below.

DREAM Fund Summary 2020	
Description	Amount
Beginning Balance	\$ 80,912.72
Realized loss in sale for fees	(30.36)
Unrealized Gains	10,660.63
Morgan Stanley service Fee	(50.00)
Mktg pd 1st QTR Leinicke	(2,855.75)
Mktg pd 2nd QTR Leinicke	(2,855.75)
Mktg pd 3rd QTR Leinicke	(2,855.75)
Mktg pd 4th QTR Leinicke	(2,855.75)
Appl fee waiver TX to OPER	(1,050.00)
Scholarships TX to OPER	(510.00)
Realized Gain (Dividends LT Gain)	2,947.78
End bal	\$ 81,457.77
Net Chg 2020	\$ 545.05

**This table includes unrealized gains
which can change in value until sold**

Of the DREAM funds, \$72,933.78, are unallocated and expenses paid as they occur. The India Outreach has \$8,523.99 in allocated funds. These may remain allocated for future follow-up in India. Or, the Board could choose to de-allocate these funds and have them returned to the DREAM Fund. The DREAM Fund total balance shown includes both allocated and unallocated funds.

Comment:

The most significant operational change in finance processing was to transfer all District finance functions to NAR Finance. This has allowed for nearly real-time determination of financial condition at the end of each month. It also reduced the end-of-year processing by about two weeks. For example, the tax letters will go in the mail January 15th instead of late night work just to get them out by January 31st. I appreciate the NAR Board supporting this change.

One challenge of keeping our state charitable registrations up to date remains. Some states require multiple filing of forms due to minor errors and, re-filing of forms can cause late fees. On a positive note, Illinois offered to have us apply for a religious exception which was approved and we don't need to file there. I believe that with current program service areas we may be able to terminate filing in some states which would reduce the work.

Respectfully submitted,

Dean & Marcia Redman

Dean & Marcia Redman, NAR Finance

Attachments: **Spreadsheet of all combined accounts, Pg-1 of IRS Form 990 EZ**

Call To Be Family 2020 Finance Report summary by account & Fund

account	Account_name	Total Of Amount	NAR Operating Account	DREAM	DIST
1000	Fund Beg Balance	\$250,566.20	\$159,512.42	\$80,912.72	\$10,141.06
1001	Realized gain/loss	\$2,947.78		\$2,947.78	
1002	Unrealized gain/loss	\$10,630.27		\$10,630.27	
4010	Application Fee	\$5,674.00	\$5,674.00		
4012	Weekend donations	\$2,140.00	\$1,900.00		\$240.00
4013	W/E Facil pre-pay	\$2,340.00	\$2,340.00		
4016	INTUIT Credit card	\$1,152.50	\$1,152.50		
4020	Donations	\$10,095.00	\$9,515.00		\$580.00
4056	Thrivent/VANCO	\$5,855.00	\$5,855.00		
4058	Thrivent-Choice	\$343.00	\$343.00		
4070	Donate W/E Travel	\$232.22	\$232.22		
4400	Interest & Dividends	\$285.32	\$285.32		
4650	Misc revenue	\$45.52	\$45.52		
4700	Tx from other acct	\$36,787.28	\$32,787.28		\$4,000.00
6110	Bank fee <> Interest	(\$50.00)		(\$50.00)	
6120	INTUIT fee	(\$270.00)	(\$270.00)		
6130	Thrivent fee	(\$144.69)	(\$144.69)		
6140	Ppal fee	(\$586.49)	(\$586.49)		
6150	Postage non-W/E	(\$236.92)	(\$236.92)		
6184	License fees	(\$2,094.90)	(\$2,094.90)		
6186	Insurance/Liability	(\$1,450.00)	(\$1,450.00)		
6199	*Misc expenses	(\$259.73)	(\$259.73)		
6332	NAR Travel	(\$906.99)	(\$906.99)		
6900	W/E facility	(\$4,973.78)	(\$2,400.00)		(\$2,573.78)
6940	W/E Pastoral	(\$30.05)	(\$30.05)		
6950	W/E postage/supplies	(\$464.44)	(\$464.44)		
7000	TX out to Districts	(\$4,000.00)	(\$4,000.00)		
7010	TX from fund to NAR	(\$32,387.28)	(\$20,000.00)		(\$12,387.28)
8010	DREAM-Reg & discount	(\$1,050.00)		(\$1,050.00)	
8013	DREAM-scholarship WE	(\$510.00)		(\$510.00)	
8030	DREAM Mktg Expense	(\$11,423.00)		(\$11,423.00)	
	Ending Balance 12/31/2020	\$268,255.82	\$186,798.05	\$81,457.77	\$0.00
	Change YTD	\$17,689.62	\$27,285.63	\$545.05	(\$10,141.06)

*Ln 6199 corrects for a 2019 error which used Dec 1, 2019 bank balances instead of Dec 31,.
Deducting this in 2020 will correct the error and allow accurate reporting on IRS Form 990

Short Form

Return of Organization Exempt From Income Tax

2020

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

Open to Public Inspection

▶ Do not enter social security numbers on this form, as it may be made public.

▶ Go to www.irs.gov/Form990EZ for instructions and the latest information.

Department of the Treasury
Internal Revenue Service

A For the 2020 calendar year, or tax year beginning , 2020, and ending , 20

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization Call To Be Family dba Lutheran Marriage Encounter Number and street (or P.O. box if mail is not delivered to street address) Room/suite 4420 51st Ave NE City or town, state or province, country, and ZIP or foreign postal code Seattle, WA 98105-4933		D Employer identification number 91-1003177
			E Telephone number 919-797-0501
G Accounting Method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual Other (specify) ▶ _____			F Group Exemption Number ▶ _____
I Website: ▶ www.godlovesmarriage.org (program service) www.ilme.org (general business) <input checked="" type="checkbox"/>			H Check <input type="checkbox"/> if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF).
J Tax-exempt status (check only one) – <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			
K Form of organization: <input type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other _____			
L Add lines 5b, 6c, and 7b to line 9 to determine gross receipts. If gross receipts are \$200,000 or more, or if total assets (Part II, column (B)) are \$500,000 or more, file Form 990 instead of Form 990-EZ ▶ \$ _____			

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (see the instructions for Part I)
 Check if the organization used Schedule O to respond to any question in this Part I

Revenue	1	Contributions, gifts, grants, and similar amounts received	1		19,863
	2	Program service revenue including government fees and contracts	2		8,014
	3	Membership dues and assessments	3		
	4	Investment income	4		13,863
	5a	Gross amount from sale of assets other than inventory	5a	0	
	b	Less: cost or other basis and sales expenses	5b	0	
	c	Gain or (loss) from sale of assets other than inventory (subtract line 5b from line 5a)	5c		0
	6	Gaming and fundraising events:			
	a	Gross income from gaming (attach Schedule G if greater than \$15,000)	6a	0	
	b	Gross income from fundraising events (not including \$ 0 of contributions from fundraising events reported on line 1) (attach Schedule G if the sum of such gross income and contributions exceeds \$15,000)	6b	400	
c	Less: direct expenses from gaming and fundraising events	6c	0		
d	Net income or (loss) from gaming and fundraising events (add lines 6a and 6b and subtract line 6c)	6d		400	
7a	Gross sales of inventory, less returns and allowances	7a	0		
b	Less: cost of goods sold	7b	0		
c	Gross profit or (loss) from sales of inventory (subtract line 7b from line 7a)	7c		0	
8	Other revenue (describe in Schedule O)	8			
9	Total revenue. Add lines 1, 2, 3, 4, 5c, 6d, 7c, and 8 ▶	9		42,141	
Expenses	10	Grants and similar amounts paid (list in Schedule O)	10		1,560
	11	Benefits paid to or for members	11		0
	12	Salaries, other compensation, and employee benefits	12		0
	13	Professional fees and other payments to independent contractors	13		12,424
	14	Occupancy, rent, utilities, and maintenance	14		4,974
	15	Printing, publications, postage, and shipping	15		701
	16	Other expenses (describe in Schedule O)	16		4,532
17	Total expenses. Add lines 10 through 16 ▶	17		24,191	
Net Assets	18	Excess or (deficit) for the year (subtract line 17 from line 9)	18		17,690
	19	Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)	19		250,566
	20	Other changes in net assets or fund balances (explain in Schedule O)	20		-260
	21	Net assets or fund balances at end of year. Combine lines 18 through 20 ▶	21		268,256