

**Call to Be Family dba Lutheran Marriage Encounter  
North American Region  
Annual Financial Report 2016**

**OVERVIEW**

The 2016 Financial Report shows that we are statistically even with the 2015 results in several areas.

During the year we served the exact same number of newly encountered couples (196). A positive aspect is that the average couples per weekend increased from 8.9 to 10.3. However, the increase in couples per weekend is a result of holding 3 fewer weekends (19 vs 22). Thus, the improvements are a result of mixed blessings in our operations.

For the several years we had concerns about running out of financial reserves which had gone down from about \$200,000 to \$70,000 by 2014. If deficits continued like 2013 and 2014 our reserves would have been depleted in 2018. However, 2015 and 2016 resulted in a major turnaround, and we ended with a surplus in operating accounts over both years. The simplest measure of finances is the net assets on the balance sheet at the end of the year. Our operating accounts balance improved from \$69,812 to \$111,026 between 2014 and 2016. The table below reflects the impact of changes made in operations.

	<b>Balance summary- Operating acct</b>	<b>Annual Change</b>
<b>2013</b>	<b>\$79,374.21</b>	<b>-\$28,441.04</b>
<b>2014</b>	<b>\$69,811.66</b>	<b>-\$9,562.55</b>
<b>2015</b>	<b>\$101,762.93</b>	<b>\$31,951.27</b>
<b>2016</b>	<b>\$111,025.27</b>	<b>\$9,263.34</b>
	<b>4-year average change</b>	<b>\$3,211.02</b>

The DREAM Fund had reduced assets due to the expenses of \$22,433 for the marketing programs, \$4,045 for a grant to European Region for the Estonian weekend, and capital expenditures. The expenditures are offset by an increase in value of mutual; funds totaling \$8,479.21 and new donations of \$388.34. The Fund remains viable for a number of years at its current value of \$89,110.66 and projected future expenditures. However, we should keep in mind that investment gains reported in 2016 are not predictable and can actually be losses in a down market. Also, as the base of funds decreases the rate of gains will also decrease.

Our final balance sheet for 2016 separates the Reunion deposits and payments and makes adjustments for DREAM Fund items yet to be transferred to the Operating accounts.

	Adjusted Balance	Change from prior year
Operating account	\$111,026.27	+ \$ 9,263.34
Reunion deposits less payments	\$10,902.00	+ \$ 10,902.00
DREAM Fund balance	\$89,110.66	\$ 16,696.33
<b>Total Assets</b>	<b>\$211,038.53</b>	<b>+ \$ 3,469.01</b>

Please note that the page-1 of Form 990 (attached) combines both operating and DREAM accounts because the IRS looks at our entire budget which makes direct comparisons with the operating account difficult.

## Weekend Statistics

During 2016 we received a suggestion to change the formulas to evaluate the financial viability of specific weekends. The former method was a simple calculation of what the facility bill was and how much donations were reported on the W/E finance Report. My personal consideration of that method was that it didn't have a lot of value in determining actual weekend finances. Thus, we changed the W/E Status Report (table) to subtract out the cost of presenters room and meals as those costs are considered to be covered by the application fee. Then, instead of considering the overall cost/donation we break it down on a per couple basis. Additionally, the average per couple donation is broken down into the non-deductible benefit of room and meals and the deductible (if positive) portion of their donation. My opinion is that this provides a better analysis of how weekend donations cover a couple's weekend costs. A small sample of these data with calculations is included below. This table shows the four Districts results and the NAR total with both the old formula results in column-1 and the new per-couple results. If you note the District-1 and 4 results which had average donations above the Facility amount; the W/E portion of the donation is capped at the facility cost with the extra shown as a charitable donation. This matches what we send out to couples on their year-end tax letter if they donate above the facility cost. The full report showing all data for each weekend and for each District is on the next page.

### Partial chart of revised weekend finance formulas.

	Weekend	Ave. Facility	Ave. Cpl	Ave. Cpl	#
	Net Inc / (Loss)	cost per couple	W/E Donation	charitable donation	PC
District-1	-\$3,055.15	\$274.22	\$253.30	\$48.07	3.38
District-2	-\$3,752.28	\$341.20	\$294.56	-\$46.63	3.00
District-3	-\$4,908.24	\$410.59	\$352.46	-\$58.14	3.60
District-4	-\$512.69	\$440.19	\$440.19	\$50.49	3.00
<b>NAR Aggregate</b>	<b>\$12,228.36</b>	<b>\$383.87</b>	<b>\$341.94</b>	<b>-\$41.94</b>	<b>3.24</b>

As mentioned in the overview we had both positive and negative weekend results for 2016. On the positive side we encountered the same number of couples in 2016 as we did in 2015. This stabilization follows several years of declining numbers and can be seen as a hopeful sign. On the negative side, we held three fewer weekends in 2016 than in 2015. This continues a long trend of holding fewer weekends.

In reviewing old documents I found the 2000 Call To Be Family newsletter which tallied the number of couples encountered each year from 1975 to 2000. Those numbers are staggering in context of today's activity. Several years in the early 1980's had over 8,000 couples encountered. In the late 80's and 90's the numbers dropped consistently until we were encountering just over 1,000 couples in 2000. We know the downward trend continued after 2000 to reach the levels we now see of 196 couples two years in a row. I don't have a distinct point in these statistics except to note that in changing from serving 8,000 couples to serving 200 couples we need to be ready to take necessary actions to ensure that our operating activities consider changes to keep costs consistent with current service levels. We have done this over the past 3 years but we need to maintain attention to our realities. (The newsletter is available at [www.ILME.org](http://www.ILME.org) under resources for previously encountered couples...old interests...CTBF Summer-Fall 2000 pgs 15-43.)

Revised sheet 3-13-17 calculates weekend donations excluding presenter costs and overhead that is covered by application fee

NAR Statistics 2016													Not incl NAR	
DISTRICT I	Area	Cpls/WE	Lutherans	Lutheran Clergy	Other Clergy	Total Donations	Facilities Cost	Travel/Pulpit Costs	NAR EXPENSE @ \$150/ Cpl	Weekend Net Inc / (Loss)	Ave. Facility cost per couple	Ave. Cpl W/E Donation	Ave. Cpl charitable donation	# PC
Date	Myrtle Beach S.C.	10	5	0	0	\$ 3,915.00	\$ 4,593.27	\$ -	1,500.00	(678.27)	382.77	382.77	8.73	2
4/10/2016	Lancaster, PA	13	15	0	0	\$ 3,145.00	\$ 6,825.00		1,950.00	(3,680.00)	401.47	241.92	-159.55	4
4/17/2016	Beachwood, OH	9	4	0	0	\$ 3,134.00	\$ 3,028.08		1,350.00	105.92	252.34	252.34	95.88	3
4/24/2016	State College, PA	9	10	3	0	\$ 2,900.00	\$ 3,960.00		1,350.00	(1,060.00)	330.00	322.22	-7.78	3
9/18/2016	Canadensis, PA	14	14	0	2	\$ 7,978.00	\$ 6,491.00	\$ 137.64	2,100.00	1,349.36	360.61	360.61	209.25	4
10/2/2016	Battle Creek, MI	11	8	0	0	\$ 2,820.00	\$ 3,008.44		1,650.00	(188.44)	200.56	200.56	55.80	4
10/23/2016	Ludlow, PA	11	16	0	0	\$ 3,546.00	\$ 3,724.00	\$ 235.72	1,650.00	(413.72)	266.00	266.00	56.36	3
11/13/2016	*Millersburg, OH	12	16	2	0	\$ 1,510.00	\$ 1,154.00		1,800.00	356.00	0.00	-	125.83	4
	*Pay your own W/E with per couple facility cost as zero													
Totals		8	89	88	5	\$ 28,948.00	\$ 32,783.79	\$ 373.36	13350.00	(4,209.15)	274.22	253.30	48.07	3.38

DISTRICT 2 2016													Not incl NAR	
Date	AREA	Cpls/WE	Lutherans	Lutheran Clergy	Other Clergy	Donations	Facilities Cost	Travel/Pulpit Costs	NAR EXPENSE @ \$150/ Cpl	Weekend Net Inc / (Loss)	Ave. Facility cost per couple	Ave. Cpl W/E Donation	Ave. Cpl charitable donation	# PC
04/1-3/16	CIA	11	12	1	0	3,811.00	4,151.70	0.00	1,650.00	(340.70)	276.78	276.78	69.67	4
04/22-24/16	STL	10	12	0	0	2,415.00	2,329.15		1,500.00	85.85	179.17	179.17	62.33	3
07/22-24/16	DFW	4	0	0	0	900.00	2,541.27	1,236.40	600.00	(2,877.67)	363.04	225.00	-138.04	3
11/11-13/16	NIA	7	8	1	0	2,300.00	2,919.76		1,050.00	(619.76)	324.42	324.42	4.15	2
	Weekend count													
Totals		4	32	32	2	9,426.00	11,941.88	1,236.40	4800.00	(3,752.28)	341.20	294.56	-46.63	3.00

DISTRICT III 2016													Not incl NAR	
Date	AREA	Cpls/WE	Lutherans	Lutheran Clergy	Other Clergy	Donations	Facilities Cost	Travel/Pulpit Costs	NAR EXPENSE @ \$150/ Cpl	Weekend Net Inc / (Loss)	Ave. Facility cost per couple	Ave. Cpl W/E Donation	Ave. Cpl charitable donation	# PC
2/12/2016	Brooklyn Center, MN	21	20	1	0	6,860.00	9,151.68		3,150.00	(2,291.68)	366.07	326.67	-39.40	4
2/12/2016	Kearney, NE	4	4	0	0	1,050.00	1,537.16		600.00	(487.16)	219.59	219.59	42.91	3
4/29/2016	Walker, MN	14	14	0	0	4,980.00	6,718.57		2,100.00	(1,738.57)	373.25	355.71	-17.54	4
8/14/2016	Omaha, NE	11	22	1	0	4,230.00	4,552.00		1,650.00	(322.00)	325.14	325.14	59.40	3
10/23/2016	Albert Lea, MN	9	10	0	0	3,675.00	3,743.83		1,350.00	(68.83)	287.99	287.99	120.35	4
	Weekend count													
Totals		5	59	70	2	20,795.00	25,703.24	0.00	8850.00	(4,908.24)	410.59	352.46	-58.14	3.60

DISTRICT 4 2016													Not incl NAR	
Date	AREA	Cpls/WE	Lutherans	Lutheran Clergy	Other Clergy	Donations	Facilities Cost	Travel/Pulpit Costs	NAR EXPENSE @ \$150/ Cpl	Weekend Net Inc / (Loss)	Ave. Facility cost per couple	Ave. Cpl W/E Donation	Ave. Cpl charitable donation	# PC
10/23/2016	Northern CA	9	14	1	0	5,491.00	3,816.00		1,350.00	1,675.00	318.00	318.00	292.11	3
11/6/2016	Western WA	7	9	0	1	2,360.00	4,547.69		1,050.00	(2,187.69)	454.77	337.14	-117.63	3
	Weekend count													
Totals		2	16	23	1	7,851.00	8,363.69	0.00	2,400.00	(512.69)	440.19	440.19	50.49	3.00

2016 Summary													Not incl NAR	
Weekend count	Cpls/WE	Lutherans	Lutheran Clergy	Other Clergy	Total Donations	Facilities Cost	Travel/Pulpit Costs	NAR EXPENSE @ \$150/ Cpl	Weekend Net Inc / (Loss)	Ave. Facility cost per couple	Ave. Cpl W/E Donation	Ave. Cpl charitable donation	# PC	
District-1	8	89	88	5	2	\$28,948.00	\$31,629.79	\$373.36	\$13,350.00	-\$3,055.15	\$274.22	\$253.30	\$48.07	3.38
District-2	4	32	32	2	0	\$9,426.00	\$11,941.88	\$1,236.40	\$4,800.00	-\$3,752.28	\$341.20	\$294.56	-\$46.63	3.00
District-3	5	59	70	2	0	\$20,795.00	\$25,703.24	\$0.00	\$8,850.00	-\$4,908.24	\$410.59	\$352.46	-\$58.14	3.60
District-4	2	16	23	1	1	\$7,851.00	\$8,363.69	\$0.00	\$2,400.00	-\$512.69	\$440.19	\$440.19	\$50.49	3.00
NAR Total	19	196	213	10	3	\$67,020.00	\$76,484.60	\$1,609.76	\$29,400.00	-\$12,228.36	\$383.87	\$341.94	-\$41.94	3.24

**WORLDWIDE MARRIAGE ENCOUNTER**  
**Lutheran North American and European Regions**  
**WEEKEND STATISTICS - YEAR ENDING 2016**

Year 2016						Deeper Notes		
YTD at end of 4th Quarter								
Indicate Quarters Being Reported		Original Weekends		Presenting Strength	Presenting Strength		Deeper Weekends	
	# of Weekends	Lay Couples Attending	Clergy Couples Attending	Lay Couples	Clergy Couples	# of Deepers	Lay Couples Attending	Clergy Couples Attending
<b>Inside USA &amp; Canada By Country:</b>						Deeper W/E included 4 Lutherans and one Methodist couple.		
				Weekend Ready				
<b>USA</b>	19	187	9	40	15	1	5	0
<b>Canada</b>				Can. Included above				
<b>North American Region Summary Total</b>	<b>19</b>	<b>187</b>	<b>9</b>	<b>40</b>	<b>15</b>	<b>1</b>	<b>5</b>	<b>0</b>
<b>Outside USA &amp; Canada By Country:</b>								
<b>Denmark</b>	1	8	2	3	0			
<b>Finland</b>	8	234	4	20	8			
<b>Iceland</b>								
<b>Norway</b>	3	42	1	6	3			
<b>Sweden</b>	2	18	1	5	3			
<b>Europe Summary Total</b>	<b>16</b>	<b>341</b>	<b>8</b>	<b>45</b>	<b>17</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Brazil</b>	<b>Not Reported</b>							
<b>Grand Total</b>	<b>35</b>	<b>528</b>	<b>17</b>	<b>85</b>	<b>32</b>	<b>1</b>	<b>5</b>	<b>0</b>

North American Region had 3 fewer weekends with the same number of lay and clergy couples.

North American PC Strength remained the same total with one less lay and one added clergy.

Average couples per weekend in NAR increased from 8.9 to 11.0 couples per weekend.

E.R. couples per weekend remained statistically the same with 6 fewer lay couples and 2 more clergy couples.

## **EXPENSES**

In 2015 I included a comparison of 2014 and 2015 weekend expenses as a percentage of total expenses. One key aspect of change was the increase in the weekend costs as a percentage of total expenses going from 73% to 79% between 2014 and 2015. For 2016 that improvement was reversed and the ratio dropped back to 73%. However, when excluding the cost of the DEEPER in 2016 (\$5,571.60) the ratio would improve to 77%. As weekends are our primary mission, having a greater percentage of resources going to the mission is a positive result. As discussed in the Overview; we remain statistically in line with the past two years.

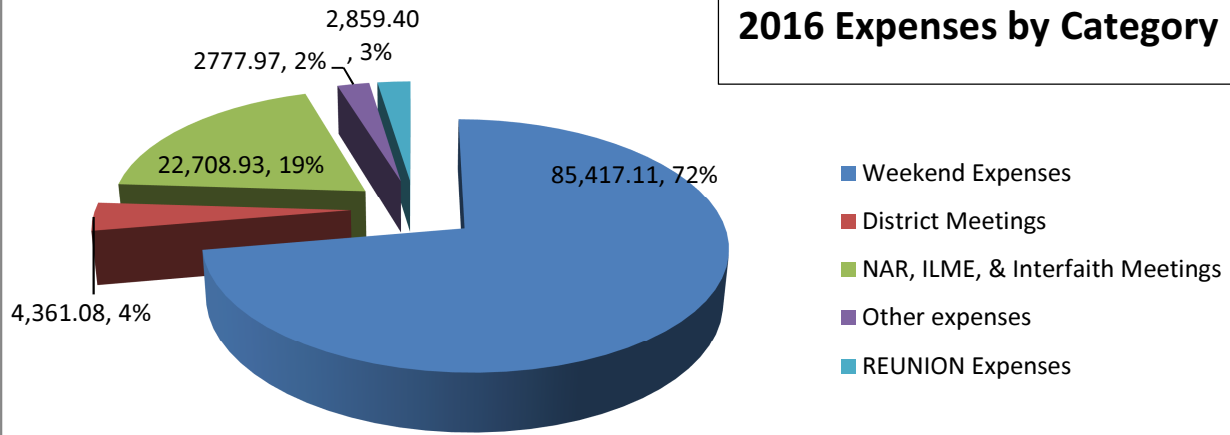
A key measure of results is the weekend costs (Facility, presenter travel, printing, etc.) per couple which dropped from \$524 in 2014 to \$421 in 2015 and increased slightly to \$436 for 2016. I estimate that the average room and meals per couple is about \$300 for 2016 which remains stable from the previous year. Considering these values; our current formula for the weekend quote remains valid. With the average couple facility cost of \$300 plus the \$150 add-on satisfies the total weekend costs per couple of \$436.

The charts on the next page show three years comparison of our expenses by category. The 2016 results show that we maintained reduced of costs for District meetings. The NAR, ILME, and Interfaith costs increased which is likely a result of cyclical scheduling related to the ILME meetings. The Reunion expenses are shown but those will be offset by registration fees and balances will be resolved during 2017

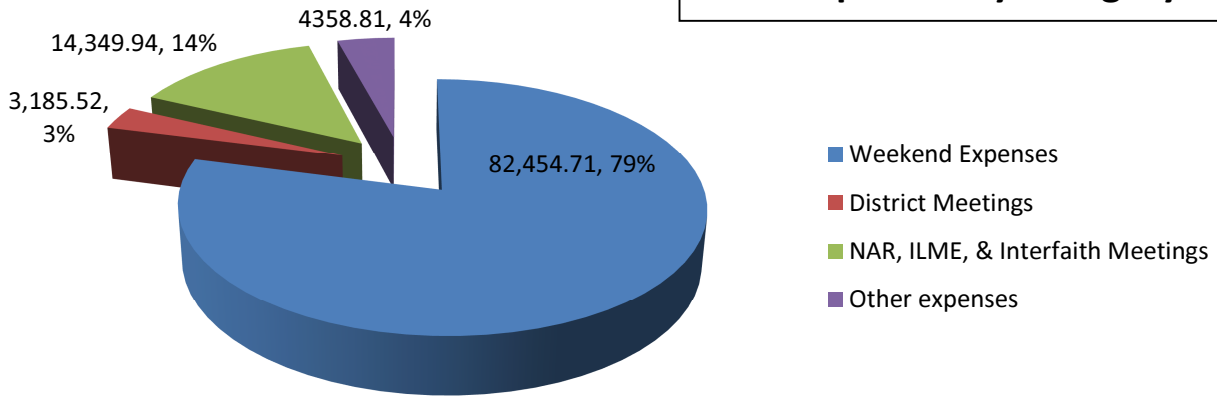
Details of expenses are shown on the 2nd page following, after the charts. One notation is that 77% (\$2,147) of other expenses are processing fees for financial transactions (Intuit credit cards, PayPal, Thrivent, etc.). The expense of processing fees is about 3.75% of the revenues generated from these sources. The remaining "other" is a remarkably small portion of total expenses and includes items such as WWME and music licensing, non-weekend printing & postage, ILME website hosting, and non-weekend supplies.

It should be somewhat evident from the charts and details that the area we have the most control is in administrative meeting costs. The change from \$42,000 in meeting costs in 2014 to \$27,000 in 2016 is what is keeping this ministry financially viable. Additionally, the general increase in post-weekend donations adds to our ability to stay in the black.

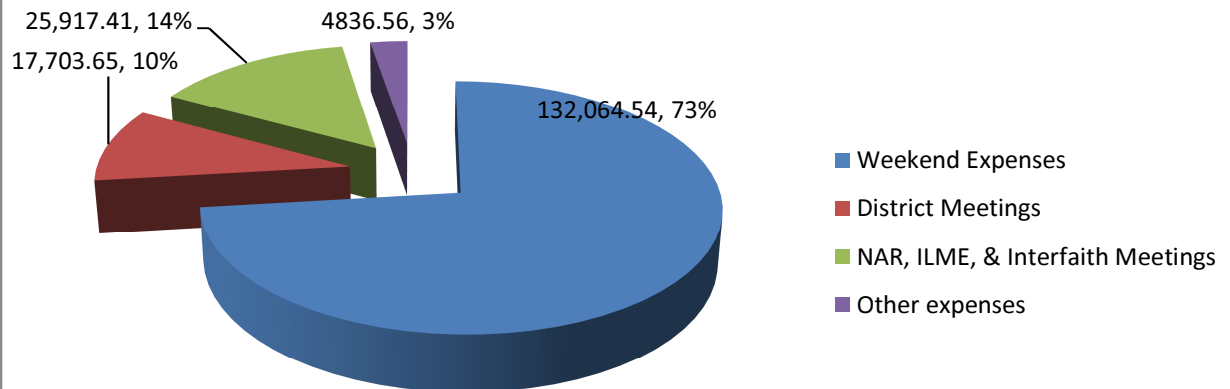
### 2016 Expenses by Category



### 2015 Expenses by Category



### 2014 Expenses by Category



## Consolidated

### Expenses

		Year-to-Date	NAR YTD	Districts YTD	DREAM + NAR	DREAM
		OPERATING				
ADMINISTRATIVE		2016 Totals	NAR YTD	Districts YTD		
6100	Area Expenses (Petty Cash)	-	-	-	-	
6110	Bank Charges	761.11	771.11	(10.00)	831.11	70.00
6120	Echo/Intuit Credit Card Processing Fees	81.75	81.75	-	81.75	
6140	Pay Pal Processing Fees	1,304.20	1,304.20	-	1,304.20	
6150	Postage/Shipping - non-weekend	218.45	167.45	51.00	218.45	
6160	Printing & Copying - non-weekend	-	-	-	-	
6170	Website Development and Maintenance	-	-	-	22,443.88	22,443.88
6175	Internet Fees	275.00	275.00	-	275.00	
6180	Tax Return Preparation	-	-	-	-	
6182	Insurance/Bonding	-	-	-	-	
6184	WWME Licensing	783.00	783.00	-	783.00	
6186	Washington State Corp. registration	-	-	-	-	
6190	Administrative Supplies non-weekend	378.93	378.93	-	378.93	
6199	Other Miscellaneous (Explain on page 2)	972.27	359.27	613.00	972.27	
					-	
<b>Operating Expense Sub-Total</b>		<b>4,774.71</b>	<b>4,120.71</b>	<b>654.00</b>	<b>27,288.59</b>	<b>22,513.88</b>
MEETINGS						
6200	Reunion	2,859.40	2,859.40	-	2,859.40	
6320	District Facility	3,426.34	1,089.00	2,337.34	3,426.34	
6322	District Travel	934.74	531.68	403.06	934.74	
6324	District Pastoral Supply	-	-	-	-	
6330	NAR Facility	4,202.85	4,202.85	-	4,202.85	
6332	NAR Travel	4,599.51	4,599.51	-	4,599.51	
6334	NAR Pastoral Supply	-	-	-	-	
6340	Interfaith Meeting Travel	-	-	-	-	
6342	Interfaith Membership Expense (Foundation)	200.00	200.00	-	200.00	
INTERNATIONAL						
6400	ILME Travel & Lodging	2,861.65	2,861.65	-	2,861.65	
6410	ILME Meeting Facility Expense	2,140.02	2,140.02	-	2,140.02	
6420	ILME Meeting Administrative Expense	274.00	274.00	-	4,319.00	4,045.00
TRAINING						
6800	Deeper Facility	1,840.00	1,840.00	-	1,840.00	
6810	Deeper Travel	3,731.50	3,142.10	589.40	3,731.50	
6850	Deeper Pastoral Supply	-	-	-	-	
					-	
<b>Meeting &amp; Deeper Sub-total</b>		<b>27,070.01</b>	<b>23,740.21</b>	<b>3,329.80</b>	<b>31,115.01</b>	<b>4,045.00</b>
PROGRAM						
6900	Weekend Program Facility Expense	75,446.94	33,098.45	42,348.49	75,446.94	
6920	Weekend Presenter Travel Expense	6,514.78	373.36	6,141.42	6,514.78	
6940	Weekend Pastoral Supply Expense	297.68	297.68	-	297.68	
6950	Weekend postage, Printing & Supplies	3,157.71	782.73	2,374.98	3,157.71	
<b>Weekend Sub-total</b>		<b>85,417.11</b>	<b>34,552.22</b>	<b>50,864.89</b>	<b>85,417.11</b>	<b>-</b>
<b>TOTAL EXPENSES</b>		<b>117,261.83</b>	<b>62,413.14</b>	<b>54,848.69</b>	<b>143,820.71</b>	<b>26,558.88</b>

## REVENUE

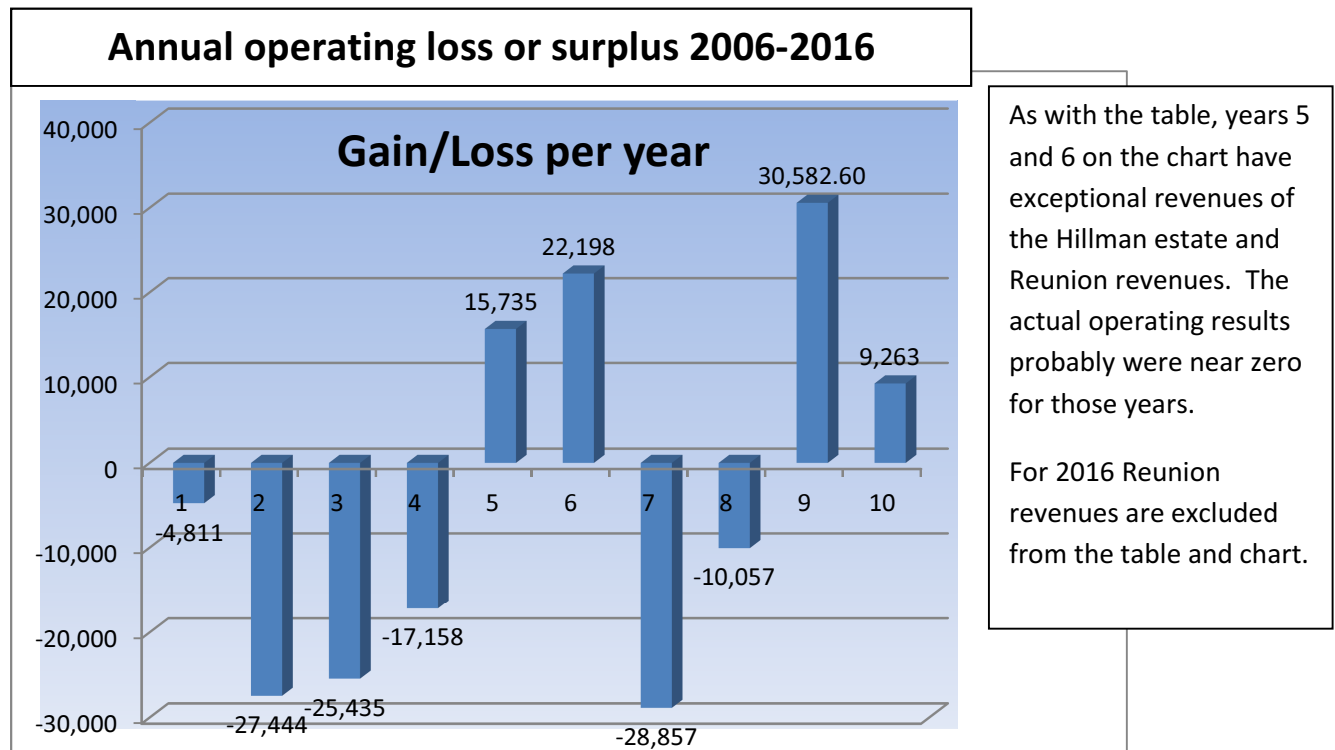
Details of revenues for 2016 and the two prior years are shown on the attached consolidated spreadsheet with a summary in the graphs on the next page.

During 2014 we sought to increase revenues through non-weekend donations. Analysis shows that the increase in total non-weekend donations continued into 2015 with a slight increase in these donations as a percentage of total revenue. The actual dollar amounts dropped in 2015 most significantly with lower donations back of reimbursable expenses. This is no doubt largely a result of much lower meeting and travel costs which means there are fewer expenses to donate back. As with 2014 we did not have the costs of a DEEPER which skews results compared to other years

The following table and graph shows the annual surplus or shortfall of revenues and expenses in prior years: The 2016 value excludes the Reunion revenue and expenses as these are exceptions to normal operations.

2006-07	2007-09*	2010	*2011	*2012	2013	2014	2015	2016
-4,811	-26,440	-17,158	+15,735	+22,198	-28,857	-10,057	+30,582	+9,263

\*2011 and 2012 include exceptional revenues from the Hillman estate and the Reunion

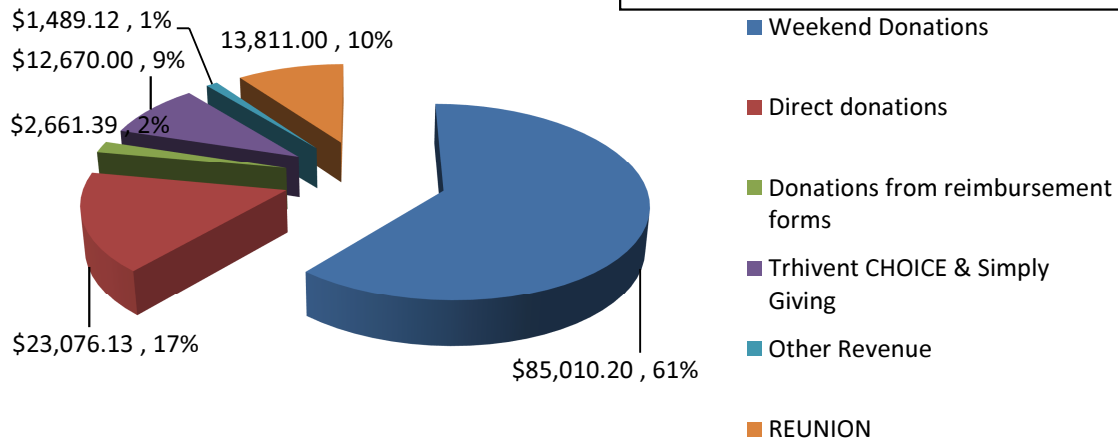


\*Years 2007-09 are average over two reporting periods as we change our fiscal year to the calendar year.

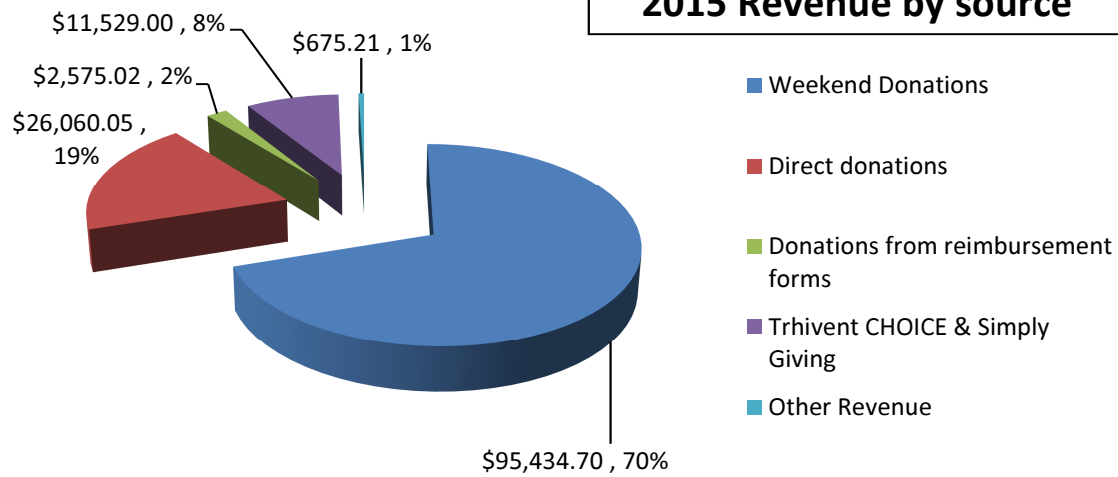
The takeaway from the chart and table above is that we seem to have stabilized our financial operations over the past two years. For continued financial stability it is imperative that we remain focused on the details as we move forward.



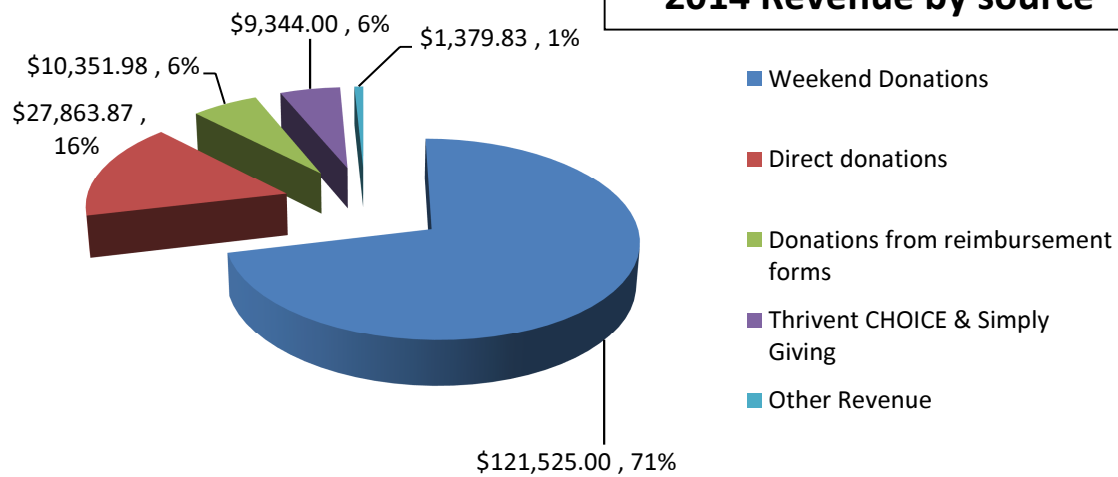
### 2016 Revenue by source



### 2015 Revenue by source



### 2014 Revenue by source



**Consolidated**

			Year-to-Date	NAR YTD	Districts YTD	DREAM + NAR	DREAM
<b>Revenue</b>			<b>OPERATING</b>				
<b>WEEKEND Revenues</b>							
4010	Application Fees Pay Pal + Districts	23,305.00		22,400.00	905.00	23,305.00	
4012	Weekend Donations	35,675.20		16,621.20	19,054.00	35,675.20	
4014	Post Dated Donations Deposited (checks)	2,261.00		-	2,261.00	2,261.00	
4016	ECHO Credit Card (weekend) Paid	23,769.00		23,769.00	-	23,769.00	
	<b>Weekend Revenue Sub-total</b>	<b>85,010.20</b>		<b>62,790.20</b>	<b>22,220.00</b>	<b>85,010.20</b>	<b>-</b>
<b>Non-Weekend Donations</b>							
4020	Couple Donations	23,076.13		17,138.13	5,938.00		
4050	Echo Credit Card Donations (non-weekend)	-		-	-	-	
4052	Pay Pal Credit Card Donations	-		-	-	-	
4054	Deeper Participant Donations	695.26		695.26	-	695.26	
4056	Thrivent - Simply Giving (Vanco)	11,140.00		11,140.00	-	11,140.00	
4058	Thrivent Choice	1,530.00		1,530.00	-	1,530.00	
4060	10/10 Ministry	-		-	-	-	
4070	Weekend Travel Reimbursement donation	426.18		426.18	-	426.18	
4072	District/local meeting travel Reimbursement	615.80		615.80	-	615.80	
4074	NAR/ILME/I.F. Travel Reimbursement	1,242.79		1,242.79	-	1,242.79	
4076	Reimbursement donation (non-travel)	376.62		-	376.62	376.62	
4600	Donations to Dream Fund (Transfer on Consolidation)	388.34		388.34	-	388.34	
	<b>Non-Weekend Donations Sub-total</b>	<b>39,491.12</b>		<b>32,788.16</b>	<b>6,314.62</b>	<b>39,491.12</b>	<b>-</b>
<b>Miscellaneous Revenue</b>							
4100	Area Fund Raisers	216.00		216.00	-	216.00	
4120	District Fund Raisers	-		-	-	-	
4200	Reunion/NAR Fund-Raisers	13,811.00		13,811.00	-	13,811.00	
4400	Bank Interest/Dividends	136.28		136.01	0.27	8,615.49	8,479.21
4500	Returned Checks ??? Is this uncashed CTBF?	-		-	-	-	
4520	Credit Cards Rejected??? ECHO totals include??	-		-	-	-	
4650	Miscellaneous	534.41		534.41	-	534.41	
	<b>Miscellaneous Revenue sub-total</b>	<b>14,697.69</b>		<b>14,697.42</b>	<b>0.27</b>	<b>14,697.69</b>	<b>Gain in Value</b>
			<b>OPERATING</b>				
<b>Revenue Total</b>			<b>139,199.01</b>	<b>110,275.78</b>	<b>28,534.89</b>	<b>147,678.22</b>	<b>8,479.21</b>

## DREAM Fund

The table below shows the 2016 balances for the DREAM Fund.

<b>2016 DREAM FUND</b>	<b>12/31/12</b>	<b>12/31/13</b>	<b>12/31/14</b>	<b>12/31/15</b>	<b>12/31/16</b>
Morgan Stanley Mutual Funds	67,656.41	85,128.64	91,230.02	88,786.49	90,634.74
Morgan Stanley cash position	27,884.85	27,792.66	27,700.44	2,651.09	
T Rowe Price MM checking		22,206.92	7,367.82	11,368.85	2,479.85
Vanguard Temporary account for donation of securities				3,000.56	
Amount due to operating accounts for grant to European Region to support the 2016 Estonian weekend.					-\$4,045 (incl transfer fee)
In Operating Fund accounts	33,367.09			\$ 1,342.40	41.07
<b>TOTAL BALANCE</b>	<b>128,908.35</b>	<b>133,546.06</b>	<b>126,298.28</b>	<b>105,806.99</b>	<b>89,110.66</b>

The Morgan Stanley balances reflect unrealized gain in value.

The cash in NAR accounts reflect the following transactions:

- 388.34 owed to DREAM Fund from donations during 2016
- \$347.27 payable from DREAM Fund for capital equipment...(Min check is \$500).
- This leaves DREAM Funds held in the operating account of \$41.07 (Min deposit is \$100)
- Negative \$4,045 in wire transfer and fes for Estonian Weekend grant

12-31-16 Credit for memorial donations in NAR accounts + 388.34 (transfer pending)

Following is a list of memorials totaling \$388.34 credited to the DREAM Fund:

<b>2016 DREAM Fund donations</b>		
<b>Date</b>	<b>Amount</b>	<b>Description</b>
6/13/2016	\$142.14	DREAM donations from expense forms
8/11/2016	\$100.00	DREAM Donate to honor Presley 50th anniv
9/26/2016	\$25.00	DREAM donation in honor of Doris Olsen
12/10/2016	\$121.20	Monthly donation of \$10.10 through Thrivent Simply Giving

DREAM transaction details are shown on the following page.

## DREAM FUND 2016 Balance Sheet with activity

### OPERATING

Trade Date	Transaction Details	Acct Name	Net Amount	Quantity	Price	Desc
<b>1/1/2016</b>	<b>Beg Value T Rowe Price</b>	<b>DREAM</b>	<b>\$11,368.85</b>			
1/29/2016	Dividend Reinv	DREAM	\$0.05	\$0.05	\$1.00	Div
2/16/2016	REDEMPTION BY CHECK	DREAM	-\$5,341.91	\$5,341.91	\$1.00	Leinicke Q-1 2016
2/29/2016	Dividend Reinv	DREAM	\$0.02	\$0.02	\$1.00	Div
3/31/2016	Dividend Reinv	DREAM	\$0.01	\$0.01	\$1.00	Div
4/19/2016	REDEMPTION BY CHECK	DREAM	-\$418.00	\$418.00	\$1.00	Website hosting
4/29/2016	Dividend Reinv	DREAM	\$0.01	\$0.01	\$1.00	Div
5/12/2016	PURCHASE	DREAM	\$1,342.40	\$1,342.40	\$1.00	Transfer donations from Oper Acct
5/13/2016	PURCHASE	DREAM	\$3,000.00	\$3,000.00	\$1.00	Replace funds used for Vanguard Acct
5/23/2016	REDEMPTION BY CHECK	DREAM	-\$5,000.00	\$5,000.00	\$1.00	Leinicke Mktg & Video taping Q-2
5/31/2016	Dividend Reinv	DREAM	\$0.04	\$0.04	\$1.00	Div
7/29/2016	Dividend Reinv	DREAM	\$0.01	\$0.01	\$1.00	Div
8/30/2016	PURCHASE	DREAM	\$9,212.05	\$9,212.05	\$1.00	Deposit from Morgan Stanley Sale
8/31/2016	Dividend Reinv	DREAM	\$0.01	\$0.01	\$1.00	Div
9/12/2016	REDEMPTION BY CHECK	DREAM	-\$5,000.00	\$5,000.00	\$1.00	Leinicke Q-4 Marketing
9/30/2016	Dividend Reinv	DREAM	\$0.07	\$0.07	\$1.00	Div
10/31/2016	Dividend Reinv	DREAM	\$0.05	\$0.05	\$1.00	Div
10/31/2016	REDEMPTION BY CHECK	DREAM	-\$5,000.00	\$5,000.00	\$1.00	Leinicke Q-4
11/29/2016	REDEMPTION BY CHECK	DREAM	-\$1,683.97	\$1,683.97	\$1.00	3-Cascade banners (Leinicke)
12/30/2016	Dividend Reinv	DREAM	\$0.16	\$0.16	\$1.00	Div

**12/31/2016 End Value T Rowe Price \$2,479.85 T Rowe Price Accounts**

TRP	Total Dividends	\$0.43	
TRP	Total Purchases	\$13,554.45	\$9212.50 sale from M/S, 1,342.40 donations, 3,000 Vanguard
TRP	Total Payments	-\$22,443.88	Payments to Leinicke Group
TRP	<b>Balance</b>	<b>\$2,479.85</b>	Summary 2016 T Rowe Price

Morgan Stanley	Beg Value	\$91,437.58	
	Transfer out to TRP	-\$9,212.05	
	Fees	-\$70.00	
	Gain in value & Div	\$8,479.21	
	<b>End Value 12/31/2016</b>	<b>\$90,634.74</b>	Summary Morgan Stanley Accounts

<b>DREAM Total</b>	<b>Beg value</b>	<b>\$102,806.43</b>
	Earnings & Dividends	\$8,479.64
	Fees	-\$70.00
	Transfers from Operating	\$4,342.40
	Payments	-\$22,443.88

**DREAM End Ending Value \$93,114.59 Matches TRP & M/S Balances**

### Pending adjustments

Transfer to T Rowe Price 2016 donations	388.34	
Transfer from TRP to Operating	-347.27	Innovative Ideas Table cover for conference
TTransfer from TRP to Operating	-\$4,045.00	Grant to ILME for Estonian W/E
Net transfer from DREAM to Operating	-4003.93	Transfer included in 2016 Year-end balances.

**Total DREAM Balance after transfers \$89,110.66**

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 accomplished in 2015:

- Finalized transfer of donated securities for a 2015 weekend totaling over \$2,000.
- Incorporated changes in how weekend donations are recognized such that the application fee is considered as a non-deductible fee to cover weekend expenses for presenter room, meals, travel, pulpit supply and materials such as workbooks. And recognized the administrative add-on of \$150 to be a charitable donation for continuing the ministry. The cost of room and meals continues to be considered a non-deductible direct benefit to attendees.
- Continued Consolidation of donations from all sources into a single database and sent a single Tax letter from NAR Finance instead of from NAR and each District. For 2016 the tax letter included recognition of charitable donations above the cost of direct benefits for weekend attendees. Out of 300 letters sent only a few were returned with incorrect addresses and only a few errors were reported. This was a major improvement from the prior year.
- Had an informal review of financial processes by John Heins while he was visiting after a weekend. One recommendation he gave was to transfer some of our operating funds into a money market account to gain some return of interest on funds not needed for operations. We have over \$70,000 in the PayPal account which could be transferred out.
- Revised the formulas for reporting weekend statistical results. The revised formulas calculate the average donations per couple toward their room and meals with any amount less or more that the room and meals considered as a positive or negative charitable donation. The average per couple amounts are summarized by District and for the Region. Using this formula the average per couple charitable donation for NAR is -\$41.94. Or, in other words, \$41.94 per couple of facility costs is covered by post-weekend donations or other revenue.

Proposed actions for 2017 are:

- Transfer surplus operating funds into a new money market account to increase interest earnings.
- Approve a revised Corporate Resolution reflecting new NAR Executives and any other changes.

Following this narrative are the following attachments:

1. Proposed resolution to be updated and approved each time an officer or director position changes.
2. Page-1 of IRS Form 990 which summarizes finances for combined operating and DREAM accounts..

Respectfully submitted,

*Dean & Marcia Redman*

Dean & Marcia Redman,  
NAR Finance

**Pending updates for the July NAR Meeting.**

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

The following resolution will be considered for adoption by consensus action of the North American Region of call To Be Family, dba Lutheran Marriage Encounter at the Board meeting July, 14-15, 2017:

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:

Stephen Rufe President 5001 Coral Gables Dr Parma, OH 44134 440-887-0070 srufe@sbcglobal.net	Ed Kast Vice President 4449 Windemere Dr Saginaw, MI 48603 989-791-4172 edemkast@sbcglobal.net	Charlotte Ricks Secretary 1220 Gift Ave. Peoria, IL 61604 309-682-7273 Dcrlme1094@comcast.net	Dean Redman Treasurer 3615 Amberidge Dr Chapel Hill, NC 27514 Ph 919-797-0501 narfinancecouple@gmail.com
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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 Steve & Sue Rufe
- North American Region Clergy Executive Ed & Emily Kast
- District 1 Lay executive David & Jean Fell
- District-1 Clergy Executive Kevin & Raye Guynn
- 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 Ron & Nancy Hawkes
- District-4 Clergy Executive Ted & Marty Hartman

This Resolution hereby adopted

\_\_\_\_\_  
Steve Rufe, President

\_\_\_\_\_  
Date

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

\_\_\_\_\_  
Date

# Return of Organization Exempt From Income Tax

**2016**

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

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

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

▶ Information about Form 990 and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

**A** For the **2016** calendar year, or tax year beginning , **2016**, and ending , **20**

**B** Check if applicable:  
 Address change  
 Name change  
 Initial return  
 Final return/terminated  
 Amended return  
 Application pending

**C** Name of organization **Call To Be Family**  
 Doing business as **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** Gross receipts \$ **147,678**

**H(a)** Is this a group return for subordinates?  Yes  No  
**H(b)** Are all subordinates included?  Yes  No  
 If "No," attach a list. (see instructions)  
**H(c)** Group exemption number ▶

**I** Tax-exempt status:  501(c)(3)  501(c) ( ) ◀ (insert no.)  4947(a)(1) or  527

**J** Website: ▶ **www.ilme.org godlovesmarriage.org**

**K** Form of organization:  Corporation  Trust  Association  Other ▶ **L** Year of formation: **1992** **M** State of legal domicile: **WA**

**Part I Summary**

<b>Activities &amp; Governance</b>	<b>1</b>	Briefly describe the organization's mission or most significant activities: <b>Strengthen and renew marriage relationships within a Christian environment</b>		
	<b>2</b>	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	<b>3</b>	Number of voting members of the governing body (Part VI, line 1a)	<b>3</b>	<b>10</b>
	<b>4</b>	Number of independent voting members of the governing body (Part VI, line 1b)	<b>4</b>	<b>10</b>
	<b>5</b>	Total number of individuals employed in calendar year 2016 (Part V, line 2a)	<b>5</b>	<b>0</b>
	<b>6</b>	Total number of volunteers (estimate if necessary)	<b>6</b>	<b>200</b>
	<b>7a</b>	Total unrelated business revenue from Part VIII, column (C), line 12	<b>7a</b>	<b>0</b>
<b>b</b>	Net unrelated business taxable income from Form 990-T, line 34	<b>7b</b>	<b>0</b>	
<b>Revenue</b>	<b>8</b>	Contributions and grants (Part VIII, line 1h)	<b>Prior Year</b> 40,835	<b>Current Year</b> 39,761
	<b>9</b>	Program service revenue (Part VIII, line 2g)	95,435	85,010
	<b>10</b>	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	4	8,615
	<b>11</b>	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	0	14,382
	<b>12</b>	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	<b>136,274</b>	<b>147,678</b>
<b>Expenses</b>	<b>13</b>	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	200	200
	<b>14</b>	Benefits paid to or for members (Part IX, column (A), line 4)		
	<b>15</b>	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)		
	<b>16a</b>	Professional fundraising fees (Part IX, column (A), line 11e)		
	<b>b</b>	Total fundraising expenses (Part IX, column (D), line 25) ▶		<b>0</b>
	<b>17</b>	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	122,200	143,621
<b>18</b>	Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	<b>122,400</b>	<b>143,821</b>	
<b>19</b>	Revenue less expenses. Subtract line 18 from line 12	<b>13,874</b>	<b>3,469</b>	
<b>Net Assets or Fund Balances</b>	<b>20</b>	Total assets (Part X, line 16)	<b>Beginning of Current Year</b> 207,569	<b>End of Year</b> 211,039
	<b>21</b>	Total liabilities (Part X, line 26)	-0-	-0-
	<b>22</b>	Net assets or fund balances. Subtract line 21 from line 20	<b>207,569</b>	<b>211,039</b>

**Part II Signature Block**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**

Signature of officer \_\_\_\_\_ Date \_\_\_\_\_

Type or print name and title \_\_\_\_\_

**Paid Preparer Use Only**

Print/Type preparer's name \_\_\_\_\_ Preparer's signature \_\_\_\_\_ Date \_\_\_\_\_ Check  if self-employed PTIN \_\_\_\_\_

Firm's name ▶ \_\_\_\_\_ Firm's EIN ▶ \_\_\_\_\_

Firm's address ▶ \_\_\_\_\_ Phone no. \_\_\_\_\_

May the IRS discuss this return with the preparer shown above? (see instructions)  Yes  No