

**TREASURER'S REPORT  
AS OF JANUARY 31, 2017 AND FOR THE THREE YEARS THEN ENDED**

**FINANCIAL STATEMENTS FOR EACH OF THE PAST THREE YEARS HAVE BEEN REVIEWED BY AN INDEPENDENT ACCOUNTANT AND ARE AVAILABLE FOR YOUR REVIEW ON THE LMM WEBSITE.**

**I WOULD LIKE TO HIGHLIGHT CERTAIN PARTS OF THESE REPORTS.**

**TOTAL NET ASSETS OF LUTHERAN MEN IN MISSION AT JANUARY 31, 2017 AND 2014 WERE AS FOLLOWS:**

	1/31/2017	1/31/2014	1/31/2017 B (W) 1/31/14
Investments with the ELCA Foundation	1,205,000	1,157,000	48,000
Beneficial interest in a perpetaul trust	272,000	299,000	(27,000)
Inventory of Master Building bibles	110,000	36,000	74,000
Net working capital items	62,000	124,000	(62,000)
	<u>1,649,000</u>	<u>1,616,000</u>	<u>33,000</u>
Payable to ELCA	(369,000)	52,000	(421,000)
Net assets	<u>1,280,000</u>	<u>1,668,000</u>	<u>(388,000)</u>

**TOTAL NET ASSETS HAVE DECREASED BY \$388,000 SINCE JANUARY 31, 2014 FOR THE FOLLOWING REASONS**

	AMOUNT
EXPENSES HAVE EXCEEDED REVENUES FROM OPERATIONS	(414,000)
NET GAINS IN MARKET VALUE OF INVESTMENTS	16,000
RESTRICTED CONTRIBUTIONS	10,000
NET DECREASE IN NET ASSETS	<u>(388,000)</u>

THIS DECREASE WAS FUNDED BY AN INCREASE IN THE AMOUNT DUE THE ELCA

**THE LARGEST COMPONENT OF THE NET ASSET DECREASE WAS THE OPERATING DEFICIT DURING THE THREE PERIOD FOLLOWING IS A COMPARISON OF ACTUAL RESULTS WITH 3 YEAR OPERATING PLAN APPROVED AT 2014 ASSEMBLY**

	ACTUAL RESULTS	APPROVED PLAN	ACTUAL B (W) PLAN
<b>REVENUES</b>			
CONTRIBUTIONS	790,000	1,225,000	(435,000)
GRANTS	10,000	75,000	(65,000)
OTHER REVENES	265,000	266,000	(1,000)
	<u>1,065,000</u>	<u>1,566,000</u>	<u>(501,000)</u>

DESPITE THE ADDITION OF A DEVELOPMENT DIRECTOR, REVENUES WERE 36% BELOW PLAN

	1,470,124	1,696,337	226,213
<b>OPERATING EXPENSES</b>			
PLANNED OPERATING EXPENSES INCREASED DURING THE THREE PERIOD DUE TO THE ADDTION OF			
DEVELOPMENT DIRECTOR		129,000	
PROGRAM DIRECTOR		252,000	
MINISTRY ADVANCEMENT TEAM		34,000	
TOTAL EXPANDED PROGRAM EXPENSES		<u>415,000</u>	

THESE EXPENSES WERE ADDED TO ENHANCE THE PROGRAMS OFFERED BY LMM. CONTRIBUTIONS DID NOT INCREASE ACCORDINGLY.

<b>EXCESS OF EXPENSES OVER REVENUE</b>	<u>(405,124)</u>	<u>(130,337)</u>	<u>(274,787)</u>
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OPERATING EXPENSE REDUCTIONS WERE NOT SUFFICIENT TO OFFSET REVENUE SHORTFALLS

FUTURE YEAR FINANCIAL PLANS HAVE BEEN ADJUSTED IN AN ATTEMPT TO REMEDY THESE SHORTFALLS. AND REDUCE THE AMOUNT DUE TO THE ELCA