



Church of the Incarnation

2021 ANNUAL PARISH REPORT

“Store up treasures in heaven, where neither moth nor decay destroys, nor thieves break in and steal. For where your treasure is, there also will your heart be. “

Matthew 6:20-21

The reason that we exist as a Parish is to incarnate Jesus in our community.

We incarnate Jesus through our core values:

- ❖ *We are in with both feet.*
- ❖ *We reach out with both hands.*
- ❖ *We encounter Jesus.*

Our Parish Family (2020 - 2021)

Participating in our Faith

- | | |
|-----------------------------|---|
| ❖ 2,790 Registered families | ❖ 64 Funerals |
| ❖ 132 New families | ❖ 871 Students in Incarnation School |
| ❖ 45 Infant Baptisms | ❖ 268 Students in PREP |
| ❖ 9 RCIA Catechumens | ❖ 116 Teens Active in Youth Ministry Programs |
| ❖ 108 First Holy Communions | |
| ❖ 115 Confirmations | |
| ❖ 3 Marriages | |

Financial Stewardship

- ❖ 1,589 Parishioners using envelopes on a regular basis
- ❖ 358 Parishioners giving electronically through We Share
- ❖ \$1,405 average annual contribution per family



Church of the Incarnation

From the Pastor

Dear Incarnation Parishioners,

Greetings to you from Incarnation Parish Office! Stewardship week of treasure has arrived. Thanks for reading and praying with this financial report.

There is very good news to report regarding offertory collections. Parishioners will recall that we experienced an offertory enhancement campaign at this time last year. It is a joy and a blessing to recognize that 313 parishioners responded positively to increasing their weekly giving. About eighteen gave one-time gifts. Wonderfully, as happens with all capital campaigns or enhancement programs, additional parishioners increased their giving, but being reticent to promise an increase in case of unforeseen circumstances. Thanks to all who increased giving last year!

As a consequence of the increased giving engendered by the campaign, the wonderful news is that for the first year in at least nine years, offertory giving increased!! This is a very, very positive sign!

Please note the reminder on our stewardship card of Treasure: if givers give the same amount year after year, due to cost of living, the parish experiences flat giving as a decrease in giving. Thanks to parishioners who can increase yearly giving at least 3% and special thanks to those who might increase giving even more. There are plenty of good reasons to give generously here at Incarnation. Thanks to those who do so!

Otherwise, please note details in this report, for example the nearly \$320,000 we spent on the chiller for the school and PAC and ongoing parking lot improvements. The lion's share of those improvements benefit Incarnation School, added to the \$425,000 in direct subsidy to school. Thanks to school families who show their gratitude for such incredible generosity by actively engaging in parish life!

Following our strategic plan to better serve the people of Incarnation, \$60,000 was spent to create more offices and two new employees were hired.

We have a substantial savings, even as the interest rate is less than in years' past. This money helps to insure the temporal security of Incarnation for generations to come. Wonderfully and thankfully, we finished the year in the black by \$68,000. Hopefully, continued increases in offertory giving will increase our financial bottom line.

It can't be said enough, thank you Incarnation Parishioners for reaching out with both hands in generosity!! May we jump in with both feet and experience and be Jesus' loving presence for others!

Sincerely and with Love in Christ,

Fr. Pat



Church of the Incarnation

2021 ANNUAL PARISH REPORT

FINANCIAL SUMMARY

Statement of Activities – Church

For the Years Ended June 30, 2020 and 2021, with Budget for June 30, 2022

<i>Revenue</i>	<u>Year Ended 6/30/20</u>	<u>Year Ended 6/30/21</u>	<u>Budget 6/30/2022</u>
Collections	\$2,267,958	\$2,303,145	\$2,300,000
Other income	<u>372,948</u>	<u>276,639</u>	<u>203,300</u>
Total Revenue	<u>2,640,906</u>	<u>2,579,784</u>	<u>2,503,300</u>
Operating Expenses			
Parish Administration	790,843	839,906	1,144,400
Parish Center	303,090	315,816	294,925
Youth Ministry	76,739	80,164	95,180
Worship & Liturgy	92,797	104,142	102,005
Music	125,710	124,753	125,960
Adult Education	108,236	109,876	117,186
Prep Religious Education	<u>105,132</u>	<u>125,684</u>	<u>121,350</u>
Total Operating Expenses	1,602,547	1,700,341	2,001,006
School Subsidy	<u>400,000</u>	<u>425,000</u>	<u>375,000</u>
Total Operating Expenses	2,002,547	2,125,341	2,376,006
Capital Expenditures	<u>288,151</u>	<u>385,932</u>	<u>194,045</u>
Total Expenses	<u>2,290,698</u>	<u>2,511,273</u>	<u>2,570,051</u>
Net Revenue over Expenses	<u>\$ 350,208</u>	<u>\$ 68,511</u>	<u>\$ (66,751)</u>

FINANCIAL SUMMARY

Statement of Activities – School

For the Years Ended June 30, 2020 and 2021, with Budget for June 30, 2022

<i>Revenue</i>	<u>Year Ended 6/30/20</u>	<u>Year Ended 6/30/21</u>	<u>Budget 6/30/2022</u>
Tuition	\$3,375,327	\$3,507,694	\$3,750,105
EANS Grant	0	25,300	319,400
Other income	<u>632,991</u>	<u>623,336</u>	<u>584,736</u>
Total Revenue	<u>4,008,318</u>	<u>4,156,330</u>	<u>4,654,241</u>
Operating Expenses			
Instructional	3,163,366	3,354,186	3,423,923
Administration	456,384	464,686	482,683
Technology	428,198	445,814	460,613
Facilities	211,741	284,094	285,277
Library	34,557	22,619	49,070
Extended Care	39,023	31,472	39,000
EANS Grant – COVID Expense	<u>0</u>	<u>25,300</u>	<u>319,400</u>
Total Operating Expenses	4,333,269	4,629,171	5,059,966
Capital Expenditures	<u>31,900</u>	<u>10,253</u>	<u>31,500</u>
Total Expenses	<u>4,365,169</u>	<u>4,639,424</u>	<u>5,091,466</u>
Loss before Parish Subsidy	(356,851)	(483,094)	(437,225)
Parish Subsidy	<u>400,000</u>	<u>425,000</u>	<u>375,000</u>
Net (Expenses) over Revenue or Revenue over Expenses	<u>\$ 43,149</u>	<u>\$ (58,094)</u>	<u>\$ (62,225)</u>



Church of the Incarnation

2021 ANNUAL PARISH REPORT

FINANCIAL SUMMARY

Statement of Financial Position – Church As of June 30, 2020 and 2021

Assets	<u>June 30, 2020</u>	<u>June 30, 2021</u>
Cash - Checking	\$3,246,316	\$2,629,789
Savings	6,553,695	7,161,407
Other Current Assets	<u>188,897</u>	<u>136,365</u>
Total Assets	<u>\$9,988,908</u>	<u>\$9,927,561</u>
Liabilities & Net Assets		
Liabilities		
Accounts Payable	\$ 197,534	\$ 29,978
Other Current Liabilities	58,782	39,069
Restricted Funds	<u>134,350</u>	<u>191,762</u>
Total Liabilities	<u>390,666</u>	<u>260,809</u>
Net Assets		
Unrestricted	9,464,280	9,501,991
Restricted – Building	87,491	118,290
Restricted – Legacy	<u>46,471</u>	<u>46,471</u>
Total Net Assets	<u>9,598,242</u>	<u>9,666,752</u>
Total Liabilities & Net Assets	<u>\$9,988,908</u>	<u>\$9,927,561</u>

FINANCIAL SUMMARY

Statement of Financial Position – School As of June 30, 2020 and 2021

Assets	<u>June 30, 2020</u>	<u>June 30, 2021</u>
Cash - Checking	\$ 44,298	\$ 25,016
Other Current Assets	<u>57,006</u>	<u>89,074</u>
Total Assets	<u>\$101,304</u>	<u>\$114,090</u>
Liabilities & Net Assets		
Liabilities		
Accounts Payable	\$ 46,634	\$ 95,101
Other Current Liabilities	<u>216,420</u>	<u>221,160</u>
Total Liabilities	<u>263,054</u>	<u>316,261</u>
Net Assets		
	<u>(161,750)</u>	<u>(202,171)</u>
Total Liabilities & Net Assets	<u>\$101,304</u>	<u>\$114,090</u>



2021 ANNUAL PARISH REPORT

Strategic Plan Priority Areas

After more than a year of meetings and ongoing discernment, under the leadership of Brian Kohr, the 25 members of the Strategic Planning committee developed the Parish Strategic Plan (“The Plan”). The Plan was approved by Pastoral Council on April 6, 2020. With the approval of the Plan, the Parish is embarking to achieve the goals as outlined in the Plan. The Plan offers a vision for where the Parish wants to go, and a plan for accomplishing that vision. The overriding goal is to reinvigorate and enliven the Church of the Incarnation so that it can stand as a beacon of the Gospel and a tangible Incarnation of Jesus in the city of Centerville, the Archdiocese of Cincinnati, as well as the State of Ohio and our country. As the Plan is a working document, it will be reviewed annually by the Pastoral Council and updated as the parish needs and wishes change.

The initial Plan has identified communication, growth, and culture as the three strategic priority areas. The following is a brief summary of the goals associated with each priority area:

Communication

- Evaluate the current marketing capabilities of the parish.
- Raise awareness within the parish, and the community at large, of the wide range of programs, services and opportunities that are available at Church of the Incarnation.
- Communicate who we are and why we exist to those outside the parish.
- Actively develop greater communication and collaboration between our school and church.
- Consciously invite and utilize the many talents that already exist in our parish.
- Create an organizational structure that will facilitate the accomplishment of the strategic plan.
- Better understand who it is that we serve and what needs they have.

Growth

- Review the mass music and determine modifications that can be made to broaden appeal.
- Review the homily messages and seek ways to make them more relevant to peoples’ lives.
- Identify quarterly events to bring the parish together and engage the broader community.
- Explore ways to help more people engage in the mass.
- Provide family outreach to encourage families, especially young families, to become more engaged and active in the parish.
- Create the best youth ministry program in the area.
- Create the best young adult ministry program in the area.
- Provide programming that will attract parishioners and non-parishioners to consider, discuss and/or develop/deepen their appreciation for Christianity and Catholicism.
- Review the current school funding model.



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Strategic Plan Priority Areas (Continued)

Growth (Continued)

- Identify a structure that will motivate school families to the highest level of parish engagement.
- Determine the cost/benefit of building a preschool, targeting long term growth of our school and parish.
- Unify the cultures of school and church.
- Increase community outreach and reenergize volunteerism at Incarnation.
- Explore branding Incarnation social outreach endeavors.
- Increase community outreach by developing a Crisis Response Ministry.
- Hire a marketing leader.

Culture

- Create a welcoming culture by having key parish leaders available at the weekend masses on a regular basis.
- Increase and expand our current greeters and ushers into a team of “welcomers” to be present at masses and other parish events.
- Capitalize on community events to tell our good news.
- Assess ways to “publicize” our spirit of welcome.
- Renovate the church building to make it more welcoming.
- Partner with other parishes and churches to establish more effective youth/young adult ministry and outreach programs.
- Develop means to keep the parish financially solvent and growing.
- Hire a Director of Parish Engagement to solicit and train new volunteers and leverage the talents and skills of current volunteers.
- Create an onboarding process for both church and school so that new parishioners and school families will be matched with a sponsor family who will help them feel at home and become engaged.
- Increase local awareness of the many aspects of our parish outreach program and get more people actively involved in social outreach.
- Communicate/create examples that express our reason for being as a parish and our core values.

All parishioners are invited to join in the effort it will take to support the parish ministries and organizations to implement the Parish Strategic Plan. The goals will be accomplished by everyone jumping in with both feet, reaching out with both hands and encountering Jesus and being His presence for others.

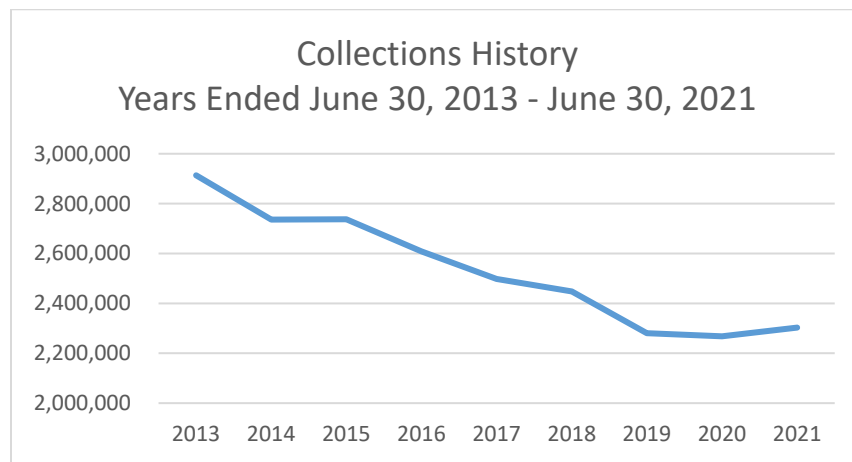
2021 ANNUAL PARISH REPORT FINANCIAL HIGHLIGHTS

- ❖ Despite a very challenging economic environment, collections stabilized from the prior year due in part to an active Offertory Enhancement Program that began in the Fall of 2020. Responses were received from 26% of active members. As a result, offertory giving is expected to grow by 11%, representing an annual giving increase of approximately \$225,000.
- ❖ We continue to see an increase in online giving (We Share). The number of families contributing through We Share has increased from 345 in 2020 to 358 in 2021. While weekly mass attendance has been a challenge for some members, we continue to receive collections by mail from those unable to attend in person. Your continued financial support to the Parish during the pandemic has allowed us to continue to serve the Parish and our community during these difficult times.
- ❖ The impacts of significantly lower interest income were partially offset by an increase in bequests and Archdiocesan rebates. Parish operating expenses were in line with budget expectations.
- ❖ Through strong fiscal management and stewardship, the Parish currently has a cash reserve. The Parish has deferred capital maintenance needs of approximately \$2,400,000 over the next 3-5 years.
- ❖ Over \$385,000 of capital improvement projects were completed during the year to include a partial roof and chiller for the School, parking lot repaving and striping, and Parish office renovations. The annual maintenance of the Parish and School buildings and grounds continues to increase due to the age of our facilities.
- ❖ The Parish provided the School with a subsidy of \$425,000 versus \$400,000 the previous year, resulting in per student support of \$488 and \$458, respectively. The increase in subsidy was due primarily to operating results that were negatively impacted by COVID (greater operating expenses along with lower Latchkey revenue). Despite a very challenging environment due to the pandemic, School enrollment remained steady.



2021 ANNUAL PARISH REPORT FINANCIAL TRENDS

The graph below shows a trend of decreasing collections from 2013 – 2021. For the year ended June 30, 2013, collections totaled \$2,914,543. Collections for the year ended June 30, 2021 were \$2,303,145 (a decline of over \$600,000, or 20%).



The Parish continues to provide ongoing annual support to the School. The average annual subsidy over the past eight years was \$412,500 (approximately \$470/student). The subsidy for the year ended June 30, 2021 was \$425,000. The average school enrollment over the last nine years was 878. The enrollment for the year ended June 30, 2021 was 871. Parish support for the School has remained relatively consistent, even with declining collections.

