

E P I S C O P A L D I O C E S E O F K E N T U C K Y
S E A R C H / N O M I N A T I N G C O M M I T T E E

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THE VIII BISHOP OF KENTUCKY

DIOCESAN PROFILE



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Introduction

It is our faith-filled conviction that the living God, under the nurturing power of the Holy Spirit, is preparing the Episcopal Diocese of Kentucky for a new season of Gospel mission in Christ Jesus. We are in prayerful discernment for a courageous shepherd willing to gather clergy and lay people together, boldly leading us forward into a new life of ministry. This shepherd's committed relationship to Christ and the people of God must be humbly anchored in a disciplined life of prayer. He or she will willingly embrace the people of this Diocese and bring us forward to fresh commitments in ministry. We seek not a prince for the world and the institution, but rather a servant for the apostolic witness of the Gospel. Our Diocese spans farmland and city; we seek a candidate who will embrace this span, and the wide, loving arms of God in this place.

History of the Diocese

The earliest Christian presence in Kentucky had Anglican links. John Lyth, an Anglican clergyman, conducted what may have been Kentucky's first public Christian worship service at Boonesborough on Sunday, May 28, 1775. Ever since, the history of the Episcopal Church has been intertwined with the history of the Commonwealth. Episcopal congregations appeared in Lexington about the time Kentucky joined the union. In the 1820s, Christ Church Cathedral in what is now downtown Louisville rose from a "cow lot" donated by Peter Benson Ormsby. The Diocese of Kentucky itself was formed in 1829, and Benjamin Bosworth Smith, fresh from his consecration in New York City, arrived in Kentucky in 1832 to begin his half-century tenure as the first bishop of the Diocese.

Since then, Bishop Smith and his six successors, as well as the clergy and the laity of the Diocese, have done much to shape the subsequent history of Kentucky. The Diocese has been active in efforts to provide social services, to strengthen education, to address human rights and social justice concerns, to manage the ravages of natural disasters, and more recently to chart a role for our community in a global society. Among its former bishops are a Kentucky Superintendent of Public Instruction, a Confederate veteran of the Civil War, and the first bishop of the nation of Columbia. More than 230 years after John Lyth's pioneering service, the Diocese of Kentucky continues to be an important part of Kentucky's history. Much more information about the history of the Diocese of Kentucky is [available on line](#).



Organizations and Institutions of the Diocese

Congregations

In this era of decline for most mainline churches the Episcopal Church in the Diocese of Kentucky has experienced a small growth over the last five years. [Our congregations](#) are spread across the western half of the state with 19 congregations in Louisville having about 70% of the active members of the Diocese. In recent years our congregations have included a growing membership of immigrants and refugees including Korean, Sudanese and Karen people from Myanmar (Burma).

CONGREGATIONS	
Family (1 - 70)	19
Parish (71-140)	7
Transitional (141 - 225)	6
Program (226 - 350)	2
Resource (>300)	2

based on average Sunday attendance

There are 79 active and retired priests and deacons canonically resident in the Diocese of Kentucky and 36 congregations. Those congregations have over 10,000 active members with an average Sunday attendance of about 3,900. The largest congregation has about 1,800 active members and the smallest has eight.

Institutions and Ministries

A variety of institutions and ministries are supported by diocesan staff or funds and the resource of committed volunteers. For more information about these institutions or ministries go to their web sites or use the links provided.

[The Department of Christian Formation](#) provides resources, support and educational opportunities to enhance the ministry of Episcopal churches in the Diocese of Kentucky.

[The Department of Evangelism & Congregational Development](#) works with and promotes diocesan and congregational mission planning and implementation. The scope of functions includes Christian outreach, congregational development, companion diocese relationships, and congregational starts and restarts.

[The Department of Justice & Jubilee](#) works with congregations to promote peace and social and economic justice. The Department's current focus is on support of the United Thank Offering, Episcopal Relief and Development, the Millennium Development Goals, and Fair Trade.

College Chaplaincies The Diocese supports chaplains at the three state universities located in the Diocese – Western Kentucky University in Bowling Green, Murray State University in Murray, and the University of Louisville. All are part time positions. With a grant from Trinity Church, New York City, the Chaplain at the University of Louisville began a new ministry to young adults in early 2009. This new program is developing a model of ministry to men and women in the 18-35 year old age group.

[All Saints Camp and Conference Center](#) This diocesan conference and summer youth camp facility near the geographic center of the Diocese has been recently expanded with a new lodge and meeting facilities making it a comfortable, inviting site for diocesan meetings, retreats and hosting our summer youth camps. In 2008 the Presiding Bishop celebrated a Eucharist and Baptism at All Saints.

[St. George's Community Center](#) was started by St. George's Episcopal Church in a predominantly African-American area of Louisville. For almost five decades St. George's has been a center of ministry in urban Louisville with a focus on middle and high school age at-risk children. For the last three years St. George's has been associated with the Children's Defense Fund operating a CDF Freedom School® during the summer to encourage literacy and self-confidence among its students. Each summer since it began, St. George's Freedom School® has been recognized as one of the top five in the country.

Aaron McNeil House Neighborhood Center in Hopkinsville offers after-school tutoring, ACT preparatory testing, the CHOICES program for girls, an annual Christmas party for the working poor, and summer programs for youth. The Center is also available for use as a meeting facility for community or neighborhood groups. Aaron McNeil House was started by and continues to be supported by Grace Episcopal Church, Hopkinsville.



[The Episcopal Church Home](#) provides a gracious retirement home where quality care and peaceful living are primary concerns. In a campus setting the Church Home provides care from independent living to personal care, rehabilitation, nursing and an Alzheimer's unit. Individuals and married couples of all faiths are welcome. In June of 2009 a new St. Luke's Chapel was dedicated. St. Luke's has one of the larger worshipping congregations in the Diocese. The Bishop of Kentucky sits on the Home's Board of Trustees.



Cathedral Commons is a project of Christ Church Cathedral in downtown Louisville. The Commons is a project to provide subsidized housing and commercial space while preserving one of the oldest buildings in Louisville.

The Episcopal Housing Corporation of Kentucky was organized as a Kentucky non-profit, non-stock corporation in 1993. It currently owns a 13 unit, low-income housing property adjacent to St. John's Episcopal Church, Murray.

[Cursillo](#) began in the Diocese four decades ago. Cursillo weekends are normally held in the fall of each year at All Saints Center.

[Education for Ministry \(EFM\)](#) programs are offered in various churches across the Diocese.

[The School of Ministry](#) began in the fall of 2007 as a two year training program for both lay and diaconal ministries. The first class graduated this June.

Associated Institutions and Ministries

[Home of the Innocents](#) has provided loving, therapeutic care to children who are victims of abuse, abandonment, and neglect for almost 130 years. It offers skilled care to medically fragile children and provides services to children diagnosed with autism and their families. The Home serves almost 1500 children annually from Kentucky and Southern Indiana. It is an independent not-for-profit organization but its roots are Episcopalian. The Bishop of Kentucky is a member of their board.

[Norton Healthcare](#) is Kentucky's largest not-for-profit organization providing health care services through its four hospitals, eleven Immediate Care Centers, and more than 60 physician practice locations. Like the Home of the Innocents, Norton Healthcare's origins are in the Episcopal Church.

[Kentucky Refugee Ministries](#) is the refugee resettlement office in the state of Kentucky for two national church-based programs: The Episcopal Migration Ministries and Church World Service. Kentucky Refugee Ministries is authorized by the U.S. Department of State to assist refugees who have been legally admitted to the United States, as victims of warfare or other forms of persecution because of their religious or political beliefs.



[University of the South, Sewanee](#) The Diocese of Kentucky is one of the 28 owning dioceses of the University. Sewanee is the only university in the country with both a college and graduate seminary established by the Episcopal Church in which it is actively involved in its governing board. Trustees of the University include the bishop, two lay and one clergy from this Diocese.

[St. Francis School](#) is an independent, non-sectarian day school for children age two through grade eight. Serving over 400 students on two campuses in suburban Louisville, St. Francis offers a progressive educational experience that prepares students for high school, college and life. The school was formed in 1965 by St. Francis in the Fields Episcopal Church.

[St. Francis High School](#) is an independent, coeducational high school in downtown Louisville. It currently has 125 students in grades 9-12.

[St. Matthew's Community Preschool](#) offers a part-time pre-school experience for ages one to five. This school will open in the fall of 2009 at St. Matthew's Episcopal Church, Louisville.

[Seamen's Church Institute](#) Founded in 1834 and affiliated with the Episcopal Church, the Seamen's Church Institute of New York & New Jersey (SCI) is the largest, most comprehensive mariners' agency in North America. Annually, its chaplains visit 3,400 vessels in the Port of New York and New Jersey and along 2,200 miles of America's inland waterways. SCI's maritime education facilities provide navigational training to nearly 1,600 mariners each year through simulator-based facilities located in Houston, Texas and Paducah, Kentucky.



Companion Dioceses The Diocese of Kentucky has a companion relationship with the Diocese of Glasgow & Galloway in Scotland and the Diocese of Byumba in Rwanda. Through the efforts of Bishop Glick the Diocese is funding a medical clinic in Byumba. In 2007 a group of lay and clergy from Kentucky met in Scotland with people from our companion dioceses for a week of retreat and getting to know each other to find ways to continue and strengthen our relationships.

Jubilee Centers There are eight Jubilee Centers in the Diocese, six in Louisville, one in Campbellsville and one in Hopkinsville.

Ecumenical Ministries

The **Kentucky Council of Churches** is a cooperative organization of eleven Christian denominations in Kentucky, both Protestant and Catholic, having a total membership of about 800,000 Christians. It was established in 1947, succeeding the Kentucky Sunday School Union which began in 1865. Over its nearly 140 year history, the Council has sought to extend the ministry of Christ through sharing and working together. The Diocese of Kentucky is a member of the Council and the Bishop of Kentucky sits on its board.

Paducah Cooperative Ministry is an inter-faith ministry founded in 1973 by local congregations including Grace Episcopal Church, Paducah. It draws together individuals and congregations to respond to basic human needs and conditions.

Green River Ministries is a Jubilee Center which serves people in the Campbellsville area and is supported by St. Thomas Episcopal Church, Campbellsville.

Louisville Community Ministries are 16 independent community ministries providing social services to Louisville Metro residents without regard for age, race, sexual orientation, disabilities, national origin, or religious affiliation. Most of the Louisville Metro Episcopal churches are members of one of these ecumenical ministries.

Interfaith Paths to Peace works with faith communities and others with parallel interests to educate, advocate, coordinate, and empower the larger community in support of peace, human rights, and justice through interfaith dialogue. Its offices are at Christ Church Cathedral in downtown Louisville.

Habitat for Humanity The office for the Habitat for Humanity state support organization is located at St. Matthew's Episcopal Church in Louisville.

Diversity

In a diocese where many parishes are the only Episcopal congregation for 50 miles or more, diversity is a lived reality. A little over 4 million people live in the state of Kentucky. According to the 2000 census 26.8% of Kentuckians were Southern Baptist or other independent evangelicals, 10% were Roman Catholic and 8.8% mainline Protestants. Episcopalians represent less than ½% of the population.

Across the Diocese of Kentucky, there is a mix of persons who span generations, occupational categories, family configurations, races, political persuasions, and theological views. We are poor and rich. We are gay and we are straight. We live alone and we live in large, vibrant families. We have long traditions in our communities and parishes and we are very new to life in the U.S.



One part of our diversity is regional. Approximately 70% of our parishioners live in the metropolitan Louisville area, a region with approximately one million residents. Some live in small, rural communities in the agricultural areas of western Kentucky. In Louisville, where there are 19 parishes, Episcopalians may, if they choose, self-select into theologically homogeneous groups. In the more sparsely populated areas, everyone, orthodox or progressive, worships together. This diversity of size of community and regional density of worshipers creates its own important dynamic.

As with many dioceses, the gender of our leaders has changed radically over the last 30 years. Congregational leadership, lay and ordained, includes men and women of all ages. Young persons assume roles of leadership with the encouragement and support of those with more seasoning. Persons of color participate in the lives of many congregations and share in leadership. The diocesan complexion has added many hues over the last few years with the settlement of refugees in our areas. Africans, Asians, and immigrants from many Spanish-speaking nations have made their homes within the Diocese and found homes within our congregations.

One area of challenge for the Diocese has been to establish a more vibrant presence with African-Americans in the Louisville inner city community. While we have made efforts and achieved change, more remains to accomplish.

Families of all kinds find church homes across our Diocese. Some families are traditional and some reflect new realities. Single parents, divorced parents and same sex parents, all find room within congregations of the Diocese of Kentucky as they seek places to nurture their faith and the faith of their children.

Diocesan Discernment

As a central part of our discernment process, the Search / Nominating Committee has worked to engage the people of the Diocese — clergy and laity — in a discussion about their hopes and concerns for the future of the Diocese. This process took three major forms — a diocesan survey instrument, a series of seven listening groups primarily for parishioners, and two clergy discernment meetings.

The Search / Nominating Committee engaged Holy Cow! Consulting to conduct a survey of the Diocese in May 2009. Over 1,000 parishioners and clergy responded to either the on-line or printed version of the instrument. Of the total group of respondents, 86% were parishioners or vestry members. Participants gave the Diocese high scores in such important areas as leadership, collegiality, conflict management, and building a sense of engagement with the Diocese. They also expressed a desire for a stronger shared vision for the Diocese, more support for churches in transition, strategies for building congregations, and cultivating financial giving. Looking to the future, respondents to the survey want to see plans that will bring new members to the Diocese, build the vitality of Episcopal churches in our region, recruit strong clergy and lay leadership, and cultivate a stronger sense of involvement in the Diocese. The complete results of the survey are [available online](#).



As the survey process was finishing, the Search / Nominating Committee held seven discernment meetings, or Listening Groups, in parishes around the Diocese. The seven parishes were Resurrection Church, Louisville; St. Francis in the Fields Church, Harrods Creek; Christ Church Cathedral, Louisville; St. Matthew's Church, Louisville; Trinity Church, Owensboro; Grace Church, Paducah; and Christ Church, Bowling Green. Taken as a group, they are very representative of the Diocese as a whole. Over 160 parishioners attended. The Rev. Ellen P. Ekevag, Dean of the Four Rivers Deanery, Assistant Rector

at Grace Church, Paducah, and Priest-in-Charge at Trinity Church, Fulton, and St. Paul's Church, Hickman, led all seven sessions and reported the results to the Search / Nominating Committee. The participants in each Listening Group reviewed the life of the Diocese over the last decade, identified things that had gone well, reviewed missed opportunities for mission and ministry, and concluded with a discussion of hopes for the future and consideration of obstacles to those goals. The sessions focused on the Diocese as an entity and were not an evaluation of the ministry of the incumbent bishop.

Listening Group participants identified several important successes from the last decade — the development of All Saints Camp and Conference Center, the effectiveness of the clergy, the diversity in the Diocese, the absence of serious schism, and the recent visit by Presiding Bishop Katharine Jefferts Schori. Participants expressed more concern about communication strategies, Diocesan organization, attracting members, and building financial support for the Diocese and its congregations. For the future they hoped to see more resources for parish and diocesan ministry, membership growth, a stronger financial profile, a reorganized Diocesan staff, and better communication strategies, particularly involving technology. The full report on the Listening Groups is [available online](#).



The Search / Nominating Committee also held two clergy discernment conferences, one at Christ Cathedral, Louisville, and one at St. Mary's Church in Madisonville. All active and retired clergy in the Diocese were invited. Approximately 25 priests and deacons attended the first conference and nine attended the second. The Very Rev. Ronald Clingenpeel of St. Louis, Missouri led both clergy conferences. Dean Clingenpeel is associated with the Episcopal Office of Pastoral Development and is the Consultant to the Diocese in our search for the eighth bishop.

The Search / Nominating Committee was represented at these conferences by its clergy members. The clergy conferences used a format similar to the one used by the Listening Groups—reviewing the success of the past decade, reviewing missed opportunities for mission and ministry, and identifying goals for the future and obstacles to achieving them. The conferences did not evaluate the ministry of the current bishop.

In his summary of the conferences, Dean Clingenpeel reported that the clergy valued the strong sense of collegiality that they shared and, like the Listening Group participants, praised the All Saints Camp and Conference Center, the 2008 visit of the Presiding Bishop, and the role of the Diocese in youth ministry and fostering calls to ministry. Also like the Listening Group participants, the clergy expressed concern about the organization of the Diocesan staff and the need for more effective communication strategies in the Diocese. The clergy would also like to see a comprehensive planning process for the Diocese as well as more written guidelines for ongoing Diocesan processes such as the work of the Commission on Ministry. The full report on the Clergy Conferences is [available online](#).

Profile of a Bishop for the Diocese of Kentucky

The people of the Diocese of Kentucky – both laity and clergy – through a careful discernment process have measured honestly our strengths and weaknesses as well as the hopes and aspirations we share as a community of faith. We have listened carefully for God’s call to us.

For the work of this ministry, the Diocese has important tools – a committed and collegial clergy, a laity eager for ministry and receptive to change, strong finances with endowed support for the expense of the episcopate and for seminary education and post-seminary support of newly ordained clergy in the Diocese, a low level of conflict, new and renovated facilities across the Diocese, and a thriving camp and conference center in a beautiful sylvan setting.

After our time of study, discussion, and prayer, we now seek a bishop to lead us in our efforts to live faithfully and prophetically as a Christian community. We do so in faith, knowing that making God’s work truly our own will challenge us and change us in ways we could never anticipate.

Trusting the guidance of the Holy Spirit, we seek a bishop whose life is marked by

- spirituality and the prayerful study of the Holy Scriptures
- sound judgment and wisdom
- intellectual honesty and an openness to differing ideas
- compassion
- integrity
- passion for a challenging ministry to multiple generations, diverse populations, people in need, and communities in transition

We seek a bishop whose ministry is committed to

- inspiring and communicating a shared vision for a diverse community of faith
- empowering laity for ministry
- strengthening youth and young adult participation in the life of the Diocese
- building nurturing relationships with clergy and laity
- welcoming and supporting differing ideas and perspectives
- preaching and teaching the word of God

We seek a bishop with the skills to

- organize and manage staff and resources to support the work of parishes and the Diocese
- communicate effectively, including the use of technology, to build a sense of inclusiveness and awareness in the Diocese and to be the public voice of the Church in our region
- lead an ongoing planning process designed to maximize opportunities for ministry
- strengthen the Diocese financially through sound stewardship and effective fundraising
- make the Diocese a valuable source of support for parish-level ministry
- build a strong ministry for youth across the Diocese
- recruit and develop clergy leadership for urban and rural parishes across the Diocese

Frequently Asked Questions

The first bishop of the Diocese was elected 177 years ago and you will be electing only the 8th? Why have your bishops had such long tenures?

Perhaps the most obvious inference is that serving as bishop of this Diocese is a fulfilling vocation over long periods of time.

When will the new bishop be consecrated?

The Consecration is tentatively scheduled for **September 25, 2010**. The site will be determined by the Standing Committee of our Diocese.



When will the new bishop be elected?

The Electing Convention is scheduled for **June 5, 2010**, at Christ Church Cathedral in Louisville.

Why is there such a long interval between the Electing Convention and the Consecration?

Most of it is due to the time required for the Standing Committee to obtain the required concurrence in our election of a majority of the Diocesan bishops and a majority of the Standing Committees throughout the ECUSA. This, and some other requirements, can be very time-consuming.

How will the nominees at the Electing Convention be chosen?

The Search / Nominating Committee (called the "SNC" for short) appointed by the Standing Committee is presently at work, charged with presenting four or five nominees to the Standing Committee. Other persons may be nominated through a supplemental process conducted by the Standing Committee after it announces the SNC's nominees.

What is the composition of the SNC?

It has 21 members almost balanced in terms of gender and proportional in terms of residents of the Louisville area and the rest of the Diocese. They are listed later in this Diocesan Profile.

A Transition Committee appointed by the Standing Committee is also at work planning the Electing Convention, the Consecration, and other events and responsibilities for 2010. Its work is described below.

When will the Standing Committee announce the SNC's nominees?

The latest date permitted for this announcement is **February 5, 2010**.

When will the SNC present its nominees to the Standing Committee?

There is no set time as yet but the SNC projects it to be around **January 20, 2010**.

How does the supplemental nomination process work?

A supplemental nomination may be made by a petition signed by at least three presbyters or deacons canonically resident in the Diocese and three lay persons from at least three different Congregations of the Diocese and must be received by the Standing Committee within 14 business days after its announcement of the SNC's nominees.

After the required background checks, the Standing Committee will announce the names of the supplemental nominees.

How are the nominees presented to the Diocese before the Electing Convention?

This will be one of the duties of the Transition Committee. It will select one or more methods of presentation (called "Walkabouts"), schedule and make all arrangements, develop ground rules, and provide a "shepherd" for each nominee, who will be the nominee's primary contact during the Walkabouts, the Electing Convention, and afterwards.

Who among the clergy are eligible to vote at the Electing Convention?

Those eligible are all presbyters and deacons canonically resident in the Diocese except any who moved their residence to the Diocese after age 72. Clergy who are eligible to vote and not retired from active ministry are required to attend unless excused.

How are lay deputies chosen for the Electing Convention?

The lay deputies, as well as alternates, to the Electing Convention will be the same ones elected by their Congregations in those roles for the 2010 Diocesan Annual Convention scheduled for February 26 and 27, 2010 except any who have to be replaced because of intervening circumstances. The same is true of the Youth Representatives aged 14 to 18 that each Congregation may have chosen for the Annual Convention. The latter attend with seat and voice but they also elect five of their number to be lay delegates with vote as well.

The number of authorized lay deputies (and the equal number of alternates) from each Congregation, other than those elected by Youth Representatives, ranges from one to five, depending on the numbers of communicants in good standing aged 16 or older.

What has the SNC been doing until now?

In the five months from February, when it was organized, through June, the SNC has focused on learning the opinions and aspirations of our congregants and clergy concerning the Diocese and our next bishop.

The means used included an on-line and paper Diocesan Survey that produced more than a 1,000 responses; seven well-attended follow-on Listening Groups in parishes around the Diocese; two Clergy Conferences, one in Louisville and the other in Madisonville; interviews with Bishop Glick; and various informal sources.

Details of the discernment events and sources are provided in the Diocesan Discernment section above and through the links provided.

The information the SNC gained, along with the experience and judgment of its members as a

whole, contributed to the aspirational Profile of Bishop for the Diocese of Kentucky set out in this Diocesan Profile that will guide the SNC through the remainder of its charge.

What is the SNC doing now?

Between July 1 and **September 15, 2009**, the SNC's focus is to seek out persons who wish to be considered in this process, both directly and through referral sources.

Through "Indications of Interest," the SNC seeks to get in touch with persons who want to explore the possibility without necessarily "applying" until later in the process. Of course, persons who know they wish to be considered can use the same form. It is [available online](#).



Our "Recommendation" form is the vehicle for third parties to suggest or endorse prospective nominees, including those who have made their interest known and those who have not. It is also [available online](#).

What will the SNC do after September 15, 2009?

From then until mid-January, 2010, the SNC will be gathering information about participants and working through two or three stages of decision making regarding continuing participants, ending with its selection of the four or five nominees to be presented to the Standing Committee.

Information gathering methods will vary by stage but will include resumes, biographies, questionnaires, references, interviews, parish visits, and perhaps other methods. New technologies will be employed whenever they may contribute efficiency without compromising personal connections.

Several variables will determine the precise manner, schedule, and sequence in which the SNC carries out these responsibilities. In any event, the SNC is pledged to carry them out in a manner that expresses the respect and gratitude it feels toward everyone who makes himself or herself available for consideration or provides information for the SNC's use.

The SNC is also pledged to respect the wishes for privacy of everyone involved.

What does the SNC do after it presents its nominees to the Standing Committee?

Nothing else really, except for whatever role at the Electing Convention or other tasks the Standing Committee might assign to it. The Transition Committee assumes responsibility for planning and managing with others the remaining agenda leading to the Consecration.

What is the composition of the Transition Committee?

It has 13 members with good balance in terms of gender and geography. They are also listed later in this Diocesan Profile.

What are its major responsibilities, in addition to managing the “Walkabouts” described above?

There will be several kinds of transitions as we approach the conclusion of this process. For the Diocese itself, these are summed up in the Electing Convention and the Consecration. The Transition Committee will be planning these great events in coordination with National and Diocesan canon law, the Standing Committee, and the Office of the Presiding Bishop. The Consecration in particular will involve a host of details, events, and arrangements that do not often arise in the life of this Diocese.

It is also a time of transition for the Diocesan staff and most certainly for Bishop Ted and his wife. Of course, the greatest personal transitions will be those of the bishop-elect and his or her family.

How will the Transition Committee assist Bishop Ted and the Diocesan staff?

It will offer help with all manner of practical transitional matters and encourage engagement with support networks during the entire period of transition. This help began with a staff retreat held in April.

When will Bishop Ted take leave of the Diocese?

At present, he is expected to resign formally and depart the Diocese to return to Virginia in August, 2010, a month before the Consecration. Before that, the Diocese will have celebrated his 17 years of ministry with us. The Transition Committee will plan and implement this joyous event, in consultation with Bishop Ted and the Standing Committee.

How will the Transition Committee assist the bishop-elect in the personal transition?

As soon as the bishop-elect accepts, the Transition Committee will offer assistance in all matters involved in relocating to Louisville, including housing, schools, spousal employment, and the like, all as may be applicable, as well as orientation and familiarization with the Diocese. The exact nature and extent of the assistance will vary with the circumstances of the bishop-elect but the goal will be to make the transition as simple and pleasant as possible.

Finances

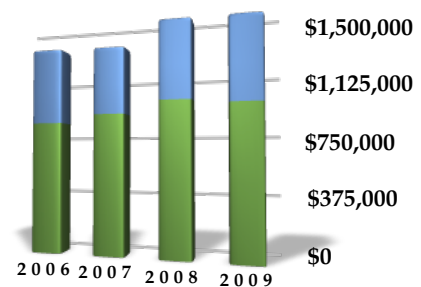
The 2009 budget comes primarily from congregational pledges of nearly \$1 million and endowment support of approximately \$450,000. The endowment funds balance was about \$5,250,000 at the end of March 2009. In 2007, the Diocese has adopted a policy designed to reduce the extent to which the capital appreciation element of the endowment funds can be used to pay operating expenses. The policy, when fully implemented in 2011, will provide for the withdrawal of up to 5% of the unrestricted capital funds (combining investment income and fund principal in excess of its "historical value" as defined under Kentucky statute). The application of this policy uses as its base the average market values of the relevant funds for the preceding 12 quarters. On the way to full implementation of the policy at the 5% maximum, the permitted percentage is being reduced by one half of one percent per year. To the extent investment income increases from year to year, the portion of the total annual withdrawal provided from capital appreciation will decline and vice versa. The Diocese's careful investment policies have proved themselves over several decades.

Initial budgets are proposed based on anticipated pledge income from the Diocese's 36 congregations at 15% of their net disposable income. This is the minimum goal for each congregation. The final approved budget reflects actual congregational pledging. The 2009 budgeted congregational giving is \$966,760, down from \$989,322 in 2008. Parish pledges were \$908,288 in 2007 and \$855,309 in 2006.

Deputies to the 2008 Diocesan Convention voted overwhelmingly to approve language that strengthened and emphasized the commitment, originally passed in 1994, that congregational giving to the Diocese should be at least 15% of net disposable income, up to a maximum of 20%. Any congregation that does not meet the 15% minimum request is required to provide a written explanation of its decision not to do so. The 2009 pledges, from the 36 congregations in the Diocese, contained 18 pledges at, or above the 15% asking, and ten more at or above the 10% level. In 2008, 22 congregations pledged 15% or greater; an additional eight congregations pledged at or above the 10% level.

Financial Resources

The 2009 budget comes primarily from congregational pledges of nearly \$1 million and endowment support of approximately \$450,000. The endowment principal balance was \$5,250,000 at the end of the first quarter of 2009. The Diocese has set a goal and plan to limit endowment reliance to available income as defined by the Uniform Trust Powers Act. The Diocese has implemented a spending formula for the commitment of endowed funds to the budget. The formula will sustain a maximum encroachment of 5% per annum by 2011. This is being accomplished in $\frac{1}{2}\%$ decreases each year, which started three years ago at 7%. We hope that the withdrawals will consist of one-half income ($2\frac{1}{2}\%$) and one-half principal ($2\frac{1}{2}\%$). To the extent income rises the principal encroachment will fall. The investment policies are long term and have proven themselves over several decades.



It is important to appreciate the purpose of the Bishop Dudley fund. This endowed fund provides most of the bishop's compensation. This resource places the Diocese of Kentucky in a unique position, one that makes the bishop and the office more independent and stable than if funded solely from congregational giving.

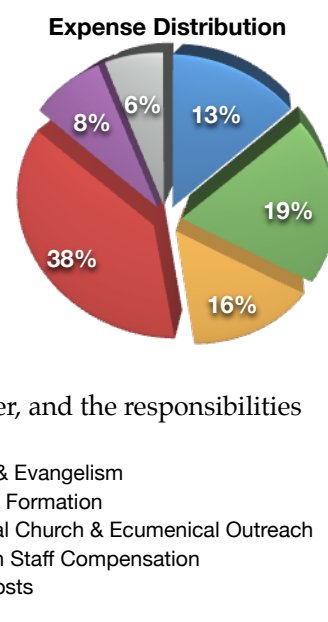
Expense Overview

	2006	2007	2008	2009
Diocesan Departments				
Mission & Evangelism	\$115,750	\$123,705	\$155,649	\$187,880
Christian Formation	\$240,220	\$246,781	\$289,470	\$288,771
Justice & Jubilee	\$5,200	\$3,200	\$4,200	\$3,200
Diocesan Departments Subtotal	\$361,170	\$373,686	\$449,319	\$479,851
Finance & Stewardship	\$17,700	\$20,200	\$22,250	\$24,250
Episcopal Church & Ecumenical Outreach	\$233,963	\$226,149	\$236,965	\$235,784
Diocesan Operational Costs				
Diocesan Staff Compensation	\$545,348	\$540,492	\$596,156	\$571,728
Office Costs	\$104,809	\$105,389	\$111,257	\$123,698
Communications	\$34,061	\$36,035	\$35,910	\$36,746
Other Diocesan Costs	\$45,250	\$36,250	\$41,802	\$23,450
Operational Costs Subtotal	\$729,468	\$718,166	\$785,125	\$755,622
Total Operational Costs	\$1,342,301	\$1,338,201	\$1,493,659	\$1,495,507

We rejoice in the blessings God has provided us, and we strive to diligently and responsibly dedicate these resources, and ourselves, to the work God has given us to do. A portion of that work is to help sustain our own congregations when in need or unable to stand alone. The Mission and Evangelism budget contains \$140,500 for the assistance of ten congregations.

The Diocese of Kentucky is geographically diverse and parishes are sometimes congregational in attitude. We look to our bishop to empower parish development and stewardship, and encourage our Episcopal communities to be reminded of what unites us, the opportunities we have together, and the responsibilities we have to each other.

We are thankful for the leadership that has brought us to this place in time. The Diocese of Kentucky takes its financial opportunities and responsibilities seriously. We live with some uncertainty of what is to come, but we strive to keep our focus on mission in the world and the work God has placed before us to do.



Region and Economy

The region encompassed by the Diocese of Kentucky has an easterly boundary made up of a line of counties extending north and south of Shelby County west of Frankfort, Kentucky's capital. It stretches westward to the Mississippi River approximately 300 miles. It is bordered on the north by the Ohio River and on the south by the Tennessee line. The region includes over one-half of Kentucky's 4.1 million population including the most populous city, Louisville, with almost one million people, and smaller regional centers of Bowling Green, Owensboro, Paducah, and Elizabethtown.

While much of Western Kentucky is primarily agricultural, the proximity of the region to Toyota, Honda, and Nissan auto manufacturing plants has resulted in the location of many suppliers and parts manufacturers across Kentucky. Louisville also has two major Ford plants and Bowling Green has the Corvette plant.

Louisville, which is the economic center of the region, is the national hub for UPS Air Operations with over 17,000 employees. From Louisville, UPS delivers packages across the country and world wide. Louisville also is a regional medical center with a number of major hospitals with national standing in heart transplants and medical research. Humana, a national health insurance firm, and Yum Brands, whose tens of thousands of restaurants worldwide include Kentucky Fried Chicken, are among the major companies headquartered in Louisville.

The Diocese also includes several significant educational institutions. The largest is the University of Louisville with 22,600 students. To the south Western Kentucky University at Bowling Green has 19,200 students and in the far west is Murray State University with 10,150 students. Brescia and Kentucky Wesleyan are private colleges located in Owensboro. Throughout the entire region are community colleges and technical schools operated by the Kentucky Community and Technical College System. This system has 42,000 students statewide with at least one-half in our Diocese.

The military has a major presence in the Diocese. Thirty miles south of Louisville is Ft. Knox, long a major military installation, and at the western end of the diocese is Ft. Campbell, home to the 101st Airborne Division, which has major involvement in Iraq and Afghanistan.

The region includes a number of state parks, many located on impoundments of various rivers, the most significant centering on the Land Between the Lakes in the Lake Barkley and Kentucky Lake area. One of the oldest national parks, Mammoth Cave, lies in the southern part of the region.

Long a center for the production of bourbon whiskey, Louisville and the neighboring counties contain over a score of distilleries. For generations tobacco has been the cash crop for many rural Kentuckians. With the federal tobacco buy-out in the 1990's Kentucky farmers lost their dependence on this crop and many have not found a substitute to generate comparable income. A third source of revenue, coal mining, has also suffered because of environmental concerns and problems resulting from strip mining. Several counties in west Kentucky located around Madisonville contain the major coal fields of that region.

There are a number of online resources describing Kentucky and Louisville, including [Live in Louisville](#), [Louisville businesses](#) and [Kentucky.gov](#).

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