County Government In Kentucky

Informational Bulletin No. 115

Revised September 2025

Kentucky Legislative Research Commission

SENATE

Robert Stivers
President, LRC Co-Chair

David P. Givens
President Pro Tempore

Max Wise
Majority Floor Leader

Gerald A. Neal
Minority Floor Leader

Robby Mills
Majority Caucus Chair

Reginald L. Thomas
Minority Caucus Chair

Mike Wilson
Majority Whip

David Yates
Minority Whip

HOUSE

David W. Osborne
Speaker, LRC Co-Chair

David Meade
Speaker Pro Tempore

Steven Rudy
Majority Floor Leader

Pamela Stevenson
Minority Floor Leader

Suzanne Miles
Majority Caucus Chair

Al Gentry
Minority Caucus Chair

Jason Nemes
Majority Whip

Lindsey Burke
Minority Whip

Jay D. Hartz, Director

The Kentucky Legislative Research Commission is a 16-member committee that comprises the majority and minority leadership of the Kentucky Senate and House of Representatives. Under Chapter 7 of the Kentucky Revised Statutes, the Commission constitutes the administrative office for the Kentucky General Assembly. Its director serves as chief administrative officer of the legislature when it is not in session. The Commission and its staff, by law and by practice, perform numerous fact-finding and service functions for members of the General Assembly. The Commission provides professional, clerical, and other employees required by legislators when the General Assembly is in session and during the interim period between sessions. These employees, in turn, assist committees and individual members in preparing legislation. Other services include conducting studies and investigations, organizing and staffing committee meetings and public hearings, maintaining official legislative records and other reference materials, furnishing information about the legislature to the public, compiling and publishing administrative regulations, administering a legislative intern program, conducting a presession orientation conference for legislators, and publishing a daily index of legislative activity during sessions of the General Assembly.

The Commission also is responsible for statute revision; publication and distribution of the *Acts* and *Journals* following sessions of the General Assembly; and maintenance of furnishings, equipment, and supplies for the legislature.

The Commission functions as Kentucky's Commission on Interstate Cooperation in carrying out the program of The Council of State Governments as it relates to Kentucky.

County Government In Kentucky

Informational Bulletin No. 115
(Revised September 2025)

Legislative Research Commission
Frankfort, Kentucky
legislature.ky.gov

Paid for with state funds. Available in alternative format by request.

Foreword

This publication contains information relevant to the structure and administration of county government and special districts, along with information regarding the roles of county officials. It is designed to function as a narrative aid to understanding the many statutes relating to county government. Please understand that this publication is not a substitute for the Kentucky Revised Statutes.

The statutory changes made by the 2025 General Assembly, along with some pertinent court decisions and opinions of the attorney general, are incorporated.

Jay D. Hartz
Director

Legislative Research Commission
Frankfort, Kentucky
September 2025

Contents

Introduction xv

Chapter 1: Historical Overview Of County Government In Kentucky 1
Constitutional Provisions Relating To The Creation Of Counties 1
Constitutional Provisions Relating To County Offices 2
County Assessor Replaced By Property Valuation Administrator 2
1975 Judicial Article 2
Consolidation Of Jailer's And Sheriff's Office 2
Term Of Elected Officials 3
Qualifications For County Officials 3
Constitutionally Cited Disqualifications From Holding County Offices 3
Removal From Office And Filling Of Vacancies 3
Other Constitutional Provisions Relating To County Government 3
2014 City Reclassification Omnibus Reform Bill 4

Chapter 2: Fiscal Court 5
Fiscal Court Form 5
Fiscal Court Composition 6
Justices Of The Peace Or Magistrates 6
County Commissioners 6
Reapportionment Of Fiscal Court Districts 7
Reapportionment Commission 7
District Boundaries 7
Challenge To Reapportionment Plan 7
The Fiscal Court Today 7
General Powers And Responsibilities 8
County Home Rule 8
Fiscal Court Meetings And Procedures 8
Quorum 9
Judicial Status 9
Presiding Officers 9
Records And Documents 9
Tie Votes 9
County Ordinances 10
Countywide Application Of Ordinances, Including Cities 10
Ordinance Procedures 10
Open Meetings And Open Records 11
County Officials' Duties In Fiscal Court Sessions 11
County Attorney 11
Sheriff 11
Fiscal Court Clerk 11
County Clerk 11
County Treasurer 11

Chapter 3: The Executive And Administrative Function 13
General Executive And Administrative Powers 13
Financial Administration 14

Chapter 4: Taxation And Revenue 15
Taxes Generally 15
Constitutional Limitations 15
Legislative Authorization....15
Tax Resolution Must Be Specific 15
Taxes Must Be Sufficient To Pay Debts In A 40-Year Period....15
Property Taxes 16
Constitutional Limitations 16
Statutory Limitations Including HB 44....16
Special Districts 16
Service Districts....17
Property Subject To Taxation 17
Real And Personal 18
Certain Property Tax Exemptions....18
Local Bank Franchise Tax 18
Public Service Companies 18
Watercraft 18
Life Insurance Capital....19
Distilled Spirits 19
Agricultural Products....19
Unmined Minerals 19
Optional Ad Valorem Taxes Levied By Fiscal Court....19
Assessment....20
Property Valuation Administrator....20
Objections To Property Valuations....20
Valuation Process....20
Property Assessment And Reassessment Moratoriums....21
Tax Collection....21
Real Property Taxes....21
Property Tax Due Dates....21
Unpaid Taxes And Certificates Of Delinquency 22
Tax Delinquency Diversion Program In
Consolidated Local Governments....22
Motor Vehicle Taxes....23
Commercial Fees And Taxes....23
Commercial License Fees....23
Alcoholic Beverage License Fees....23
Off-Site Waste Management Facility Or Solid Waste Landfill
License Fees....24
Mineral Resource Production License Fees....24
Insurance Premium Tax 24
Fees For Reproducing Materials And Photographs....25

Occupational License Taxes 25
Forestry Tax 26
Real Estate Transfer Tax 27
Voted Levies Of Special Taxes 27
Public Service Programs 27
Special Ad Valorem Tax 27
Payments In Lieu Of Taxes 27
Nontax Revenue 28
Federal Government Aid 28
US Forestry Service Timber Revenue Refund 28
TVA "In Lieu" Payments 28
Federal Block Grants 28
State Government Aid 28
Local Assistance Road Program (LARP) 29
Local Government Economic Assistance Program 29
Local Government Economic Development Fund 29
Local Government Economic Development Program 29
Local Match Participation Program 29
Regional Development Agency Assistance Program 30
Government Resources Accelerating Needed Transformation Program 30
County Road Fund Aid 30
Coal Haul Roads 31
Road And Bridge Aid 31
Rural And Secondary Roads 31
Motor Truck Registration Fees 31
Electric Vehicle Ownership Fees 31
Motor Vehicle Operator's Licenses 31
County General Fund Aid 31
Legal Processes And Instruments Tax 31
Circuit And District Criminal Court Case Revenue And Court Revenue Reimbursement 31
Volunteer Fire Department Aid 32
Firefighter Incentive Pay 33
Police Incentive Pay 33
Sheriff And Deputy Incentive Pay 33
Surface Coal Mining Permit Fee Refund 33
Election Expense Refund 34
Parks Establishment Aid 34
Community Flood Damage Abatement Program 34
Wastewater Treatment Assistance 34
Jail Construction And Repair Assistance 34
General Government Operations Revenues 34
Excess Fees 34
Property Income 35
Court Space Rental 36

Proprietary Income....36
Investments And Reinvestments Of Funds....36
Tax Penalties....36
Borrowed Money....37
Community Foundations....37

Chapter 5: County Financial Administration....39
General Provisions....39
County Administrative Code....39
County Budget....39
Budget Preparation....39
County Receipts Estimates....40
Jail Operations....40
Submission Of Budget To Fiscal Court And State Local Finance Officer....40
Tie Votes For Adoption Of Budget....40
Post-Adoption Changes To Budget....41
Sharing Of Revenues....41
Budget Restrictions....42
Required Appropriations....42
Limits On Appropriations....42
Fourth-Year Restriction....42
Budget Funds....42
Transfer Between Funds....42
Investment Of Idle Funds....43
Road Investment Fund....43
Financial Administration And Supervision....43
Role Of County Judge/Executive....43
Uniform Financial Information Report....44
Uniform System Of Accounting And Reporting Of State Funds By Local Officers....44
Fiscal Court....45
County Treasurer....45
County Attorney....46
County Clerk....46
State Audits....46
Borrowing And Debt Payment....47
Short-Term Borrowing....47
Long-Term Borrowing....47
Bankruptcy....48
State Notification Regarding Bonds, Obligations, And Leases....48
General-Obligation Bonds....49
Home Rule Bonding Power....49
State Approval, Appeal, And Debt Restructuring Assistance....49
Valuation....50
Revenue Bonds....50

Interim Financing....50
Revenue Bond Anticipation Notes....50
Grant Anticipation Notes....51
State Assistance....51
State Local Finance Officer....51
Auditor Of Public Accounts....51
Department For Local Government....51

Chapter 6: General Government....53
County Administrative Code....53
Purchasing And Contracting....53
Published Notice....54
Newspaper Publication....54
Digital Newspaper Publication....56
Alternative Publication....56
Liability Insurance....59
General Government Activities....60
County Buildings, Facilities, And Property....60
Smoking....60
Concealed Weapons....60
Courthouse Construction And Renovation....61
Condemnation For County Purposes....61
Planning And Zoning....62
Formation....62
Commission....62
Comprehensive Plan....62
Land Use Ordinance....62
Training....63
Binding Element Enforcement Act....63
Area Planning Commission....63
Purchase Of Development Rights Program....64
Recreation And Parks....64
Elections....64
County Libraries....65
Regional Libraries....65
Fiscal Court Contributions....65
Counties Containing Cities Of The First Class....66
County Law Library....66
Librarian....66
Penalties....66
Trustees....66
Acts Of 1916....67
County Records....67
Recordkeeping By Computer....67
County Clerks Electronic Portal....67
Body-Worn Camera Recordings....67

Affidavits For Lost, Damaged, Or Destroyed Records....68
Building Inspections....68
Electrical Permits And Licensing Of Electricians....68
Local Corrections....69
Jail Reports....69
Training....69
Sentence Credits....69
State Funds Directed To Counties For Jail Services....71
Juvenile Detention Care....71
Juvenile Probation Officer....71
Charities And Hospitals....71
Regional Mental Health Program....71
County Health Boards....73
Cemeteries....73
Disaster And Emergency Preparedness....73
Floodplain Management....74
Animal Control....74
County Roads....75
Work On City And Subdivision Streets....75
Condemnation For Road Purposes....75
Limited-Access Highways....75
Implied Dedication....76
Discontinuance Of A Road....76
Grade Crossings....76
Referendum For Bond Issues....76
County Road Engineer....76
Bridges, Ferries, And Tunnels....77
Sewage Treatment: Privately Owned Small Wastewater Treatment Plants....77
Water Resources, Activities, Assistance, And Restrictions....77
Water Supply Plans....77
Withdrawal Of Water....78
Plans For Dams And Levees....78
Kentucky Infrastructure Authority....78
Kentucky Water And Wastewater Assistance For Troubled Or Economically Restrained Systems Program....80
Waste Disposal....80
Universal Collection....81
Pickup Fees....81
Hazardous Waste....81
State Assistance....81
Economic Development Tools....81
Tax Increment Financing Prior To 2007....81
Tax Increment Financing In 2007 And Beyond....82
West End Opportunity Partnership....82
Lawsuits Against Gun Manufacturers....83

Code Enforcement 83
Fire Prevention Code Enforcement....83
Disaster Relief Funding Program....84
SAFE 4860 Fund....84
Abandoned And Blighted Property Conservatorship Act....84
Kentucky Recovery Ready Communities....85
Designated County Industrial Districts....86

Chapter 7: County Officials And Personnel....87
Elected County Officials....87
County Judge/Executive 87
Justices Of The Peace And County Commissioners....87
Sheriff 87
County Clerk....87
Coroner 88
Jailer....88
Property Valuation Administrator....88
County Attorney....88
Constable....88
Code Of Ethics....88
Removal From Office 89
General Provisions....89
Miscellaneous Acts That Can Result In Disqualification....89
Incompatible Offices....90
Official Misconduct And Misuse Of Confidential Information 91
Abuse Of Public Trust 92
Appointed County Officials....92
Appointment Of County Officials And Personnel....92
County Personnel....94
Boards, Commissions, And Administrative Positions....94
Constraints On Political Considerations In The Appointment Of County Officials And Personnel....94
Vacancies....95
County Officials' Salaries....95
Pay Limits....95
Training Incentive....96
Changes In Pay 96
Sheriffs....96
County Clerks 97
County Attorneys....97
Deputies And Assistants Of Elected County Officials 97
Expense Allowances....98
Personal Bonds....98
Retirement Plans Of County Employees 100
County Employees Retirement System 100
Termination....101

Eligible Membership....101
Contributions....101
Benefit Adjustment....102
Social Security....102
Health Insurance....102
Residency Requirements Of Public Servants....103
County Police Force Merit System....103
General Regulations....103
Disciplinary Action....103
Deputy Sheriff Merit Boards....104
Deputy Sheriff Collective Bargaining....104
County Fire And Police Department Merit System....104
Police Officers, Firefighters, Firefighter Personnel, Corrections Personnel, And Dispatch Communications Officers Collective Bargaining In Urban-County Governments....105
County Police Department And Auxiliary Police Department....105
Police Department Collective Bargaining In Consolidated Local Governments....105
Residency Requirements For Law Enforcement Agencies....106
Professional Conduct For Law Enforcement Officials....106
Peace Officers' Bill Of Rights....106
Peace Officer Professional Standards Certification And Revocation....107
Veterans' Rights....108
Employment Protections For Emergency Responders....109
Certified Court Security Officers....109
Employment Contracts For Training Reimbursement For Peace Officers And Telecommunicators....110
Mental Health Wellness Programs For Public Safety Employees....111
Law Enforcement Professional Development And Wellness Program....111
Alan "Chip" Terry Professional Development And Wellness Program For Firefighters....111
Peer Counseling Programs For Public Safety Employees....111
Post-Traumatic Stress Disorder Payments For Treatment For Firefighters....111

Chapter 8: Merged Government....113
Urban-County Government....113
Authorization....113
Formation....113
Governance....113
Status Of Incorporated Cities And Special Districts....114
Powers And Status Of Government....114
Localities Having Become An Urban-County Government....114
Charter County Government....114
Authorization....114
Formation....115
Governance....115

Status Of Incorporated Cities And Special Districts....116
Powers And Status Of Government....116
Localities Having Become A Charter County Government....116
Consolidated Local Government....116
Authorization....116
Formation....116
Governance....116
Status Of Incorporated Cities And Special Districts....117
Powers And Status Of Government....117
Localities Having Become A Consolidated Local Government....117
Unified Local Government....117
Authorization....117
Formation....118
Governance....118
Status Of Incorporated Cities And Special Districts....118
Powers And Status Of Government....119
Localities Having Become A Unified Local Government....119

Chapter 9: Semi-Independent Authorities And Agencies....121
Local Air Boards....121
Transit Authorities....122
Creation....122
Purpose And Powers....122
Board Membership....122
Officers, Director, And Employees....123
Bonds....123
Riverport Authorities....123
Creation....123
Purpose And Powers....124
Board Membership....124
Funding The Authority....124
Housing Authorities....124
Creation....124
County....124
City-County Housing Authority....125
Regional....125
Legal Effects....125
Prerequisites....125
Board Membership....125
County....125
City-County....125
Regional....125
Divested Cities' Representation....126
Powers....126
Providing Housing For Low-Income Farmers....126
Cooperation Between Authorities....126

Industrial Development Authorities....126
Industrial Buildings....127
Bond Issue....127
Lien Of Bondholders....127
Urban Renewal Agencies....127
Creation....127
Powers....128
Cooperation By Public Bodies....128
Bonds....128
Exercise Of Agency Powers By County Or Housing Authority....128
Urban Renewal Projects....129
Workable Program....129
Public Improvements....129
Prevailing Wages On Public Works....129
Community Improvement District....129
Board Of Commissioners....130
Tax....130
Powers....130
Joint Sewer Agencies....130

Chapter 10: Special Districts....131
Support....131
Criticisms Of Special Districts....132
Creation Of Special Districts....132
Statutes On Special District Accountability....133
Special Purpose Governmental Entity Reporting And Accountability....133
Centralized Registry....133
Audit Standards....133
Dissolution Procedures....134
Education....134
Codes Of Ethics....134
Fee And Tax Rate Approval From Local Governments....134
Additional Statutes Controlling Special Districts....135
Appointment And Removal Of District Board Members....135
Member Of Fiscal Court May Serve As Ex Officio Member Of Special Districts....135
Special District Dissolution....135
Board Member Incompatibilities....136
Descriptions Of Special Districts....137
Agriculture Districts....137
Air Pollution Control Districts....138
Ambulance Service Districts....139
Area Development Districts....140
Area Planning Commissions....141
City And County Housing Authorities....141
Community Action Agencies....143

Community Improvement Districts 144
Consolidated Emergency Services District....145
Cooperative Extension Service Districts 145
Drainage Districts 146
Drainage Taxing Districts....147
Drainage, Levee, And Reclamation Districts 148
Fire Protection Districts, Volunteer Fire Department Districts 149
Flood Control Districts 150
Hospital Districts 150
Independent District Health Departments....151
Industrial Development Authorities....152
Industrial Taxing Districts 153
Levee Districts 153
Library Districts, Formed By Petition 154
Library Districts, Public....154
Local Air Boards....155
Local Tourist And Convention Commissions....156
Management Districts In Cities Of The First Class, Consolidated Local Governments, And Urban-County Governments 158
Mass Transit Authorities....159
Mental Health Or Intellectual Disability Districts....159
Metropolitan Sewer Districts....160
Municipal College Support Districts 161
Nontaxing Solid Waste Districts....162
Nontaxing Waste Management Districts 162
Public Health Taxing Districts....163
Public Road Districts 164
Rescue Squad Taxing Districts....164
Riverport Authorities 165
Sanitation Districts And Construction Subdistricts 166
Sanitation Tax Districts....167
Sewer Construction Districts 168
Sewer Construction Subdistricts....169
Soil And Water Conservation Districts....169
Solid Waste Management Districts....171
Subdivision Road Districts 171
Transportation Improvement Districts....172
Urban Services Districts 173
Water Districts 173
Watershed Conservancy Districts....175

Chapter 11: Intergovernmental Relations....177
Interlocal Cooperation Act....177
Appropriations From One Local Government To Another 179
Area Development Districts....179
State Government Agencies....181
Department For Local Government....181

State Local Finance Officer 181
State Local Debt Officer 181
Governmental Services Center 181

Appendix A: Counties With Populations, Seats, And Government Forms 183
Appendix B: Kentucky County Map 187

Endnotes....189

Tables

1.1 Constitutional Amendments Relating To County Government, Adopted By Voters....4
1.2 Constitutional Amendments Relating To County Government, Rejected By Voters 4
2.1 Counties With Commissioner Form Of Fiscal Court 5
4.1 Special Districts With Taxing Power....17
4.2 Optional Ad Valorem Taxes Levied By Fiscal Court....19
4.3 Fiscal Court License Fees Issued Under KRS 137.115 23
5.1 Basic County Budget Schedule....41
6.1 Matters To Be Published By Counties And County Officials 56
6.2 Eminent Domain Authority....62
7.1 County Judge/Executive Appointments....92
7.2 Salary Schedule For County Judges/Executive, County Clerks, Sheriffs, And Jailers Operating Full-Service Jails, Adjusted By Change In Consumer Price Index, 2025 96
7.3 Personal Bonds—Appointed Officials....99
7.4 Personal Bonds—Elected Officials....99
9.1 Airport Financing....122
10.1 Special Districts 136

Figures

6.A County Jails....70
11.A Area Development Districts....180

Introduction

This publication provides an overview of the structure and operation of county government. In an attempt to simplify and condense statutory law, many details have been omitted. For this reason, this bulletin should be used only as a guide to, and not a substitute for, the Kentucky Revised Statutes. The Kentucky Revised Statutes[a] are available in published form at county law libraries and are also available online. The *Acts Of The General Assembly*[b] are available also via the web. The Kentucky General Assembly[c] maintains a website; it contains much information about the General Assembly itself, legislative sessions, and the laws of the commonwealth.

In summarizing the statutes, this publication makes an effort to paraphrase material accurately, with a minimum of subjective interpretation. Yet the meaning of statutory law is subject to differences of interpretation, and the way a statute is interpreted is clearly of great importance.

Court rulings on the constitutionality and application of statutes are law until modified or overturned by the court. Note that the inclusion of cases in this publication is selective and does not represent an exhaustive compilation of the cases on a statute. Each year many county officials request the written opinions of the attorney general on questions of law pertaining to their powers and duties. The opinions of the attorney general, interpreting various statutes, appear throughout this document. Although these opinions are not law and are not legally binding, they are important as researched and informed views on the meaning of the statutes.

The reader is directed to Legislative Research Commission Informational Bulletin No. 114, *Duties Of Elected County Officials*[d], for a thorough discussion of powers and duties of elected county officials. LRC publications[e] are available at the General Assembly website.

[a] apps.legislature.ky.gov/law/statutes/
[b] legislature.ky.gov/Law/Pages/KyActs.aspx
[c] legislature.ky.gov/Pages/index.aspx
[d] legislature.ky.gov/LRC/Publications/Informational%20Bulletins/ib114.pdf
[e] legislature.ky.gov/LRC/Publications/Pages/default.aspx

Chapter 1

Historical Overview Of County Government In Kentucky

County government in Kentucky is a product of historical development. The idea of the county as a unit of local government dates from early English history. In England the county, or shire, acted as a unit for judicial administration, law enforcement, and highway maintenance, and the county offices of sheriff, justice of the peace, and constable developed there.[1]

This institution of local government, like many other elements of English culture, found broad usage throughout the colonies of the New World. Basic concepts of local government also accompanied the first settlers of this state in their travels from Virginia and other colonies and were incorporated into the Kentucky constitutions of 1792 and 1799.[2]

In 1776, settlers from the area now known as Kentucky sent representatives to the General Assembly of Virginia seeking the creation of Kentucky County. That year, George Rogers Clark secured the passage of a bill creating Kentucky County by dividing Virginia's Fincastle County. The Virginia General Assembly in 1780 reorganized the county structure of Kentucky in reaction to population growth, abolished Kentucky County, and created the counties of Fayette, Jefferson, and Lincoln.[3] By the time Kentucky was admitted to the Union on June 1, 1792, nine counties had been established. During the 8 years following statehood, 43 more counties were created (Ky. Const. of 1792; Ky. Const. of 1799).

Constitutional Provisions Relating To The Creation Of Counties

By the time of the 1850 constitution, Kentucky had 100 counties. Between then and the constitutional convention of 1890, 19 more were created. Some were created so that a county seat would be more accessible in the days of poor roads and transportation by horse. In other cases, however, counties were created for political and economic reasons. If part of a county was at odds with the politics and policies of those controlling the courthouse, the residents there might simply form a new county.[4]

Delegates to the 1890 constitutional convention sought to prevent further subdivision of the state by placing constitutional restrictions on the formation of counties. Under the current constitution, adopted in 1891, the General Assembly may not form a county that has an area of less than 400 square miles or a population of fewer than 12,000; neither can it reduce any existing county below those specifications (Ky. Const., secs. 63 and 64). McCreary County, formed in 1912, is the only county established since the adoption of the current constitution.

Provisions protecting county boundaries and county seats were also made a part of the current constitution. The boundary line of a new county must not pass within 10 miles of an existing county seat (Ky. Const., secs. 63 and 64). No territory may be taken from a county, except that used to form a new county, without the approval of a majority of the voters in the county from which it would be taken. The petition of a majority of the voters of territory to be stricken from

a county is required in order for the county judge/executive to call an election on the question. Any portion of a county stricken from the county remains liable for its share of the debt of the county from which it is taken (KRS 67.030). The General Assembly can abolish counties (Ky. Const., sec. 63) but has never exercised this power.

Constitutional Provisions Relating To County Offices

Kentucky's first constitution created only two elective county offices: sheriff and coroner. Under the second constitution, all local offices were filled by appointment of either the governor or the county court, and only the sheriff served a definite term. All other officers could hold office for life if they maintained good behavior. As a result mainly of this life tenure, a sort of aristocracy grew up around these local officials. When the third constitutional convention met in 1850, only slavery received more of the delegates' attention than did the manner of selecting public officials. The 1850 constitution made extensive reforms. All county offices were made elective, and several minor offices were raised to constitutional stature. These features are retained in the current constitution, enacted in 1891.

The constitution of 1891 requires that these officers be elected in each county: county judge; county court clerk; county attorney; sheriff; jailer; coroner; surveyor; three to eight justices of the peace; and three to eight constables. In counties where the fiscal court is composed of commissioners, three commissioners must also be elected (Ky. Const., secs. 99 and 142).

The constitution says little regarding the duties and powers of these offices, and the General Assembly has enacted statutes assigning specific duties to each office.

County Assessor Replaced By Property Valuation Administrator

Originally, the constitution provided for an elected office of county assessor. The General Assembly abolished this office, as permitted by Section 104, replacing it with the statutory office of property valuation administrator (PVA).

1975 Judicial Article

The judicial amendment to the constitution, ratified by voters in 1975, profoundly affected several county offices. It created a new unified court system, abolishing the quarterly court, county court, and justices' court and relieving the county judge and justices of the peace of their judicial duties. It was in this article that the county judge became the county judge/executive.

Consolidation Of Jailer's And Sheriff's Office

The constitution permits the General Assembly to consolidate the offices of jailer and sheriff. Although statewide consolidation of the offices has been proposed several times, consolidation is currently required only in counties containing a consolidated local government, a city of the first class, or an urban-county government (KRS 71.110). Jefferson County and Fayette County are the two counties in which the offices of jailer and sheriff are consolidated.

Term Of Elected Officials

All county officers named in the constitution serve 4-year terms and may succeed themselves in office (Ky. Const., sec. 99).

Qualifications For County Officials

The constitution sets qualifications for county officials. The county clerk must be at least 21 years of age; all other elected county officials must be at least 24. All candidates for office must be citizens of Kentucky. They must have resided in the commonwealth for at least 2 years and in the county or district in which they are candidates for at least 1 year preceding their election to office (Ky. Const., sec. 100). During their terms, these officers must reside in the county or district in which they hold office (Ky. Const., sec. 234). Candidates for county attorney must have practiced law for at least 2 years (Ky. Const., sec. 100). The Attorney General has advised, however, that the requirement for the certification from the Court of Appeals or Circuit Court for the office of county clerk in Section 100 of the constitution no longer applies to candidates for the office of county clerk, since the county clerk no longer serves as clerk to a judicial court as a result of the adoption of the 1975 Judicial Article.[5]

Constitutionally Cited Disqualifications From Holding County Offices

The constitution disqualifies certain individuals from holding office. For example, those who might have a conflict of interest because they have held other public offices are disqualified (Ky. Const., secs. 44, 165, and 237), as are persons convicted of certain corrupt election practices or other felonies (Ky. Const., sec. 150). Any public officer who receives a profit from public funds is also disqualified (Ky. Const., sec. 173). The General Assembly must enact suitable laws to bar from office anyone who uses corrupt election practices (Ky. Const., sec. 151).

Removal From Office And Filling Of Vacancies

County officers may be removed from office by impeachment, or upon conviction for misconduct in office, or by any other procedure that the General Assembly establishes (Ky. Const., secs. 66, 67, 68, and 227). The General Assembly may permit deductions from officials' salaries for neglect of official duties (Ky. Const., sec. 235). The constitution provides ways of filling vacancies in county or city offices. These are filled either by election or by appointment, depending on the amount of time remaining in the term when the vacancy occurs (Ky. Const., sec. 152).[6]

Other Constitutional Provisions Relating To County Government

The constitution contains detailed provisions relating to county revenue sources, county ad valorem taxation and debt, and the regulation of the handling of fee money in certain counties. It also defines the operation of county government and restricts the legislature's power over county government. In large part, these restrictions were reactions to the poor fiscal management, corruption, patronage, exorbitant fees, and inefficient administration that

characterized county government between 1850 and 1890.[7] Several constitutional amendments relating to county government have been proposed, as reflected in Tables 1.1 and 1.2.

Table 1.1
Constitutional Amendments Relating To County Government, Adopted By Voters

Year On Ballot	Constitution Section Affected	Effect
1919	227	Permit removal of local law enforcement officers for neglect of duty
1949	246	Repeal $5,000 salary limit; substitute limits of $12,000, $8,400, and $7,200
1975	Various	Make judicial amendment
1984	99	Permit reelection of sheriffs
1992	99 and others	Require county constitutional officers elected in 1993 to serve 5-year terms
1994	156A, 156B, 157, 157B, 158	Make changes regarding local government indebtedness, tax rates, and general authority over cities
1996	180, 187	Remove requirement that public schools be racially segregated and authority for local governments to levy poll tax

Source: Compiled by Legislative Research Commission staff.

Table 1.2
Constitutional Amendments Relating To County Government, Rejected By Voters

Year On Ballot	Constitution Section Proposed To Be Affected	Proposed Effect
1925	246	Increase $5,000 salary limit for certain officials
1927	246	Abolish $5,000 salary limit and substitute provision that General Assembly should fix reasonable compensation
1931	158	Raise debt limits of cities and counties in certain cases
1937	New section	Permit General Assembly to reorganize local government; permit consolidation of cities and counties
1943	246	Remove $5,000 salary limit
1959	99	Make sheriffs eligible to run for unlimited reelection
1963	246	Abolish salary limit
1973	99	Make sheriffs eligible to run for unlimited reelection
1981	99	Make sheriffs eligible to run for unlimited reelection
1990	Various	Alter structure and financing of local government

Source: Compiled by Legislative Research Commission staff.

2014 City Reclassification Omnibus Reform Bill

Cities are a corporate overlay within a county, and their existence can affect county government and some county officers. As a result of legislation using the authority granted to the General Assembly to make changes to the city classification system by Section 156A of the constitution, as noted in Table 1.1, as of January 1, 2015, there are no longer six city classifications (excluding the merged governments), but rather two: cities of the first class and home rule cities. House Bill 331 of the 2014 Regular Session switched the population-based city classification system to a city governance model classification system.

Chapter 2

Fiscal Court

Fiscal Court Form

Section 144 of the constitution requires that a county have a fiscal court made up of either the county judge and three to eight justices of the peace or the county judge and three county commissioners. When the fiscal court is made up of justices of the peace (or magistrates, as they are sometimes called), they are elected from districts. When the fiscal court is made up of commissioners, they are elected from the county at large. The process for switching the makeup of fiscal court from magistrates to commissioners and back again is set out by statute.

KRS 67.050 and 67.060 lay out the steps for switching from a magistrate form of fiscal court to a county commissioner form. Citizens of the county must present the county judge/executive a petition with signatures equal to at least 15 percent of the number of votes cast in the county in the last presidential election, or 1,200 registered voters of the county, whichever is less. On receipt of this petition, the judge/executive calls for the matter to be placed on the ballot at the next regular election, if the order is filed with the county clerk not later than the second Tuesday in August preceding the day of the regular election, in order for the voters to decide which sort of fiscal court they favor. If a majority of the voters favor a county commission form of fiscal court, the county judge/executive must, by the first Monday in January in the year of election of county officers, divide the county into three commissioners' districts, as provided in KRS 67.060. Steps for switching back to a justice of the peace form are also contained in KRS 67.050; this process is similar to that for adopting the county commissioner form.

Only 14 of Kentucky's 120 counties have adopted the commissioner form, but their combined population accounts for just under a fifth of the population of Kentucky. Table 2.1 lists the counties with a commissioner form of government along with their respective populations.

Table 2.1
Counties With Commissioner Form Of Fiscal Court

County	Population	County	Population
Bath	12,951	Johnson	22,098
Boone	144,135	Kenton	174,862
Boyd	47,777	Marshall	31,734
Campbell	94,008	Mason	16,956
Daviess	104,457	McCracken	67,550
Graves	36,821	Montgomery	28,771
Greenup	35,273	Pike	55,430
		Total	872,823

Note: Jefferson County voters still elect commissioners, who no longer serve in a legislative capacity since the creation of the consolidated local government.
Source: Compiled by LRC staff from information from the Kentucky Department for Local Government and the U.S. Census Bureau.

Fiscal Court Composition

By virtue of Section 144 of the constitution, the county judge/executive is a member and the presiding officer of the fiscal court. Court rulings have established the judge/executive's powers as a fiscal court member. In fiscal court meetings, the judge/executive is on equal footing with other members. Courts have held that, as a member of the fiscal court, the judge/executive has the same powers as any other member, including the power to vote on all matters coming before the court.[8] The judge/executive also has extensive executive and administrative duties. The judge performs these powers even when fiscal court is not in session. Other fiscal court members—justices of the peace or county commissioners—possess official power only as members of the court. When the court is adjourned, magistrates and commissioners have no administrative or executive power relating to county government.[9]

Justices Of The Peace Or Magistrates

The constitution requires that each county be divided into three to eight magisterial districts and that one justice of the peace be elected from each district (Ky. Const., sec. 142). Justices of the peace serve as members of the fiscal court except in counties that have adopted a county commissioner form of fiscal court.

In counties that have the commissioner form of fiscal court, the justice of the peace, though still constitutionally required to be elected, retains few responsibilities and is limited to performing marriages, if the county judge/executive grants that authority. The Attorney General has advised that, in counties with the commissioner form of fiscal court, there should be three justice of the peace districts, identical to the commissioners' districts.[10]

The number of justices on the magisterial form of fiscal court varies from county to county. Under KRS 67.042, the number of justices of the peace is set at eight in counties containing a city of the first class where justices serve on the fiscal court. In all other counties with justices serving on the fiscal court, the number of justices, within the constitutional limit of three to eight, is determined by long-standing practice or tradition. The only apparent mechanism for changing the number of justices is the reapportionment proceeding (KRS 67.045). The Kentucky Court of Appeals has ruled that the county judge/executive and the reapportionment commission have the discretion to change the number of magisterial districts during reapportionment proceedings.[11]

County Commissioners

County commissioners are elected only in counties where voters have adopted a commissioner form of fiscal court. In general elections, commissioners are elected from the county at large. Other details concerning the manner of election of commissioners vary by county. In counties containing a city of the first class, the three commissioners' districts have been designated A, B, and C, and elections for commissioner in each district occur in different years. In primary elections in most counties, candidates for the nomination of a major political party run only in the district in which they reside and which they seek to represent. In counties containing a city with a population of at least 8,000 as determined by the most recent federal decennial census, but not containing a city of the first class, candidates for county commissioner are nominated by a

different method. The voters of the entire county select the nominees from each district (KRS 67.060).

Reapportionment Of Fiscal Court Districts

The US Constitution requires that members of county legislative bodies be elected in accordance with the principle of one person, one vote.[12] For this reason, fiscal court districts must be periodically redrawn so that they will be as nearly equal in population as is reasonably possible. Reapportionment proceedings are timed according to the federal decennial census. Each county must begin reapportionment proceedings in May of the first year after the decennial census. The fiscal court may review district boundaries at other times and may begin reapportionment proceedings as necessary, but reapportionment is prohibited during the period between 30 days before the deadline for filing for county offices and the regular election for county offices (KRS 67.045). KRS 67.045 sets procedures for reapportioning justices' and commissioners' districts in counties where the members of the fiscal court are either nominated or elected by districts.

Reapportionment Commission. The fiscal court begins reapportionment proceedings by publishing notice of the planned reapportionment and appointing a reapportionment commission of three members, who must be residents of different districts and over the age of 21. The county clerk also serves as a nonvoting member of the commission. The commissioners have 60 days from the time of their appointment to set district boundary lines. The commissioners produce a written report that shows the boundaries of the districts and the estimated population of each. In drawing district lines, the commissioners should use the statutory standard that the districts are to be compact, contiguous (unbroken), and as nearly equal in population as is reasonably possible. Copies of the report of the commission must be filed in the office of the county clerk and with each member of the fiscal court (KRS 67.045).

District Boundaries. No later than 60 days after the commissioners' report is filed, the fiscal court must adopt or amend the report and subsequently enact a county ordinance establishing the new district boundaries. The county board of elections may need to redraw precinct lines, as provided in KRS 117.055. No precinct may be in more than one justice's or commissioner's district.

Challenge To Reapportionment Plan. Any registered voter of the county may, within 20 days after the establishment of districts, challenge in Circuit Court the reapportionment plan adopted by the fiscal court. If the Circuit Court finds that the fiscal court has violated KRS 67.045, the Circuit Court may send the matter back to the fiscal court for further action. The Circuit Court may grant a prevailing party, other than the fiscal court, reasonable attorney's fees, which are payable from the county treasury.

The Fiscal Court Today

The constitution is silent about the exact powers and duties of the fiscal court. The job of shaping and defining the fiscal court's powers and duties was left to the General Assembly.[13]

General Powers And Responsibilities

KRS 67.080 establishes these powers and duties of the fiscal court:

- Appropriate county funds for lawful purposes
- Buy and sell county property
- Supervise the fiscal affairs of the county and county officers
- Maintain accurate fiscal records
- Exercise all other corporate powers of the county
- Investigate all activities of county government
- Establish appointive offices and define their duties

The fiscal court must do the following:

- Appropriate money for various purposes required by law
- Provide for the construction, operation, and maintenance of county buildings, roads, and other property
- Provide for the incarceration of persons arrested in the county
- Adopt an administrative code for the county

KRS 67.080 also limits the executive power of the fiscal court, prohibiting its exercise of executive authority except as specifically assigned by statute. Throughout the Kentucky Revised Statutes are other laws that delegate certain powers or assign duties to the fiscal court. A number of these statutes are presented elsewhere in this publication.

County Home Rule

The fiscal court must rely on powers delegated by the General Assembly. The county home rule statute (KRS 67.083) has been written to accommodate this constitutional requirement, while granting fiscal courts the breadth of power to operate effectively. It complements the authorities and responsibilities found in KRS 67.080. Fiscal courts have the authority to enact ordinances, issue regulations, levy taxes, issue bonds, appropriate funds, and employ personnel in the performance of many public functions as set out in KRS 67.083. In addition, KRS 67.083 contains provisions relating to taxes and interlocal cooperation, as well as other powers. It also directs how the statute is to be interpreted in light of laws of other units of government.

Fiscal Court Meetings And Procedures

Sessions of the fiscal court are generally held at the county seat but may be held at other county government centers in the county, after required public notice. Law requires the fiscal court to meet each month on dates set by the county judge/executive, who may also call special meetings of the fiscal court at any time.

A majority of the members of a fiscal court composed of magistrates may call a special term of the court if the county judge/executive will not, or cannot, call it into session (KRS 67.090).

In counties where the fiscal court is made up of county commissioners, a special meeting of the fiscal court may be called by two commissioners if the judge/executive is unable to call a meeting or refuses to do so after the request of two commissioners (KRS 67.070).

Quorum

A majority of the total membership of the fiscal court constitutes a quorum for the transaction of business (Ky. Const., sec. 144). A majority of a quorum is sufficient to take most types of action, but only a majority of the entire fiscal court may pass a county ordinance (KRS 67.078).

Judicial Status

The 1975 Judicial Article restructured parts of county government and, through modifications of constitution Sections 124 and 144, among others, eliminated the judicial functions and the judicial status of the fiscal court and county judge/executive, vesting judicial power exclusively in the Court of Justice. With the loss of judicial power, the fiscal court is solely an administrative and legislative body with powers granted under the constitution and statutes.

Presiding Officers

The county judge/executive presides over the fiscal court. In the absence of the county judge/executive, a "majority of the justices of the peace or commissioners shall elect one (1) of their number to preside" (KRS 67.040). A deputy county judge/executive, who may perform certain county administrative functions, may not act as a member of or preside over the fiscal court in the absence of the county judge/executive (KRS 67.711).

Records And Documents

The fiscal court is a court of record. Minutes must be kept of every meeting and submitted for approval at the next meeting. The county budget, county ordinances, and other official actions of the fiscal court are a part of the permanent records of the county and must be kept in the office of the county clerk (KRS 67.100). In keeping its records, the fiscal court is aided by the fiscal court clerk, who may be the county clerk or, if the county clerk chooses not to serve, a person hired by the court. In counties containing a city of the first class, or in a consolidated local government, the county clerk cannot serve in this dual capacity (KRS 67.120).

Tie Votes

The statutes provide methods for resolving tie votes in the selection of county employees but say nothing regarding deadlocks over other matters, except for the budget. If the fiscal court consists of magistrates, tie votes continuing longer than 15 days on the appointment of personnel are resolved by the judge/executive's appointment of the employee (KRS 67.040). The procedure for the county commission form is identical except that the fiscal court must be given a last chance to resolve the deadlock before the judge/executive makes an appointment (KRS 67.070).

The county's budget must be adopted by July 1 (KRS 68.260). The fiscal court may, however, amend the budget based on receipt of a certified assessment from the Department of Revenue under KRS 133.180. In that instance, the fiscal court must finalize the budget within 30 days of receipt of that assessment. Some have argued that, if there is a tie vote such that the budget can be neither amended nor adopted by the majority, the budget must be adopted as presented by the county judge/executive, after approval for form and classification by the state local finance officer. The Attorney General has advised, however, that "automatic" adoption of the budget would make the vote of the fiscal court meaningless and render the statute internally inconsistent. A tie vote would be the same as a defeat, and the county would be without a budget until one was finally adopted. The Attorney General has also advised that sanctions might be levied, under KRS 68.990, 522.030, and 61.170, against members of the fiscal court for failure to adopt a budget. In addition, a mandamus action (an order directing a person or group to perform a particular act) might be brought in Circuit Court against the fiscal court members who voted against the budget, to require the adoption of a budget.[14]

County Ordinances

In granting counties the power to enact ordinances regulating a broad range of public functions, the General Assembly set guidelines for the application of county ordinances to state law and to cities in the county. Where a county is authorized to regulate areas also regulated by state law, county ordinances must be consistent with state law. If the state law sets a single standard of conduct, county ordinances must be identical to the state standards. However, if state law merely sets a minimal standard of conduct, county ordinances may be enacted that apply the same standard or a more stringent one (KRS 67.083).

Countywide Application Of Ordinances, Including Cities

Unless state law provides otherwise or a city sets more stringent standards, county ordinances prescribing penalties for their violation must be enforced throughout the entire area of the county, including cities. The fiscal court must send the mayor of each city in the county a copy of all ordinances with countywide application (KRS 67.083).

Ordinance Procedures

In enacting county ordinances, the fiscal court must follow certain procedures established in KRS 67.076 and 67.077. All ordinances must be introduced in writing, with a title and an enacting clause. Amendments to ordinances may be made only by ordinance, and the amended section must be set out in full (KRS 67.076). Proposed ordinances, and ordinances passed by the fiscal court, must be published in full or in summary as provided in KRS Chapter 424. Notice of proposed ordinances must also contain information on the time, date, and place where the proposal will be considered for passage. If any ordinance is published in summary form only, the notice must also designate a place in the county where the full text is available for inspection (KRS 67.077). Online publication is possible pursuant to KRS 424.145.

Open Meetings And Open Records

The fiscal court is subject to the provisions of the Open Meetings Law (KRS 61.800 to 61.850) and the Open Records Law (KRS 61.870 to 61.884 and 61.991).

County Officials' Duties In Fiscal Court Sessions

County Attorney

The county attorney must attend all sessions of the fiscal court (KRS 69.210), but the fiscal court may act in his or her absence. The county attorney is charged with serving as counsel for the fiscal court and, when the court so directs, is to institute, defend, and conduct all of the county's civil actions before all state courts (KRS 69.210).

Sheriff

The sheriff, or a deputy, must attend all fiscal court sessions. The sheriff must keep order in the court and must obey any orders of the fiscal court (KRS 70.140).

Fiscal Court Clerk

In all counties, except in counties containing a city of the first class and in consolidated local governments, the county clerk has the option of serving as the clerk of the fiscal court. If the county clerk declines the position, the fiscal court may select someone to serve as the fiscal court clerk (KRS 67.120). The fiscal court clerk must attend all meetings of the fiscal court and must keep an indexed record of its proceedings.

County Clerk

Various documents of the fiscal court, such as the minutes of the court and county ordinances, are stored in the office of the county clerk (KRS 67.100).

County Treasurer

The county treasurer, selected by the fiscal court under KRS 68.010, receives and disburses money for county government at the order of the fiscal court. At the end of each fiscal year, and at other times on the request of the fiscal court, the county treasurer must make reports on the financial condition of the county (KRS 68.020).

Chapter 3

The Executive And Administrative Function

General Executive And Administrative Powers

Guidelines for election and term of office for the county judge/executive are in KRS 67.700. KRS 67.710 recognizes the county judge/executive as the chief executive of the county. Originally possessing a judicial function assigned by the 1891 constitution, the office lost that function as a result of the 1975 judicial amendment to the constitution (Ky. Const., sec. 124), which reorganized the state's judicial system. This amendment abolished the county and quarterly courts, eliminating the county judge's judicial responsibilities. Section 124 left other aspects of the office unchanged, expressly providing that "Nothing … shall be construed to limit the powers otherwise granted by this Constitution to the county judge as the chief executive, administrative and fiscal officer of the county."

Since 1975, the General Assembly has strengthened the administrative and executive powers of the office. The judge/executive is charged with the execution of all ordinances and resolutions of the fiscal court, all contracts entered into by the fiscal court, and all state laws subject to enforcement by the judge/executive or by officers under his or her supervision. The county judge/executive also has primary responsibility for the administration of county government. In this regard, the judge/executive has the authority to create, abolish, or combine any county departments or agencies and to transfer functions from one agency or department to another. Plans for reorganization, however, must be submitted to the fiscal court (KRS 67.715).

KRS 67.715 grants a similar, though less extensive, power over special districts. This statute allows the county judge/executive, subject to fiscal court approval, to create special districts or to combine or abolish any special district that the fiscal court has created.

KRS 67.710 charges the judge/executive with keeping the fiscal court informed of the operations of county departments, boards, and commissions, and it grants the judge/executive substantial powers to fill administrative positions and to appoint county personnel and members of boards and commissions.

The county judge/executive must also prepare and periodically review the county administrative code (KRS 67.710). The administrative code is intended to spell out detailed procedures for the administration of county government and must include provisions for personnel administration, fiscal management, purchasing, and the general administration of county government.

The judge/executive must assure the representation of the county on all boards, commissions, special districts, and multicounty programs that call for county participation (KRS 67.715).

Financial Administration

The judge/executive's responsibilities for the financial administration of county government include initial preparation of the county budget, supervision of county funds, preparation of financial reports to the fiscal court, and retention of fiscal records.

Each year, the county judge/executive prepares a budget proposal for submission to the fiscal court. The county judge/executive must also prepare and submit an estimate of revenues from local, state, and federal sources. Both the budget proposal and the estimate of receipts must be submitted to the fiscal court by May 1 (KRS 68.240). After final fiscal court approval of the budget, the judge/executive is responsible for the administration of the provisions of the county budget.

Additionally, the county judge/executive must keep the fiscal court advised of the financial needs and conditions of the county. The judge/executive must also see that elected or appointed county officials whose offices use county funds, and all county boards, commissions, and special districts, submit an annual financial report to the fiscal court (KRS 67.710).

KRS 68.360 defines the judge/executive's duties for preparing financial reports for the fiscal court. The county judge/executive prepares a quarterly report for submission to the fiscal court, the state local finance officer, and the public, showing detailed information on the condition of each fund of the county budget.

Chapter 4

Taxation And Revenue

Kentucky's counties receive revenue from local taxes, the state government, and the federal government. This chapter describes the different types of taxes and state and federal assistance.

Taxes Generally

Counties must levy an ad valorem tax on all property subject to county taxation (KRS 68.090). An ad valorem tax is one based on the monetary value of the object being taxed. Most counties raise the majority of their local tax funds through ad valorem taxes on real and personal property. Counties that impose an occupational license tax usually collect more from that tax than from ad valorem taxes. The occupational tax is not suitable for many counties, however, because many residents commute out of the county for work. Insurance premium surcharges, license fees and franchise taxes are other sources of local revenue available to the fiscal court.

Constitutional Limitations

The constitution contains three limitations that apply to all county taxes of any nature.

Legislative Authorization. The constitution prohibits the General Assembly from levying taxes for the benefit of any county, but Section 181 allows it to pass general laws granting counties the power to "impose and collect license fees on stock used for breeding purposes, on franchises, trades, occupations and professions." Those grants of taxing power have been made through statutes that delegate the power to levy a specific tax. Where those laws apply, the county must often observe statutory requirements on the procedures for levying the tax and the tax rate. KRS 67.083 broadly delegates the power of taxation, authorizing the fiscal court to "levy all taxes not in conflict with the Constitution and statutes of the state now or hereafter enacted." The Supreme Court of Kentucky has singled out the grant of taxing power as a valid delegation of "the power to impose and collect license, franchise and occupational taxes."[15] However, while KRS 67.083 gives counties latitude in imposing certain types of taxes, it does not remove restrictions placed on taxation by the constitution or other statutes. For this reason, a fiscal court is advised to proceed with great care in framing tax levies to avoid the pitfalls of an invalid tax. Care is advised regarding license taxes in particular, so that the courts do not view them as excise taxes. This issue was tested in *C.C.C. Coal Co., Inc. v. Pike Cty*.[16]

Tax Resolution Must Be Specific. Every tax resolution passed by the fiscal court must clearly state the distinct purpose of the tax. The constitution states that no tax levied for one purpose may be used for any other purpose (Ky. Const., sec. 180).

Taxes Must Be Sufficient To Pay Debts In A 40-Year Period. Whenever any county is authorized to contract an indebtedness, the tax must be set at a rate sufficient to pay the debt within 40 years (Ky. Const., sec. 159).

Property Taxes

County governments in Kentucky have traditionally depended on the property tax for the bulk of local tax revenue. Counties also have served as the basic assessment unit for the limited state ad valorem tax and for many local taxing jurisdictions. County school taxes are separate taxes, but the board of education levies them on the basis of state and county assessments. In most school districts, the sheriff collects them. The sheriff may also collect special district taxes.

Constitutional Limitations

The constitution says the tax rate of counties for nonschool purposes shall never exceed 50 cents on the $100 valuation of property (Ky. Const., sec. 157). Few counties approach this limit on the tax levy, because the compensating and 4 percent tax rate limits of KRS 68.245 keep the levy well below that level in most counties.[17] However, the use of countywide special districts often increases the actual cumulative tax rate through imposition of special district taxes.

Statutory Limitations Including HB 44

The 1965 Court of Appeals ruling in *Russman v. Luckett* directed that real property be assessed at 100 percent of its real market value, in accordance with Section 172 of the constitution.[18] In the 1970s, dramatic fluctuations in the value of real property caused higher taxes for owners. The 1979 General Assembly passed HB 44, by which name this statutory construct is still known, to control the amount of taxes the property owners would be responsible for paying if the value of property were to again increase drastically.

The essence of HB 44 is that the state local finance officer in the Department for Local Government notes a compensating tax rate for each local government (KRS 68.245). That rate takes into account the amount of growth in terms of property value of the current year. The rate is adjusted to provide approximately the same amount of revenue to the local government from the previous tax year. New property is not included in this calculation (KRS 132.010). The local government can apply any constitutionally allowable rate to the property. Any tax rate in excess of the compensating tax rate must be discussed in a public hearing. A local government can levy a tax that realizes revenue at a rate of more than 4 percent beyond the prior year's amount (excluding new construction), but the part of the rate responsible for the amount beyond 4 percent would be subject to recall (KRS 68.245 and 132.017).

Special Districts

The county tax bill may include ad valorem tax levies for several special districts. Since these special districts are independent of the general-purpose county government, their taxes are not included in the calculation of the permissible county tax levy under statutory (KRS 68.245) or constitutional limits. Although there is no absolute definition for special districts, Table 4.1 lists special districts with the power to levy ad valorem taxes.

Table 4.1
Special Districts With Taxing Power

District	KRS
Ambulance service district	108.080–108.180
Area planning commission	147.610–147.705
Community improvement district	107.310–107.500
Consolidated emergency services district	75A.010–75A.140
Cooperative extension service district	164.605–164.675
Drainage, reclamation, and levee districts	268.010–268.990
Drainage taxing district	269.100–269.270
Emergency services board	65.660–65.679
Fire protection district	75.010–75.260
Fire protection subdistrict	75.015
Flood control district	104.450–104.680
Hospital district	216.310–216.360
Levee district	266.010–266.990
Library district formed by petition	173.710–173.800
Library district formed by referendum	173.450–173.650
Local air board	183.132–183.160
Local tourist and convention commission	91A.350–91A.390
Mental health or intellectual disability district	210.370–210.480
Municipal college support district	165.175
Public health district	212.720–212.760
Rescue squad taxing district	39F.160
Riverport authority	65.510–65.650
Sanitation district and subdistrict	220.010–220.613
Sanitation tax districts	76.274–76.279
Solid waste management districts	109.011–109.310*
Subdivision road district	179.700–179.735
Waste management taxing district	109.115–109.190
Watershed conservancy district	262.700–262.990

*A county may also create a nontaxing solid waste district (KRS 109.041).
Sources: Kentucky Revised Statutes; Adam H. Edelen. *Ghost Government: A Report On Special Districts In Kentucky.* Auditor of Public Accounts, 2012.

Service Districts

Section 172A of the constitution, adopted by the voters in 1969, permits the General Assembly to provide for reasonable differences in the rate of ad valorem taxation on real property, as long as differences in the tax rate relate to differences in essentially urban services furnished in one or several areas in contrast to other areas of the taxing district. The legislative implementation of Section 172A for counties is KRS 67.650. This statute permits the fiscal court, on receipt of a petition signed by a majority of the voters living in a particular area, to create a service district and to levy taxes in accordance with the level and character of services provided.

Property Subject To Taxation

County property taxes are levied on real property (such as land, buildings, and other improvements of a personal nature) and tangible personal property (such as automobiles, and products such as crude oil, tobacco, and other farm products in storage).

Real And Personal. All real and personal property in the state, including that of nonresidents and corporations doing business in the state, is subject to the county ad valorem property tax at rates set by the fiscal court, plus any additional levies unless exempted by the constitution or by statute (KRS 132.190). Agricultural and horticultural land is assessed for ad valorem tax purposes according to its value for agricultural and horticultural use (Ky. Const., sec. 172A). Persons who are at least 65 years old or considered by a public or private retirement system to be totally disabled pay ad valorem taxes only on that portion of their homestead's assessed valuation in excess of $49,100 for the 2024-2025 tax years, as published by the Office of Property Valuation in the Department of Revenue (indexed to the cost of living in the first quarter of every odd year), except for assessments for special benefits (Ky. Const., sec. 170; KRS 132.810).

Certain Property Tax Exemptions. Local governments and taxing districts can usually tax the same types of property as the state, but there are exemptions, such as those for certain vehicles, aircraft, and watercraft; certain telecommunications equipment; unmanufactured agricultural products; farm implements; certain farm animals; and prefabricated homes in inventory (KRS 132.096 and 132.200).

Local Bank Franchise Tax. KRS 136.575 allows counties, cities, and urban-county governments to impose a franchise tax on financial institutions, as defined, measured by the deposits in each institution within the jurisdictional boundaries of each government. If a local government chooses to levy this tax, it cannot levy any other taxes on the institution, except the real estate transfer tax levied in KRS Chapter 142, real property and tangible personal property taxes levied in KRS Chapter 132, and taxes on users of utility services. Cities and counties may not levy a tax in excess of 0.025 percent of the deposits. Urban-counties are limited to 0.05 percent of the deposits. Each financial institution files with the Department of Revenue reports that record all deposits within the commonwealth and the most recent summary of deposits filed with the Federal Deposit Insurance Corporation. The department reviews (and then certifies to the local government imposing the local bank franchise tax) the amount of deposits and the amount of tax due the local government. The local government issues bills to each financial institution by December 1 for payment by January 31 of the following year (KRS 136.500 to 136.575). The state-level bank franchise tax was phased out in 2021, but the local bank franchise tax continues to be authorized (KRS 136.506).

Public Service Companies. All public carriers and utility companies, such as gas companies, water companies, electric companies, pipelines, and railroads, must pay taxes to the county in which their operating property is located. The Kentucky Department of Revenue performs the assessment of these taxes for the counties. Bus lines, common carrier truck companies, and taxicab companies are exempt from this tax (KRS 136.120). The Department of Revenue informs the county of the assessed value of operating property owned by a particular company, and the county applies its ad valorem tax rate and bills the main office of the company.

Watercraft. Watercraft, as defined by KRS 136.1802, are taxed by the state and are subject to local taxes. The Department of Revenue collects the revenue attributable to local taxes and distributes it to the appropriate local governments (KRS 136.1801 to 136.1806).

Life Insurance Capital. The county in which the principal office of a domestic life insurance company is located may impose a tax of 15 cents on each $100 of "taxable capital," as determined by the Department of Revenue (KRS 136.320).

Distilled Spirits. Distilled spirits stored in bonded warehouses are taxable by the county, subject to the constitutional limit of 50 cents per $100, plus any additional voted tax levies. The Department of Revenue assesses the stored spirits as of January 1 of each year, and the tax is due and payable the following September 15 (KRS 132.160).

Agricultural Products. Counties may impose an ad valorem tax not exceeding 1.5 cents on each $100 of the fair cash value of all unmanufactured tobacco and not exceeding 4.5 cents on each $100 of the fair cash value of all other unmanufactured agricultural products, excluding livestock and domestic fowls, that are neither on hand at manufacturing plants nor in the hands of the producer or agents to whom the products have been conveyed or assigned for the purpose of sale (KRS 132.200). Consult KRS 132.200 for a complete list of exemptions.

Unmined Minerals. Unmined coal is subject to local taxes and must be taxed at the same rate as other real property. It is to be assessed at 100 percent of real value, and the county's real property rate is to be applied to that assessment. Assessments are based on information returned by property owners. In some instances, the mineral resources are assessed separately from the interest in the real property; in other instances, they are not (KRS 132.820).

Optional Ad Valorem Taxes Levied By Fiscal Court

In addition to levying taxes on specific personal property, county-level legislative bodies can levy ad valorem taxes to produce revenue for specific purposes. Table 4.2 lists optional ad valorem taxes levied by the fiscal courts and other county-level administrative bodies.

Table 4.2
Optional Ad Valorem Taxes Levied By Fiscal Court

Purpose	KRS	Maximum Statutory Amount Per $100*
Riverport authority	65.580	Indefinite
Courthouse care and maintenance	67.140	Indefinite
Public service programs	68.530	Indefinite
Urban renewal agency	99.400	Indefinite
Community improvement district in county with city of ≥3,000	107.320, 107.350	10 cents
Local air board	183.134	Indefinite
Regional mental health program	210.460	Indefinite
County health department	212.040	Sufficient
Joint city-county health department	212.650	Sufficient
District health department	212.910	Sufficient
Drainage bond	269.080	2% of value of taxable property for state purposes*

*Subject to statutory tax rate limitations, KRS 68.245, and Section 157 of the constitution, which establishes a maximum rate of 50 cents per $100 for counties and special districts.
Source: Kentucky Revised Statutes.

Assessment

The procedure and mechanics of the assessment of property are the responsibility of the property valuation administrator, an official elected on a county basis but classified as a state official and subject to the supervision of the Department of Revenue (KRS 132.370 and 131.140).

Property Valuation Administrator

The property valuation administrator must revalue each parcel of taxable real property subject to assessment each year and must examine the parcels every 4 years at least (KRS 132.690).

Objections To Property Valuations

Taxpayers who object to the value determined for their property may request a conference with the property valuation administrator or a designated deputy (KRS 133.120). This conference may be held by telephone at the request of the taxpayer. The PVA and the taxpayer may agree to changes in the assessment at this conference. If still aggrieved, the property owner may bring the objection to the board of assessment, which will review the objection. The board of assessment is a three-member board (KRS 133.020).

Valuation Process

KRS 132.190 summarizes assessment procedures. That statute and Section 172 of the constitution require all property to be assessed at its fair cash value, estimated at the price it would bring at a fair voluntary sale. When the Department of Revenue has completed an equalization of the assessment of the property in any county, the results are presented to the fiscal court. The fiscal court may ask for a review of the equalization by directing the county attorney to prosecute an appeal to the Kentucky Board of Tax Appeals (KRS 133.170).

The fiscal court also has administrative and fiscal responsibilities relating to assessments. Each county fiscal court must appropriate and pay to the State Treasury and to the PVA a limited amount determined under KRS 132.590 for compensation of the PVA's deputies and assistants and for office expenses. In addition to the compensation paid by fiscal courts in all counties, the fiscal court must also provide the county PVA with a suitable office room or rooms in the county courthouse or some other suitable building, as well as suitable furniture (KRS 132.410).

The real property tax roll is open for inspection in the property valuation administrator's office. The PVA must publish the time of the inspection period. The fiscal court pays the cost of the notice out of the county treasury (KRS 133.045).

The PVA is also responsible for assessing motor vehicles, other than those assessed under KRS Chapter 136 as part of public service companies. In this role, the PVA is subject to the supervision of the Department of Revenue, which may provide standard valuation for the valuation of motor vehicles (KRS 132.487).

Property Assessment And Reassessment Moratoriums

A county may establish by ordinance a program granting property assessment or reassessment moratoriums for existing residential properties or commercial facilities, in order to encourage the repair, rehabilitation, restoration, or stabilization of existing improvements. The moratorium for each piece of certified property may not exceed 5 years (KRS 99.600).

Tax Collection

Real Property Taxes

Collection of real property taxes is primarily the function of the county sheriff, but statute spells out supervisory functions for the fiscal court (KRS 134.119). The fiscal court must designate the county treasurer or another official to receive taxes that the sheriff has collected. At an appointed time, the sheriff turns over all taxes collected in the previous month. If the sheriff does not make the monthly settlement at the appointed time, the fiscal court may impose financial penalties, but the county judge/executive may grant a brief extension of the deadline (KRS 134.191).

By September 1 each year, the sheriff must settle accounts with the Department of Revenue, the county, and districts for which the sheriff collects taxes. The settlement must show the amount of ad valorem taxes collected—on items such as real estate, personal property, unmined coal, oil and gas reserve, other mineral or energy resources, and public service corporations—and an itemized statement of money disbursed. The settlement is important because the sheriff may not receive tax books or bills the following May without possessing a writ of quietus (a document releasing a person from certain legal obligations) from the fiscal court and the Department of Revenue showing fulfillment of the tax-collecting obligation for the previous year.

Sheriffs must also account for their excess fee revenue, in one of two ways according to county size. In counties of fewer than 70,000 residents, the sheriff must pay annually to the fiscal court any fees, commissions, or income that exceed the sum of the sheriff's maximum constitutional salary and reasonable expenses (KRS 134.192). In counties with a population of 70,000 or more, in which the sheriff sends all fees to the State Treasury, this settlement for excess fees is not made until the end of the sheriff's term (KRS 64.350).

Property Tax Due Dates

Taxes are due by December 31 of each year. KRS 134.015 sets out the regular schedule for payment. If the taxpayer pays the property taxes

- by November 1 of the assessment year, the taxpayer receives a 2 percent discount;
- between November 2 and December 31 of the assessment year, the taxpayer receives no discount but is not assessed a penalty;
- between January 1 and January 31 of the year following, the taxpayer is subject to a penalty of 5 percent of the taxes due and unpaid; or
- after January 31 of the year following the assessment year, the taxpayer is subject to a penalty of 10 percent of the taxes due and unpaid.

KRS 134.119 sets the fees that the sheriff receives for tax collection.

Unpaid Taxes And Certificates Of Delinquency

The statutes set out procedures regarding uncollectible delinquent taxes. If, after January 31, 15 percent or more of the taxes charged to the sheriff remain unpaid, the Department of Revenue may require the sheriff to make additional reasonable collection efforts (KRS 134.119). If, 15 days after that notice from the department, the sheriff fails to make additional reasonable collection efforts, the department may assume responsibility for collection. At that point, the sheriff will receive no collection fees. A sheriff who collects delinquent taxes receives additional fees for doing so.

On April 15 (or later, if under an alternative tax collection schedule), the sheriff files all remaining uncollected tax claims with the county clerk (KRS 134.122). (In counties with consolidated local governments, sheriffs have a slightly different timetable.) Once filed with the county clerk, the unpaid taxes are considered certificates of delinquency, and the Department of Revenue is responsible for collecting them. The county clerk has duties relative to these certificates, which include accepting and noting payment (KRS 134.126). The county clerk receives additional fees for collecting these taxes. On May 15 of each year, the county clerk is to provide the department a list of certificates of delinquency, and the department publishes them on a website by June 1 (KRS 134.131). These deadlines are also adjusted for alternative collection schedules.

Third-party purchasers may register with the Department of Revenue to purchase certificates of delinquency (KRS 134.129 and 134.128). KRS 134.452 controls fees that third-party purchasers may collect from the taxpayer. KRS 134.490 sets out actions that third-party purchasers take when certificates of delinquency come into their possession, including actions they may take to collect on unpaid amounts owed them arising from the original certificate of delinquency.

The Department of Revenue may contract with county attorneys for the collection of certificates of delinquency (KRS 134.504). Revenues gained from this contract may be used only for operating expenses of the county attorney’s office (KRS 134.545).

Tax Delinquency Diversion Program In Consolidated Local Governments

The legislative body of a consolidated local government may establish a tax delinquency diversion program for blighted property. Project areas and individual parcels of property for inclusion in the program are identified by an entity stated in the ordinance creating the program. Identified areas and parcels are submitted to the governing body of the consolidated local government for consideration. Certificates of delinquency for properties included in the program may not be purchased for a period of up to 5 years after inclusion in the program. Once the time period elapses, qualified diverted tax delinquency purchasers may purchase the certificates of delinquency in the same manner as third party purchasers under KRS Chapter 134 (KRS 99.727).

Motor Vehicle Taxes

The county clerk is the collector of all state, county, city, urban-county, school, and special taxing district ad valorem taxes on motor vehicles that the clerk registers (KRS 134.800). These taxes are due by the earlier of the last day of the month in which the motor vehicle registration is renewed or the last day of the month in which a vehicle is transferred. A determination of delinquency is placed on late taxes due, and a penalty charge is added. This penalty varies from 3 percent to 15 percent, depending on the extent of delinquency (KRS 134.810).

The clerk receives a 4 percent commission for collecting motor vehicle taxes and must report the taxes collected for the preceding month, minus the commission, to the taxing district by the 10th of each month (KRS 134.805 and 134.815).

Commercial Fees And Taxes

Pursuant to Section 181 of the constitution and KRS 67.083, the General Assembly may authorize counties to levy a variety of business and commercial license fees or taxes.

Commercial License Fees

The fiscal court of any county may impose several commercial license fees. The county clerk, or an agency designated by the council in a county containing a consolidated local government, is to collect the fees. Except in a county containing a consolidated local government, the fiscal court may allow the clerk a commission of up to 5 percent of the gross amount collected in addition to the fee provided for issuing a license under KRS 64.012 (KRS 137.115).

Table 4.3
Fiscal Court License Fees Issued Under KRS 137.115

Type Of Business	Annual Limit
Restaurant	$10
Ice cream **or** soft drinks	$ 5
Ice cream **and** soft drinks	$10
Retail tobacco sales	$10
Commercial billiard table, pool table, or bowling alley	$30 for first table or alley; $5 for each additional

Source: Kentucky Revised Statutes.

Alcoholic Beverage License Fees

In each county where the sale of alcoholic beverages is not prohibited by local option (KRS Chapter 242), the fiscal court may impose license fees for the privilege of selling alcoholic beverages. Only the licenses that correspond, in their provisions and the business authorized, to those for distilled spirits and wine retail package licenses, distilled spirits and wine retail drink licenses, restaurant wine licenses, and malt beverage retailer licenses may be issued. Any amount paid to any city in the county as a license fee for the same privilege for the same year may be credited against the county license tax (KRS 243.060). See KRS 243.060 and 243.070 for lists of local government alcoholic beverage license fees.

Off-Site Waste Management Facility Or Solid Waste Landfill License Fees

The fiscal court of any county may license off-site waste management facilities in the county through the levying of a gross receipts license fee that does not exceed 2 percent per year. The proceeds are used for general revenue requirements.

The fiscal court of any county or the urban-county council of an urban-county government may license a solid waste landfill located in the county or in the urban-county area (KRS 68.178). This license fee must be more than 1 cent but no more than 50 cents per ton of waste received by the landfill. It may be set at no more than 5 percent of the gross receipts of the landfill. The license fee may be increased up to 25 percent of the base fee per ton or on gross receipts of waste received at the landfill originating from outside the planning area. Proceeds from the license fee are to be used for defraying the cost of government services relating to the landfill; for necessary cleanup operations or emergency responses related to operation of the landfill or transporting waste to the landfill; for necessary maintenance, improvement or construction of roads; and for the general revenue requirements of the government where the landfill is. Annually, 10 percent of the license fee is to be divided equally and distributed to all counties and urban-county governments in the planning areas served by the landfill. This money is to be used for local solid waste planning and plan implementation. This fee is used in lieu of the off-site waste management facilities license fee that is limited to 2 percent.

A gross receipts license fee of no more than 5 percent may be levied on hazardous waste facilities involving land disposal. This revenue stream is to be used to compensate the county for any additional costs and revenue losses incurred as a result of having the hazardous waste facility in its jurisdiction (KRS 68.178).

Mineral Resource Production License Fees

The fiscal court of any county may impose license fees on the production of mineral resources, except for coal, which is specifically excluded (KRS 67.083 and 143.100).

Insurance Premium Tax

The legislative bodies of counties, consolidated local governments, charter counties, and urban-counties may, under the provisions of KRS 91A.080, impose a license tax or fee on insurance companies for the privilege of doing business in that jurisdiction. The amount of the fee or tax is based on the amount of the premiums of the insurance policies. The local government must file with the secretary of insurance a copy of the ordinance establishing or changing the tax rate or fee amount 100 days before July 1. The secretary then notifies the affected insurance companies of the tax or fee levied. The insurance company that must pay this tax, or its agent, may keep a certain amount for the processing of the fee or tax. The local governments enacting the fee may request the Department of Insurance to audit the books of the insurance company to ensure that the proper amount of tax is being collected.

Exemptions apply to the types of policies that may be taxed. In addition, under certain conditions, exemptions apply to premiums paid to insurers of municipal bonds, leases,

or other debt instruments issued by or on behalf of a county, charter county government, urban-county government, consolidated local government, special district, nonprofit corporation, or other political subdivision of the commonwealth. Neither shall a tax be levied on premiums paid to insurance companies or surplus lines brokers by nonprofit self-insurance groups or self-insurance entities whose membership consists of school districts (KRS 91A.080).

The distribution of the tax revenues to the local governments has proven problematic over the years. Generally, the revenue is distributed according to US Postal Service zip codes. The zip codes may not always match the boundaries of the local government that is owed the tax; therefore, a certain amount of tax money may bleed from jurisdiction to jurisdiction. As a remedy, a risk location system program has been implemented pursuant to KRS 91A.0802 to 91A.0810. Insurers may use risk location systems that are approved by the Department of Insurance to properly assign tax money to the appropriate levying jurisdiction. Insurers with more than 2,000 policies in Kentucky must use these systems.

Aside from issues with distribution of tax revenues, the statutes contain certain crediting provisions for the insurance premium tax, especially when both a city and a county enact an insurance premium tax. When insurance companies pay license fees or taxes, they credit city license fees or taxes against the same license fees or taxes levied by the county, if the county levied the license fees or taxes on or after July 13, 1990. This section also applies to merged governments.

If the Department of Insurance determines that an insurance company has willfully engaged in a practice that failed to collect or remit insurance premium taxes or fees to the local government assessing the taxes or fees, the department may impose a penalty in an amount up to 10 percent of the additional taxes or fees owed to the local government. Any agent or company so penalized may request a hearing to protest the penalty (KRS 91A.080).

Fees For Reproducing Materials And Photographs

A county, charter county, urban-county government, consolidated local government, unified local government, or special district, or any agency or instrumentality thereof, and a sheriff may charge a fee of $10 per set of fingerprint impressions taken and $5 per photograph taken or copied when those services are requested by a person for professional, trade, or commercial purposes, or for personal use (KRS 65.068 and 70.095).

Occupational License Taxes

KRS 67.083 grants all counties the authority to levy an occupational license tax. However, a more specific set of statutory instructions applies to the procedures for imposing occupational license taxes in counties with a population of more than 300,000 (KRS 68.180) and in counties with a population between 30,000 and 300,000 (KRS 68.197). The Secretary of State maintains a database of local governments levying an occupational license tax pursuant to KRS 67.766.[a]

[a] web.sos.ky.gov/occupationaltax/

The fiscal court of each county having a population of at least 300,000 may impose license fees on franchises and provide for licensing any business, trade, occupation, or profession, or the using, holding, or exhibiting of any animal or article or any other thing. License fees on such a business, trade, occupation, or profession, except for common schools, may not exceed 1.25 percent of

- salaries, wages, commissions, and other compensation earned by all persons in the county; or
- the net profits of businesses, trades, professions, or occupations conducted in the county.

If the county imposes licenses for regulatory purposes, the 1.25 percent limitation does not govern the fees (KRS 68.180). Many persons and entities are not required to pay an occupational license tax. KRS 68.180 contains a complete list of exemptions.

Counties with a population between 30,000 and 300,000 may impose a license fee on a business, trade, occupation, or profession at a rate not to exceed 1 percent of salaries, wages, or net profits. In lieu of a percentage fee, a county may set an annual fee for a fixed amount. Licenses imposed for regulatory purposes are not subject to limitations as to form and amount (KRS 68.197). As in the case of counties with populations of 300,000 or more, many persons and entities are not required to pay an occupational license tax in this category of county population range. KRS 68.197 contains a complete list of exemptions and a list of certain crediting provisions that apply depending on when the taxes were imposed. For information regarding occupational license tax revenue sharing that is required in certain circumstances, counties subject to occupational license tax crediting should consult KRS 81A.429 when a city within that county proposes to annex territory.

Counties whose populations grow to exceed 30,000 do not have to reduce their occupational tax rates if the rates exceed the limit of 1 percent imposed under KRS 68.197. Unlike the crediting provisions, this provision is permanent, short of an amendment to the statute.

With regard to coal, its severance, processing, sale, use, transportation, and other handling are exempted from the counties' power to levy occupational, license, or other taxes (KRS 143.100).

KRS 67.750 to 67.795 provide uniform definitions and a standardized scheme for businesses in Kentucky to distribute or apportion the occupational license fees and net profits taxes owed to each taxing district or local government.

Forestry Tax

All counties receiving state forest fire protection and all counties that have received notice of the intended establishment of state protection must pay annually to the Energy and Environment Cabinet a sum equal to 2 cents per acre of privately owned timberlands. Payments are due on September 15 after the assessment. The county may meet its obligation out of its general funds, or it may require each owner of timberland to pay an annual assessment of not more than 3 cents per acre (KRS 149.540).

Real Estate Transfer Tax

The county clerk of each county collects a tax of 50 cents for each $500 of the value that is declared in a deed when the title to real property is transferred. The clerk may retain 5 percent of the tax as a fee for collections; the balance is remitted every 3 months to the county treasurer, who deposits it in the county general fund (KRS 142.050).

Voted Levies Of Special Taxes

Public Service Programs

With the approval of the citizens of the county, the county legislative body may raise revenues for public service programs through the imposition of ad valorem taxes and occupational license taxes (KRS 68.520). The revenue may be used to fund health programs, public protection, and similar services, but it may not be used to acquire facilities of a capital nature. The money must be devoted solely to the public service program for which the tax was approved. KRS 68.540 states that these voted taxes are "in addition to all other taxes otherwise authorized and provided by law." Nevertheless, there are limits on the amount that may be charged. No ad valorem tax may increase a county's aggregate taxes beyond the maximum prescribed by Section 157 of the constitution. KRS 68.520 limits voted occupational license taxes for public service programs to 0.5 percent of compensation and business profits earned in the county. The profits of public service companies, banks, and trust companies are not considered in this calculation.

Special Ad Valorem Tax

In addition to the authority granted in KRS 68.520 for public service programs, counties may also fund other specified projects, programs, and services with special ad valorem taxes. A county's voters must approve the ordinance establishing such a tax. The statute says, "The revenues generated shall be in addition to other taxes and used solely for the specified project, program, or service as designated by the ordinance enacting the tax" (KRS 65.125). As with any county ad valorem tax, the limits of Section 157 of the constitution must be observed, but the statute itself does not specify a limit.

Payments In Lieu Of Taxes

A county may receive payments in lieu of taxes from public corporations, local authorities, and utilities that have offices or installations in the county. A municipal electric plant board, operating under KRS 96.550 to 96.900, must annually pay the county a tax equivalent derived by formula (KRS 96.820). Local housing authorities and the Kentucky Housing Corporation may make payments in lieu of taxes to counties in which their projects are located, outside a city's limits (KRS 80.190 and 198A.200). Pursuant to KRS Chapter 154, industrial firms whose plants have been financed by county industrial revenue bonds may agree to a negotiated payment in lieu of taxes.

Nontax Revenue

All counties receive significant amounts of revenue from sources other than taxation. These revenue sources consist of US government grants, state financial assistance, and revenue earned by various county activities.

Federal Government Aid

US Forestry Service Timber Revenue Refund. Revenue received by the US Forestry Service from the sale of timber in the Daniel Boone National Forest and that part of the Jefferson National Forest that lies in Kentucky is paid to the Finance and Administration Cabinet, which apportions the money among the counties according to the area of the forest in each county. Half of the funds must be credited to the county public road fund and the other half distributed among the school districts in the county, according to the area of the forest in each district (KRS 149.130). This transfer is intended to compensate the counties for the loss of property tax revenue caused by federal ownership of large tracts of land.

TVA "In Lieu" Payments. The Tennessee Valley Authority (TVA) makes payments to the state in lieu of property taxes. Seventy percent of the payment is redistributed to local governments and school districts in the TVA area on the basis of the taxes that would be paid if the property were taxable (KRS 96.895).

Federal Block Grants. The federal Omnibus Budget Reconciliation Act of 1981 (P.L. 97-35) consolidated many grant-in-aid domestic assistance programs into broad, functional block grants. Primary responsibility for administration of these grants has been given to the states. Rules governing the use of these funds provide maximum flexibility to the state and beneficiaries.

The Office of Federal Grants in the state Department for Local Government provides information for grant applications and programs. Area development districts (ADDs) can also be helpful in accessing grant money.

State Government Aid

The state returns to counties a substantial portion of severance tax receipts to compensate for the extraction of nonrenewable wealth, as well as the deterioration of roads used to transport minerals to a terminal or marketplace. The state also shares motor vehicle and special fuels taxes with the counties. Portions of certain state taxes and license fees collected by county governments are returned to counties, and grants for projects are available to qualifying counties.

As a parallel office to the Office of Federal Grants, the Department for Local Government also maintains the Office of State Grants. Consultation with the staff of this office (as well as, again, accessing the facilities of the local ADD) may prove profitable for counties seeking state money.

Local Assistance Road Program (LARP). Counties may apply to the Transportation Cabinet for Local Assistance Road Program grants of up to $500,000 for each project. The cabinet scores projects using a scoring system it has developed. The cabinet refers scored projects to the Legislative Research Commission for final selection by the General Assembly. Local governments match funds in amounts from 10 percent to 20 percent of project costs (KRS 176.241 to 176.247).

Local Government Economic Assistance Program. The Local Government Economic Assistance Program is a system of grants to local governments to improve the environment for new industry and quality of life for residents (KRS 42.455). Sources of funds for the grants are

- half the tax collected annually on all minerals, except coal (KRS 42.450), plus
- no less than the equivalent of 15 percent of the coal severance and processing taxes collected annually (KRS 42.4585).

These funds are held in the local government economic assistance fund. Seventy percent of these funds is allocated to counties according to a detailed formula (KRS 42.470) and must be spent in certain priority categories. Counties may not use this money for financial administration. The remaining 30 percent must be used for the coal haul road system. Counties must host a meeting or meetings allowing for public input and comment on proposed projects using these funds prior to the commencement of construction on the projects (KRS 42.455).

Local Government Economic Development Fund. The General Assembly created the local government economic development fund to promote industrial development in coal-producing counties (KRS 42.4582). Each year, a percentage of the state's total revenue from the coal severance tax is put into this fund. The money in the fund is distributed to coal-producing counties for industrial development projects, as determined by a three-part formula:

- One-third is granted to each coal-producing county on the basis of the 4-year average ratio of coal severed in each coal-producing county to the total coal severed statewide.
- One-third is granted to each coal-producing county on the basis of the percentage of mining employment in the county, the percentage of earnings from mining, and the surplus labor rate.
- One-third is reserved for industrial development projects benefiting two or more coal-producing counties.

Local Government Economic Development Program. The Local Government Economic Development Program (KRS 42.4588) provides grants to counties to attract new industry. It is administered by the Department for Local Government as well as the Kentucky Economic Development Finance authority using funds from KRS 42.4592. Funds can be used for industrial development projects and debt service for industrial projects.

Local Match Participation Program. If the General Assembly appropriates funds, the Department for Local Government is to administer and disburse those funds. Funds appropriated for the Local Match Participation Program may be used as matching funds by local governments, soil and water conservation districts, or watershed conservancy districts for flood-related projects and straight sewage pipe removal projects with the US Army Corps of Engineers, the Federal Emergency Management Agency, the US Department of Agriculture Natural Resources

Conservation Service, and other federal government grant and loan programs requiring local matching funds (KRS 147A.029).

Regional Development Agency Assistance Program. Fund-eligible counties, as defined in KRS 96.895, may apply to the Department for Local Government for a portion of a pool of $6 million for grants to agencies as designated by the fiscal courts of the counties to be used for

- economic development and job creation activities;
- acquiring federal, state, or private matching funds; and
- debt service for approved projects (KRS 96.905).

Government Resources Accelerating Needed Transformation Program. The following groups are considered "eligible grant applicants" and may apply to the GRANT Commission and the Cabinet for Economic Development for funding for eligible projects that involve funds from qualifying federal entities or the Delta Regional Authority:

- a county or city governing body;
- any entity organized in Kentucky providing public services through law enforcement, fire, emergency medical, rescue, waterfront development, a water utility, or a waste water utility to persons domiciled in Kentucky; or
- a nonprofit charitable organization organized under 26 U.S.C. sec. 501(c)(3) engaged in public benefit improvements.

The Kentucky Council of Area Development Districts as well as local area development districts assist these local governments in the application process. An eligible project is one that

- meets the requirements for a federal grant offered or administered by a qualifying federal entity that
  - requires a local match; or
  - is a Delta Regional Authority project that includes language explicitly stating that a local match will make an application more competitive
- benefits the public or substantially benefits the public and satisfies the evaluation criteria in KRS 154.14-050 that is initiated on
  - publicly owned property;
  - property to be acquired, which comes with either
    - a legally binding letter of intent or option for the sale to an eligible grant applicant or
    - a legally binding sale agreement for the sale to an eligible grant applicant; or
  - private property on which a project is located that is in the public interest and for a public purpose and that benefits an eligible community; and
- requires local matching funds based on the county population ranking as provided in KRS 154.14-050 (KRS 154.14-020).

Awards are made on a competitive basis (KRS 154.14-020 to 154.14-070).

County Road Fund Aid

Section 157A of the Constitution of Kentucky authorizes state aid to counties for the building, repair, and maintenance of public roads.

Coal Haul Roads. The state must spend 30 percent of the local government economic assistance fund on coal haul roads (KRS 42.455). The remaining 70 percent is allocated to counties according to a formula, and counties may use some or all of these funds to build, repair, or maintain county roads (KRS 42.470).

Road And Bridge Aid. The Department for Local Government allocates to the counties an amount of money appropriated in the General Assembly's Executive Branch Budget sourced from revenue derived from motor and special fuels taxes that it uses for the construction, reconstruction, and maintenance of county roads and bridges (KRS 179.410 and 177.320). The allocation formula is set out in KRS 177.360. Pursuant to KRS 177.369, the department also pays counties containing unincorporated urban places a share of municipal aid funds allocated under KRS 177.366.

Rural And Secondary Roads. The Transportation Cabinet allocates to counties a portion of the revenue derived from the motor and special fuels taxes for the construction, reconstruction, and maintenance of secondary and rural roads (KRS 177.320 and 177.360).

Motor Truck Registration Fees. Thirty percent of all revenue raised by the registration fees imposed on certain motor vehicles by KRS 186.050 is evenly distributed among all the counties for the county road funds (KRS 47.020). This money is intended to partially reimburse counties for road damage caused by heavy trucks.

Electric Vehicle Ownership Fees. At the first registration, and yearly afterward, owners of plug-in electric vehicles and electric motorcycles pay a fee that is intended to compensate for the reduced use or non-use of gasoline and the accompanying taxes that are collected and used for road construction and maintenance. The revenue generated from these ownership fees goes to the road fund for local governments' use (KRS 138.475 and 186.050).

Motor Vehicle Operator's Licenses. The road fund of each county receives $2 for each 8-year original or renewal operator's license ($1 for a 4-year license) issued within that county (KRS 186.535).

County General Fund Aid

If shared revenues are not expressly designated for the local government economic assistance fund in the Local Government Economic Assistance Program or for the road fund, they go into the county general fund, which underwrites the county government's operations.

Legal Processes And Instruments Tax. Of the revenue derived from taxes on marriage licenses and on powers of attorney to convey real or personal property charged under the provisions of KRS 142.010, 12.5 percent is returned to the county in which the tax was paid (KRS 47.110).

Circuit And District Criminal Court Case Revenue And Court Revenue Reimbursement. Local governments receive some revenue from criminal court case costs in Kentucky. The funds are intended to be spent for purposes of law enforcement and transportation of prisoners. For each criminal case in Circuit Court or District Court, $20 is added to the court costs charged to

the involved parties (KRS 23A.206 and 24A.176). The clerks of the courts forward the money to the Finance and Administration Cabinet, and the funds are distributed according to the following formula:

- Thirty percent of the total is distributed equally to all local governments that have police departments or that contract for police services.
- Fifty percent of the total is distributed to local governments with police departments or local governments that contract for police services on a per capita basis according to the number of certified police officers employed by the police department on July 1 each year or providing services to the local government pursuant to a contract on July 1 of each year.
- Twenty percent of the total is distributed equally to counties with fiscal responsibilities for jails or the transporting of prisoners.

This program replaces the entirety of the court revenue reimbursement program, which provided funds to local governments to replace lost revenues from the implementation of the uniform state court system.

Volunteer Fire Department Aid. The Kentucky Fire Commission annually allots $11,000 to each qualified volunteer fire department. The qualification of a department is based on the number of firefighters, amount of equipment, housing facilities, and other criteria. A qualifying department must have at least 12 firefighters, a chief, and one fire apparatus, and the firefighters must meet certain training requirements (KRS 95A.262). If a qualifying department does not participate in the Kentucky fire incident reporting system set up by KRS 304.13-380, it forfeits $500 of its annual allotment. The $11,000 stipend is funded through the Firefighters Foundation Program fund, which receives part of the proceeds from the insurance premium surcharge imposed by KRS 136.392.

For qualified volunteer fire departments merging prior to July 14, 2022, the Kentucky Fire Commission will at first pay the resulting merged volunteer fire department the stipends of all merging volunteer fire departments (plus a merger incentive stipend) and then gradually reduce the allotment to the resulting merged volunteer fire department to ease the transition over a period of 6 years with the seventh reverting to the equivalent of one stipend. (KRS 95A.500 to 95A.560). For qualified volunteer fire departments merging on or after July 14, 2022, the fire departments retain the stipends from each department merging with no reduction (KRS 95A.522).

A portion of the funds in the Firefighters Foundation Program is withheld to purchase group or blanket health insurance and workers' compensation insurance and to reimburse volunteer fire departments for replacement of equipment lost or damaged in incidents with hazardous materials. A part of the funds also goes to pay for the inoculation of all paid and volunteer firefighters in Kentucky against hepatitis A and B. In addition to the other fund allotments from the surcharge, the Firefighters Foundation Program fund receives $1 million each fiscal year, to be used by the Fire Commission strictly for the training of firefighters.

The Kentucky Fire Commission lends money from a revolving low-interest loan fund (3 percent or less) in the amount of $1 million, to help volunteer fire departments with major equipment purchases and facility construction (KRS 95A.262).

Firefighter Incentive Pay. A county may qualify its paid firefighters for a $4,000 salary supplement from the Firefighters Foundation Program fund by satisfying the salary, educational, training, and other requirements of KRS 95A.230 (KRS 95A.250). The county is paid the supplement for each qualifying professional firefighter, plus the amount necessary to pay the employer's contribution on the supplement to the County Employees Retirement System (CERS). The amount equal to the required employer's contribution may also be paid into a plan qualified under Section 401(a) or Section 457 of the Internal Revenue Code of 1954, as amended, if the employer's contribution does not exceed the amount that is required of employers under CERS pursuant to KRS Chapter 78. In addition, a limited administrative allowance is made to cover administrative expenses associated with the supplement and the retirement system payments. The county must pay the entire amount of the supplement to the qualifying firefighter. The supplement must not be used to supplant existing salaries or to substitute for normal periodic salary increases (KRS 95A.250 and 95A.260).

Police Incentive Pay. Any county that qualifies its police officers by meeting the salary, educational, training, and other requirements of KRS 15.440 may participate in the Law Enforcement Foundation Program fund. A participating county receives an annual salary supplement of $4,000 from the fund for each qualified police officer it employs. The county must in turn pay the supplements to the qualifying officer. As with the Firefighters Foundation Program fund, the supplement must not be used to supplant existing salaries or to substitute for normal periodic salary increases. In addition to the salary supplement for the officer, the county receives funds necessary to pay the employer contribution to the County Employees Retirement System to cover increased pension costs resulting from the supplement (KRS 15.460 and 15.470). As is the case for firefighters, a limited administrative allowance is made to cover administrative expenses associated with the police officers' supplement and the retirement system payments. The Law Enforcement Foundation Program fund is derived from the same insurance premium surcharge that supports the Firefighters Foundation Program fund (KRS 136.392).

Sheriff And Deputy Incentive Pay. Sheriffs and their deputies as defined in KRS 15.420 may participate in the incentive pay program. Sheriffs and their deputies who qualify receive the same allotment of $4,000 per year, with the same stipulations and requirements placed on police in this program (KRS 15.460). As is the case for firefighters and police officers, a limited administrative allowance is made to cover administrative expenses associated with the supplements paid to sheriffs and deputies and the retirement system payments. Because of constitutional restrictions, the allotment may be provided only to sheriffs who make less than the maximum salary allowed a sheriff under Section 246 of the constitution as adjusted by the 1949 Consumer Price Index and calculated each year by the Department for Local Government. Once this maximum is reached, no more payments are to be made to the sheriff until the next year. The sheriff is subject to various additional reporting requirements to assure that the maximum salary level is not exceeded. If a sheriff does not participate in the fund, the deputies in the office may still do so.

Surface Coal Mining Permit Fee Refund. By August 1 of each year, the state treasurer transfers one-third of all funds paid during the preceding fiscal year for surface coal mining

permits to the fiscal courts of the counties where the permitted operations are located, for the general purposes of the fiscal courts (KRS 350.139).

Election Expense Refund. Within 60 days after the election, the county treasurer, upon authorization by the fiscal court, must pay the cost of all elections held in any county. This requirement applies not only to counties per se, but also to all merged governments, such as urban-county and consolidated local governments. Within 90 days after the election, the county treasurer must certify the amount of expenses, the date, the kind of election, and the number of precincts in the county to the Board of Elections. The Board of Elections, upon satisfaction that the account is correct, authorizes payment of $255 for each precinct in the county to the county treasurer. The state board also requires the county to maintain a contract with the state Property and Buildings Commission for the use of voting systems, and it requires the county to provide training to precinct election officers (KRS 117.345).

Parks Establishment Aid. The Department for Local Government may make grants to local governments of up to $500,000, not to exceed 50 percent of the cost of the project, for the purpose of establishing local parks and recreational facilities (KRS 147A.028).

Community Flood Damage Abatement Program. The Energy and Environment Cabinet may provide funds and technical assistance to local governments to initiate flood control projects and programs (KRS 151.550).

Wastewater Treatment Assistance. The Kentucky Infrastructure Authority may make a grant to any governmental agency to assist in the construction of wastewater treatment works (KRS 224A.040). Counties are also eligible to receive infrastructure loans and to enter into assistance agreements with the authority (KRS 224A.080).

Jail Construction And Repair Assistance. The Local Correctional Facilities Construction Authority may enter into lease agreements with counties for the construction, reconstruction, improvement, or repair of jails and facilities necessary for the operation of the jails. The authority may pay no more than 90 percent of the cost of the project and becomes the owner of the facility during the retirement of the debt. The deed reverts to the county when the debt is paid. The lease that the authority enters into with the county may be drawn with terms that reflect the county's ability to pay (KRS 441.605 to 441.695 and 441.990).

General Government Operations Revenues

The general operations of county government bring in additional county funds. Although county operations usually are not carried out with an express intention of earning revenue, revenue is often an important by-product.

Excess Fees. Section 106 of the constitution and various statutes authorize county officials to collect fees for the performance of certain duties. Fees collected represent charges that the county makes for services rendered through its officers, and they constitute a fund subject to control by the county.[19] Fees are not the personal property of the given official.

This section of the constitution divides counties into two classifications for the purpose of compensating county clerks, sheriffs, and their deputies: counties of 75,000 or more population, and counties of less than 75,000 population. Statute has reduced the population figure of 75,000 to 70,000 (KRS 64.350).

In counties with populations of 70,000 or more, all fees collected by county clerks, sheriffs, and their deputies are paid directly into the State Treasury. In return, the salaries and office expenses of the officers and their deputies are paid out of the State Treasury on warrants drawn by the treasurer at the request of the county clerk or sheriff. The total amount paid to the officers in salaries and office expenses may not exceed 75 percent of the fees collected by the officer. The state pays the other 25 percent to the fiscal courts or urban-county governments of the counties on April 15, July 15, October 15, and January 15 for the preceding 3 months' collections; any adjustments necessary to make the four quarters equal 25 percent of the fees collected by the officeholder are made in the January 15 payment. If a county's population drops below 70,000 and the officers pay into the State Treasury, they continue to do so (KRS 64.350). When a county pays the fees into the State Treasury, the state treasurer pays the charges that the officers present to the state. The internal state process begins with the Finance and Administration Cabinet approving the budgets of each officer; the budget has already been submitted and approved by the respective fiscal court. By the 10th of each month, the officer must turn over the collected fees to the Finance and Administration Cabinet. At that point, the officer presents the bills to the cabinet for payment to each vendor. A main difference for counties that must send their fees to the State Treasury is that the accounts are finally settled at the end of an officer's term, rather than at the end of the budget year. An officer in these counties may run "in the red" for 4 years.

In counties with populations of less than 70,000, the officer may receive the maximum compensation established by the constitution and by statute, plus office expenses, including compensation of deputies and assistants (Ky. Const., sec. 246; KRS 64.152 and 134.192). Any revenue derived from fees in excess of the officer's compensation and expenses is transferred to the county (KRS 64.152 and 134.192).

County clerks, county attorneys, jailers, and sheriffs may invest funds temporarily in excess of operating needs in specified financial instruments and institutions. County officials must report these earnings at the time of their annual reports and settlements with the fiscal court for excess income of their offices (KRS 66.480).

Property Income. Counties may rent and sell county-owned real property. The general authority of the fiscal court to sell and convey real estate and personal property of the county is contained in KRS 67.080, which provides that the fiscal court may directly sell and convey any real estate or personal property belonging to the county, or the fiscal court may appoint one or more commissioners to sell the property, subject to the approval of the fiscal court. KRS 67.0802 sets out the specific procedures for disposing of excess real property.

Court Space Rental. Circuit Court and District Court must be held in the county courthouse of each county unless the Kentucky Supreme Court orders otherwise (KRS 26A.100). For the use of this court space, the fiscal court receives an operating costs allowance and a use allowance, which are determined by formula (KRS 26A.115). The Administrative Office of the Courts oversees courthouse construction and renovation (KRS 26A.160 to 26A.168, 26A.090, and 147A.021).

Fiscal courts may assess additional fees on various civil and criminal filing fees, traffic offenses, probate filing fees, misdemeanor court costs, small claims filing fees, and other fees to fund the use of courthouses (KRS 23A.220).

Proprietary Income. KRS 67.083 authorizes counties to provide facilities and services that could generate income in excess of costs. These include water, sewage, garbage disposal, recreation, ambulance, and transportation facilities and services.

Investments And Reinvestments Of Funds. Counties, urban-counties, and charter counties, as well as various other local governmental units and political subdivisions of the counties, may invest and reinvest money under their control. The types of investments in which these local governments may participate are set out by statute. If a local government chooses to invest or reinvest this money, it must adopt a written policy that governs the investment of its money. The contents of the policy are also set out by statute. The privilege of investing and reinvesting money is extended also to sheriffs, county clerks, county attorneys, and jailers. They must participate if the fiscal court requires participation. All local governments and officers must make reports concerning the status of their investments (KRS 66.480).

The state local finance officer can assist local governments in making their investments. The state local finance officer can also create investment pools in which many local governments and their officers may invest their money. Administrative charges for these investment pools may not exceed 1 percent of the principal amount invested. The pools must be audited each year and a copy of the audit sent to each local government and officer participating in the pool. Before a local government or officer can participate in an investment pool, all savings and loan banks in the boundaries of the local government must be permitted to bid for the deposits (KRS 66.480).

Tax Penalties. The fiscal court receives some additional income from tax penalties. With few exceptions, county taxes are due and payable on September 15. They become delinquent on January 1 and are subject to a 5 percent penalty if paid between January 1 and January 31. After January 31, the penalty is 10 percent of taxes due and unpaid. When the tax collection schedule is delayed through no fault of the taxpayers, the Revenue Cabinet may institute a revised collection schedule. The revised collection dates also allow a 2 percent discount for all payments made within 30 calendar days of the date the tax bills were mailed. Upon expiration of the discount time period, the face amount of the tax bill is due during the next 30 days. If the time period to pay the face amount has ended, a 2 percent penalty is added to the tax bill for payments made during the next 30 days. Upon expiration of this period, a 10 percent penalty is added to all tax bills paid thereafter (KRS 134.015).

Borrowed Money. The fiscal court may borrow money in anticipation of revenue receipts to meet current operating expenses of the county and to pay interest and principal on bonded debts. The borrowing may not exceed 75 percent of the unrealized and unencumbered revenue estimated in the budget from the current tax levy. The principal and interest must be repaid from the current tax levy (KRS 68.320). The fiscal court may also borrow and repay during a fiscal year by following the guidelines of the Short-Term Borrowing Act (KRS 65.7701 to 65.7721).

Community Foundations. A city, county, urban-county government, or charter county government may set up a community foundation, or nonprofit organization exempt under Section 501(c)(3) of the Internal Revenue Code, designed to accept gifts, bequests, devises, or other transfers, for charitable objectives for the citizens of the local government. Provisions are made for any conditions, limitations, or requirements contingent on the gift, and provisions are made for the return of donations if the foundation loses its status as a charitable organization, if it is liquidated, or if it violates a provision established by the local government governing body (KRS 65.1575).

Chapter 5

County Financial Administration

General Provisions

The authority to appropriate county funds is vested in the fiscal court (KRS 67.080). The statutes assign other elected or appointed county officials powers and responsibilities for preparation of the county budget, management of county funds, and oversight of fiscal affairs.

County Administrative Code

In addition to statutory provisions, some aspects of county financial administration are governed by county administrative codes. The fiscal court must adopt an administrative code to set out procedures for

- general administration,
- administration of fiscal affairs including the county budget,
- filing claims against the county and preparing financial records,
- personnel administration, and
- county purchasing and delivery of county services.

Each June, the fiscal court must review the administrative code and may amend its provisions by a two-thirds majority vote. During the year, the county judge/executive may submit amendments for approval by a majority of the fiscal court (KRS 68.005).

County Budget

The county budget proposes expenditures for certain items (such as salaries, equipment, and rent) or purposes (such as law enforcement, health facilities, and road construction), with cost estimates attached to each item or purpose. So that the budget may be a link between the county's financial resources and future actions, alternative policy goals with price tags attached must be weighed and judged according to the political and fiscal needs of the county.[20]

Budget Preparation

The judge/executive initiates the budget process with the preparation of the proposed budget providing for the expenditure of all county funds. Proposed expenditures must be classed according to budget units representing activities of county government, such as

- general expenses of county government,
- protection to persons and property,
- general health and sanitation,
- social services,
- recreation and culture,

- transportation facilities and services,
- debt service,
- administration and miscellaneous, and
- jail operations (KRS 68.240).

County Receipts Estimates. In addition to the proposed budget, the county judge/executive must prepare a statement of estimated county receipts from local, state, and federal sources. In estimating county receipts, the county judge/executive is aided by an official estimate of real property, personal property, and new property assessment, which the property valuation administrator must submit by April 1 of each year (KRS 68.245).

Jail Operations. The portion of the county budget that provides funds for jail operations is prepared by the county judge/executive, the jailer, and the county treasurer (KRS 441.215). This line-item budget and revenue estimate must be submitted to the fiscal court by April 1 of each year. The completed jail budget is made a part of the general county budget for fiscal court investigation and approval.

Submission Of Budget To Fiscal Court And State Local Finance Officer. The judge/executive must submit both the proposed budget and the estimate of revenue to the fiscal court by May 1 of each year. At this stage in the budget process, the fiscal court has the responsibility of investigating the proposed expenditures, and the court may comment on or amend the proposal (KRS 68.240). Not less than 20 days before the time for adoption of the county budget, the county judge/executive must submit copies of the budget proposal to the state local finance officer for approval as to form and classifications. The state local finance officer may approve and return the budget or may withhold approval pending necessary amendments (KRS 68.250). KRS 68.260 requires that, after approval by the state local finance officer, the proposed budget be submitted to the fiscal court for adoption no later than July 1. The budget must also be posted in the courthouse near the front door and must be published, pursuant to KRS Chapter 424, at least 7 days before final adoption by the fiscal court. The fiscal court may amend the budget based on the certified assessment, as long as it is finalized 30 days from the receipt of the assessment.

Tie Votes For Adoption Of Budget. KRS 68.260 also assumes fiscal court agreement on the budget by July 1. If agreement is not reached, the implication is that the budget must be adopted. Since KRS 68.250 requires that the budget be sent to the state local finance officer not later than 20 days before the time for adoption, whether or not the fiscal court amends it, it is conceivable that the fiscal court could be deadlocked both in the initial review (pursuant to KRS 68.240) and in the final review (pursuant to KRS 68.260), and that the budget would still be adopted. The Attorney General has advised, however, that "automatic" adoption of the budget would make the vote of the fiscal court meaningless and would render the statute internally inconsistent. A tie vote would be the same as a defeat, and the county would be without a budget until one was finally adopted. The Attorney General has also advised that sanctions might be levied against members of the fiscal court for failure to adopt a budget under KRS 68.990, 522.030, and 61.170. In addition, a mandamus action might be brought against the fiscal court members who voted against the budget, to ask the Circuit Court to require the adoption of a budget.[21]

Post-Adoption Changes To Budget. After adoption, the budget may be amended to provide for the expenditure of unanticipated revenue. An amendment must show the source and amount of unexpected funds and the budget units that are to be increased. Like the original budget, the budget amendment must be submitted to the state local finance officer for review and approval (KRS 68.280). The fiscal court also has the authority to transfer money between budget units in the case of an emergency or to provide for increases or decreases in the number of employees in a county official's office (KRS 68.290).

The county judge/executive is charged with administering the provisions of the budget after the fiscal court adopts it (KRS 67.710).

Table 5.1 summarizes the basic procedures set out in KRS 68.210 to 68.360 relating to the crafting and passage of the county budget.

Table 5.1
Basic County Budget Schedule

Date	Action	KRS
April 1	Property valuation administrator submits official estimate of real and personal property and new property assessment as defined in KRS 132.010, to county judge/executive.	68.245
May 1	County judge/executive submits proposed budget and estimate of receipts to fiscal court.	68.240
June 1 (or before)	Fiscal court investigates each county activity for which judge/executive proposes expenditure of funds by fiscal court. Fiscal court reviews budget and makes amendments.	68.240
No less than 20 days before date for adoption of budget	Judge/executive transmits two copies of proposed budget including statements of anticipated receipts and expenditures by budget funds (including fiscal court amendments), to state local finance officer for approval as to form and classification.	68.250
7 days before date for adoption of budget	Judge/executive posts copy of budget near courthouse door, publishes budget pursuant to KRS Chapter 424.	68.260
July 1 (or before)	Budget presented for adoption.	68.260
Within 15 days after adoption	Judge/executive submits to state local finance officer certified copy of original budget as approved by state local finance officer, indicating changes made by fiscal court.	68.270

Note: This schedule does not include ancillary procedures such as those related to passing ordinances (the budget is an ordinance) or other deadlines relating to publications arising from KRS Chapter 424.
Source: Compiled by LRC staff from Kentucky Revised Statutes.

Sharing Of Revenues

A county, urban-county, charter county, unified local government, or consolidated local government, or other public agencies as defined in KRS 65.230, with the approval of their respective legislative bodies, may by ordinance enter into cooperative interlocal agreements (KRS 65.210 to 65.300) for the sharing of revenues with another public agency. The local governments agree on the distribution of revenues (KRS 65.240).

Budget Restrictions

The constitution and statutes restrict county expenditures, diversion of budgeted funds, and debt payment.

Required Appropriations. Counties with outstanding general obligation bonds must maintain a sinking fund composed of a principal account and an interest account. The amount allocated to the principal account must equal the proportional yearly amount necessary to retire each bond issue at maturity. Amounts sufficient to pay interest due on bonds must be allocated to the interest fund annually (KRS 68.240).

The county budget, by state law, must make various other appropriations. Money must be allocated for the salary or office expenses of several county officials, including the coroner and deputy coroners (KRS 64.185 and 72.415), the judge/executive (KRS 67.705), and the property valuation administrator (KRS 132.590). The county must bear certain expenses of conducting elections (KRS 117.105 and 117.345). Payments must also be made for mandatory audits of county funds and officials (KRS 43.070).

Limits On Appropriations. Section 180 of the constitution and KRS 68.100 require each ordinance levying a tax to specify a purpose. Revenue raised by a tax for one purpose may not be budgeted for other purposes until the original purpose has been accomplished; at that point, any remaining funds may be diverted to other needs, in accordance with KRS 68.120.

The statutes also set a maximum limit on the amount a county may expend in any year. The fiscal court is prohibited from spending funds in excess of the amount levied and collected for that year (KRS 68.110). Any indebtedness contracted in violation of KRS 68.100 and 68.110 is void and unenforceable. Further, members of the fiscal court who voted to expend tax revenue for any purpose other than that for which it was raised, or any employee or official who could have stopped the expenditure, may be personally liable to the county (KRS 68.100).

Fourth-Year Restriction. Except in cases of emergency unanimously certified by the fiscal court, the county judge/executive, and the state local finance officer, no county fiscal court may, during the first half of its fourth fiscal year (the cycle having begun with fiscal year 1998–1999), spend or encumber more than 65 percent of all current funds budgeted for that year. Payments on bonded indebtedness or from the road fund may exceed 65 percent as long as there is an equivalent sum in the general fund to equal the excess encumbrance or expenditure in the road fund. Those funds must remain in the general fund until at least January 1 of that fiscal year (KRS 68.310).

Budget Funds

Transfer Between Funds. The constitution contains stringent rules governing the management of special county funds. A special tax collection for one purpose may not be spent for any other purpose (Ky. Const., sec. 180). However, the General Assembly has provided that when the special object or purpose for which a tax was levied has been accomplished, any amount remaining in the special fund becomes a part of the general revenue fund of the county, or

the money may be invested or kept for a similar expense in the future (KRS 68.120). In addition, the fiscal court may transfer such money from one budget unit to another to provide for emergencies. The order of the fiscal court must show the reason for making the transfer and the nature of the emergency (KRS 68.290).

Investment Of Idle Funds. The fiscal court, the county treasurer, elected county officials, and other local governing bodies may invest idle funds in financial instruments such as US government bonds, Kentucky state government bonds, savings and loan associations, federally insured interest-bearing bank deposits, shares of mutual funds and exchange traded funds that meet certain requirements, individual equity securities, and individual high-quality corporate bonds. The state local finance officer may assist the investment programs of local governments and county officials by providing advice and technical assistance. Subject to certain statutory limits, counties and county officials may participate in investment pools created by the state local debt officer or associations of county officials or counties (KRS 66.480).

Road Investment Fund. Any accumulation in the sinking fund for county road bonds may be lent by the fiscal court on first-mortgage real estate security, on the basis of 50 percent of its value, at the legal rate of interest, which accrues to the sinking fund. Before the loan is made, the county attorney must check and clear all titles (KRS 178.200).

Financial Administration And Supervision

The administration and oversight of county expenditures involve both county and state officials. Within county government, the county judge/executive, the fiscal court, and other elected and appointed county officials have certain responsibilities for financial administration. State law also requires an annual audit of certain county offices and funds by the auditor of public accounts (KRS 43.070). County clerks and sheriffs meeting certain criteria laid out by KRS 43.070 and by administrative regulations promulgated by the auditor of public accounts may conduct an agreed-upon procedures engagement to satisfy the audit requirements.

Role Of County Judge/Executive

The county judge/executive has general responsibility for keeping the fiscal court advised of the financial condition and needs of the county. He or she must require elected or appointed county officials whose offices use county funds, and all boards, commissions, and special districts, to submit detailed annual financial reports to the fiscal court (KRS 67.710).

The judge/executive prepares a report at the end of each quarter of the fiscal year for submission to the fiscal court and to the state local finance officer, and for posting in the courthouse (KRS 68.360). These quarterly reports must include detailed information on the condition of each fund of the county budget. On a daily basis, the county judge/executive co-signs, with the county treasurer, all warrants for the payment of funds. Payments and signatures may be done electronically. (KRS 68.020 and 68.275).

The fiscal court may authorize the automatic payment of recurring expenses through the adoption of a standing order. Under certain conditions, these payments may be done by electronic funds transfers (KRS 68.275).

Uniform Financial Information Report

Counties must annually complete a uniform financial information report (UFIR). Before July 1, 2014, special districts with taxing powers were required to complete the UFIR, but after that date all special districts falling under the definition of a special purpose governmental entity (SPGE) under KRS 65A.010 comply with the financial and organizational reporting requirements found in KRS Chapter 65A.

As chief executive officer of the county, the county judge/executive ensures that the county's UFIR is completed as required by law. The final quarterly report filed by a county within 15 days after the end of the last quarter of the fiscal year, in accordance with KRS 68.360, counts as the UFIR for a county. The county may have the UFIR completed by its auditor as set out in KRS 43.070 or 64.810. If a local government has any agency, board, or commission that receives any funding from the local government but conducts its operations on an autonomous or semiautonomous basis, the local government must note on the UFIR the name, address, and dollar amount appropriated to the agency, board, or commission (KRS 65.905).

The Department for Local Government prescribes the format and specific content of the UFIR and uses this report to replace as many as possible of the financial information forms it requires local governments to submit. The UFIR must include information relating to demographics, debt service, lease-purchase agreements, tax rates and revenues, licenses, permits, fees, utilities, intergovernmental expenses, miscellaneous revenues and expenses, charges for service, and expenditures as determined by the department and groups representing local governments (KRS 65.910).

Failure to submit a UFIR will make a county ineligible to receive county or municipal road aid money under KRS 177.360 and 177.366.

In addition, the failure to submit a UFIR can result in the suspension of certain payments made to local governments by the commonwealth until the local government complies.

Uniform System Of Accounting And Reporting Of State Funds By Local Officers

The Department for Local Government operates a uniform system of accounting and reporting on the receipt, use, and handling of all public funds, other than taxes, due and payable to the state from county, district, and other local officers and agencies (KRS 46.010 to 46.990). The system requires each county treasurer, and each county officer who receives or disburses state funds, to keep an accurate account of receipts and disbursements, showing a daily balance of receipts and disbursements (KRS 46.010).

Local officials must electronically report this information to the Department for Local Government each quarter. The officials access electronic forms on the department's website.

Penalties exist for local officials who fail to make the necessary reports in the prescribed manner. Severe penalties also exist if local officials tasked with remitting funds owed to the state fail to do so (KRS 46.990).

Fiscal Court

KRS 67.080 sets out the fiscal court's general authority for supervising county funds. Under this statute, the fiscal court may "[c]ause correct accounts and records to be kept of all receipts and disbursements of the public funds of the county." In performing this function, the fiscal court may have the accounts of all county officers audited in accordance with the provisions of KRS 43.070 and 64.810. Counties containing cities of the first class as well as consolidated local governments are specifically authorized to employ an auditor and an assistant auditor (KRS 68.130).

In addition to these general powers, the fiscal court exercises further control of the county's finances through appointment and removal of the county treasurer (KRS 68.010).

The fiscal court also reviews all claims before payment, except those preapproved by the issuance of a standing order by the fiscal court; the fiscal court, for good cause shown, may order that a claim not be paid (KRS 68.275).

County Treasurer

The county treasurer, an officer appointed by the fiscal court, receives county funds from various county tax and revenue collectors, keeps county financial records, and reports and disburses county money. A county treasurer candidate must be at least 25 years old unless the candidate has a baccalaureate degree from an accredited institution (KRS 68.010).

KRS 68.020 describes the powers and duties of the office of county treasurer. The treasurer must receive and receipt all money due the county and disburse county funds as authorized by the fiscal court. The treasurer and the judge/executive must co-sign warrants (checks) drawn on the county's accounts. They may use electronic signatures. The treasurer must be careful in countersigning on the various budget funds because he or she may be liable on bond for warrants in excess of a budget fund (KRS 68.300).

The treasurer also has the job of keeping books of accounts of county financial transactions. Records must be kept in the manner directed by the state local finance officer (KRS 68.020). At the beginning of each month, the treasurer must balance the books and report to the county judge/executive and each fiscal court member the county's receipts and disbursements, as well as the balance in each budget account (KRS 68.360).

At the close of each fiscal year, the county treasurer must make a complete settlement of accounts with the fiscal court (KRS 68.020). After the fiscal court approves the treasurer's annual settlement, records of the settlement are filed in the office of the county clerk (KRS 68.030).

KRS 68.020 also assigns to the county treasurer the duty of overseeing collection of money due the county. When directed by the fiscal court, the treasurer must institute (or when acting independently, the treasurer may institute) court actions in the name of the county to collect money due from tax collectors or others indebted to the county. The county treasurer must keep a record of the condition of any of those actions and the money collected as a result.

County Attorney

The county attorney is directed to oppose all unjust and illegally presented claims. In a county, consolidated local government, or urban-county that is part of a judicial circuit described by KRS 69.010(2), the county attorney also advises the collector of money due the commonwealth in regard to motions against delinquent collecting officers for failing to return executions. The county attorney prosecutes those motions (KRS 69.210).

County Clerk

The county clerk must record the settlement of accounts of the treasury with the fiscal court, as well as all statements, vouchers, and related papers (KRS 68.030).

State Audits

The office of the state auditor of public accounts conducts annual audits of the funds contained in each county's budget, and of the books, accounts, and papers of county clerks and sheriffs. Clerks and sheriffs who meet certain criteria may meet the audit requirement through the conduct of an agreed-upon procedures engagement with the state auditor (KRS 43.070). The fiscal court or the county clerk or sheriff may employ a certified public accountant if the state auditor declines to perform the audit or fails to respond within 30 days to a written notice from the fiscal court, clerk, or sheriff of intent to employ a certified public accountant. In the case of an emergency requiring an immediate audit that the auditor of public accounts cannot complete by the requested deadline, the auditor must authorize the fiscal court, the county clerk, or the sheriff to engage a certified public accountant (KRS 64.810).

If a fiscal court seeks to employ an independent certified public accountant, it must send written notice by July 31 following the fiscal year to be audited. The county clerk or sheriff must send written notice by January 30 following the calendar year to be audited. If the state auditor performs the audit of the county budget, the fiscal court must pay only half the cost. The fiscal court must pay all of the costs of a state audit of the county clerk or sheriff (KRS 43.070).

When a certified public accountant is employed, the fiscal court must pay all the cost of the county audit, and the county clerk or sheriff must pay the cost of the audit from funds of the office. Emergency audits of the sheriff and county clerk must be paid for by the office audited. If the whole county is the subject of an emergency audit, the fiscal court must bear the cost (KRS 64.810).

No county may be required to pay for more than one audit of the same fund or office, unless discrepancies are found (KRS 43.070).

Whether performed by the auditor of public accounts or by a certified public accountant, audit reports must be submitted to various state and local officials and to a newspaper in the county. Audits must be published in accordance with KRS Chapter 424 (KRS 64.810).

Borrowing And Debt Payment

Short-Term Borrowing

Counties may borrow money within a fiscal year to meet the expenses of that fiscal year without resorting to general obligation or revenue bonds. KRS 68.320 permits the county to borrow up to 75 percent of unrealized and unencumbered revenue estimated in the budget for the current fiscal year to meet current expenses of the county as they accrue and to pay interest and principal on bonded debts.

The Short-Term Borrowing Act, KRS 65.7701 to 65.7721, provides for borrowing and repaying during a fiscal year by the issuance of notes. The notes may be secured by revenue (which includes all funds received by the county that are not taxes), by real or personal property taxes, or by both revenues and property taxes. The county must implement this short-term borrowing program by ordinance. The notes to be issued may not exceed 75 percent of the money to be collected in the current fiscal year and intended as security for the notes. The county may make a single authorization for notes and may issue and sell portions of the amount of authorized notes at various times in the fiscal year. All notes must mature no later than the last day of the fiscal year in which they are issued. The notes have the privilege of exchange and registration, and they are subject to the right of prior redemption.

The county may establish sinking funds or note retirement funds as a method of providing for repayment of the notes. The holders or owners of the notes may be given the right to have the notes continually secured by the faith and credit of the county, and each note bears on its face a statement to that effect and to the effect that the right of payment on the note is limited to the taxes or revenues pledged under the ordinance (KRS 65.7711).

Long-Term Borrowing

With approval of the voters, a county may incur a total indebtedness up to 5 percent of its assessed valuation for public road purposes. To finance this indebtedness, a tax not to exceed 20 cents per $100 of assessed valuation may be levied (Ky. Const., sec. 157A).

No county may incur indebtedness in excess of 2 percent of the value of the taxable property in the county (Ky. Const., sec. 158). Debts incurred as a result of emergencies do not fall within the limitations imposed by Section 158. Furthermore, the old Court of Appeals ruled that the limitations on counties in this section do not apply to bonds issued for roads and bridges pursuant to Section 157A of the constitution.[22]

No county debt may exceed a term of 40 years. All indebtedness must be supported by an annual tax sufficient to pay the interest and to create a sinking fund (Ky. Const., sec. 159).

Bonds issued by county governments are exempt from taxation in any form by any other unit of Kentucky local government or by the state (Ky. Const., sec. 171).

The commonwealth may not assume the debt of any county unless the debt is attributable to conditions of war or insurrection (Ky. Const., sec. 176).

All laws authorizing borrowing of money must specify the purpose for which it is to be used. The money may not be used for any other purpose (Ky. Const., sec. 178).

Counties may not lend credit to any corporation, association, or individual, except for road purposes (Ky. Const., sec. 179).

Bankruptcy

Any county may file a petition of bankruptcy in accordance with the Federal Bankruptcy Act and its amendments. The state local finance officer and the state local debt officer must approve the proposed plan of bankruptcy. County property is exempt from seizure except as otherwise provided in KRS 66.400. The funds of a county are not subject to garnishment or other legal process except as otherwise provided in KRS 66.400. Counties may petition the court to have monetary damages rendered against the county to be paid in whole or in part through a periodic payment schedule in a 10-year period. In order to grant such a payment schedule, the courts must follow designated considerations that are set out in KRS 66.400. When a court enters an order providing for the attachment, execution, garnishment, or seizure of a county's property or money, it is prohibited from impairing the ability of the county from continuing to provide essential services to the public.

State Notification Regarding Bonds, Obligations, And Leases

No local government may issue any bonds or obligations without prior written notice to the state local debt officer. The notification must contain complete information about the bonds, including maturity schedule, interest rate, date of issue, purpose, paying agent, and any additional information the state local debt officer may require (KRS 65.117). In addition to the notification requirements in KRS 65.117, no county, with the exception of urban-county governments, is to enter into a lease in excess of $500,000 without approval from the state local debt officer (KRS 65.944).

The state local debt officer may provide technical and advisory assistance regarding the issuance of bonds and obligations to those local governments whose governing bodies request such assistance (KRS 66.045).

General-Obligation Bonds

General-obligation bonds constitute a debt of the county to be repaid from a first claim on county revenues. All general-obligation bonds are subject to a general maturity period limitation of 40 years. It is the public policy of the commonwealth that interest rates payable by public bodies on public obligations be competitive with rates permitted by other states, subject to any approval necessary under other laws (KRS 58.420 and 58.430).

Home Rule Bonding Power

Historically, the power of counties to issue bonds to fund a particular type of public project depended on specific grants of authority from the General Assembly, but with the passage of the County Home Rule Act, counties gained the power to issue bonds not in conflict with the statutes or constitution for a broad range of public purposes (KRS 67.083).

State Approval, Appeal, And Debt Restructuring Assistance

No county may issue general obligation bonds until the proposal has been approved by the state local debt officer, as required by KRS 66.310, or by a court of competent jurisdiction.[23] Although the constitutional debt limit for counties is 2 percent of the value of the county taxable property, the state local debt officer must approve any general obligation debt in excess of 0.5 percent of the assessed property value (Ky. Const., sec. 158; KRS 66.310).

The state local debt officer must hold a hearing on a proposed bond issue and must withhold approval if the financial condition and prospects of the county do not warrant a reasonable expectation that interest and principal maturities can be met when due without seriously restricting other expenditures of the county, or if the bond issue will not serve the best interests of both the county issuing the bonds and a majority of its creditors, or if the bond or issuance thereof is invalid. A decision of the state local debt officer may be appealed to the Circuit Court of jurisdiction within 30 days.

When a county bond issue is approved, record of the approval must be made in the minutes of the next meeting of the fiscal court (KRS 66.310).

Any county may petition the state local debt officer for assistance in formulating a plan for reorganizing its debt structure. If any county is having difficulties in managing its debt structure, as evidenced by default in payments or other evidence of financial mismanagement, the state local debt officer may investigate the debt situation and credit standing of the county and negotiate with officials and creditors of the county in order to formulate a reorganization of the debt structure (KRS 66.320). KRS 66.370 provides that a county may surrender management of its debt structure to the state local debt officer. In such cases, all sinking funds and revenues must be transferred to the state local debt officer. The transfer, once made, is irrevocable.

Valuation

Sections 157, 157A, and 158 of the constitution relate maximum indebtedness directly to the assessed valuation of property. As a result of these restrictions, counties have begun using special revenue bonds pegged to a particular source of revenue rather than depending on general property taxes. Revenue bonds generally carry a higher interest rate than do full faith and credit bonds.

Revenue Bonds

Revenue bonds are secured by a particular source of revenue, such as a special tax, fee, rental, or assessment. Revenue bonds do not constitute a general indebtedness of the county. The full faith and credit of the county is not pledged. Only the revenue of the project, or a portion thereof, is pledged. The interest rate for revenue bonds is generally higher than for general-obligation bonds.

Revenue bonds are not subject to statutory debt limitations, and they are not obligations of the county taxpayer.[24] Strictly defined, revenue bonds are those for which interest and principal are payable exclusively from the earnings of a specific enterprise. However, in Kentucky, the concept has been extended to include bonds payable by special taxes or by portions of the general levy.

Revenue bonds, in effect, constitute a nonguaranteed debt. Such a debt may take several forms, but the three most common are

- direct issue of revenue bonds by the county;
- creation of a special district, public corporation, or commission, with the power to issue revenue bonds for a specific public purpose; and
- lease-purchase agreements, usually combined with a special district, public corporation, or commission.[25]

KRS 58.180 establishes requirements for the creation of a nonprofit corporation by a county to act as an agency in the acquisition and financing of a public project through revenue bonds.

Interim Financing

Counties must often wait months to receive the proceeds of a revenue bond issue or a federal grant to begin work on a project. This interim period may be used for project activities, if the county elects to use interim financing.

Revenue Bond Anticipation Notes

When a fiscal court has made the legal determination to issue revenue bonds to finance a project, it may provide for the interim financing of that project by the sale and issuance of revenue bond

anticipation notes. The interest rate of the notes must not exceed the maximum rate anticipated for the bonds, and the maturity of the notes must not exceed 5 years (KRS 58.150).

Grant Anticipation Notes

A county may issue grant anticipation notes when it has applied for and received federal grants-in-aid, or when it is entitled as a matter of law to federal grants that will provide all or part of the funds required for the construction and installation of a public project. The maturity ceiling of the notes is 3 years, and the fiscal court may determine the interest rates (KRS 58.155).

State Assistance

Several state agencies provide county officials with assistance and training in financial administration.

State Local Finance Officer

Members of the state local finance officer's staff visit counties and provide informal training in budget preparation and administration for new or inexperienced county officials. The fiscal court must administer the fiscal affairs of counties, under the uniform county budget system. The state local finance officer supervises the administration of the uniform county budget and has provided a uniform system of accounts for all counties and county officials. He or she may investigate, examine, and supervise the accounts and operations of all local governments, and his or her office requires an annual financial report from counties (KRS 68.210 and 147A.020).

Auditor Of Public Accounts

The state auditor of public accounts' office provides guidance and suggestions for improved recordkeeping to county officials when the county is audited each year (KRS 43.050 and 43.075).

Department For Local Government

The Department for Local Government conducts annual programs to instruct local officials about their duties and responsibilities in the collection and expenditure of public money subject to their control and administration (KRS 147A.025). The office also gathers information relating to local governments' debt issuance. Debt reports by county are available on the Department for Local Government's webpage.

Chapter 6

General Government

The fiscal court directs the operation of county government through its power to provide and finance government services. The county judge/executive is responsible for administering and executing the policies of the fiscal court. This chapter begins with an examination of the general provisions for the administration of county government, and it proceeds to discuss basic general government activities of the county.

County Administrative Code

All counties must adopt administrative codes detailing procedures for the administration of county government (KRS 68.005). The jobs of drafting and periodically reviewing and recommending revisions to the administrative code have been given to the judge/executive (KRS 67.710). The fiscal court holds the power of final approval of the code and any amendments (KRS 68.005).

State law does not limit the areas that the county administrative code may cover, but KRS 68.005 does list several subjects that the code must include. It must include procedures and designate responsibility for

- general administration of county government,
- administration of fiscal affairs,
- personnel administration,
- purchasing and the awarding of contracts, and
- delivery of county services.

The discretion of county officials in setting administrative procedures is limited; several of the areas covered in the administrative code are subject to some degree of direction or restraint imposed by state law.

Purchasing And Contracting

State law contains several provisions that govern the way counties purchase goods and enter into contracts. Primarily, counties must abide either by KRS 424.260 or, if the county has adopted the Kentucky Model Procurement Code (KRS 45A.345 to 45A.460), by the provisions of the code that are applicable to local governments.

KRS 424.260 provides that a county must make a newspaper advertisement for bids before it may enter into a contract or other agreement for materials, supplies (except perishable foods including meat, poultry, fish egg products, fresh vegetables, and fresh fruits), equipment, or nonprofessional services involving an expenditure of more than $40,000. This bid requirement does not apply when the county's chief executive officer, the sheriff, the county clerk, or (in the case of a school purchase) a school superintendent certifies that an emergency exists. Certain

counties may satisfy the requirements of publication by placing the advertisement on an official website in conjunction with a newspaper or digital newspaper advertisement designed to notify the public of the internet posting and its subject matter (KRS 424.145).

The county administrative code must include procedures for purchasing and the awarding of contracts. One alternative available for counties seeking to establish purchasing procedures is the Kentucky Model Procurement Code (KRS 45A.345 to 45A.460). These statutes include provisions on solicitation of bids, bidding, and other details related to purchasing. KRS 45A.343 provides that the adoption of this code is optional but that, upon its adoption, no other statutes on purchasing will apply to a county.

Counties and other local governments seeking architectural and engineering services may use an alternative process called "qualifications-based procurement." With a few exceptions, the project must be advertised in a newspaper, and the county must transmit a notice to request a statement of interest from firms that have submitted current qualifications statements to it, or ask a professional organization to provide a list of firms capable of providing the service. All firms that show an interest in the project are evaluated according to a set of criteria including ability, workload, and past performance. Bids are considered only after negotiations with the top-ranked firms have begun (KRS 45A.730 to 45A.750).

Any contract entered into by a county must require the contractor to reveal past violations of Kentucky laws regarding taxes, wages, occupational safety, unemployment compensation, or workers' compensation (KRS 45A.343).

Subject to certain restrictions, county governments may participate in contracts between state agencies and vendors for the purchase of materials or supplies. The Department for Local Government must inform the purchasing agents of interested counties and other local governments of contracts in effect between state agencies and vendors (KRS 45A.050).

Published Notice

State law requires that the public be made aware of various activities of county government through published notice. Published notice occurs for the most part in newspapers. Authorized localities are allowed to publish required notices alternatively on the internet with a smaller, parallel newspaper advertisement describing the nature of the advertisement on the internet.

Newspaper Publication

Whenever law requires a county to publish an advertisement in a newspaper, the publication must meet the following briefly summarized requirements:

- The paper must be published in the publication area; a paper may not be excluded solely because its printing or reproduction takes place outside the publication area.
- The paper must be of regular issue, at least weekly, and must have the largest bona fide circulation in the county.

- The paper must bear a name, contain at least four pages, and be the type the public resorts to for political, religious, commercial, and social news (KRS 424.120).

The times and periods of publications of advertisements that must be made by law are as follows:

- When an advertisement is of a completed act, such as an ordinance, resolution, regulation, order, rule, report, statement, or certification, and the purpose of the publication is not to inform the public or the members of any class of persons that they may act or exercise a right within a designated period or on or by a designated date, the advertisement must be published once only, within 30 days after completion of the act.
- When the advertisement's purpose is to inform members of the public that they may or shall file a petition, protest, or bid, etc., it must be published at least once but may be published two or more times, provided that one publication occurs not less than 7 days nor more than 21 days before the occurrence of the act or event.
- When the advertisement's purpose is to inform the public concerning delinquent taxes or notice of the sale of claims, it must be published either
  - once a week for 3 consecutive weeks; or
  - once, preceded by a half-page notice of advertisement the preceding week. The half-page advertisement includes notice that a list of uncollectible delinquent taxes is also available for public inspection in accordance with KRS 424.330 during normal business hours at the business address of the city or county and on an identified website.
- Any advertising not in the scope of the preceding three paragraphs must be published at least once but may be published more frequently, provided that one publication occurs not less than 7 days nor more than 21 days before the occurrence of the act or event.
- If the statute requiring that an advertisement be published provides that the day on or by which an act may or shall be done is to be determined by computing time from the day or publication of an advertisement, the advertisement must be published once, and the computation of time is from the date of initial publication (KRS 424.130).

The following conditions apply if the statute does not designate responsibility for placing the advertisement (KRS 424.150):

- Where the advertisement is of the filing of a petition or application, the person filing the advertisement is responsible.
- Where the advertisement is of an activity or action of an individual public officer, the officer is responsible.
- Where the advertisement is of an activity or action of a county, the county clerk is responsible.
- Where the advertisement is of an activity or action of a district, or a board, commission, or agency of a city, county, or district, the chief administrative or executive officer or agent thereof is responsible.

Supplementation of printed notices by broadcast may be necessary (KRS 424.195).

The courts may void any resolution, regulation, ordinance, or other formal action of any public agency that is adopted without compliance with applicable publication requirements (KRS 424.380).

Digital Newspaper Publication

Instead of using a print newspaper, a county may choose to publish its legally required notices via a digital newspaper that

- maintains an active news-gathering office in the publication area,
- has been actively publishing materials for at least a year and is updated at least weekly,
- primarily reports on matters of importance to the public and contains regular reporting regarding local issues within the publication area,
- is easily accessible via internet search,
- contains conspicuous headings directing viewers to public notices, and
- distributes (or has ownership interest in an entity that distributes) newspapers printed in Kentucky and is capable of circulating physical newspapers throughout the publication area (KRS 424.120).

A required publication made on a digital website is deemed to be published on the date that it is posted to the website and is not subject to dimensional, typesetting, or other requirements unique to physical printing (KRS 424.210).

Alternative Publication

When a county with a population of 80,000 or more, a special purpose governmental entity within such a county, a merged government, or a special district is required to publish a matter pursuant to KRS Chapter 424, it is allowed to post the advertisement on a notice website maintained by or for the local government, special district, or entity. That information is maintained for a period designed to reflect the reason of the advertisement, such as a period of time to remonstrate an action of the government. In addition to the internet posting, a parallel newspaper or digital newspaper advertisement must be published to inform the public of the subject matter of the internet posting and the full URL of the website. A contact phone number for the local government, special district, or entity must also be published (KRS 424.145).

Table 6.1
Matters To Be Published By Counties And County Officials

Matter To Be Published	KRS	Remarks
Removal of special district board member	65.007	Special district must publish hearing
Alteration or dissolution of special district	65.166	Fiscal court advertises hearing
Dissolution of special district by referendum	65.170	County clerk must advertise question
Creation of special district	65.182	Time and place of public hearing and map or description of district
Creation of special district in county containing city of first class or consolidated local government	65.192	Time and place of public hearing and map or description of district
Acquisition and property disposal	65.370	Rental and sale prices; conditions for disposal of property

Matter To Be Published	KRS	Remarks
Creation of nontaxing special district	65.810	Time and place of public hearing and map or description of district
Administrative dissolution of special purpose governmental entity	65A.050	Notice of intent to administratively dissolve
Budget of special purpose governmental entity	65A.080	Places where budget can be examined
Removal of county seat	67.020	Sheriff must advertise election
Division of county or striking of territory	67.030	Sheriff must advertise election
County legislative body district reapportionment	67.045	Notice of planned reapportionment
Election of commissioner form of government	67.050	Sheriff or other officer publishes order calling for election; precinct advertisement required
County ordinance	67.077	Ordinance must be published in full or in summary before and after enactment; charter county governments and urban-county governments exempted
Fiscal court meeting place change	67.090	Notify when fiscal court meets at site other than county seat
County consolidation	67.220	Sheriff must advertise election
County building commission construction or improvement of buildings	67.485	Secretary of commission advertises for bids
Seized and forfeited property	67.592	Property clerk must advertise amount and disposition of property
Certain classified service positions in urban-county government	67A.300	Government must advertise that position has been re-created or reestablished
Consolidated local government council district reapportionment	67C.135	Notice of planned reapportionment
County compensatory tax rate change subject to recall	68.245	Fiscal court must advertise hearing and information
Enlargement or reduction of Chapter 75 fire district boundaries	75.020	Notice of filing of petition given
Merger of Chapter 75 fire districts	75.020	Notice of filing of petition given
Metropolitan sewer district rate change	76.090	Notice of change advertised before schedule adoption
Metropolitan sewer district facility construction	76.172	Notice of construction completion must be made
Metropolitan sewer construction subdistrict proposal	76.241	Notice of filing and order establishing construction subdistrict required
Engineering and benefits report for metropolitan sewer construction subdistrict	76.246	Location of report prepared under KRS 76.243
Annexation to metropolitan sewer construction subdistrict	76.268	Area description of proposal; notice of final order
Metropolitan sewer construction district establishment	76.305	County clerk publishes
Metropolitan sewer construction district economic feasibility report	76.335	Clerk publishes notice of report
Air quality trust fund financial report	77.127	Must be published “in writing” at annual June meeting but not necessarily in newspaper
Nonpartisan city elections, certain other city elections	83A.170	County clerk publishes names of candidates before election

Matter To Be Published	KRS	Remarks
County bond issuance for industrial buildings or pollution control facilities	103.210	Notice of ordinance
Bond hearing on Kentucky Private Activity Bond Allocation Committee project approval	103.2101	Hearing notice published
County Board of Elections voting equipment inspection	117.165	Notice of inspection published
Special elections	118.750	Sheriff gives notice of receipt of proclamation or writ of election
Tax levy exceeding compensating tax rate in special purpose governmental entity, hearing	132.023	Taxing district advertises intentions and hearing
Urban-county government tax levy exceeding compensating tax rate, hearing	132.027	Urban-county government advertises intentions and hearing
Alteration/dissolution of area planning commission created by county consolidation when altered/dissolved by fiscal court or by referendum	147.620	Fiscal court advertises hearing on matter; county clerk advertises question for referendum
Road and bridge construction bond, petition for election	178.170	Sheriff advertises election
Special tax election	178.240	Sheriff advertises
Joint bridge and road work bids	178.260	County road engineers advertise bids for construction
Vegetation removal dates for county roads by county road engineer	179.230	See also KRS 179.220
Alteration or dissolution of sanitation district	220.115	Fiscal court advertises hearing
Sanitation construction subdistrict report under KRS 220.555	220.561	Time and place for public hearing on report
Local-option election for alcoholic beverages	242.040	Sheriff publishes order of election issued by county judge/executive
Drainage district improvement	267.240	Board must advertise for bids
Drainage district assessment filing	267.300	County clerk publishes fact of filing
Financial statement of drainage district	268.220	Published by board
Drainage appraiser's report	268.280	Must be sent to landowners, posted in courthouse, and published
Drainage assessment record receipt	268.360	County clerk must publish
Assessment lien claim for drainage district	268.420	Sheriff advertises claims for sale
Index system of real property in certain counties	382.220	County clerk advertises for bids to construct indexing system
Financial statement	424.220	Every officer of county, district, commission, or public agency that collects public funds (except consolidated local government, county containing city of first class, urban-county government) must publish, 60 days after close of fiscal year
Optional monthly or quarterly statement	424.230	Officials may publish quarterly statements in lieu of annual statement

Matter To Be Published	KRS	Remarks
Bid	424.260	For materials, supplies, equipment, and other services of $30,000+ (unless statute fixes larger sum, fiscal court fixes smaller sum for sheriff or county clerk, or emergency exists)
Local administrative regulation	424.270	For regulations imposing liabilities or restrictions on public
Ad valorem taxes	424.280	Due date must be published
Election ballot	424.290	County clerk publishes not less than 3 days before primary or regular election
Invitation to bid	424.360	Advertisement for bids for bonds that are not excepted must either be published in a newspaper or are to be posted in a nationally recognized electronic bidding system

Source: Compiled by LRC staff from Kentucky Revised Statutes.

Liability Insurance

Kentucky follows the old legal principle of sovereign immunity, which means that the state and its counties may not be sued for tort or injury except as the state consents. The constitution authorizes the General Assembly to determine how suits are brought against the commonwealth (Ky. Const., sec. 231). The courts have interpreted this section to mean that only the General Assembly may waive sovereign immunity in Kentucky.[26]

The fact that several statutes allow counties to purchase motor vehicle insurance and mandate workers' compensation insurance does not mean the legislature has departed from the doctrine of governmental immunity for tort.[a] Instead, any suit instituted on these policies may be maintained against the county only for the purpose of obtaining a measure of the liability of the insurance carrier to the injured party. Therefore, the liability may not extend beyond the insurance coverage (KRS 67.180 and 67.186).[27]

The purchase of liability insurance does not necessarily constitute a waiver of sovereign immunity.[28]

A county containing a city of the home rule class may buy insurance for county vehicles and for compensation of employees injured during employment by the county (KRS 67.180).

A county containing a city of the first class may acquire auto and compensation insurance under KRS 67.185, which specifies that an insurance company waives the right to contest or deny liability by denying the liability of the county because of its governmental capacity. The fiscal court may also provide liability insurance and indemnity insurance for the benefit of a county-operated hospital (KRS 67.186).

A county and its agencies or officers may purchase insurance for employees or officials of a county or any board, commission, agency, or authority of a county against any liability arising out of an act or omission occurring in the performance of legal duties (KRS 65.150). Counties and their boards, commissions, and agencies may also purchase property damage insurance. The fiscal court may pay for such policies out of county funds, or the fee officers themselves may pay

[a] In 1972, the General Assembly amended the workers' compensation law and required governmental units to provide workers' compensation insurance for their employees, as codified in KRS 342.630.

for them out of excess fees. Counties or fee officers may enter into self-insurance associations for the purpose of insuring themselves. These associations may borrow money and issue revenue bonds to fund the costs of providing insurance. The participation by the county government in a self-insurance fund through an interlocal agreement does not constitute a waiver of immunity; *Franklin Cty. v. Malone* affirmed this principle.[29] According to the case, before the passage of KRS 44.072 and 44.073, which set out the commonwealth's intent regarding its liability, a purchase of the insurance would constitute a waiver of immunity. Note, however, that the court differentiates between the expenditure of funds for commercial insurance versus the contribution of funds into the self-insurance fund.

General Government Activities

County Buildings, Facilities, And Property

KRS 67.080 grants the fiscal court the power to control county property. This statute permits the fiscal court to buy, sell, and convey property for the lawful purposes of the county. Further, the fiscal court is responsible for the construction, maintenance, and operation of all county buildings. The county judge/executive has the responsibility of carrying out the fiscal court's policies in regard to public buildings. The jailer may be employed as the superintendent of county buildings, if the jailer and the fiscal court agree (KRS 67.130).

The fiscal court also has been granted broad authority to provide buildings and facilities under KRS 67.083, which allows the fiscal court to levy taxes, issue bonds, and appropriate funds for a number of public facilities, such as correctional institutions, hospitals, libraries, museums, and parking facilities. Although there is no explicit authorization for the fiscal court to rent or lease county-owned property, the courts have upheld the practice. The Court of Appeals held that KRS 67.080, which gives the fiscal court the authority to sell property, implies that the fiscal court may exercise general supervisory control over all county property. General supervision of county property includes the right to lease the property.[30]

Smoking. Any policy regarding smoking in county office buildings and workplaces must be adopted in writing by the chief legislative body of the county. If smoking is restricted, accessible indoor smoking areas must be provided. The policy must favor allowing smoking in open public areas where ventilation is adequate and where the state fire marshal or a similar authority has placed no restrictions. The policy can entirely prohibit indoor smoking (KRS 61.165).

Concealed Weapons. A person carrying a concealed weapon without statutory permission may be asked to leave or be denied entrance to a portion of a building owned, leased, or controlled by a legislative body of a city, county, or urban-county government, if the proper ordinance is adopted and a sign is posted. It is a criminal offense to carry a concealed weapon, even with a license, in a police station, sheriff's office, jail, or detention facility, or in a meeting of the governing body of a county, municipality, or special district, unless the person is otherwise statutorily allowed to do so and has sought permission, when applicable (KRS 237.110, 237.115, 244.125, 527.020, and 527.070).

Courthouse Construction And Renovation

The Administrative Office of the Courts administers new court facility construction in counties and is responsible for the design, financing, and construction. It must

- assess the need for such construction or renovation throughout the commonwealth;
- develop a project program for the construction or renovation of court facilities;
- establish the financial condition of any county that contains a court facility for which a project program has been developed to determine the county's ability to participate in the proposed project;
- develop a prioritized list with cost estimates based on land availability and the considerations of proposed court facilities projects and submit the list to the chief justice for approval and to the Court Facilities Standards Committee for informational purposes; and
- develop and maintain uniform contracts to be used by local units of government when procuring architectural, construction, financial, or other services relating to court facilities projects authorized by the General Assembly.

Counties needing new court space must enter into certain contracts with the Administrative Office of the Courts before they will receive any project approval. Money required for the program is derived from biennial appropriations and appropriations to the court facility use allowance contingency fund. The Administrative Office of the Courts reports the status of all incomplete court facilities projects quarterly to the Capital Projects and Bond Oversight Committee (KRS 26A.160 to 26A.168, 26A.090, and 147A.021).

Condemnation For County Purposes

When a county wants to acquire land for public use and an agreement with the owners cannot be reached, the county may condemn the property as provided by the Eminent Domain Act of Kentucky (KRS 416.540 to 416.680). In 2005, the US Supreme Court upheld a decision by the Connecticut Supreme Court in *Kelo v. City of New London*.[31] The courts held that New London's condemnation of private property for economic purposes was a proper function of government under the Takings Clause of the Fifth Amendment of the US constitution.

The *Kelo* decision was commonly viewed nationally as problematic in that it might open the door to abuse through a less restrictive threshold of a definition of *public use*. Nonetheless, according to the National Conference of State Legislatures, as of 2011, 42 states had considered and enacted legislation in response to the decision.[32] Kentucky was among the states taking such action, and it modified the Eminent Domain Act of Kentucky to redefine what constitutes a public use (KRS 416.675).

KRS 67.085 gives the fiscal court the general authority to use the condemnation process for acquiring property. Eminent domain may be used to condemn blighted or deteriorated properties (KRS 416.580). When such action is taken, it must be in the public interest. Table 6.2 lists purposes for which the county is specifically authorized to exercise eminent domain.

Table 6.2
Eminent Domain Authority

Purpose	KRS	Remarks
Public project	58.140	Commonwealth acting through county, city, or agency
General administrative or governmental, not authorized elsewhere in statutes	67.085	—
Land for public housing	80.500	Regional housing authority, appointed by fiscal court
Urban renewal	99.360	Urban renewal commission, appointed by fiscal court
Elimination of blighted or deteriorated property	99.715	County containing city of first class or consolidated local government
County road	178.120	Condemned under procedure in KRS 416.540–416.680
Additional land adjacent to existing road	178.125	—
Establishing, expanding, and operating airports	183.133	Local air board, appointed by fiscal court
Establishing children's home	201.070	County containing city of first class
Drainage of land	269.070	—
Surface water drainage	269.270	—
County roads	416.110	See also KRS 178.120

Source: Compiled by LRC staff from Kentucky Revised Statutes.

Planning And Zoning

KRS Chapter 100 permits counties and cities to exercise some control over the way private property owners use their land. However, several requirements must be satisfied before a county may conduct planning or zoning activities (KRS 100.113).[33]

Formation. Planning units may be formed by a county acting independently (KRS 100.117), in cooperation with one or more cities (KRS 100.121), or as part of a region (KRS 100.123). The statutes discourage independent planning units, which may be created only if other governments are not interested in a joint unit (KRS 100.117). A county with a population of 300,000 or more is considered a planning unit, containing all cities in the county. A consolidated local government constitutes one planning unit with a planning commission composed of 10 members (KRS 100.137).

Commission. After the creation of a planning unit, a 5- to 20-member planning commission is appointed. The method of appointment and the composition of the commission depend on the nature of the planning unit created and the number of participating governments, as well as the form of government (KRS 100.133 and 100.137).

Comprehensive Plan. The planning commission is responsible for preparing a comprehensive plan, which must include a statement of goals and objectives, a land use plan, a transportation plan, a community facilities plan, and provisions for any military installations of 300 acres or more. Other elements can be included (KRS 100.187). In preparing the comprehensive plan, the commission must follow certain research procedures (KRS 100.191). KRS 100.193 and 100.197 provide for the adoption of the comprehensive plan and for its periodic review and amendment.

Land Use Ordinance. If a county is a member of a planning unit that has adopted goals and objectives and the land use plan elements, it may enact interim zoning regulations that are

effective for up to 12 months, during which time the planning commission is to complete the remaining elements of the comprehensive plan. Interim regulations become void on the enactment of permanent regulations or after the expiration of 12 months (KRS 100.201). KRS 100.203 to 100.271 establish requirements regarding zoning regulation contents and procedures for enforcing and amending zoning regulations. The fiscal court may adopt alternative regulations for zoning map amendment, pursuant to KRS 100.2111. Land development may be controlled through the adoption of regulations that establish requirements for the approval, design, and maintenance of subdivisions. KRS 100.273 to 100.292 govern methods for the adoption, amendment, and enforcement of subdivision regulations. Counties that do not wish to establish a planning program or form a planning unit may adopt subdivision regulations pursuant to KRS 100.273(2).

Training. Members of the planning commission and board of adjustment, as well as various staff of the planning commission, must take initial training and continuing education. If the commission members do not satisfy this requirement, they are subject to removal. Staff not completing the requisite training are not to be employed (KRS 100.346).

Binding Element Enforcement Act. Planning commissions in counties with cities of the first class or consolidated local governments may issue remedial orders and may impose civil fines as a method of enforcing a binding element. If a local government chooses to grant this power to the planning commission, it does so through the adoption of an ordinance. In those cases, the local planning commission will be granted six powers. It may

- adopt rules and regulations to govern its operation and the conduct of its hearings;
- conduct hearings to determine whether there has been a violation of a binding element;
- subpoena alleged violators, witnesses, and evidence to its hearings, using a land-use enforcement officer only;
- take testimony under oath;
- make findings and issue orders necessary to remedy any violation of a binding element; and
- impose civil fines, as authorized in the ordinance, on any person found to have violated a binding element the planning commission is authorized to enforce.

When a citation is issued, the person cited may request and receive a hearing of the planning commission to determine the validity of the citation. Appeals to the judgment of the planning commission are heard at the local District Court. All actions and judgments of the planning commission are put in writing (KRS 100.401 to 100.419).

Area Planning Commission. The planning operations of cities and cooperative planning operations of two or more adjacent counties, one of which contains a city of 50,000 to 200,000 inhabitants, may be consolidated through the creation of an area planning commission (KRS 147.610). The area planning commission is a political subdivision possessing the power to levy an ad valorem tax, to enter into contracts, and to accept grants. KRS 147.670 lists the powers and duties of the commission in the area of planning. KRS 147.675 stipulates that the commission's planning powers are advisory only. Each participating unit of government is entitled to one representative on an area council, which selects members of the area planning commission and advises the commission (KRS 147.640).

Purchase Of Development Rights Program

Urban-county governments may place before the voters the option of establishing a purchase of development rights program to purchase development rights, as well as to purchase conservation easements or other comparable interests in real estate in addition to or in lieu of the purchase of development rights to certain parcels of land. To fund the program, the voters may decide on one of three tax-based funding mechanisms: an ad valorem tax, a license fee, or a transient room tax (KRS 67A.840 to 67A.850 and 91A.390).

Recreation And Parks

Under KRS 67.083 and 97.010, county government has broad authority to maintain a variety of recreational programs, including parks, nature preserves, playgrounds, museums, and other cultural and recreational facilities. The fiscal court may designate a park board to manage the recreational system (KRS 97.020). A county may also cooperate with a city or school board in providing parks and recreation and may vest management of the system in a joint board (KRS 97.010 and 97.035). In a county containing a city of the first class that has entered into a compact pursuant to KRS 79.310, the city and county must form a joint city/county park and recreational system. If a city of the first class is in a cooperative compact with its host county and they merge into a consolidated local government, then that government assumes control of the joint department (KRS 97.035). The park board may, for recreational purposes, accept gifts or grants (KRS 97.040) and issue revenue bonds (KRS 97.055). Counties and merged governments may acquire, by purchase or donation, property for the purpose of maintaining public parks or playgrounds within their jurisdictional limits and may operate park systems pursuant to KRS 97.550 to 97.600. A county or merged government may also form a park board of no more than eight persons to govern its park system. KRS 97.580 lists the board's powers. If authorized through a referendum, the board may levy a tax that does not exceed 5 cents per $100 of the value of the taxable property in its jurisdiction (KRS 97.590).

Two or more counties may form a regional park authority (KRS 97.095). Such an authority is governed by a citizen board made up of three citizens from each participating county. Board members are appointed by the fiscal court from a list of candidates provided by the cities in the county and by the county planning commission if there is one in that county. If authorized through a referendum, the authority may levy a tax that does not exceed 5 cents per $100 of the value of the taxable property within its jurisdiction.

Elections

State election laws place most of the initial expense of elections on county government. These expenses include costs for the printing of ballots and instructions for using voting systems (KRS 117.345; Ky. Const., sec. 147). When authorized election costs are paid, a certified expense statement is sent to the State Board of Elections within 90 days after the election. The State Board of Elections then reimburses the county at the rate of $255 for each precinct (KRS 117.345).

The fiscal court of any county must purchase or lease voting systems with available funds or with the proceeds of bonds issued for that purpose. The systems may be used in regular, special, and primary elections in the precincts of the county that are designated by the fiscal court (KRS 117.105). The fiscal court may use its discretion in choosing the voting system, as long as it meets the general requirements of KRS Chapter 117 (KRS 117.115) and is approved by the State Board of Elections.

The county clerk has many election responsibilities, such as the custody and safe storage of voting equipment (KRS 117.135) and arranging for the printing of ballots (KRS 117.145). The expense of repairing and keeping the equipment in good mechanical condition is the responsibility of the fiscal court.[34]

County Libraries

KRS 173.310 lists four ways for counties (except counties containing a city of the first class) to provide library services:

- By establishing an independent library on the initiative of the fiscal court
- By using a petition and referendum process
- By forming a regional library district made from two or more adjacent counties, using the first two methods
- By contracting to receive service from an existing library

Libraries created by the fiscal court under KRS 173.310 are supported by funds from the general county tax levy. An alternative means of providing library services is the formation of a separate library taxing district.

Regional Libraries

The establishment of a regional library must be achieved by a written contract agreed to by the fiscal courts of the counties involved. Each county bears the expenses of organizing the regional library in proportion to the taxable property in the county. Regional library contracts continue for 5 years, and no county may withdraw without the consent of all the participating counties. If at the end of the first 5-year period there are no withdrawals, the contract stays in force for another 5 years (KRS 173.320). The affairs of a regional library are managed by a board of trustees appointed as provided in KRS 173.340.

Fiscal Court Contributions. When a legislative body provides for library service under KRS 173.310, it must appropriate money to maintain the service. KRS 173.360 provides that the appropriations will be

- in regional libraries, not less than 3 cents or more than 10 cents on each $100 of property assessed for local taxation;
- in counties containing a city of the first class, not more than 15 cents on each $100 of property assessed for local taxation; and
- in all other governmental units, not less than 5 cents or more than 15 cents on each $100 of property assessed for local taxation.

If the fiscal court establishes library service on its own initiative and the appropriation is less than the minimum specified, the minimum may be established through mutual agreement of the library board, the fiscal court, and the Department for Libraries and Archives (KRS 173.360).

State involvement with local libraries consists of

- providing assistance in the establishment of the organization and the provision of services;
- supervising the use and expenditure of federal and state funds; and
- coordinating cooperative activities among public, school, college, university, and special libraries (KRS 171.140, 171.150, and 171.200).

Counties Containing Cities Of The First Class. The fiscal court of any county with a population of more than 200,000 and a city of the first class may contract with the board of trustees of the free public library of the city for library services. The fiscal court may also make annual appropriations out of the county treasury to maintain and support the library (KRS 173.105). When a fiscal court of a county containing a population of 200,000 or more has entered into a compact with a city of the first class in the county, pursuant to KRS 79.310, the city and county must form a joint city/county department for the purpose of providing a free public library. If that county and city become a consolidated local government, then the merged government assumes control of the joint department (KRS 173.105).

County Law Library

Each county must have a county law library, and the fiscal court must designate sufficient room for the library in the courthouse, in a building adjacent to the courthouse, in the local public library, or in another building where Circuit Court or District Court sessions are regularly held (KRS 172.100). Alternative methods of financing and administering the county law library are set out in KRS 172.130, 172.170, and 172.180. The law library must consist of all volumes belonging to the state and sent to county officials directed by law to receive such books. The county may acquire books, maps, or other articles for the library by purchase, gift, or devise and may provide online legal resources (KRS 172.100).

Librarian. The circuit clerk is the ex officio librarian of the law library and receives a salary of not less than $50 or more than $100 per month for this duty. The clerk keeps the rooms in order and maintains receipts for all books and furniture placed in the library. The receipts are given to the state law librarian and preserved at Frankfort. The circuit clerk takes an inventory of the state property in the library each December and reports to the state law librarian under oath before January 1 (KRS 172.110).

Penalties. A clerk who is delinquent in making the inventory required in KRS 172.110 is fined $5 for each month or partial month of delinquency. If any book of laws is removed such that the clerk cannot produce the book when called on to do so, that clerk is fined up to $50 (KRS 172.990).

Trustees. Fiscal court members are trustees of the library and must see that the circuit clerk's duties are properly discharged. The fiscal court may appropriate money out of the county

treasury to pay for legal books and replace decisions of the Court of Justice of Kentucky (KRS 172.130).

Acts Of 1916. The provisions of KRS 172.100 to 172.160 do not apply to any county that has a law library acquired under the provisions of Chapter 2 of the Acts of 1916 (KRS 172.170).

County Records

Most elected and appointed county officials must keep records. Generally, such records are county records. The county clerk, the county's chief recordkeeping officer, maintains a variety of records for the fiscal court (KRS 67.100). Moreover, the county clerk is responsible for recording and keeping various legal instruments including property records, liens on personal property, leases, surveys, and plats. The county clerk is prohibited from recording a deed that does not contain certain information required by KRS 382.135.

Recordkeeping By Computer. County records may be maintained by computer or some other rapid-access data collection system, provided that public records are kept in a manner that will allow the public unlimited and speedy access to them (KRS 65.030).

County Clerks Electronic Portal. County records may be maintained electronically. County clerks are responsible for creating and maintaining electronic, publicly accessible portals for the filing and retrieving of certain recorded instruments that are filed with the clerk's office (KRS 65.032). As of January 1, 2024, all county clerks are to provide and maintain a portal that allows a person to electronically file any recorded instrument. County clerks must provide and maintain a portal that contains certain recorded instruments such as deeds, mortgages, subdivision plats, easements, powers of attorney, wills, and liens. The law requires only certain documents that have been filed with the clerk after a certain time to be available for electronic access. All records required to be available for electronic access are to be uploaded by June 30, 2026. The county clerk may charge a fee for accessing these electronic records (KRS 65.032 and 64.012).

Body-Worn Camera Recordings. Although statutory law does not require local police and other first responders to wear body-worn cameras, agencies so doing must comply with KRS 61.168 and 61.169 regarding the stewardship of these recordings. These recordings are subject to the Kentucky Open Records Act, as set forth in KRS 61.870 to 61.884 (KRS 61.168). They are archived pursuant to KRS 171.410 to 171.740 and the administrative regulations promulgated by the Kentucky Department of Libraries and Archives. Agencies may choose not to release recordings or may otherwise restrict viewings to be conducted in person on the public agency's premises when the recordings contain, for instance, potential violations of privacy and security, disclosure of juveniles' identities, or images of a graphic nature, depending upon the interests of the party who requested to view the footage (KRS 61.168). Attorneys having a relevant, legal interest in the recordings are conditionally permitted to view, possess, and copy the recordings (KRS 61.169).

Affidavits For Lost, Damaged, Or Destroyed Records. The state requires local governments and their officers to submit periodic information to various state government agencies. One example is the uniform financial information report (UFIR) that must be submitted to the Department for Local Government. Tornadoes, flooding, and other catastrophic events can damage local governmental offices and equipment, and in turn, can result in the loss, damage, or destruction of records beyond the control of the local government. Many times funding is tied to the submission of these records. In the case of UFIRs, a government that fails to submit one has all state funds withheld until the local government submits it.

When Kentucky law requires transmission of a particular record to a governmental entity and that record has been lost, damaged or destroyed (other than through purposeful tampering with the record to avoid having to submit the record), the fiscal court or governing boards of a special purpose governmental entity and fire departments may generate an affidavit stating the problem with the record. The affidavit will be sufficient for compliance with the requirement to transmit that record, preventing the levying of a punishment. Certain records are exempted from this option. The local unit of government must make a good-faith effort to replace or recreate the record in question before creating and filing the affidavit with the relevant governmental entity (KRS 65.037).

Building Inspections

KRS Chapter 198B gives county governments certain enforcement and inspection duties. Although the Department of Housing, Buildings and Construction handles enforcement of the state code for larger buildings and assembly places, counties and other local governments have the duty of state code enforcement for residential and small commercial and industrial buildings in their jurisdictions. They may also have jurisdiction for educational facilities by agreement with the department. The state building code covers single-family homes, but the county or city determines whether to provide for inspections of these homes. Counties must inspect building plans and issue building permits and must inspect new and existing buildings and issue certificates of occupancy for buildings that the department does not inspect. A county may seek to perform these functions independently, or it may unite with other local governments in a cooperative effort. Fees may be charged for building permits, but the fees may not exceed the costs of the county's services (KRS 198B.060).

The Department of Housing, Buildings and Construction may create a building inspectors training program. It will derive the funds necessary for implementing the program through plan review fees in an amount not to exceed $125,000 (KRS 198B.095).

Electrical Permits And Licensing Of Electricians

Kentucky licenses electrical contractors, electricians, and master electricians. Licensing of electrical contractors, master electricians, and electricians is regulated through the provisions of KRS 227A.010 to 227A.140.

Local Corrections

State law places a responsibility on each county to provide for the incarceration of prisoners arrested in the county or sentenced or held by the courts of the county. KRS 532.100 directs where persons convicted of offenses will be housed for the duration of their incarceration. A county fiscal court may meet this responsibility by maintaining a jail in the county or by contracting with another county for the use of its jail and providing vehicles, guards, and drivers, as needed, for transporting prisoners (KRS 441.025). If a county elects to have a jail, it must at the minimum comply with the health and life safety standards of the Jail Standards Commission as required by KRS 441.055. Adoption of the minimum health and life safety standards of the jail does not permit the jail to house state prisoners. The jail must comply with extra standards as required in KRS 441.055 to house state prisoners. To house female state prisoners, a jail must have certification from the Department of Corrections. Figure 6.A details the types of jails that the counties operate. KRS Chapter 441 covers matters related to jail operations and jail finances. Jail operations and procedures are also governed by a number of administrative regulations under KAR Title 501.

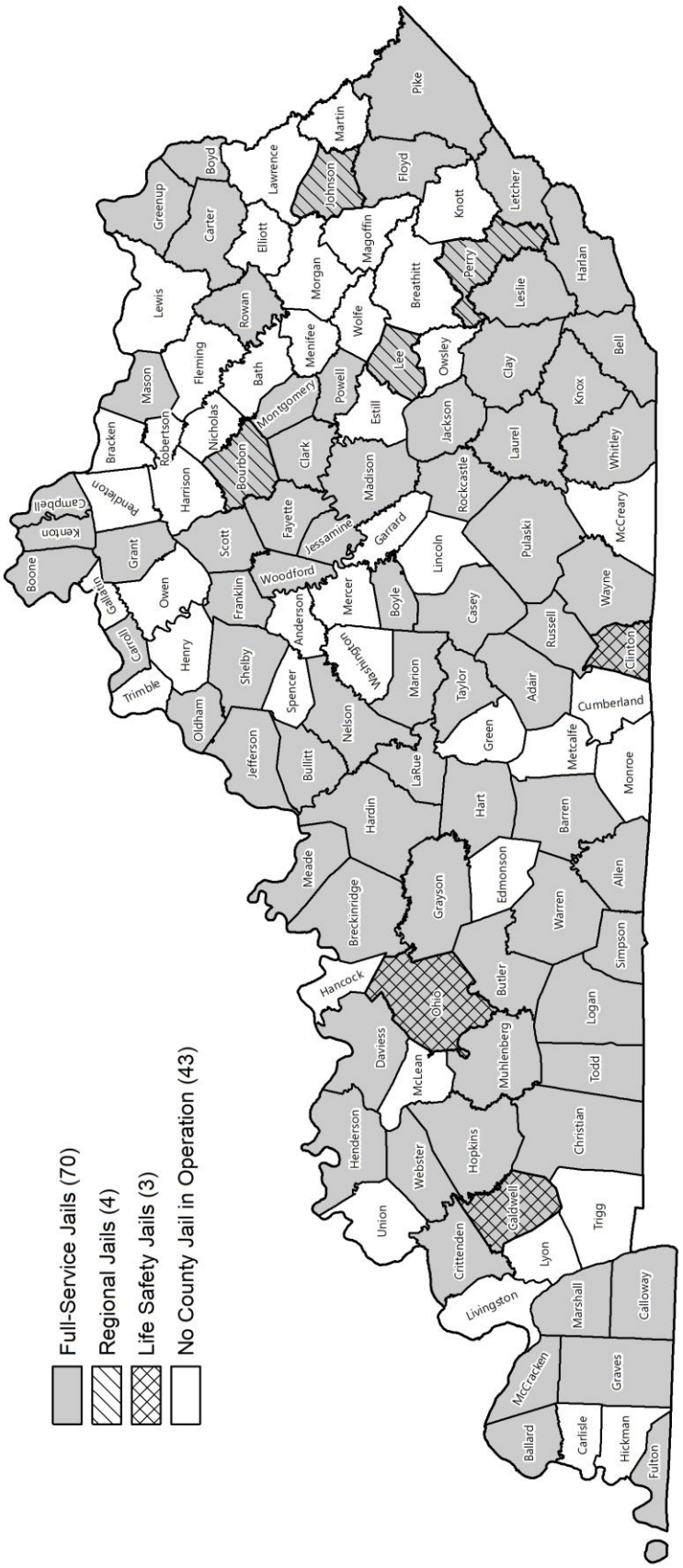
Jail Reports. The jailer has certain reporting obligations to the fiscal court and to the department. The jailer must submit

- a quarterly report to the fiscal court concerning the physical condition of the jail, the number of jail personnel and personnel needs, and other matters requested by the fiscal court; and
- a monthly report to the department in electronic format, on forms supplied by the department, containing but not limited to the following information on each prisoner:
  - the unit of government whose law the prisoner is charged with violating, the statute or ordinance the prisoner is charged with violating, and whether the charge is a felony or misdemeanor;
  - the status of the prisoner, whether pending trial or post-conviction;
  - the age and sex of the prisoner; and
  - the county responsible for the incarceration of the prisoner (KRS 441.105).

Training. Jailers must complete training under the jail staff training program, which is designed to raise the professional standards of jailers and jail personnel (KRS 441.115). Jailers completing the program are allowed a stipend to offset costs borne by the jailer for participating in the program.

Sentence Credits. Under KRS 441.127, unless precluded by the order of the sentencing court regarding a specific inmate or inmates, a jailer must grant sentence credits to inmates of the jail who have committed misdemeanors. For every 8 hours of work, 1 credit must be granted. One day of the sentence must be subtracted for every 5 credits earned. Credits may be revoked for violation of jail rules or other types of misconduct committed by the inmate while incarcerated. Participation in a drug treatment program, or certain meritorious or other exceptional behaviors by inmates can earn service credits for inmates. These credits are in addition to any credits earned for good behavior (KRS 441.127).

Figure 6.A
County Jails



Source: Kentucky. Department of Corrections, 2022; Kentucky. Division of Geographic Information.

State Funds Directed To Counties For Jail Services. The state provides a contribution to counties that house prisoners charged with or convicted of violating state law based on a formula set out in KRS 441.206. The minimum a county can receive under this formula is $24,000 per year. There is also a local corrections assistance fund set out in KRS 441.207. The county fundamentally bears health care costs of inmates. When the jail is holding prisoners charged with or convicted of state crimes, routine health and medical care is funded in a manner set out by contract between the county and the department. The state funds health and medical care expenses that are beyond routine. When the health and medical costs of a prisoner exceed $1,000, the state will cover those additional expenses (KRS 441.045). Counties are reimbursed a little more than $30 each day for housing prisoners convicted of state crimes. This amount is determined biennially in the state budget document and is accordingly subject to revision.

Juvenile Detention Care. The Unified Juvenile Code, KRS Chapters 600 to 645, addresses both child abuse and offenses committed by children under the age of 18. The code also establishes the roles and responsibilities of peace officers in the juvenile justice system. A child may be held in custody for identification, examinations, processing, and inquiries of a preliminary nature, including determining whether the child is subject to trial as an adult, for no more than 2 hours, unless an extension of time is granted by the court, a trial commissioner, or a court-designated worker. The child may be detained at a police station, secure juvenile detention facility, juvenile holding facility, intermittent holding facility, youth alternative center, nonsecure facility, hospital, or clinic (KRS 610.220). In order to segregate juveniles from other detainees, county governments may apply for permission to construct, operate, or contract for youth alternative centers. Such a center must be separate from facilities that house adults and may be used to house juveniles before or after any adjudication (KRS 15A.320).

Juvenile Probation Officer. In counties containing a city of the first class or a city of at least 20,000 as of the most recent federal decennial census, the county judge/executive may appoint probation officers to District Court as authorized by the fiscal court. The officers are subject to control of the District judge. In counties containing an urban-county government, the mayor appoints probation officers (KRS 605.050). In any county, the chief district judge may appoint one or more volunteer probation officers. KRS 605.060 outlines a probation officer’s duties.

Charities And Hospitals

County governments have long carried out programs in the areas of welfare, health, and aid to charitable organizations. These programs were based on statutes granting specific authority and specific forms of administration. The County Home Rule Act grants county government the general authority to provide hospitals and health and welfare programs (KRS 67.083). With the establishment of this general authority, many specific statutes were repealed, allowing counties to continue these functions but giving them more authority to select administrative means. The state has retained, however, detailed directions in the area of regional mental health.

Regional Mental Health Program

Any combination of cities or counties with a total population of more than 50,000 may establish a regional community program that provides mental health services and serves individuals with

intellectual disabilities. Those cities and counties with populations smaller than 50,000 may establish a regional program with the consent of the secretary of the Cabinet for Health and Family Services. The program may be administered by a community health board or by a nonprofit organization. There are 15 regional community services program areas containing specified counties that are designated by statute. These program areas do not affect the creation of voluntary regional programs described above (KRS 210.370).

The first step in establishing a regional program is to select a board of at least nine members. If a nonprofit corporation is administering the program, it selects the board, which does not need a minimum of nine members; otherwise, the chief executives of the participating cities or counties each select two members to form a committee that selects the board. The board must be representative of the population (KRS 210.380).

Subject to the provisions of KRS Chapter 210 and administrative regulations of the Cabinet for Health and Family Services, each board must

- review and evaluate services provided and report to the secretary and the administrator of the program;
- raise money at the local level and promote public support for local government appropriations;
- seek working agreements with other social service, educational, and judicial agencies;
- develop policies to stimulate community relations;
- review the program's annual plan and make recommendations;
- administer the mental health or individuals with an intellectual disability program when so authorized;
- oversee and be responsible for the management of the community program for mental health or individuals with an intellectual disability; and
- provide training recommended by the designated department of the cabinet to jailers and other officers of the court who come in contact with persons deemed mentally ill (KRS 210.400).

The secretary of the Cabinet for Health and Family Services may make grants to assist regional programs for mental health or individuals with an intellectual disability. The funds are used to provide inpatient and outpatient services, partial hospitalization or psychosocial rehabilitation services, emergency services, consultation and education services, and services for individuals with an intellectual disability (KRS 210.410). KRS 210.420 sets some limits on state grants to regional programs.

To be eligible for a state grant, the community health board or nonprofit corporation that administers the program must submit annually to the secretary its plan and budget for the next fiscal year. A program may not receive a grant unless the secretary approves it (KRS 210.430). Funds may be withdrawn from any program that is not being administered according to its approved plan and budget.

Any city or county may contribute its share for establishing the program from its general tax fund or by levying a special tax (KRS 210.460 to 210.480).

County Health Boards

Each county must have a county health board. In the majority of counties, the county health board is composed of 12 people:

- Three physicians
- One dentist
- One pharmacist
- One registered nurse
- One civil or sanitary engineer
- One optometrist
- One veterinarian
- One layperson appointed by the secretary of the Cabinet for Health and Family Services
- The county judge/executive
- One member appointed by the fiscal court (KRS 212.020)

Alternative methods for establishing a health board exist for urban-county governments (KRS 212.627) and for counties containing a city as defined in KRS 212.641. KRS 212.350 requires a joint city/county board of health in counties containing a city of the first class. A consolidated local government, if one is formed, assumes control of a joint city/county board of health. The general powers and responsibilities of the board of health include the enforcement of state health laws and regulations, the adoption of local health regulations, and the supervision of local health officials (KRS 212.230).

A county health department may be created under KRS 212.020 to 212.275 to administer and enforce public health laws and to provide health services and facilities. County health departments are funded by county funds (KRS 212.040), by a special ad valorem public health tax (KRS 212.725), and by state aid (KRS 212.120).

Fiscal courts in counties within districts delineated by the Cabinet for Health and Family Services may, by resolution, unite those counties into a district for the purpose of establishing a district health department. The resolution is in force for 2 years, awaiting the action of the other fiscal courts to unite in forming a district health department. Each fiscal court appropriates funds for its portion of the cost of the district department. The cost to the counties is based on the taxable property of each county as shown by assessments (KRS 212.820 to 212.930).

Cemeteries

Besides being able to exercise general authority over county cemeteries under the provisions of KRS 67.083, counties may form a special cemetery board for nonprofit, non-perpetual-care cemeteries for preservation purposes. These county cemetery boards may apply for and receive funds through the Department for Local Government (KRS 67.680 and 67.682).

Disaster And Emergency Preparedness

The Division of Emergency Management in the Department of Military Affairs was created to coordinate emergency situations. Local governments must create and support a local emergency

management agency. Each such agency develops, implements, and maintains a local comprehensive emergency management program, which includes a local emergency operations plan, in accordance with KRS Chapters 39A to 39F and executive branch requirements (KRS 39B.010). Each does so in conjunction with the Kentucky Emergency Response Commission. The county judges/executive, the mayors of the cities, and the chief executives of other local governments each appoint a director of emergency management, or, with the exception of a consolidated local government, they may choose to jointly appoint a single director to represent all the local governments as local governments functioning within a county are encouraged to form a single, unified emergency management program (KRS 39B.020). In addition, multicounty emergency management programs may be formed. KRS 39B.030 sets out the responsibilities of the executive directors. In general, the privileges, responsibilities, and duties of local governments in relation to the Division of Emergency Management are set out in KRS Chapters 39A to 39F.

KRS Chapter 39E reestablishes the Kentucky Emergency Response Commission, which appoints local emergency planning committees from local officials and various elected and nonelected officers. KRS 39E.110 sets out duties of the local committees.

A rescue squad grant program was created to assist local rescue squads established in accordance with the provisions of KRS Chapter 39F in the execution of their duties. The rescue squads must comply with the requirements set out in KRS Chapter 39F in order to be considered for the grants. Funding can also be accomplished through the creation of a rescue squad taxing district (KRS 39F.160).

The Division of Emergency Management operates the Kentucky Urban Search and Rescue Program (KRS 39A.245). Local firefighters who are trained in urban search and rescue techniques, and who volunteer for the program, may be called into action in times of disaster. This program operates in addition to other disaster and emergency response efforts set out in KRS Chapters 39A to 39F.

Floodplain Management

Counties may adopt floodplain management ordinances containing at least the minimum standards enacted by the Energy and Environment Cabinet if the cabinet chooses to promulgate administrative regulations setting those standards. The Energy and Environment Cabinet has a Community Flood Damage Abatement program, which provides funds and technical assistance to local governments to create flood control projects and programs (KRS 151.550). A flood control district may be established to maintain and operate any flood control works constructed in any city or county (KRS 104.450 to 104.680).

Animal Control

Each county in Kentucky must employ directly, appoint, or contract for the provision of an animal control officer. KRS 258.195 requires each county to provide an animal shelter or to contract with another county or group of counties for the use of one. A county may also contract with an entity, such as a humane society, that will provide an animal shelter. All animal shelters

used by the county must meet minimum criteria set out in KRS 258.119. Grant money is available for construction, equipment, educational supplies, and other uses or programs approved by the state Animal Control Advisory Board for local animal control and care programs (KRS 258.119). Counties may adopt other standards and ordinances that are related to public health, safety, enforcement, and the efficient and appropriate operation of their shelters and their animal control programs. Animal control officers may issue uniform citations to enforce the provisions of KRS Chapter 258 and local animal control ordinances. Counties, as well as cities, can adopt ordinances to establish programs regulating animal licensing (KRS 258.135).

County Roads

County roads are public roads that have been accepted by the fiscal court and maintained by the county as a part of the county road system. Included in this system are the necessary bridges, culverts, sluices, drains, ditches, waterways, embankments, and retaining walls (KRS 178.010). No county road may be established, be discontinued, or have its location changed unless due notice has been given under the provisions of KRS Chapter 178. The county road engineer must publish notices pursuant to KRS Chapter 424 (KRS 178.050). The public notice required by statute is jurisdictional; until the notice is given, the fiscal court is without the power to proceed.[35] The provisions of KRS Chapter 178 relate solely to county roads and have no application to highways under the control of the Transportation Cabinet.[36]

Work On City And Subdivision Streets. A county may enter into an interlocal agreement with a city in the county to perform work on the city's roads. The costs of the project will be paid by the city, county, or both as determined in the agreement (KRS 178.010). A county may also contract with a subdivision road district to maintain its roads, so long as the district agrees to pay the county's total cost (KRS 179.720). In addition, certain counties are required or permitted to maintain subdivision roads (KRS 179.470).

Condemnation For Road Purposes. Whenever the fiscal court of any county deems it to be in the best interest of the county to open, establish, construct, alter, or repair any public road, street, alley, ditch, or bridge, and the fiscal court cannot contract with the landowner, the land may be condemned under KRS 416.110 (KRS 178.120). The county may also condemn land under KRS 416.100 to acquire the right-of-way, including the right-of-way for temporary roads, when compensation cannot be fixed (KRS 178.110). If the county takes land for a road without condemnation proceedings or without compensating the owner, that action may be treated as a wrongful taking under the constitution, Section 242. The owner may sue the county.[37] The fiscal court may condemn additional land adjacent to an existing road for future widening and improvement when the county is unable to contract with the owners. The land may be condemned under the provisions of KRS 416.110 (KRS 178.125).

Limited-Access Highways. The county, acting alone or in cooperation with any federal, state, or local agency, may plan, designate, establish, regulate, vacate, alter, improve, maintain, and provide limited-access facilities (KRS 177.230). The county may acquire property rights for limited-access facilities in the same manner as it is authorized to acquire property for highways and streets (KRS 177.250). The court proceedings necessary to acquire property or property

rights take precedence over all other cases not involving the public interest in all courts, to the end that the provision of limited-access facilities may be expedited (KRS 177.260).

Implied Dedication. A county may be made to accept the dedication of a road used by the general public for at least 15 years. Fifty-five percent of the owners of abutting property must petition the fiscal court to compel the acceptance of the road into the county road system (KRS 178.400 to 178.425).

Discontinuance Of A Road. The fiscal court may direct any county road to be discontinued. Notice must be published, and signs must be posted at three prominent and visible places within 1 mile of the road. A group of individuals is appointed and then views the road and determines the impact of the discontinuance. When the report and any other evidence are presented to the fiscal court at a meeting, the fiscal court may then take action to discontinue the road (KRS 178.070). County roads that are abandoned and not maintained are deemed discontinued. A road reverts to the owner of the land to which it originally belonged unless it serves a public need, provides necessary access for a private person, or has been maintained and policed by the county or the state within a 3-year period (KRS 178.116).

Grade Crossings. The procedure for ordering the elimination of a grade crossing or change of an existing overhead or underpass structure crossing a county road in a county containing a city of the first class or a consolidated local government is outlined in KRS 178.355 to 178.385. If the fiscal court proposes to construct a new county road across an existing railroad, or if a railroad company proposes to construct a new railroad across a county road, the party proposing the construction must provide the other party with the plans and specifications of the project (KRS 178.360). The county road engineer must receive and approve all contracts let by the railroad company under this section (KRS 178.365).

After the construction of any grade separation under this section, the county must maintain the roadway paving and sidewalks. If the road crosses the railroad by an overhead bridge or elevated structure, the county must maintain the bridge or structure and its approaches. If the road passes under the railroad tracks, the railroad company must maintain the structure supporting its tracks and its abutments (KRS 178.370).

Referendum For Bond Issues. Upon the petition of 150 legal voters who are freeholders, the county judge/executive must hold a referendum to determine whether the majority of voters are in favor of a bond issue for hard-surface roads (KRS 178.170). If the majority of voters are in favor of the bond issue, the fiscal court may proceed to sell bonds. All money raised by the sale of bonds is to be used solely for the construction of hard-surface roads (KRS 178.170). The power to issue bonds for public road purposes necessarily carries with it the power to build bridges that are a part of the road, and a vote for road bonds is in effect a vote for bonds for building bridges. A bridge is nothing more than that part of a road that crosses a stream.[38]

County Road Engineer. The county judge/executive, with the consent of the fiscal court, may employ a county road engineer (KRS 179.020). If the fiscal court does not provide for a county road engineer, the duties (except insofar as they may be in conflict with KRS Chapter 322, which relates to professional engineers and land surveyors) will be performed by a county road

supervisor appointed in the same manner as the county road engineer (KRS 179.020). KRS 179.070 sets out powers and duties of the county engineer.

The county road engineer may enter certain private lands (KRS 179.300). If such entry causes damage, the county road engineer may agree with the owner, subject to the approval of the fiscal court, on the amount of the damages. The fiscal court must pay the amount out of the county road fund (KRS 179.310). If the county road engineer and the owner cannot agree on an amount, the amount will be determined and paid pursuant to KRS 178.110.

Bridges, Ferries, And Tunnels. All counties may purchase, construct, or reconstruct bridges over or tunnels under any boundary-line stream of this state (KRS 181.020). Bonds may be issued for the cost of construction or reconstruction of bridges or tunnels, including the necessary approaches and property (KRS 181.030). In lieu of levying a tax, the county may collect tolls for the use of the bridge or tunnel. The tolls must be kept in a special fund and used solely for paying the principal and interest on the bonds (KRS 181.040). When enough tolls have been collected, after payment of the cost of collection and maintenance to fully retire the bonds, the bridge or tunnel is to be free of all toll charges (KRS 181.050).

Sewage Treatment: Privately Owned Small Wastewater Treatment Plants

Private persons and nongovernmental entities may apply to the Energy and Environment Cabinet for a permit to operate small wastewater treatment plants. Historically many have done so, and as of 2017, 180 systems were operating in Kentucky, according to the Kentucky Division of Water.[39] Through regionalization efforts, 48 of these systems have been eliminated as of 2022.[40] These systems may serve small subdivisions or manufactured home parks, for example, where the extension of county- or city-operated sewer lines is impossible or impracticable at the time of the commencement of development. Although these small systems are normally not a part of county government—or city government, for that matter—the failure of these systems can leave many citizens without proper hygienic facilities, and the discharge of untreated sewage into the environment poses health risks for everyone in the area. Cleanup of these discharges can sometimes involve governmental resources. The Energy and Environment Cabinet has powers to regulate new and existing privately owned small wastewater treatment plants to ensure fiscal viability and plant service continuity (KRS 224.73-140). The cabinet also has the ability to have receivers appointed for plants that are failing or have failed according to established criteria (KRS 224.73-150). In some instances, the cabinet may approach a county, special district, association, or city to agree to enter into receivership of the plant's operation, as these entities may be best suited to take over.

Water Resources, Activities, Assistance, And Restrictions

The Energy and Environment Cabinet may regulate many aspects of the activities of flood control districts, water districts, levee districts, and all other units of local governments as they affect public water in the commonwealth (KRS 151.110).

Water Supply Plans. The Energy and Environment Cabinet must assist in the development of long-range water supply plans. These plans may be established for individual counties or for

regions made up of several counties. Area development districts can work with counties in the development of these plans. A plan must assess existing resources and offer alternative methods of meeting water supply needs (KRS 151.114).

Withdrawal Of Water. No person, business, industry, or political subdivision has the right to withdraw public water at more than specified volumes unless the Division of Water has granted a permit (KRS 151.140; 401 KAR 4:010).

Those authorized to withdraw water must keep records and supply the division with reports (KRS 151.160; 401 KAR 4:010). If accurate records are not kept or if water is withdrawn without a permit, the offenders may be fined not more than $1,000 and may be enjoined from continuing the violation. Each day the violation occurs or continues constitutes a separate offense (KRS 151.990).

Plans For Dams And Levees. No city, county, or other political subdivision may begin construction, reconstruction, or alterations on any dam or other such obstruction without first submitting the plans and specifications to the Division of Water (KRS 151.250). Any political subdivision starting work on such a project without a permit or before a permit is issued can be punished by penalties provided in KRS 151.990.

Kentucky Infrastructure Authority. The Kentucky Infrastructure Authority is attached to the Department for Local Government for administrative purposes (KRS 224A.030).

The authority may make loans and grants to local governments, including counties, for infrastructure projects (KRS 224A.070). These projects include water treatment works, distribution facilities, water resources projects, solid waste projects, dams, storm water control and treatment systems, gas or electric utilities, broadband deployment projects, and other public utilities or public service projects that would enhance economic development opportunities (KRS 224A.011).

The authority has two revolving funds from which to assist counties with their water and other infrastructure projects. The first is the federally assisted wastewater revolving fund. This fund receives grants from the federal government and is dedicated to helping local governments to construct publicly owned water treatment works and to develop and implement water conservation and management plans and programs. The fund is also used to secure revenue bonds issued by the authority. Loans to counties may be made from this fund at market rates or below market rates (KRS 224A.111).

The second fund is the infrastructure revolving fund. This fund may be used for infrastructure projects when a county is unable to obtain financing from its own resources; from commercial credit at reasonable rates; or from other public grants or loans, including the federally assisted wastewater revolving fund. Loans are available at market rates or below market rates for as long as 30 years. Grants are available when both hardship and extreme health hazard exist. This fund may also be used to supplement loans from the federally assisted wastewater revolving fund (KRS 224A.112).

Counties interested in obtaining assistance from either the federally assisted wastewater revolving fund or the infrastructure revolving fund can initiate inquiries through their area development district office. The Kentucky Infrastructure Authority administers both funds.

The Kentucky Infrastructure Authority is charged with providing potable water to the entirety of the state. Pursuant to statute, each area development district forms a water management area and a water management planning council. With the authority's assistance, the council develops a long-range water supply strategy with the goal of enhancing the effectiveness, reliability, and resilience of the state's water and wastewater systems. The Energy and Environment Cabinet is charged with collaborating with the authority to effectuate these goals. A stated goal of the program is to foster the consolidation and merger of services to improve efficiency and affordability. The authority has created within the infrastructure revolving fund a water and wastewater service regionalization account to help finance the improvements needed to execute the strategy (KRS 224A.300 to 224A.314 and 151.601 to 151.607).

The 2021 Cleaner Water Program seeks to improve drinking water and wastewater infrastructure. Funded by the American Rescue Plan Act, this program is also administered by the Kentucky Infrastructure Authority and has had $250 million appropriated for drinking water and wastewater projects. Funding is allocated as follows:

- $150 million distributed pro rata to each county based on population (with special consideration applied to Jefferson County because of its high population);
- $50 million available via grants to utilities for potable water to unserved, rural customers or to utilities that are subject to a federal consent decree; and
- $49.9 million to supplement project grants for projects that will cost more than a county's allocation amount including other available grant sources.

The Kentucky Infrastructure Authority is also charged with implementing a program to assist governmental agencies that provide potable water and wastewater services for

- developing technical, operational, and maintenance resources and expertise;
- improving utility infrastructure planning, repair, maintenance, renovation, and management of plants and assets;
- obtaining technical expertise in areas of rate-setting, cost-of-service, and proper utility accounting standards for the utility type;
- performing and correcting deficiencies from drinking water, wastewater, and financial audits;
- providing finance for financial inadequacies, including debt service coverage through relief or refinance of the drinking water or wastewater system's debt;
- providing payment assistance for other financial inadequacies such as excessive maintenance costs, fines and penalties from past violations, or consultants; and
- extending finance for inadequately maintained distribution, collection, or treatment works, including service extensions to unserved or underserved areas and the renovation of treatment works to conserve resources.

This effort is to be funded through the water management assistance fund (KRS 224A.316 and 224A.318).

Water and sewer projects are not the only purview of the Kentucky Infrastructure Authority. It also deals with internet connectivity through the broadband deployment fund (KRS 224A.112 and 224A.1121).

The fund is designed to assist both government and private entities to construct infrastructure for the deployment of broadband service to underserved or unserved areas of Kentucky. The money from this fund is distributed via grants (KRS 224A.1121).

Kentucky Water And Wastewater Assistance For Troubled Or Economically Restrained Systems Program. Public water or wastewater systems that meet eligibility requirements may receive assistance from the Kentucky Infrastructure Authority via the Kentucky Water And Wastewater Assistance for Troubled or Economically Restrained Systems Program, a grant program. Eligible projects include expenses relating to

- developing technical, operational, and maintenance resources and expertise;
- improving utility infrastructure planning, repair, maintenance, renovation, and management of plants and assets;
- obtaining technical expertise in areas of rate-setting, cost-of-service, and proper utility accounting standards for the utility type;
- performing and correcting deficiencies from drinking water, wastewater, and financial audits;
- providing financing for financial inadequacies, including debt service coverage through relief or refinancing of the drinking water or wastewater system's debt;
- providing payment assistance for other financial inadequacies including but not limited to excessive maintenance costs, fines and penalties from past violations, or consultants; and
- extending financing for inadequately maintained distribution, collection, or treatment works, including service extensions to unserved or underserved areas and the renovation of treatment works to conserve resources (KRS 224A.320).

Waste Disposal

State laws assign counties an important role in collecting and controlling solid waste. The county home rule statute allows fiscal courts to perform a number of functions, including "exclusive management of solid wastes by ordinance or contract or by both" (KRS 67.083).

Each county may develop a management system for solid waste generated within its boundaries (KRS 109.011). Counties may contract with one another to regionalize solid waste management (KRS 109.082).

KRS 109.011 expresses the intent of the General Assembly that the primary responsibility for adequate solid waste collection and disposal "shall rest with combinations of counties and waste management districts." Waste management districts are composed of single counties or groups of counties.

Universal Collection. Every county must provide a universal collection program for all municipal solid waste generated within its borders. Generally speaking, municipal solid waste is waste generated by residences and businesses but not by manufacturers or industry. The universal collection system must be established by ordinance and approved by the Energy and Environment Cabinet. Each household or other solid waste generator must be given access to a collection system, except for commercial and industrial entities that dispose of their own waste (KRS 224.1-010 and 224.43-315).

Each county providing universal collection must submit an annual report to the cabinet and to any waste management district of which it is a member. Service providers must register with and report annually to the counties in which they are providing the collection service.

Even if counties enter into agreements for waste disposal with outside parties, the counties bear ultimate responsibility for their universal collection programs. The only exception to this rule involves cities. If any county fails to provide a universal collection system, the state will refuse to endorse any of the county's projects that generate solid waste (KRS 224.43-315).

Pickup Fees. A county may collect solid waste pickup fees that are at least 3 months overdue by combining them with property tax bills. The owner of the property must be given 60 days' notice before such a combined bill is mailed (KRS 109.310).

Hazardous Waste. Before an incinerator or landfill for the disposal of hazardous waste may be constructed, it must receive the approval of the fiscal court or governing body of the county or city in which it is proposed. A hearing must be held to allow public comment (KRS 224.40-310).

State Assistance. The Energy and Environment Cabinet must offer assistance to local governments for household hazardous waste education and collection, as well as to help with disposal of surplus agricultural chemicals (KRS 224.10-610). In addition to that effort, the Kentucky Pride fund was established to help with litter and cleaning up illegal open dumps (KRS 224.43-500 and 224.43-505).

Economic Development Tools

Tax Increment Financing Prior To 2007. Counties and cities may use tax increment financing to encourage the investment of capital in projects in development areas for which increments do not include revenues from the commonwealth. One example could be the renovation of a building or series of buildings in a downtown area to attract residents and shoppers; another could be investment in a new business district that will attract employers. The local governments issue, administer, and regulate the tax increment bonds by ordinance.

Local governments using this tool may

- create development areas and define their boundaries,
- undertake projects,
- issue increment bonds and pledge increments to the payment of debt charges on those increment bonds,

- create a special fund established for the deposit of increments and other funds that may be used or pledged for the payment of increment bonds and may pay the costs of projects,
- use increments to pay the costs of projects and for the payment of amounts due on increment bonds, and
- impose assessments (KRS 65.680 to 65.699).

A consolidated local government or a county containing a city of the first class has additional options relating to increment financing (KRS 65.490 to 65.499).

Local governments using this tool may complete their projects between 2025 and 2031, depending on the length of the tax increment financing term and the activation date of the project.

Tax Increment Financing In 2007 And Beyond. In 2007, new laws regarding tax increment financing were enacted. Projects initiated under the old laws (KRS 65.680 to 65.699 and 65.490 to 65.499) continue in force, but no new projects may be started under these statutes. Any new tax increment projects are initiated under the provisions of KRS 65.7041 to 65.7083. To initiate a project, a local government must establish a development area under KRS 65.7049 or a local development area under KRS 65.7047. A development area cannot exceed 1,920 acres (3 square miles), by statute, and a local development area is limited to half that. In addition, a local development area must encompass previously undeveloped land, whereas a development area can include blighted property, deteriorating property, or a project containing an arena, or it can be a mixed-use development as set out in KRS 65.7049 and 65.7043.

If the local government is establishing a development area, it must adopt a development plan under the provisions of KRS 65.7051. Once a development area or a local development area is established, the local government may use certain tax revenues to retire investments used in the development of these areas.

West End Opportunity Partnership. To attract commerce and to improve housing in the area in Louisville known as the West End, the West End Opportunity Partnership (KRS 65.500 to 65.506 and KRS 65.029) was created in 2021, ceasing operations in 2041 unless reauthorized, to

(a) Manage and support the revitalization of and investment in the development area, with a focus on projects supported by residents and businesses within the development area;
(b) Encourage private investment in businesses and residential projects that will have a significant impact within the development area;
(c) Ensure that all projects include the employment of area residents, both in short-term construction jobs and long-term employment in businesses locating within the development area; and
(d) Ensure that all housing projects include the creation of housing that is deemed affordable in accordance with federal guidelines for low-income families (KRS 65.502).

The partnership itself is governed by a 12-member board and receives input from a permanent subcommittee called the West End Louisville Advisory Council containing representatives from each of the nine neighborhoods in the area (KRS 65.503 and 65.506).

The partnership receives funding from tax increment earmarks from the commonwealth and the consolidated local government in whose territory it lies (KRS 65.504). Investment pledges are required (KRS 65.029). These moneys are to be used for revitalization purposes in the area.

Residential property owners living in the area are eligible for a tax credit in an amount equal to the amount in which the property tax timely paid on the residential property in a taxable year exceeds the amount of property tax assessed on that property on January 2021. In essence, as long as residential property owners remain the owners of that property in which they live, they will not experience tax increases beyond their obligation in 2021. This credit expires if the property owners sell the property at any time, or if the program ends, as it is presently designed to do in 2041 (KRS 141.398).

Lawsuits Against Gun Manufacturers

The commonwealth has reserved for itself the sole authority to enter into lawsuits against arms manufacturers. No city, county, urban-county, charter county, consolidated local government, special district, or other local governmental unit may sue an arms manufacturer in any capacity other than breach of contract or warranty in its dealings with that manufacturer (KRS 65.045).

Code Enforcement

Counties and municipalities, or combinations thereof, may adopt a code enforcement board by ordinance through the Local Government Code Enforcement Board Act (KRS 65.8801 to 65.8839). This board is designed to issue remedial orders and impose civil fines as a method of enforcing the violation of an ordinance, including violations of zoning ordinances or regulations, when the ordinance is classified as a civil offense. Code enforcement may also include imminent dangers and hazards, such as methamphetamine decontamination (KRS 65.8823). (Methamphetamine decontamination can also be initiated in counties without a formal code enforcement board using KRS 65.8840.) Code enforcement using the formal provisions of the code enforcement board may include fines and liens on properties found in violation of the relevant codes or ordinances adopted by a local government. A code enforcement board, composed of one local government, contains no fewer than three members. A joint code enforcement board is composed of members of each participating local government as set out in the interlocal agreement creating it. Appointments are for 3 years. Members may succeed themselves and are appointed by the executive authority of the local government with approval of the local legislative body (KRS 65.8811). KRS 65.8821 sets out the specific powers of the board. A code enforcement officer cites violators of an ordinance, who are allowed a hearing (KRS 65.8825 and 65.8828). Appeals to the outcome of a hearing of the code enforcement board may be held in the district court of the county (KRS 65.8831).

Fire Prevention Code Enforcement

The county judge/executive with the approval of the fiscal court (and executive authorities with the approval of the respective legislative bodies of merged governments) may form a local appeals board for hearing appeals from orders of the local fire chief or representative of the fire chief or of the state fire marshal or representative of the state fire marshal. Without a local board

the state fire marshal is the first venue for appeals. The board is made up of five persons with professional experience related to the fire prevention and construction industry. Local governments may share appeals boards via interlocal agreement. Appeals from the local board are heard by the Circuit Court of jurisdiction (KRS 227.325).

Disaster Relief Funding Program

Counties, urban-counties, charter counties, and consolidated local governments and people living in the commonwealth have access to the Disaster Relief Funding Program and its related trust fund when the governor declares a portion of the state a disaster area and federal authorities decline to declare the same area a disaster area. In addition, when federal authorities do declare a portion of the state a disaster area, money in this fund may be used to pay the state contribution in order to access federal assistance. The Division of Emergency Management (also known as Kentucky Emergency Management) controls these funds and the appurtenant administrative regulations relating to this fund (KRS 39A.300).

KRS 39A.303 and KRS 39A.305 established the East Kentucky State Aid Funding for Emergencies and West Kentucky State Aid Funding for Emergencies funds, respectively. Administered by the Division of Emergency Management, they are designed to provide financial assistance for those impacted by the severe weather that occurred in eastern and western Kentucky in 2021 and 2022. Moneys may be used for replacing and renovating public buildings; for service, personnel, and equipment costs necessitated by the storm; and for utility resilience in certain eastern and western Kentucky counties, as well as other costs (KRS 39A.303 and KRS 39A.305). Moneys in the fund carry forward until June 30, 2026.

SAFE 4860 Fund

Local governments may apply for recovery funds for damages from declared disasters happening in Kentucky beginning on February 14, 2025. Proper documentation and reporting are required for funds use. As funding is extant, local governments may apply for and spend funds to

- replace or repair publicly owned buildings and facilities;
- reimburse for services, personnel, and equipment provided during the response to the disaster;
- replace and repair the contents of public buildings and water and wastewater infrastructure;
- assist with planning efforts for rebuilding and recovering from disaster damage; and
- pay for contracted employees to administer and report on funds (KRS 39A.307).

Abandoned And Blighted Property Conservatorship Act

Counties, as well as other units of local government, may petition the Circuit Court of jurisdiction in the county in which an abandoned and blighted property is located, in order to have a conservator appointed to bring the building into compliance with all applicable housing, building, and nuisance code requirements (KRS 99.780 to 99.855).

Prior to granting a conservatorship, process is served to the owner of the property, the city or county that is not the petitioner, and any lienholder with an interest in the property. In addition,

persons owning property within 500 feet of the property in question are notified of the hearing date (KRS 99.795).

The court may appoint a conservator if all of the following conditions exist:

- The building has not been legally occupied for at least the previous 12 months.
- The owner fails to present sufficient evidence that the property was actively marketed during the preceding 60 days.
- The property is not subject to a pending foreclosure action by an individual or nongovernmental entity.
- The property is not subject to an outstanding mortgage held by a bank or other creditor with a recorded security interest in the property, unless waived by the bank or other creditor.
- The owner fails to present sufficient evidence the property was acquired by the owner within the preceding 6 months. The evidence cannot include instances where the prior owner is a member of the immediate family of the current owner, unless the transfer of title results from the death of the prior owner.
- The court finds at least three of the conditions meeting the definition of *abandoned and blighted property* in KRS 99.785 have been established (KRS 99.800).

Governing body members and public officers, or their immediate family members, of the local government seeking the conservatorship cannot be appointed as conservators (KRS 99.805). The owner of the property may be allowed to remedy the conditions during the process but may be required to post a bond in the estimated amount of repair costs. If the owner fails to do so in a certain time, the conservator is appointed. If the owner fixes the property or sells the property, the owner must reimburse the petitioning local government for all reasonable costs incurred in preparing and filing the petition (KRS 99.810).

Once appointed, a conservator has all the powers and authorities to effect repairs to the property in order to bring the property up to all applicable code requirements (KRS 99.815). The conservator must maintain, protect, and insure the property, and must submit a rehabilitation plan to the court and parties in interest. The conservator must complete the work; afterward, the conservator may petition the court for permission to terminate the conservatorship by selling the property at a public or private sale (KRS 99.825 and 99.835). Demolition protocols exist for properties that are beyond rehabilitation (KRS 99.830). Proceeds from the sale of a property are distributed to repay rehabilitation costs, settle taxes and liens, and compensate various other interested parties in a hierarchy set out in statute (KRS 99.840).

Kentucky Recovery Ready Communities

The Advisory Council for Recovery Ready Communities is attached to the Office of Drug Control Policy within the Justice and Public Safety Cabinet to establish a Kentucky Recovery Ready Community Certification Program for counties and cities. The program measures the county's or city's substance abuse disorder recovery programs to ensure that the local government is taking steps to provide high-quality recovery programs to help with workforce development concerns. Counties have representation on the advisory council through a representative selected by the Kentucky Association of Counties and appointed by the governor (KRS 222.480).

Designated County Industrial Districts

A fiscal court may, via ordinance, establish a designated county industrial district which has the effect of making land within the county not subject to annexation without the consent of the county. The purpose of the district is to allow counties to engage in new economic and industrial development projects without the possibility that those projects could be annexed by a city at a later date. Consequently, the land selected for a designated county industrial district must be suitable for development for industrial or commercial purposes but must not have been used for those purposes prior to the establishment of the district. Additionally, the land may not be contiguous to any existing city boundary. The land within the district can be used only for commercial or industrial purposes. A county may designate only two districts. The total area designated as part of a district cannot exceed 1,000 acres. To establish the district, a county must provide notice to the cities within the county and must obtain the consent of each landowner with property that would be within the district (KRS 81A.532 to 81A.536)

Chapter 7

County Officials And Personnel

Elected County Officials

The elected county officials are the county judge/executive; justices of the peace; sheriff; county clerk; coroner; jailer; property valuation administrator; county surveyor; county attorney; constable; and, in counties that have adopted the commission form of government, county commissioners. The constitution requires most of these offices and sets their qualifications and terms (Ky. Const., secs. 99 and 100). Most county officials perform a wide variety of duties.[a] Following is a summary of the major duties of some county offices.

County Judge/Executive

The county judge/executive serves as a member and presiding officer of the fiscal court and acts as the county's chief executive and administrative official (Ky. Const., sec. 124; KRS 67.040 and 67.710).

Justices Of The Peace And County Commissioners

Depending on the form of the fiscal court in a county, justices of the peace (also known as magistrates or, in a county that has adopted a commission form of government, county commissioners) serve as members of the fiscal court and conduct the business of the county (Ky. Const., sec. 144; KRS 67.040 and 67.050 to 67.070).

Sheriff

The sheriff acts as a law enforcement official (KRS Chapter 70), collects real property taxes (KRS 134.119), may invest revenues held in the possession of the sheriff until the time of distribution to the proper taxing authorities (KRS 134.140), and provides court security (KRS 70.140).

County Clerk

County clerks issue licenses, register voters, perform other election-related duties (KRS Chapters 116, 117, 117A, 118, 118A, and 120), retain written certification of certain oaths of office (KRS 62.020), store legal and county records (KRS 67.100, 382.300), and prepare county tax bills (KRS 133.220). County clerks may serve as clerks of the fiscal court, except in counties containing a city of the first class and in consolidated local governments (KRS 67.120).

[a] For a detailed description of the offices, see Kentucky. Legislative Research Commission. *Duties Of Elected County Officials*, Informational Bulletin 114.

Coroner

The coroner investigates certain types of deaths and attempts to determine their cause (KRS 72.020 and 72.405 to 72.470).

Jailer

The jailer has custody of the county jail and all persons committed to the jail (KRS 71.020). The jailer may be responsible for transporting prisoners to a jail in another county, but if the prisoner is to be transported for court proceedings, the sheriff of the county where the court proceedings are occurring has the primary responsibility of transport (KRS 441.510). If another party is made responsible for transportation, the jailer acts as a court bailiff (KRS 71.050). The fiscal court may employ the jailer as superintendent of county buildings as agreed on by the jailer and the fiscal court (KRS 67.130 and 67.170).

Property Valuation Administrator

The property valuation administrator assesses or estimates the value of property for taxation purposes (KRS 132.420).

County Attorney

The county attorney serves as the legal counsel for county government and represents the county and county officials when they are named as parties in legal actions (KRS 69.210). The county attorney, who is a member of the unified and integrated prosecutorial system (KRS 15.725, 15.730, and 15.765), also prosecutes violations of the criminal law within the jurisdiction of the district court (KRS 15.725). A county attorney can employ one or more county detectives to assist in the preparation of criminal cases before district court (KRS 69.360).

Constable

Constables who are certified by the Kentucky Law Enforcement Council are peace officers who have the power to arrest. The office of constable is considered a fee office. The allowable services constables may perform for fees vary with the certification status of the constable (KRS 64.060, 64.190, and 75.350). Constables are elected under Sections 99, 100, and 142 of the constitution.

Code Of Ethics

Every county must have a code of ethics applying to all elected officials, any appointed officials, employees, and joint agencies specified in the code (KRS 65.003). The rules must cover at least the county judge/executive, members of the governing body, county clerk, county attorney, sheriff, jailer, coroner, surveyor, and constable. School board members are not required to be covered. Joint agreements among local governments can be executed. Special purpose governmental entity boards, officers and employees, as defined in KRS 65A.010, must also

be covered by a code of ethics (KRS 65A.070). Most special districts are special purpose governmental entities.

The code must be adopted by ordinance and must set

- standards of conduct,
- requirements for annual financial disclosure statements,
- a policy on employment of family members, and
- a person or group designated to enforce the code.

A code of ethics may be amended but may not be repealed. Whenever a code is adopted or amended, the county must notify the Department for Local Government and show proof of publication. If a county fails to comply with the requirements regarding a code of ethics, state agencies must suspend delivery of services and payments (KRS 65.003).

Candidates for city and county elective offices must comply with financial disclosure requirements that are mandated in the code (KRS 65.003).

Removal From Office

General Provisions

County judges/executive, justices of the peace, sheriffs, coroners, surveyors, jailers, property valuation administrators, county attorneys, and constables are subject to indictment or prosecution for misfeasance, malfeasance, or willful neglect of duty during their terms in office (Ky. Const., sec. 227; KRS 61.170). The manner of indictment and prosecution is prescribed by law and can take the form of impeachment under KRS 63.020 to 63.180. Upon final adjudication, the officeholder's position becomes vacant.

The property valuation administrator may be removed from office by the Circuit Court of the county upon petition of any taxpayer, or by the secretary of revenue for willful disobedience of any just or legal order of the Revenue Cabinet, for misfeasance or malfeasance in office, or willful neglect in the discharge of official duties, including but not limited to intentional underassessment or overassessment of properties and chronic underassessment of properties (KRS 132.370).

The General Assembly is specifically authorized to provide other methods for the vacation of office or the removal from office of any sheriff, jailer, constable, or peace officer for neglect of duty. The General Assembly may also provide for the method of reinstatement of those officials (Ky. Const., sec. 227).

Miscellaneous Acts That Can Result In Disqualification

Other constitutional provisions deal with the wrongdoing of county officials. Section 150 disqualifies any person from holding an office of trust or profit for the term for which elected, if convicted of procuring election by buying votes. Section 151 requires the General Assembly

to provide a suitable means for depriving any person of elective office who has procured nomination or election by the unlawful use of money. An officeholder is also deprived of an office obtained by fraud, intimidation, bribery, or other corrupt practice. The officeholder is likewise held responsible for acts done by others with his or her authority or ratified by him or her (Ky. Const., sec. 151).

All county officials are susceptible to impeachment for any misdemeanors committed while in office (Ky. Const., sec. 68). All persons who have participated in a duel are disqualified from holding county offices (Ky. Const., sec. 228 and 239). It is a felony for any county official to directly or indirectly receive an interest, profit, or perquisite arising from the use or loan of public funds that the person is officially holding (Ky. Const., sec. 173).

Incompatible Offices

Both the Constitution of Kentucky and the statutes address incompatible offices. Section 165 of the constitution says:

> No person shall, at the same time, be a State officer or a deputy officer or member of the General Assembly, and an officer of any county, city, town, or other municipality, or an employee thereof; and no person shall, at the same time, fill two municipal offices, either in the same or different municipalities, except as may be otherwise provided in this Constitution; but a Notary Public, or an officer of the militia, shall not be ineligible to hold any other office mentioned in this section.

A broader, but no less important, section of the constitution addresses federal offices:

> No member of Congress, or person holding or exercising an office of trust or profit under the United States, or any of them, or under any foreign power, shall be eligible to hold or exercise any office of trust or profit under this Constitution, or the laws made in pursuance thereof (Ky. Const., sec. 237).

Building on the constitutional prohibitions, KRS 61.080 provides guidance on which offices cannot be held simultaneously. The primary parts of the statute are set out below, but see the statute in its entirety for the full complement of restrictions and permissions.

- No person shall, at the same time, be a state officer, a deputy state officer, or a member of the General Assembly, and an officer of any county, city, consolidated local government, or other municipality, or an employee thereof.
- The offices of justice of the peace, county judge/executive, surveyor, sheriff, deputy sheriff, coroner, constable, jailer, and clerk or deputy clerk of a court, shall be incompatible, the one with any of the others. The offices of county judge/executive and county school superintendent are incompatible.
- No person shall, at the same time, fill a county office and a municipal office. Notwithstanding the fact that consolidated local governments have both municipal and county powers, persons who hold the office of mayor or legislative council member of a consolidated local government shall not thereby be deemed to hold both a county office and a municipal office. Officers of consolidated local governments shall not, at the same time, fill any other county or municipal office.
- No person shall, at the same time, fill two municipal offices, either in the same municipality

or in different municipalities.
- No person shall, at the same time, fill any two appointed offices of special purpose governmental entities, as defined in KRS 65A.010, that each have the authority to levy taxes.
- No person shall, at the same time, fill any state office and an appointed office of a special purpose governmental entity that has the authority to levy taxes, unless a state statute specifically requires a person holding a state office to serve in an appointed office of a special purpose governmental entity that has the authority to levy taxes (KRS 61.080).

Searching the statutes for the word *incompatible* can reveal isolated occurrences of other legislative determinations of incompatible offices.

An actively serving legislator cannot accept a position on a board of a special purpose governmental entity without risking a determination of incompatibility (KRS 6.764).

While certain incompatibilities have been identified in the constitution and in statutes as previously described, there is also a spectrum of incompatibilities that have been discerned through court action. These are generally called common law incompatibilities. A person concerned about a potential incompatibility should research the court decisions or seek the services of an individual qualified to provide a legal opinion to inform any personal decision regarding whether to seek or hold an additional office or position. An officer who accepts an incompatible office or job is considered to have vacated the prior office for the one more recently accepted (KRS 61.090).

Official Misconduct And Misuse Of Confidential Information

Public servants (as defined in KRS 522.010) can be brought up on charges of official misconduct. A public servant is guilty of misconduct in the first degree (which is a Class A misdemeanor) when, with intent to obtain or confer a benefit or to injure another person or to deprive another person of a benefit, that person knowingly
- commits an act relating to his or her office that constitutes an unauthorized exercise of official functions,
- refrains from performing a duty imposed by law or clearly inherent in the nature of the office, or
- violates any statute or lawfully adopted rule or regulation relating to the office (KRS 522.020).

A person may be adjudged guilty of misconduct in the second degree by violating one of the three conditions above, but without the intent to obtain or confer a benefit or to injure another person or to deprive another person of a benefit. Such a violation carries a penalty of a Class B misdemeanor (KRS 522.030).

In addition to official misconduct, a public servant may be charged with misuse of confidential information, a Class D felony, if the person is found to have violated the provisions of KRS 522.040.

Abuse Of Public Trust

Local government officials and employees, as well as state-level officials and employees, have been made more accountable in dealing with public money and property through the creation of the crime of abuse of public trust:

> A public servant who is entrusted with public money or property by reason of holding public office or employment, exercising the functions of a public officer or employee, or participating in performing a governmental function, is guilty of abuse of public trust when:
> (a) He or she obtains public money or property subject to a known legal obligation to make specified payment or other disposition, whether from the public money or property or its proceeds; and
> (b) He or she intentionally deals with the public money or property as his or her own and fails to make the required payment or disposition (KRS 522.050).

Conviction carries a Class B, Class C, or Class D felony status, depending on the amount of money or value of property that is the subject of the crime. Once convicted, the offender is permanently disqualified from holding public office (KRS 522.050).

Appointed County Officials

Most county government positions are filled by appointment rather than by election. Nonelective positions include those of the members of county boards and commissions, administrative jobs, and various other county personnel posts. Through the development of county administrative codes, counties have also been given greater flexibility in setting procedures for the selection, supervision, and discipline of county employees.

Appointment Of County Officials And Personnel

Methods of appointment may vary according to the type of position. KRS 67.710 establishes slightly different procedures depending on whether a position is a county personnel post, an administrative post, or membership on a county board or commission. Further, the manner of appointment to some positions may vary from county to county depending on the provisions of each county's administrative code. Table 7.1 lists appointed county offices.

Table 7.1
County Judge/Executive Appointments

Position Or Group	KRS
Air board	183.132
Air pollution control board, county with city of the first class or city of ≥20,000 based on most recent federal decennial census	77.070
Alcoholic beverage control administrator, investigator, or clerk	241.110
Building code local appeals board	198B.070
Cause of death investigator, when coroner is unavailable	213.076
Children's home board, Louisville and Jefferson County	201.020
Community improvement district board of commissioners	107.340

Position Or Group	KRS
County board of assessment appeals	133.020
County building commission	67.450
County cemetery board	67.680
County consolidation commission, when convened	67.240
County police force merit board	78.410
Custodian of property, for property that is proceeds of crime or is otherwise related to law enforcement	67.592
Deputy county judge, emergency	67.735
Deputy county judge, regular	67.730
Deputy sheriff merit board	70.260
Drainage commissioner	269.090, 269.120
Drainage director	267.090
Drainage district commissioner	269.120
Elisor	70.200
Emergency management director, local	39B.020
Emergency service board, single-county and multicounty	65.666, 65.668
Extension district board	164.635
Fire district trustee	75.031
Flood control district board	104.580
Health board, in county with city of first class	212.380, 212.390
Hospital district board	216.323
Housing authority, city-county	80.266
Housing authority, county	80.420
Housing authority, regional	80.430
Industrial development authority	154.50-326
Industrial taxing district board	68.606
Jail transportation officer, additional	71.065
Levee commissioner	266.100
Library, in county with city of first class	173.105
Library board of trustees	173.340
Library district board of trustees	173.480, 173.725, 173.730
Mental health/persons with intellectual disabilities transfer appeals panel, when convened	210.270
Metropolitan sewer district board	76.060
Metropolitan sewer district, certain officers	76.030
Nuisance hearing board	82.700
Parking authority, city-county	94.815
Planning commission	100.133, 100.137, 100.141
Police, auxiliary county	70.542
Police, county	70.540
Police, county, officers excluded from classified service	70.428
Police, county: chief, assistant chief, any officer above rank of captain, in county with population of 600,000+	78.428
Probation officer, assistant probation officer, and professional and clerical personnel, in county with city of first class or city of ≥20,000 based on most recent federal decennial census	605.050
Processioner	73.180
Public improvements finance board	66.513
Recreation board	97.030, 97.035
Regional jail authority	441.810
Rescue squad taxing district board	39F.160
Riverport authority	65.540
Riverport authority in county with city of first class, secretary-treasurer	65.570

Position Or Group	KRS
Road district	184.060
Road engineer	179.020
Sanitation district (multicounty) board	220.140
Sanitation tax district board	76.277
Sewer construction district commissioner	76.315
Subdivision road district	179.715
Surveyor, deputy	73.030
Tourist and convention commissions	91A.360, 91A.370, 91A.380
Transit authority, executive director or secretary-treasurer, in county with city of first class	96A.070
Transit authority board	96A.040
Treasurer, county	68.010, 67.710 (also OAG 90-46)
Urban renewal and community development agency	99.350
Urban services district board	108.110
Vacancies in office, sheriff, coroner, surveyor, county clerk, county attorney, jailer, or constable; peace officer vacancy created by declaration of governor; road engineer	63.220, 63.150, 179.060
Waste management district board	109.115
Water district board of commissioners	74.020, 74.361
Waterworks board, in county with city of first class	96.240
Zoning board of adjustment	100.217

Source: Kentucky Revised Statutes.

County Personnel. The county judge/executive may, with fiscal court approval, appoint, supervise, suspend, and remove county personnel, unless state law provides otherwise (KRS 67.710).

Boards, Commissions, And Administrative Positions. KRS 67.710 provides that the county judge/executive may "with the approval of the fiscal court, make appointments to or remove members from such boards, commissions, and designated administrative positions as the fiscal court, charter, law or ordinance may create."

Constraints On Political Considerations In The Appointment Of County Officials And Personnel. The tenure of county employees is at the will of the county judge/executive and fiscal court. The term of employees ends when the term of the outgoing county judge/executive ends. The new county judge/executive has the right to hire administration employees, subject to approval by the fiscal court. This interpretation of the Kentucky statutes has been recognized by the Attorney General and a federal circuit court.[41] Decisions by the US Supreme Court have made it clear, however, that ordinary county employees may not be terminated on the basis of their political activities, because such action violates their constitutional rights to political expression under the First Amendment.

Counties manage their employees with respect to job performance. County employment is at the pleasure of the county judge/executive and the fiscal court. If an employee in a position that is not politically sensitive has been politically active, the county judge/executive should dismiss (or hire, promote, transfer, or recall) the employee, and the fiscal court should approve the action, only if they can link their decision to job performance or potential.

In a county that has created a deputy sheriff merit board under KRS 70.260 to 70.273, no deputy sheriff may be fired or disciplined for failure to make political contributions. If dismissed by the sheriff after the first year of initial employment or after promotional appointments, a deputy covered by a merit board must receive a written statement of reasons. At a deputy's request, the board must review a dismissal or a reduction in pay. The board itself may remove or discipline a deputy sheriff only after a public hearing. Rules of the merit board are subject to stringent posting requirements. Regarding the contents of those rules, the board must pass rules relative to hiring, promoting, disciplining, and terminating deputy sheriffs.

Vacancies. When a county judge/executive is directed by law to fill a vacancy in an office by appointment, he or she must do so within 60 days of the date of the vacancy. The fiscal court must approve or disapprove of that nomination within 45 days of their receipt of the nomination. If the fiscal court fails to take action within that time period, the nominee is deemed to have been approved. If the fiscal court disapproves of a nomination, the county judge/executive nominates another person, but the time frame to appoint is shorter: within 45 days of the disapproval. The fiscal court itself may fill a vacancy when the county judge/executive fails to nominate a person:

- within the 60-day time frame for appointment for the initial vacancy; or
- once 45 days elapse after a nominee is disapproved by the fiscal court (KRS 67.710).

County Officials' Salaries

Pay Limits. Section 246 of the constitution, as amended in 1949, limits the salary of elected county officials to $7,200 per year. Officers whose duties or jurisdictions are coextensive with that of the commonwealth are limited to $12,000 per year. The court has held that the limit of either $7,200 or $12,000 may be adjusted to reflect changes in the purchasing power of the dollar; therefore, the salary of county officials is allowed to increase as the value of the dollar decreases.[42] Using 1949 as the base year, the Department for Local Government annually calculates the change in the Consumer Price Index to adjust the compensation of county officials to the current purchasing power of the dollar (KRS 64.527). For 2025, officials limited to $7,200 in the constitution can receive a maximum of $95,335.76. County judges/executive, county clerks, sheriffs, and jailers operating full-service jails have been declared to have duties that are coextensive with the state and are limited to the $12,000 cap (KRS 64.5275), which for 2025 equates to $154,432.77. In 1998 HB 810, the General Assembly established a graduated pay scale for these officials, based on the constitutional figures, which are subsequently adjusted to modern values, based on the Consumer Price Index, as discussed later. The graduated pay scale is divided into nine groups, based on county size; the smallest group includes counties of fewer than 5,000 people, and the largest group includes counties of more than 500,000 people. Within each of the nine groups, there are provisions for increasing the official's salary one "step" per year served, to a maximum of four steps (KRS 64.5275). Table 7.2 lists 2025's adjusted salary figures for the affected officers. The Attorney General has stated that payment of the maximum compensation is for full-time work, and adjustment should be made for part-time officials by computing a percentage of the maximum allowable salary, as established by the fiscal court.[43]

Table 7.2
Salary Schedule For County Judges/Executive, County Clerks, Sheriffs, And Jailers Operating Full-Service Jails Adjusted By Change In Consumer Price Index
2025

Group	Population	Step 1	Step 2	Step 3	Step 4
I	0–4,999	$87,391.12	$90,039.33	$92,687.55	$95,335.76
II	5,000–9,999	95,335.76	97,983.98	100,632.20	103,280.41
III	10,000–19,999	103,280.41	105,928.63	108,576.84	111,225.06
IV	20,000–29,999	107,252.74	111,225.06	115,197.38	119,169.71
V	30,000–44,999	115,197.38	119,169.71	123,142.03	127,114.35
VI	45,000–59,999	119,169.71	124,466.14	129,762.57	135,059.00
VII	60,000–89,999	127,114.35	132,410.78	137,707.22	143,003.65
VIII	90,000–499,999	131,086.68	137,707.22	144,327.75	150,948.29
IX	500,000 and more	139,031.32	145,651.86	152,272.40	158,892.94

Sources: Department for Local Government; KRS 64.5275.

Training Incentive. The Department for Local Government hosts the County Elected Officials Training Program as authorized under KRS 64.5275. Participating county judges/executive, fiscal court members, clerks, sheriffs, and jailers receive a cash incentive from their counties for completing at least 40 hours of training each year. Based on a minimum award of $100 as indexed by the change in the Consumer Price Index as calculated by the department, and stepped, the payments for 2025 are:

- Step 1—$1,325.53
- Step 2—$2,651.06
- Step 3—$3,976.59
- Step 4—$5,302.12

Changes In Pay. The constitution further provides that county officials' compensation cannot be changed during their terms of office (Ky. Const. secs. 161 and 235). The court has interpreted that an increase in salary to reflect change in the value of the dollar does not violate the constitutional prohibition on changing officials' compensation.[44] Further, the Attorney General has said that adjustments to account for changes in the purchasing power of the dollar are not changes in compensation in violation of Sections 161 and 235.[45]

Sheriffs. The sheriff holds a fee office. Only the sheriff and county clerk hold elected offices of this nature under the provisions of constitution Section 106. The sheriff derives the capital for salaries and office expenses from many sources: tax collection (the largest source of revenue), service of process, court security, and many other services that peace officers perform. The sheriff's salary, though, is capped by the constitution. Under 1998 HB 810, the sheriff is deemed to have duties that are coextensive with those of the state, and therefore the sheriff's salary is set at a level on par with those of state officials.

If a sheriff serves in a county of more than 70,000 people, the money the sheriff collects is sent periodically to the Finance and Administration Cabinet. The cabinet then remits up to 75 percent of the sum back to the sheriff for salaries and office expenses. Any remainder is sent to the fiscal

court, including the 25 percent initially not remitted to the sheriff. In a county of fewer than 70,000 people, the sheriff personally administers the fund. If there is excess money, it goes into the county treasury. KRS 61.310 and 521.060 set out guidelines for donations to sheriffs' offices. In order to receive donations, a sheriff must establish a registry to record any donations. The donations must be for a public purpose and for the use of the office.[b]

County Clerks. The county clerk holds a fee office. Like the sheriff, the county clerk is directed to collect fees under Section 106 of the constitution. The county clerk derives revenue for the office through the collection of fees. KRS 64.012 is the master list for the fees for clerks. However, the money that the clerk collects when performing one of these services may be more than the fee listed because through the years the legislature has provided that other miscellaneous fees are to be added. Like the sheriff, if the county clerk is in a county with a population in excess of 70,000, the clerk sends the collected fees into the State Treasury for distribution back to the office as necessary.

County Attorneys. The county attorney is not a fee office but may receive some compensation from the provision of services. A source of income for the county attorney is a state salary equal to that of a commonwealth's attorney who is not prohibited from private practice. The state salary will not be less than $20,000 (KRS 15.765). In addition to the state salary, the county attorney may be compensated for legal advice to the county under the provisions of KRS 64.530. No minimum amount is set for this compensation, but the state and county revenues cannot exceed the constitutional limit in Section 246. This limit is based on the annual adjustment of the Consumer Price Index based on $12,000 in 1949 as calculated and published by the Department for Local Government and is declared in KRS 15.765. A county attorney may practice private law in addition to the other sources of government income under the provisions of KRS 15.765 and 64.530. To pay operating expenses for the office, a county attorney may use certain commissions derived under the provisions of KRS 132.350 (assisting in tax assessment proceedings in court), KRS 134.504 (assisting in delinquent tax collection), and KRS 135.040 (assisting in "no property found" equitability claims on behalf of state).

Deputies And Assistants Of Elected County Officials. The fiscal court must determine the amount allowed for the deputies and assistants of elected county officials no later than the first Monday in May in the year in which the officials are elected. The elected county official determines the number of deputies and assistants to be hired and the amount to be paid to each within the overall limit set by the fiscal court. The amount available for deputies' and assistants' salaries may be reviewed and adjusted no later than the first Monday in May of any successive year (KRS 64.530). This section does not apply to county clerks, sheriffs, jailers, and their deputies, assistants, and expenses, in counties having a population of 70,000 or more. The method of compensation of appointed county officers varies. Depending on the position, an appointed officer may receive a salary, reimbursement for expenses, or both.

[b] For more specific revenue sources for the sheriff, plus their statutory citations, see *Duties Of County Elected Officials*, Legislative Research Commission Informational Bulletin 114.

Expense Allowances

Several of the elected county offices are granted lump-sum expense allowances from the state to help meet the costs of performing certain official duties. In most cases, the statutes that establish those allowances also stipulate that these funds are not to be considered compensation.

- Except in consolidated local governments, the **county judge/executive** receives an annual expense allowance of $3,600, paid in quarterly installments of $900, for performing duties and fulfilling responsibilities in the administration of the local county road program (KRS 67.722).
- The **county attorney** receives a monthly expense allowance of $500, declared to be the minimum he or she would expend in performing duties for the commonwealth (KRS 15.765).
- The **sheriff** receives a monthly expense allowance of $300 for patrolling county roads (KRS 70.170 and 70.150).
- The **jailer** receives a monthly expense allowance of $300 to defray expenses associated with completing the basic jail-staff training program and an annual training program. The allowance ceases if the jailer fails to satisfactorily complete the program (KRS 441.115).
- The **county clerk** may receive a maximum expense allowance of $3,600, payable from fees collected by the clerk. Clerks in counties of fewer than 75,000 residents are paid $300 per month; in counties of 75,000 or more, clerks are paid $150 semimonthly. If fees collected will not fund the full allowance, the fiscal court may pay the balance (KRS 64.017).
- The **property valuation administrator** receives an annual expense allowance of $3,600, payable in monthly installments of $300, by completing at least 30 classroom hours of professional instruction each year. A PVA who has been awarded the "senior Kentucky assessor" professional designation must complete 15 classroom hours each year (KRS 132.597).
- **Justices of the peace** and **county commissioners** may receive up to $3,600 annually, payable from the county treasury, as an expense allowance for serving on the committees of the fiscal court (KRS 64.530).
- **Coroners** and **deputy coroners** may be paid up to $300 per month as an expense allowance (KRS 64.185). Deputy coroners who fail to maintain their required training may have their duties and compensation suspended until the training requirements have been met (KRS 72.415).

Personal Bonds

Tables 7.3 and 7.4 list details of the required personal bonds of appointed and elected county officials. KRS Chapter 62 contains many details related to executing bonds. In addition to the public officials listed in the tables, every city, county, urban-county, and charter county government, or special district officer, official, or employee who handles money must be bonded or covered by a bond in some capacity (KRS 65.067). With the requirements of KRS 65.067 in mind, Table 7.3 should not be considered exhaustive.

Table 7.3
Personal Bonds—Appointed Officials

Office	KRS	Remarks
Auditor and assistant auditor, consolidated local government and county with city of first class	68.130	Each executes bond with surety company authorized and qualified to become surety on bonds in Kentucky, or with two solvent, responsible persons as surety; fiscal court or consolidated local government to approve bonds and surety
County building commission	67.450	Each commissioner executes bond to be approved by county judge/executive
County public improvement finance board	66.513	Fiscal court may require bond of all trustees in amounts court deems proper
County treasurer	68.010	Must execute bond with at least two sureties to be approved by fiscal court, which may pay bond premium from county funds
Deputy constable	70.310, 70.320	Liable on constable's bond
Deputy coroner	72.010	—
Director of welfare	98.310	Gives bond approved by consolidated local government or fiscal court; either of which may require bonds for other employees in welfare department
Elisor	70.200	Bond approved by county judge/executive
Master commissioner	31A.020	No bond amount specified
Road commissioner	178.180	Commissioners each give bond approved by county judge/executive
Sanitation district board of trustees	220.150	Each director gives good and sufficient bond to be approved by judge/executive; district to pay cost of bond
Special local peace officer	61.360	Bond of $5,000
Water district commissioner	74.020	Each commissioner executes bond

Source: Compiled by LRC staff from Kentucky Revised Statutes.

Table 7.4
Personal Bonds—Elected Officials

Office	KRS	Remarks
Constable	70.310	Bond in minimum of $10,000 and sureties, approved by fiscal court
Coroner	72.010	Executes bond in minimum of $10,000 and sureties, approved by fiscal court
County clerk	62.055	Executes bond to commonwealth
County judge/executive	67.720	Bond is minimum of $10,000; surety approved by fiscal court or Circuit judge; fiscal court must pay premium
County surveyor	73.010	Bond in minimum of $10,000 and sureties, approved by fiscal court
Jailer	71.010	Executes bond to commonwealth, in minimum of $10,000, approved by fiscal court
Property valuation administrator	132.400	Revenue Cabinet approves bond; minimum is $20,000, maximum is $100,000, depending on size of largest city in county
Sheriff	70.020	Bond for faithful performance of duties with sureties approved by fiscal court
Sheriff	134.230	For collecting taxes, sheriff executes bond of at least $10,000

Source: Compiled by LRC staff from Kentucky Revised Statutes.

Retirement Plans Of County Employees

Senate Bill 151 of the 2018 Regular Session contained an overhaul of the state-sponsored retirement systems. After passage, a lawsuit was filed, and the courts declared the law unconstitutional. While the statutory language has not been formally rescinded, the provisions ruled unconstitutional are not being followed. Interested parties should refer to *Bevin v. Commonwealth ex rel. Beshear*, 563 S.W.3d 74 (Ky. 2018). The following text does not reflect changes that would have resulted from 2018 SB 151.

The majority of counties in Kentucky have employees who participate in the County Employees Retirement System. Individual employees who are not members of a qualified retirement system participate in mandatory Social Security. In addition, all counties participate in the Medicare program.

County Employees Retirement System

The County Employees Retirement System, established in KRS 78.510 to 78.852, may cover employees of any county or political subdivision, including school boards, charter county governments, and urban-county governments (KRS 78.510). The statutes also refer to member groups as "corporations" and "agencies." When a county participates in CERS, it may exclude hospitals and any other semi-independent agencies. An excluded agency may participate in the system as a separate agency (KRS 78.530).

During the 2020 and 2021 Regular Sessions of the General Assembly, two bills were enacted to effectively separate the governance structure and key benefit statutes of the County Employees Retirement System from the Kentucky Retirement Systems while retaining a shared administrative staffing structure.

HB 484, enacted during the 2020 Regular Session,

- established a new nine-member CERS board to govern CERS;
- modified the existing Kentucky Retirement Systems board, whose responsibilities will be to govern the Kentucky Employees Retirement System (KERS) and State Police Retirement System (SPRS); and
- established an eight-member Kentucky Public Pensions Authority (KPPA) board consisting of Kentucky Retirement Systems and CERS board members to oversee administrative staffing and duties of both Kentucky Retirement Systems and CERS.

Daily system activities—including administrative support, investment management, benefits counseling, accounting and payroll functions, and legal services—are performed by a staff of employees working as the KPPA. HB 9 enacted during the 2021 Regular Session primarily established separate benefit statutes for CERS apart from KERS and SPRS for key benefit provisions that were previously contained in a single statute applicable to multiple systems.

To participate in the retirement system, an agency must adopt an appropriate order authorizing participation. KRS 78.530 authorizes the fiscal court or agency governing body to adopt such an order.

If a county does not participate, the sheriff and the county clerk and their employees, along with current and former circuit clerks and deputy circuit clerks, may participate as a separate agency.

Nonprofit organizations created by counties or elected county officers may also participate in the system (KRS 78.510). To participate, agencies must

- have their governing body enact a "resolution to participate,"
- supply information regarding those employees eligible to participate to the state and county retirement office,
- contract with the Personnel Cabinet for active employee participation, and
- meet the requirements of the board of trustees (KRS 78.530).

Termination. If an agency fails to comply with the provisions of KRS 78.510 to 78.852, the board of trustees must notify the agency of its noncompliance. After such notification, the agency has 90 days to comply before its participation is terminated. An agency may appeal its termination to Franklin Circuit Court. If a county's participation is terminated, its employees have the option to remain in the retirement system. If the employees stay in the system, they continue to make contributions and the county continues to make the employer's contribution (KRS 78.535).

Eligible Membership. Membership in the retirement system consists of the following:

- All people who become employees of a participating county after the date the county first participates in the system and who do not decline membership—appointed local government executives who participate in a retirement system other than Social Security may decline membership but only prior to participation; those who initially declined membership may elect to participate at a later date.
- All people who are employees of the county, whether in service or on authorized leave, on the date the county first participates and who elect to become members (KRS 78.540).
- Employees who elect membership after first rejecting membership on the participation date of the county (KRS 78.530).
- All who declined participation but elected to participate before January 1, 2014—these people may purchase service credit for prior years by paying a delayed contribution payment.
- All people electing coverage in the system under KRS 78.530(3)(d) relating to an alternate participation plan.

A person's membership ceases upon

- withdrawal of contributions at any time after termination of employment,
- disability retirement,
- service retirement,
- death,
- termination of employment with prejudice for those hired before August 1, 2000, or
- conviction of a felony relating to the person's employment for persons hired on or after August 1, 2000.

Contributions. The member's contribution is 5 percent of his or her creditable compensation. Each employer must "pick up" the employees' contributions so they are treated as employer contributions for federal tax purposes. This means the employee's contribution is not taxed as

a portion of current gross income but will be subject to federal income tax when the employee retires or leaves the system and the contributions are withdrawn (KRS 78.610).

The employer's contribution rate is calculated according to KRS 61.565.

By the 10th of each month, the treasurer must forward the previous month's employee contributions. Penalties or delinquent contributions may be recovered by action in Franklin Circuit Court, with interest at a rate adopted by the board, compounded annually (KRS 78.625). Interest begins to accrue on the 10th day of the month after the period being reported.

Benefit Adjustment. Retired members of CERS, as well as retired members of the Kentucky Employees Retirement System and the State Police Retirement System, receive an annual 1.5 percent increase in their retirement payments if the system is funded at a level greater than 100 percent or if the General Assembly funds the increase for the particular year (KRS 61.691).

Social Security

Each county may submit a plan for Social Security coverage to the Division of Local Government Services, Office of the Controller in the Finance and Administration Cabinet (KRS 61.460). The plan cannot include those covered under the Teachers' Retirement System.

Health Insurance

Counties, charter counties, and urban-county governments and their agencies may establish and operate plans for the payment of disability, health maintenance organization coverage, or hospitalization benefits to their elected officers, their employees, and the immediate families of elected officers and employees.

Any county, charter county, or urban-county government that is a contributing member of a state retirement system may participate in the health insurance coverage offered to state employees. If it does participate, the local government must stay in the plan for at least 3 consecutive years. If the local government then chooses to terminate its participation, it will be excluded from further participation for 3 years, and any state appropriation for the employers' contribution for health insurance ceases (KRS 79.080).

The Attorney General has advised that health insurance and health maintenance organization coverage under the provisions of KRS 61.405 for employees of the sheriff or county clerk is unconstitutional, because it divides a single class—county employees—into two classes and then arbitrarily assigns benefits to one class and not to the other.[46]

Residency Requirements Of Public Servants

Section 234 of the Constitution of Kentucky says that "all district, county, city or town officers shall reside within their respective districts, counties, cities or towns." The topic of residency requirements, or lack of requirements, is complicated. The details are not universal among all officers or employees but depend on the specific class of employee or office and the relevant statutes and case law. For further details of residency requirements of police officers, see KRS 61.409 and "Residency Requirements For Law Enforcement Agencies" in this chapter.

County Police Force Merit System

Any county may create a county police force merit system and board. The board's duties are to examine and classify applicants for the county police. It also makes rules and regulations governing the county police (KRS 78.405). If the fiscal court creates such a board, it must appropriate funds for reasonable and necessary expenses.

General Regulations

A county police merit board consists of four members who are appointed by the county judge/executive with the approval of the fiscal court. The county judge/executive is an ex officio member of the board and votes only when there is a tie. Members of the county police department elect two police officers to the board solely for the purpose of deciding and voting on discipline cases (KRS 78.410).

All police officers and employees of the county police department, except probationary officers and employees and civilian employees covered by a collective bargaining agreement, are subject to the provisions of KRS Chapter 78 (KRS 78.425). Those personnel who were employed by the county police department before the establishment of the merit system are not required to be examined under the new rules. The personnel covered by the merit system are forbidden to take part in certain political activities, as specified in KRS 78.435.

Disciplinary Action

The police chief may remove, suspend, lay off, reduce in grade, or fine any officer or employee. Before such action is taken, the chief must furnish the individual with a statement of charges on which action is being taken. The individual has 10 days to file a written answer. No trial or examination of witness is required, except at the discretion of the chief. The board has the same disciplinary powers as the chief. Citizens who make written charges of misconduct concerning the actions of any officer must present the charges to the police chief for investigation. The accuser may appeal the chief's decision to the county police merit board (KRS 78.445).

The police merit board must review all dismissals, suspensions, or fines ordered by the chief of police. If a majority of the board objects to the chief's actions, it may set aside the chief's orders or provide for other disciplinary measures. Rulings of the board may be appealed to the Circuit Court, where they must be given a new hearing (KRS 78.455).

Deputy Sheriff Merit Boards

Any county may enact an ordinance creating a deputy sheriff merit board consisting of five members: two appointed by the county judge/executive (or by the chief executive officer if the county has an urban-county form of government), two appointed by the county sheriff, and one elected by the deputy sheriffs of the county (KRS 70.260 to 70.273). The board is funded either by fees and commissions of the sheriff's office or through an alternative means by agreement between the sheriff and the county legislative body (KRS 70.260). KRS 70.267 establishes rules for political activities of deputy sheriffs. Any county legislative body may, by ordinance, exclude deputies in policy-making positions or confidential positions from the merit system.

Except during the first year of initial employment or promotional appointment, no deputy sheriff in a county with a merit board may be suspended or removed unless the sheriff furnishes a written statement of the reason. The merit board may review a dismissal and reduction in pay at the request of a deputy. It may also review the sheriff's investigations of a citizen's complaint against a deputy. The board may remove or discipline a deputy, but only after a hearing at which the deputy has the right to confront witnesses. In a consolidated local government or in a county containing a city of the first class with a deputy sheriff merit board, a deputy's term of office will continue from sheriff to sheriff (KRS 70.030). The General Assembly has specified the procedures for testing deputy sheriffs for advancement (KRS 70.261 and 70.265).

All deputy sheriffs employed by a county that adopts a merit board must complete, within a year of their hiring or the creation of the board, at least 640 hours of training approved by the Kentucky Law Enforcement Council. Training approved by the Kentucky Law Enforcement Council received before the creation of the merit board may be used to satisfy all or part of this requirement (KRS 70.263).

No sheriff whose county has adopted a merit board may appoint an immediate family member as a deputy. Members of the sheriff's immediate family are also prohibited from serving on a deputy sheriff merit board (KRS 70.030 and 70.260).

Deputy Sheriff Collective Bargaining

Deputies who are part of a merit board in a county containing a city of the first class or consolidated local government may organize to collectively bargain. Deputies are not, however, permitted to strike. The sheriff must contract with the deputies' representative for hours of work, wages, and other terms of employment (KRS 70.262).

County Fire And Police Department Merit System

Any county may create, by order of the fiscal court, a county fire department merit system (KRS 67.323). The system is governed by the provisions of KRS 78.410 to 78.460 and 78.990 and the county police merit board. Any fiscal court may create a combined merit system for county police officers and firefighters and establish a single merit board (KRS 67.325). Those boards are governed by the provisions of KRS 67.323 and KRS 78.410 to 78.460.

Police Officers, Firefighters, Firefighter Personnel, Corrections Personnel, And Dispatch Communications Officers Collective Bargaining In Urban-County Governments

Police officers, firefighters, firefighter personnel, corrections personnel, and dispatch communications officers in urban-county governments have the power to self-organize and collectively bargain for wages, hours, and other conditions of employment (KRS 67A.6901 to 67A.6911). With this privilege, these employees are protected from receiving certain forms of pressure or discrimination regarding the formation of or participation in a labor organization. The labor organizations also have certain requirements placed on their activities. Volunteer firefighters are not included in the class of individuals allowed to collectively bargain in an urban-county government (KRS 67A.6911). The police officers, firefighters, firefighter personnel, corrections personnel, and dispatch communications officers may organize for collective bargaining, but they are prohibited from striking (KRS 67A.6910).

County Police Department And Auxiliary Police Department

Any county may establish a county police department under the provisions of KRS 70.540. The county judge/executive appoints all members and employees of the county police force for a term of a year and may remove them earlier for neglect of duty or misconduct. All members of the force must be US citizens and must be at least 21 years old. The members must take an oath. All county fiscal courts have the general power to provide for police protection under the provisions of KRS 67.083. County police officers are eligible for Kentucky Law Enforcement Training incentive pay and are required to be certified in Peace Officer Professional Standards.

Any county—except for urban-county governments, counties containing cities of the first class, and consolidated local governments—may create an auxiliary county police force if the county has already established a county police force under the provisions of KRS 70.540 (KRS 70.542). The county judge/executive also appoints members of this auxiliary police force. An auxiliary police force serves under the county judge/executive unless he or she delegates this authority. Members of the auxiliary police force receive no pay for their services but may be compensated for reasonable and necessary expenses incurred in the course of their duties. Members must present a bond to the county judge/executive before appointment, but the premium may be paid out of county general funds.

Police Department Collective Bargaining In Consolidated Local Governments

Police officers in consolidated local governments may self-organize and collectively bargain for wages, hours, and other conditions of employment and may enjoy certain protections allowed by the law (KRS 67C.400 to 67C.418). Labor organizations also have certain requirements placed on their activities, as with the classes of employees allowed to collectively bargain. They, like other emergency services personnel who are allowed to collectively bargain, may not strike.

Residency Requirements For Law Enforcement Agencies

Residency requirements in law enforcement agencies may be set only for persons who do not have peace officer powers. The agency may require all persons in a law enforcement agency to live in the commonwealth (KRS 61.409). An agency can place requirements for response times to specified locations for persons who are off duty but on call. Persons continuously employed before July 15, 2002, may continue to live outside Kentucky. The fiscal court cannot require any person in the agency to be a registered voter as a condition of employment (KRS 61.409).

Professional Conduct For Law Enforcement Officials

Peace Officers' Bill Of Rights

KRS 15.520 establishes a minimum system of professional conduct for officers of local units of government by establishing administrative due process rights in specified disciplinary matters. It also provides a means for redress by citizens for wrongs allegedly done to them by officers. This section does not apply to officers employed by a consolidated local government. In this instance, the provisions of KRS 67C.326 are applicable. For the full provisions relating to professional conduct of police officers employed by a consolidated local government, see KRS 67C.319 through 67C.326.

Under KRS 15.520, a citizen may register a complaint against a peace officer. If the complaint alleges criminal activity by an officer, the citizen need not enter a signed, sworn complaint in order for the allegation to be investigated. However, if the citizen alleges any other type of violation, such as a violation of departmental employment policy, then the citizen is to enter an affidavit.

Persons within the employing department may register complaints against an officer within the department for violations of law enforcement procedures.

In conducting an investigation, the agency must notify the officer subject to the complaint of the reasons for suspension, when suspended, no later than 24 hours after the suspension. No officer can be interrogated earlier than 48 hours from the time of a request for interrogation. An officer can waive this time limit in writing. Interrogations occur while the officer is on duty and an officer may be required to submit a written report of the alleged incident precipitating the complaint. If under arrest, likely to be arrested, or a suspect in a criminal investigation, the officer is afforded the same constitutional due process rights as any civilian.

If a charge arises out of the investigation or other measures, the charge is to be in writing and to be specific enough to allow the officer to form a proper defense. The charge sets out the disciplinary action and is served either in person or by certified mail.

A hearing is conducted, unless waived by the officer. The hearing must conform to certain administrative due process rights, unless, again, waived by the officer. The officer must be given at least 12 days' written notice of the hearing. In the same time frame, copies of

any statements or affidavits relative to the hearing must be provided to the officer. When the hearing involves a citizen, the citizen is provided notice to appear. Should the citizen not appear, except through circumstances beyond the citizen's control, the charge resulting from the citizen's complaint is not heard, is dismissed, and cannot be brought again. For the hearing, the accused officer can retain counsel. Witnesses may be subpoenaed. If an officer has been suspended, the hearing must be held within 75 days of the date of the filing of the charge; otherwise, the charge is dismissed and cannot be brought again, and the officer is reinstated with full back pay and benefits. Any officer who is found not guilty of the charges is likewise reinstated with full back pay and benefits.

An officer found guilty has the right of appeal in the Circuit Court wherein his or her employing agency is located. The judgment of the Circuit Court is subject to appeal to the Court of Appeals.

Peace Officer Professional Standards Certification And Revocation

Many peace officers are required to receive Peace Officer Professional Standards training (KRS 15.380 to 15.404). Upon satisfactory completion of the basic training course (followed by subsequent annual in-service training) (KRS 15.440), the officer is certified by the Kentucky Law Enforcement Council and remains so. County-level peace officers who are subject to this certification requirement include county police, deputy sheriffs, court security officers, airport safety and security officers, alcoholic beverage control investigators, and county detectives. Upon request of their employing agency, the council may certify the peace officer powers of county-level officers including deputy coroners, deputy constables, deputy jailers, deputy sheriffs, and employees of a metropolitan correctional services department or division (KRS 15.380). Sheriffs, coroners, constables, and jailers may be certified but, because of constitutional delineations of their qualifications, are not required to be certified by state law. Officers completing the training are eligible to share in the Kentucky Law Enforcement Foundation Program fund under KRS 15.410 to 15.510. They receive an annual salary supplement of $4,000 (KRS 15.460).

A peace officer's certification can be revoked for several reasons. The council *automatically* revokes certification for

- a guilty plea, Alford plea, or conviction relating to any state or federal felony or to any criminal offense committed in another state that would constitute a felony if committed in this state as well as specified sex-based offenses;
- certification that was the result of an administrative error;
- prohibition by federal or state law from possessing a firearm;
- receipt of a dishonorable discharge or bad conduct discharge from any branch of the Armed Forces of the United States; or
- willful falsification of information to obtain or maintain certification (KRS 15.391).

After revocation, the officer may file an appeal with the council and have a hearing conducted under KRS Chapter 13B.

The council *may* revoke certification under any of the following conditions:

- Termination of the peace officer for failure to meet or maintain training requirements, unless the certification is in inactive status
- Termination of the peace officer by his or her agency for
  - professional malfeasance, which includes, when acting as a police officer, behavior that violates a federal, state, or local law, or any instance of
    - unjustified use of excessive or deadly force, as determined by an investigating agency;
    - intentional action that interferes with or alters the fair administration of justice, including but not limited to tampering with evidence, giving false testimony, or intentionally disclosing confidential information in a manner that compromises the integrity of an official investigation; or
    - a sexual relationship with an individual who the peace officer knows, or should know, is a victim, witness, defendant, or informant in an ongoing criminal investigation in which the peace officer is directly involved
  - professional nonfeasance, which includes failure, through omission or inaction, to perform a professional duty, resulting in violation of a federal, state, or local law, or any instance of
    - failure to intervene when it is safe and practical to do so in any circumstance where it is clear and apparent to the peace officer that another peace officer is using unlawful and unjustified excessive or deadly force; or
    - intentional failure to disclose exculpatory or impeachment evidence that the peace officer knows, or should know, to be materially favorable to an accused for the purpose of altering the fair administration of justice
- Termination of the peace officer following a guilty plea, Alford plea, or conviction relating to any misdemeanor offense, in this state or elsewhere, that involves crimes against a minor or a family or household member, dishonesty, fraud, deceit, misrepresentation, physical violence, or sexual abuse
- Receipt of general discharge under other than honorable conditions from any branch of the Armed Forces of the United States that results in the termination of the peace officer from his or her agency
- Resignation or retirement of a peace officer who is under criminal or administrative investigation for professional malfeasance or professional nonfeasance that, in the judgment of the employing agency, would have likely resulted in the termination had the facts leading to the investigation been substantiated prior to the resignation or retirement (KRS 15.391)

Before revoking certification, the council will conduct a hearing under KRS Chapter 13B.

Veterans' Rights

All county officers and employees who are members of the National Guard or any reserve unit must be granted annual military leave (KRS 61.396).

If a public employee has been honorably discharged, after enlisting or being drafted, and has not been absent from public employment due to military duty in time of war or national or state emergency

- for a period longer than the duration of that war or emergency plus 6 months or
- in time of peace for a period not longer than 6 years;

and the employee makes application for reemployment

- within 90 days after being relieved from military duty or
- within 90 days after being relieved from hospitalization or treatment continuing after discharge for a period of not more than 1 year;

then the employee has the following rights:

- If physically qualified, the employee must be restored to his or her position, if it exists and is not held by someone with greater seniority; otherwise, the employee must be given a position of like seniority and pay.
- If physically unqualified to perform the duties of the position by reason of disability sustained during military service, the employee must be placed in another position of the same seniority, status, and pay (KRS 61.373).

In addition, an employer must grant a leave of absence to an officer or public employee of the state, or any department or agency thereof, for the period required to perform active duty or training in the National Guard or any reserve component of the Armed Forces of the United States. Upon return, the officer or employee may resume his or her former position. If restoration to a position in either case is not feasible, the personnel board must try to find a similar position in the employer's service for which the person is qualified (KRS 61.373).

Employees restored to positions must not be discharged without cause within 1 year after restoration (KRS 61.375).

Employment Protections For Emergency Responders

Volunteer firefighters, rescue squad members, emergency medical technicians, members of an emergency management agency, and peace officers cannot be terminated from employment, when acting in such capacity, because of absence or tardiness to work in order to respond to an emergency before the time the employee is to report to the place of employment. Neither can they be terminated from employment when taking leave following a "critical incident," as defined in KRS 15.518 and 95A.292. If injured in the line of duty, these emergency responders enjoy protections for up to 1 year from termination on the grounds of absence (KRS 337.100).

Certified Court Security Officers

County sheriffs are primarily charged with providing security for the fiscal court as well as the court of justice (KRS 23A.090 and 70.140). In providing security for the court of justice, the sheriff, in addition to any regular deputies, can employ certified court security officers to keep the peace in the courthouse and to transport prisoners. The qualifications for certified court security officers are set out in KRS 15.3971 to 15.3979 and include basic training and continuing

education training developed and approved by the Kentucky Law Enforcement Council and the Administrative Office of the Courts.

Certified court security officers

- attend sessions of any court of the Court of Justice in the county in which they are sworn;
- keep order in the courts;
- provide security services to the courts within the court facility or the immediate area;
- guard prisoners during court appearances;
- serve warrants and other court papers on individuals physically present in the courtroom;
- transport prisoners;
- arrest and take individuals into custody who are in the court facility or the immediate area, or while transporting prisoners; and
- serve process and other papers relating to civil matters on individuals physically present in the courtroom.

Certified court security officers cannot

- go outside the immediate area of the court facility in which they are providing security services to make an arrest or take an individual into custody, except when transporting prisoners;
- patrol the roads, streets, or highways;
- issue traffic citations, except to enforce parking regulations at the court facility; or
- perform general law enforcement duties outside that of providing court security (KRS 70.280).

If the sheriff refuses, or is otherwise unable, to provide security for the Court of Justice, the Administrative Office of the Courts can contract with local governments and other entities for the provision of court security. These local governments and other entities are able to employ certified court security officers (KRS 70.284).

Employment Contracts For Training Reimbursement For Peace Officers And Telecommunicators

County law enforcement agencies, including sheriffs' departments, may require employees who undergo the Kentucky Law Enforcement Foundation Fund Program, authorized by KRS 15.410 to 15.510, to enter into contracts for a maximum of 5 years for the repayment on a pro rata basis of the costs incurred by the local government or agency if that employee leaves the agency to work for another agency within the specified time period (KRS 70.290). County-level telecommunicators may also be required to enter into similar contracts (KRS 70.294).

Mental Health Wellness Programs For Public Safety Employees

Law Enforcement Professional Development And Wellness Program

The Department for Criminal Justice Training operates the Law Enforcement Professional Development and Wellness Program. It uses seminar-based peer support and counseling services to reduce negative mental and behavioral health outcomes, and it is offered to Kentucky law enforcement officers at least twice a year. This program is funded by the Law Enforcement Professional Development and Wellness Program fund. Peace officers involved directly with a critical incident, as defined, may take up to 48 hours of leave following that incident (KRS 15.518).

Alan "Chip" Terry Professional Development And Wellness Program For Firefighters

Similar to the program operated by the Department for Criminal Justice Training, the Kentucky Fire Commission operates the Alan "Chip" Terry Professional Development and Wellness Program for firefighters. It uses seminar-based peer support and counseling services to reduce negative mental and behavioral health outcomes, and it is offered to Kentucky firefighters at least twice a year. This program is funded by the Professional and Volunteer Firefighters Professional Development and Wellness Program fund. Firefighters involved directly with a critical incident, as defined, may take up to 48 hours of leave following that incident (KRS 95A.292).

Peer Counseling Programs For Public Safety Employees

Counties, and any public agency as defined in KRS 65.870, may design and establish a peer support counseling program to support police officers, firefighters, certified telecommunicators, and EMS personnel who have been involved with an emotionally traumatic experience in connection with their job (KRS 65.1591). The Cabinet for Health and Family Services has a report on best practices and professional standards for peer support counseling programs, *Kentucky Public Safety Peer Support Best Practices Report*.

Post-Traumatic Stress Disorder Payments For Treatment For Firefighters

Firefighters who have been diagnosed with post-traumatic stress disorder from events occurring in the course of their duties and who seek treatment may submit the receipts for payment by the Fire Commission once they have exhausted in-network health insurance. A firefighter may use the benefit indefinitely, but a lifetime cap on the benefit may be imposed (KRS 95A.220).

Chapter 8

Merged Government

The Kentucky Revised Statutes contemplate four types of merged governments. Each form anticipates the merging of at least one city and the county containing that city. As an alternative for merger of cities and counties, charter counties permit the merger of services as well as departments, coming short of merging governments. In a governmental merger, the new unit of government is a distinct municipal entity, distinguished from being a city or a county.

The oldest form of merged government is the urban-county government, created in the early 1970s. Its structure is dictated by a charter commission. Charter county governments were created in the early 1990s. Like the urban-county government, a charter county's structure is determined through the enactment of the charter itself used in the initial formation of the government. A more recent form of merged government is the consolidated local government. This form of merged government was created in 2000 and is headed by a mayor and council. Statute sets out the structure for a consolidated local government, but not for urban-county governments or charter county governments. The newest form of merged government in Kentucky, one closely aligned with the charter county government, is the unified local government. It, too, uses a charter to establish its core governmental structure.

Urban-County Government (KRS Chapter 67A)

Authorization

The voters in any county except a county containing a city of the first class may merge all units of city and county government into an urban-county form of government (KRS 67A.010).

Formation

If a petition is signed by a number of voters equal to at least 5 percent of those who voted in the previous presidential election in the county and in each city in the county, a referendum is held to determine whether to consolidate. When the petition is lodged, a commission of at least 20 citizens is appointed to devise a plan for governance of the urban-county government, which is finalized at least 90 days before a general election. If at the election a majority of the voters voting give their consent to the plan, the government is organized (KRS 67A.020).

Governance

The plan must include a description of the proposed urban-county government's form, structure, functions, powers, and officers (and their duties) (KRS 67A.020).

There is only one urban-county government: Lexington-Fayette Urban County Government. It is headed by a mayor, and the legislative body is the Urban County Council, which is divided into 12 districts with three at-large council members.

Status Of Incorporated Cities And Special Districts

The comprehensive plan for merging city and county governments into an urban-county government may provide for the corporate dissolution of incorporated municipalities and special districts in the county. If so, for purposes of state and federal licensing and regulatory laws, statutory entitlement, gifts, grants-in-aid, governmental loan, or other governmental assistance under state or federal laws or administrative regulations, the urban-county is deemed a county and is also deemed to contain incorporated municipalities of the number and classes that existed in the county on the day before the urban-county government became effective. The entire geographic area and population of the urban-county is to be considered in calculating and determining the distribution basis for state or federal statutory entitlements, gifts, grants-in-aid, loans, or other forms of governmental assistance (KRS 67A.050).

When Lexington and Fayette County merged to form the only urban-county government, Lexington was the only incorporated city in the county. At that time, Lexington was a city of the second class, as designated under the classification system then in use.

Powers And Status Of Government

Urban-county governments may exercise constitutional and statutory rights, privileges, powers, immunities, and responsibilities of counties and cities of the highest class in the county

- that are in effect on the date the urban-county government becomes effective,
- that may be authorized for or imposed on counties and cities of that class, and
- that may be authorized for or imposed on urban-counties.

The urban-county government may continue to exercise any statutorily conferred rights and powers except those expressly amended to exclude urban-county governments (KRS 67A.060).

Localities Having Become An Urban-County Government

As stated above, the Lexington-Fayette Urban County Government is the only active urban-county government. There is a slim likelihood of any other government in Kentucky becoming an urban-county government; over the years, laws dealing with Lexington/Fayette issues have been modified so specifically as to make this form practically unusable elsewhere. This situation has spurred the creation of the charter county government and unified local government forms.

Charter County Government (KRS 67.825 to 67.875)

Authorization

The citizens of any county, except one containing a city of the first class or an urban-county government, may vote to merge all units of the city and county government into a charter county

government. This prohibition effectively excludes Jefferson County and Fayette County from forming a charter county. In lieu of a complete merger of governments, the charter commission may combine one or more subunits, or functions or services, of the governments (KRS 67.825). This ability to combine subunits or designate combined functions or services of the governments is unique among the four forms of merged government.

Formation

There are two ways to initiate the creation of a commission to establish a plan for a charter county government:

- The fiscal court and a majority of the cities within the county may adopt an ordinance to study the question of merger.
- The citizens may file a petition with the county clerk requesting a referendum on the question of adopting a charter county government.

Within 60 days of the adoption of an ordinance or the receipt of a petition, the fiscal court and the legislative body of each city in the county are to appoint a charter commission to study the question of consolidating the governments or services. The fiscal court determines the size of the commission, which is from 20 to 40 citizens. The ratio of the group is set out in KRS 67.830. The county judge serves as the chair and is a voting member of the commission.

The charter commission is charged with developing a plan that includes the structure of the government and the officers in the government. In addition, the commission takes into account what will happen if one or more members in the plan opt out during the process, as well as a process for dissolving the government if necessary.

A charter commission has 4 years to develop a plan for submission to a public vote. The 4-year limit may be extended by 6 months if two-thirds of the commission agrees to do so.

Once a plan is developed and presented to the voters, in order for the charter government to be approved, a majority of the residents of the unincorporated portions of the county must vote in favor of the plan along with a majority of either

- the residents of the largest city; or
- those residents voting, in cities that together contain at least 50 percent of the population residing in the incorporated areas of the county.

If the majority in a particular city does not vote to join the charter county government, then that city does not participate in the government, except to elect officers (KRS 67.830).

Governance

The charter establishes the executive head and legislative body, to include the various other officers in the charter county government, if the charter does more than just merge certain services or departments of the participating units of local government.

Status Of Incorporated Cities And Special Districts

The comprehensive plan may provide for the corporate dissolution of incorporated cities and special districts in the county. The charter county may be deemed a county for purposes of all state and federal licensing and regulatory laws, statutory entitlement, gifts, grants-in-aid, governmental loan, or other governmental assistance under state or federal laws, rules, or regulations (KRS 67.845).

Powers And Status Of Government

Charter county governments may exercise constitutional and statutory rights, privileges, powers, immunities, and responsibilities of counties and cities of the home rule class in the county

- that are in effect on the date the charter county government becomes effective,
- that may later be authorized for or imposed on counties and cities of that class, and
- that may be authorized for or imposed on charter counties.

These powers, rights, and immunities granted by statute when a charter county government is adopted are permanent, even if a statute is amended or repealed, absent a direct statement from the General Assembly directing the change toward charter county governments (KRS 67.850).

Localities Having Become A Charter County Government

Although several localities have considered adopting the charter county form of government, none have ever done so at the time of publication.

Consolidated Local Government (KRS Chapter 67C)

Authorization

The governmental and corporate functions vested in any city of the first class shall, upon approval by the county's voters at a regular or special election, be consolidated with the governmental and corporate functions of the county containing the city. This single government replaces and supersedes the governments of the preexisting city and its county (KRS 67C.101).

Formation

At the regular election in November 2000, a question was placed on the ballot in Jefferson County, the only county containing a city of the first class, regarding the consolidation of that county with Louisville (KRS 67C.137 and 67C.101). The voters approved consolidation. By design, a consolidated local government merges the city of the first class and the county, leaving all other cities in the county unmerged and still sovereign (KRS 67C.101 and 67C.111).

Governance

All executive and administrative powers of the government are vested in the office of the mayor, who functions as the chief executive officer (KRS 67C.105). The legislative authority of a

consolidated local government, except as otherwise specified in KRS 67C.101 to 67C.137, is vested in a consolidated local government council, composed of 26 districts (KRS 67C.103). The mayor enjoys the powers and responsibilities conferred from both the position of county judge/executive and that of mayor of a city of the first class (KRS 67C.141).

Status Of Incorporated Cities And Special Districts

All cities in existence at the time of merger remain incorporated unless dissolved, and they remain sovereign. New cities with populations of at least 6,000 citizens may be created. Any annexation sought by a city in a county containing a consolidated local government must have the approval of the consolidated local government. If an annexation request is accompanied by a petition signed by a number of registered and qualified voters residing in the area proposed to be annexed which is equal to at least 75 percent of the total number of votes cast in the area in the last preceding presidential election, the consolidated local government must approve the proposed annexation. If an annexation request is accompanied by the written consent of the owners of vacant or otherwise unimproved land where no persons reside, then the consolidated local government must approve the proposed annexation (KRS 67C.111). All taxing districts, fire protection districts, sanitation districts, water districts, and other special taxing or service districts existing at the time of merger continue unless dissolved (KRS 67C.113).

Powers And Status Of Government

For the purpose of applying for or receiving any aid or grant-in-aid from Kentucky or the federal government, a consolidated local government is deemed a county and an incorporated city of the first class. The consolidated local government is a discrete unit of government, however, to be differentiated from that of a county or a city (KRS 67C.101).

Localities Having Become A Consolidated Local Government

Jefferson County and Louisville are the only governments to have merged into a consolidated local government. Unless the provisions of KRS 67C.137 are changed, they will constitute the only consolidated local government, as no other mechanism exists to initiate a merger question.

Unified Local Government (KRS 67.900 to 67.940)

Authorization

The authorization determining which local governments may be merged into a unified local government resembles that for charter county governments. No counties containing a consolidated local government, an urban-county government, or a charter county government may be part of a unified local government. Unlike the case with charter county governments, the statutes authorizing unified local governments do not contemplate the merger of services, departments, or the like without a merger of the local governments themselves (KRS 67.900).

Formation

To initiate the formation of a committee to study whether to form a unified local government, the county and at least one city in the county must pass ordinances declaring their intent. The statutes set out no petition process for initiating the formation of a unified local government as there is in forming a charter county government. The ordinances are filed with the county clerk. Within 60 days of notification by the county clerk that the unification process has been officially initiated, a unification review commission is to be appointed (KRS 67.904). The county judge/executive and the mayor of the participating city with the largest population together determine the size and membership of this commission, but it must consist of 20 to 40 members. The chair of the unification review commission is a citizen member chosen by the commission's membership (KRS 67.906).

As with a charter commission, the unification review commission is charged with developing a plan for the government that includes its structure and its officers. In addition, the commission considers what will happen if one or more members in the plan opt out during the process, as well as a process for dissolving the government if dissolution is ever deemed necessary. The commission has 2 years to develop a plan for submission to a public vote. If it does not present a plan within that time, the commission is dissolved automatically (KRS 67.910).

Once a plan is developed and presented to the voters, in order for the charter government to be approved, a majority of the residents of the unincorporated portions of the county must vote in favor of the plan along with a majority of either

- the residents of the largest city; or
- those residents voting, within cities that together contain at least 50 percent of the population residing within the incorporated areas of the county.

If the majority in a particular city does not vote to join the charter county government, then that city does not participate in the government, except to elect officers (KRS 67.918).

Governance

The chief executive official is vested with the powers of a mayor as well as those of the county judge/executive. This official also makes appointments and fills vacancies, all with the approval of the legislative council. The law permits the appointment of a chief administrative official. The legislative authority is a legislative council. The executive and legislative elections, functions, and other details are set out in the unification plan required in KRS 67.910 (KRS 67.912).

Status Of Incorporated Cities And Special Districts

Differing slightly from a charter county government, which may choose to simply consolidate services or departments, a unified local government necessarily involves the merging of cities. Cities that do not participate in the government remain sovereign until some unrelated action occurs, such as a dissolution of the city. Though sovereign, nonparticipating cities must still seek approval from the unified local government for any annexation measures, as that area sought for the city is part of the unified local government. No new cities may be incorporated

within a unified local government's boundaries (KRS 67.940). Special districts may continue or be discontinued either in the initial merger or at a later date (KRS 67.934).

Powers And Status Of Government

A unified local government has the constitutional and statutory rights, powers, privileges, immunities, and responsibilities of counties and of cities within the government (which may include a city of the first class if one exists within the county upon the date of merger)

- that are in effect on the date the unified local government becomes effective,
- that may later be authorized for or imposed on counties and cities of that class, and
- that may be authorized for or imposed on unified local governments.

A unified local government has the same sovereign immunity granted to counties, their agencies, officers, and employees (KRS 67.922).

Localities Having Become A Unified Local Government

No locality has formed a unified local government at the time of publication.

Chapter 9

Semi-Independent Authorities And Agencies

State law allows county government to create a number of semi-independent authorities to perform specific public functions. The degree of independence of those authorities in the management of their own affairs falls between that of a county department and that of a special district government. Although county departments are totally controlled by the general county government and special districts are independent of and separate from county government, the governing body of the authority possesses some degree of independence but is subject to some supervision and control by county government.[47]

Several reasons support the creation of authorities. Like special districts, authorities may be used as a way of avoiding constitutional or statutory limits on local government debt. Therefore, authorities often receive the power to issue revenue bonds, which may be retired from service charges or user fees. A second reason for semi-independent authorities in local government is their administrative flexibility. The governing body of an authority generally has a degree of freedom to manage what is basically a commercial operation or enterprise, such as an airport or transportation system. Finally, since authorities are often the joint creation of two or more local governments, they are a means of providing some services that require the cooperative efforts of several units of local government.[48]

Community Improvement District

A community improvement district (KRS 107.310 to 107.500) may be created in any county containing a city of at least 3,000 based on the most recent federal decennial census, for the purpose of erecting buildings and related facilities for any governmental unit or any combination of governmental units. Procedures for creating community improvement districts are in KRS 65.180 to 65.190.

The district must include all of the county territory, including the area of incorporated cities, whether or not they have joined in the administration of the district (KRS 107.320).

Board Of Commissioners.The board initially consists of four members appointed by the county judge/executive with the approval of the fiscal court. The board elects its chairman from among its members and may appoint a secretary, an executive director, and other officials and employees who need not be members of the board. Members of the board are not compensated for their services, but are reimbursed for actual expenses incurred in the performance of their duties (KRS 107.340).

Tax. The board may request that the fiscal court levy an ad valorem tax at a rate not to exceed 10 cents per $100 of assessed property and not to exceed the amount necessary to amortize any bonds issued or projects proposed by the district. Taxes levied by a community improvement district are counted as a part of the county levy and must be included in the calculation of the

maximum county tax rate.[49] This tax is collected in the same manner as county ad valorem taxes (KRS 107.350). The voters must approve the tax (KRS 107.360).

Powers. In addition to the powers set out in KRS 107.310 to 107.500, community improvement district boards may

- condemn, appropriate, lease rent purchase and hold real estate;
- enter upon lands for surveying or examining lands for use under the board's powers;
- design, order, contract for and construct, and reconstruct buildings and facilities for use under the board's powers;
- make determinations for the use of space within the buildings;
- construct maintain and operate auditoriums, public meeting places, and parking facilities within the buildings;
- operate the buildings and receive revenues from concessions conducted within the buildings, and employ persons for the uses and benefit of the buildings; and
- enter into leases, contracts and agreements for the board's purposes (KRS 107.370).

Housing Authorities

KRS Chapter 80 provides for the creation of various types of housing authorities. These agencies may be created by a city, by a county, by a city and county jointly, or on a regional basis.

Creation

County. Any fiscal court may, by resolution, declare that there is a need to create a housing authority. The declaration must be based on the findings prescribed in KRS 80.330 to 80.610 (KRS 80.320).

City-County Housing Authority. A city and contiguous county may form a city-county housing authority. If municipal or county housing authorities already exist, the formation of a city-county authority must be preceded by a request from each authority to form a joint authority (KRS 80.262).

Regional. Two or more fiscal courts may form a regional housing authority in the same manner as a single-county housing authority. Any county that already has a housing authority but wishes to participate in the regional authority must have the written consent of those to whom the housing authority is financially indebted. Also, the county housing authority must adopt a resolution not to initiate any project within the county (KRS 80.320).

Legal Effects. KRS 80.264 provides for the transfer of real and personal property and the authority and responsibilities from the city and county authorities to the city-county authority.

Prerequisites. No county or counties can create a housing authority unless

- unsanitary or unsafe inhabited dwellings exist or there is a shortage of safe or sanitary dwellings for low-income persons, and
- these conditions can be best remedied through the exercise of a housing authority's power (KRS 80.380).

Board Membership

County. The fiscal court appoints five members. The first members appointed serve staggered terms, and thereafter terms are for 4 years. The governing body fills all authority vacancies (KRS 80.420).

City-County. The authority is composed of eight members. The county judge/executive and the mayor each appoint four members. No more than four members of the authority may be associated with the same political party (KRS 80.266).

Regional. The fiscal court of each county participating in the regional housing authority appoints a member. If an additional county wishes to participate in the regional program, the fiscal court of each county appoints a member. Conversely, when counties are excluded from the regional program, the members' offices for these counties are abolished.

If the regional housing authority consists of an even number of counties, the housing authority appoints an additional member whose term ends when the participation changes to an odd number of counties. The authority may appoint the additional authority member's successor, whose term of office begins during the appointing members' term of office (KRS 80.430).

A certificate of appointment must be filed with the county clerk and will be proper notice of the member's appointment. The member holds office until a successor is appointed.

The members may receive a salary or compensation based on meetings attended (KRS 80.440).

Divested Cities' Representation. Occasionally, a city may divest itself of its responsibilities to operate its housing authority, and another local government may agree to accept the transfer of ownership and operation of that city's public housing program. In these instances, the board membership contains a board member representing the city divesting itself of its authority (KRS 80.030, 80.040, 80.060, and 80.266).

Powers. A housing authority constitutes a public body corporate and politic and has the power necessary to carry out the provisions of KRS Chapter 80, including the power to

- sue or be sued, make contracts, and amend and repeal bylaws;
- prepare, carry out, acquire, and lease housing developments and provide for the construction, reconstruction, improvements, or repair of any housing development within its area of operation;
- arrange or contract with any public or private agency;
- lease or rent the development dwellings, revise rents, acquire real property by condemnation or eminent domain, and sell, lease, pledge, etc., any real property; and
- invest funds held in reserves or sinking funds in any property or securities in which savings banks may legally invest funds (KRS 80.500).

Providing Housing For Low-Income Farmers. County, city-county, or regional housing authorities may borrow money, accept grants, and otherwise exercise their powers to provide housing for farmers of low income, as defined in KRS 80.520 (KRS 80.510).

Cooperation Between Authorities. Any two or more authorities may work together for the purpose of financing, planning, constructing, operating, or contracting for housing in their area (KRS 80.590).

Industrial Development Authorities

Any county or combination of counties, or any city or cities acting jointly with any county or counties, may establish a nonprofit industrial development authority. The authority is a six- to eight-member body politic with corporate attributes (KRS 154.50-316). The purpose, duties, and powers of the authority appear in KRS 154.50-320.

The authority may acquire funds for the purchase of property through

- accepting from the local governmental unit or units that created the authority;
- borrowing on its credit in anticipation of appropriations or other income;
- issuing revenue bonds under the terms, conditions, and procedures set forth in KRS 103.200 to 103.285; and
- acquiring and developing land for industrial and commercial use, and issuing revenue bonds under the terms and provisions of KRS Chapter 58 (KRS 154.50-340).

The title to all property acquired by the authority vests in the authority. All property acquired for development of industrial sites, parks, and subdivisions is exempt from taxation to the same extent as other property used for public purposes. All revenues collected by the authority are also exempt from taxation (KRS 154.50-343).

Industrial Buildings

Bond Issue. Any county may borrow money and issue negotiable bonds for the purpose of defraying the cost of acquiring or constructing any industrial building or pollution-control facility. The fiscal court must first pass a resolution specifying the purpose, the amount of the bonds to be issued, and the maximum interest rate on the bonds. In certain cases, prior approval is required from the Economic Development Finance Authority. The resolution must provide that the undertaking satisfies the provisions of KRS Chapter 103 (KRS 103.210). KRS 103.220 to 103.240 establish terms and conditions for bond issues.

Lien Of Bondholders. A statutory mortgage lien exists on the industrial building in favor of the bondholders. If any default occurs in payments, any court having jurisdiction of the action may appoint a receiver on behalf of the county (KRS 103.250).

The county must pledge the income and revenue from the industrial building to a separate fund to be used to pay the cost, maintenance, operation, and depreciation of the building

(KRS 103.260). All properties, both real and personal, that a county may acquire are exempt from taxation, as is other public property, for as long as the county owns them (KRS 103.285).

Joint Sewer Agencies

A home rule city may join with the county in which it is located, or a sanitation district, to form a joint sewer agency, as an alternative to establishing a metropolitan sewer district under KRS 76.010. The joint sewer agency has the powers granted to a metropolitan sewer district by KRS 76.010 to 76.279, but they must be appropriate to the local needs of the county, city, and sanitation district (KRS 76.232).

Local Air Boards

Creation. Any urban-county, consolidated local government, city, county, or combination of cities or counties may establish an air board. The board is a body politic and corporate. Depending on how the board is established, the county judge/executive appoints board members, or the county judge/executive and the mayor appoint a joint board. The governor makes an appointment to certain air boards.

Board Membership. An air board's membership can have many different totals:

- 6 members in the case of a city, multicity, city-county, multicounty, or urban-county board;
- 10 to 13 members when the board is established by a county and the airport is located outside the county establishing the board;
- 10 members in a city/county board established by a city when the city is not a city of the first class and a county when the county is a county other than an urban-county;
- 11 members when the board is established jointly by a city of the first class and the county containing that city;
- 11 members when the board is established by a consolidated local government; or
- 10 members when the board is established by an urban-county government (KRS 183.132).

A combination of tradition and necessity has contributed to exactly which air board has a particular total number of members. Criteria have evolved through the years to ensure that stakeholders have representation, and in response to evolving types of governments.
Board members serve 4-year terms without compensation, except reimbursement for reasonable expenses incurred in conducting board business.

Purpose And Powers. The purpose of the board is to establish, maintain, and operate airport and air navigation facilities. The board has the power to

- fix rates for the use of ramps;
- fix rates or charges by contract for commercial vendors, concessionaires, or other persons for the use of the terminal or other facilities;
- acquire by lease, purchase, gift, or condemnation any real property for establishing, operating, or expanding an airport;
- make rules, regulations, and ordinances to carry out its purpose; and

- engage in activities to develop, promote, or encourage the use of airports or air navigation facilities under its control (KRS 183.133).

Table 9.1 lists the ways airports may be financed.

Table 9.1
Airport Financing

Government	Means Of Accomplishment	KRS	Remarks
Local	Taxes or general fund appropriations	183.134	—
Local	Bond issue by local government	183.134	—
Local	Local air board borrows on anticipated taxes	183.135	—
Local	Local air board issues revenue bonds	183.136	—
State, local	State loan or grant	183.764	—
Federal, state, local	Share basis and local	183.765	Grants also available
Federal, local	Share basis	183.762	Grants also available

Note: In addition to the financing methods mentioned, the state also deposits tax money from the sale of aviation fuel into the Kentucky aviation economic development fund. The Transportation Cabinet uses this fund to develop, rehabilitate, and maintain publicly owned or operated aviation facilities and programs (KRS 183.525).
Source: Compiled by LRC staff from Kentucky Revised Statutes.

Public Improvements

Counties acting separately or jointly may acquire, construct, or maintain public projects. A county may borrow money and issue revenue bonds. The resolution must describe the public project, the amount of revenue bonds, and the maximum interest rate (KRS 58.020).

Prevailing Wages On Public Works

In 2017, the General Assembly repealed the provisions in KRS Chapter 337 that related to prevailing wages for public projects. The repeal of prevailing wage requirements for public works projects applies to any public works project or portion of a project for which bids had not been awarded as of January 9, 2017. For bids that had been requested but not awarded by that day, the public authority may elect to request a resubmission of bids to conform to the provisions of this law.

Public projects using federal money may still be subject to federal prevailing wage law. Public projects not using federal money, but begun prior to the repeal, may still utilize prevailing wage until the completion of the project.

Riverport Authorities

Creation. One or more governmental units may, acting jointly and with the approval of the Transportation Cabinet, establish a six-member riverport authority. The Transportation Cabinet provides oversight on development activities involving riverport authorities and manages a study that will, at the least, include creating

- guidelines for ground transportation access to riverports,

- a model for determining the economic impact of riverports, and
- a blueprint for creating long-term funding mechanisms for riverports (KRS 65.520).

A riverport authority is a body politic and corporate with the usual corporate powers.

Purpose And Powers. The purpose of the authority is to establish, maintain, and operate riverport and river navigation facilities and to expand them when necessary. The authority has the power to

- fix rates, charges, and fees for commercial vendors, concessionaires, or other persons;
- acquire real property by contract, lease, purchase, option, gift, or condemnation; and
- establish and fix reasonable rates, charges, and fees for the use of the riverport facilities (KRS 65.530).

Board Membership. If a county establishes the authority, the county judge/executive appoints the members with fiscal court approval. In joint authorities, the mayors and county judges/executive of the participating governmental units jointly appoint the members. In consolidated local governments, the mayor makes the appointments if the city and county had a cooperative compact (KRS 65.540).

The authority members serve for 4 years and until their successors are appointed, except in a first-class city and the county containing the city that have entered into a compact pursuant to KRS 79.310. If the city and county convert to a consolidated local government, the appointments are to be for 3 years (KRS 65.540). They serve without compensation but are reimbursed for expenses incurred in the conduct of the authority's affairs (KRS 65.570).

Funding The Authority. To meet the cost of administration, operation, and maintenance,

- the local government units may appropriate funds or levy a property tax (KRS 65.580);
- the authority may borrow money on its own credit, in anticipation of a tax levy (KRS 65.590); and
- the authority may issue revenue bonds (KRS 65.600).

Any authority may indemnify the United States against any claims for damages that may result by overflow of the river from its being improved by the United States (KRS 65.640).

Transit Authorities

Creation. A county, or a city and a county, may establish a transit authority. The authority is a public body corporate and may exercise all the powers of a private corporation.

Purpose And Powers. A transit authority is authorized to promote and develop mass transportation in its transit area and adjoining areas and has the power to carry out such purposes (KRS 96A.020).

Board Membership. The composition of a transit authority's board depends on how the authority was created:

- If a city or county creates the authority, there will be an eight-member board.
- If two public bodies (for example, city and county) create the authority, there will be an eight-member board with four from each public body.

- If more than two public bodies create the authority, there will be an eight-member board plus one member for each public body in excess of two.
- In instances where established authorities permit other public bodies to join, the board membership may be enlarged with the consent of the governing bodies, by not more than one board member for each additional public body permitted to join.

In all instances, the appointing authority of each public body makes appointments. With a consolidated local government, the mayor makes board appointments if the city and county had a cooperative compact. Board members may be removed for cause. Board members are allowed reasonable expenses incurred in the performance of their duties and may also be compensated if so provided by the fiscal court or city governing body creating the authority (KRS 96A.040).

Officers, Director, And Employees. Within 60 days after the appointment of its entire membership, the board elects from its members a chair and a vice chair. The board may employ an executive director and a secretary treasurer; neither can be a board member, and both are to execute bonds. The board may also employ other necessary agents and employees. In a city of the first class and the county containing the city that have a compact in effect pursuant to KRS 79.310, the mayor and county judge/executive appoint the executive director and secretary/treasurer with fiscal court approval. If the city and county convert to a consolidated local government, the mayor makes the appointments (KRS 96A.070).

Bonds. A transit authority may issue revenue bonds in its own name, payable solely from its income and revenues (KRS 96A.120). The revenue and mortgage bonds plus interest are exempt from ad valorem and income taxes of the commonwealth and all its political subdivisions. The properties, money, assets, revenues, or other income of an authority are exempt from all taxation, license fees, or charges imposed by the state, county, municipality, political subdivision, taxing district, or other public agency or body of this state (KRS 96A.140).

Urban Renewal Agencies

Creation. The fiscal court of any county may declare by resolution that

- there are slum and blighted areas in the county;
- there is a need to improve these areas through the powers, funds, and duties conferred by KRS Chapter 99; and
- the exercise of such powers by an agency created by this statute would be an efficient approach.

When the resolution has been adopted, the county judge/executive is notified and appoints, with the approval of the fiscal court, five resident voters of the county as members of the urban renewal and community development agency. The first board serves a staggered term, and from then on members are appointed for 4 years. Members hold office until their successors are appointed. The members elect their own chair. Members receive their actual and necessary expenses. Any other compensation must be paid exclusively from community funds. The agency must file a detailed statement of revenue and expenditures with the fiscal court at such times as

the fiscal court may prescribe. A three-fifths majority of the fiscal court may dissolve the agency at any time (KRS 99.350).

Powers. An urban renewal agency constitutes a public body corporate and politic and has powers under KRS 99.360 to

- sue and be sued, and to make contracts and other instruments necessary to exercise its powers;
- make, amend, and repeal bylaws, rules, and regulations;
- select and appoint officers and employees and determine their qualifications, duties, and compensation;
- purchase, lease, obtain option on, or acquire by gift, grant, bequest, or devise any real or personal property;
- acquire real property by the exercise of the power of eminent domain;
- borrow from and accept loans from the federal government or any of its agencies;
- invest any funds held in reserves;
- develop any real property in its area of operation;
- prepare plans for the improvement or rehabilitation of slum and blight areas;
- obligate lessees or purchasers of land to use such land for the purpose designated in the development plan;
- exercise all or any part or combination of these powers; and
- expend funds for the rehabilitation of private property within the agency's area of operation through loans or grants to the owners or occupants of that property.

Before adopting a development plan, urban renewal agencies must adhere to the requirements of KRS 99.370.

When the development plan has been adopted, no building permit or certificate of occupancy may be issued without the written approval of the agency (KRS 99.380).

Cooperation By Public Bodies. A public body may aid the agency

- by dedicating, selling, conveying, or leasing any of its interests in property, or by granting easements;
- through licenses or any other rights;
- by furnishing public improvements in connection with a redevelopment project;
- by planning, zoning, or rezoning;
- by furnishing services to the agency;
- by closing or demolishing unsafe dwellings; and
- by incurring the entire expense of any public improvements (KRS 99.410).

Bonds. Any urban renewal agency may issue revenue bonds and refunding bonds (KRS 99.430).

Exercise Of Agency Powers By County Or Housing Authority. If the fiscal court determines it would be in the public interest for the county or housing authority to exercise the powers of the agency, the county or the authority has all the necessary rights, powers, duties, and privileges, under KRS Chapter 99. Two or more counties may jointly exercise the powers granted under KRS Chapter 99 (KRS 99.490 and 99.500).

Urban Renewal Projects. Agencies may undertake urban renewal projects, provided they are undertaken in accordance with the plan for the area of the project. KRS 99.550 covers the power of the agency with respect to urban renewal.

Workable Program. The fiscal court may prepare a workable program for using appropriate private and public resources to eliminate the spread of slums, blight, and deterioration (KRS 99.570).

Chapter 10

Special Districts

Special districts are an important, if little-known, form of local government. Although they are separate from county government, special districts are included in this publication because they provide vital services at the local level, particularly in unincorporated areas.

In Kentucky, the term *special district* encompasses about 40 types of limited-purpose units of local government that may be created under the Kentucky Revised Statutes. Although most special districts are created by one of two uniform procedures—the choice depending on whether they have taxing power—they vary widely in their powers, functions, and modes of operation.

Regardless of their variety, special districts may be generally defined as subdivisions of the state (other than counties or cities) that are created to perform a limited number of services in a limited geographical area.[50]

This section may also describe as special districts some of the semi-independent authorities and agencies discussed in the previous chapter. They are repeated partly because the definition of special purpose governmental entities (KRS Chapter 65A) does not distinguish between semi-independent entities and special districts.

Support

One reason special districts are created may be the failure or inability of general-purpose county government to provide all the services desired or needed by the citizens of a county or a particular portion of a county. Constitutional limits on debt or taxing power have, in some cases, kept general-purpose government from providing certain services. Special districts with taxing or bonding power have been a way to get around such limits because they are independent of county government and their taxes and bonded indebtedness do not count as a part of the county limit.

Other reasons special districts have been created include

- the unwillingness of existing governments to assume a new function,
- the desire for an independent district to provide a particular function or service,
- the desire of residents of unincorporated areas for only a few basic services that can be obtained through special districts,
- the appeal of applying a specific tax to a specific function or service,
- the desire to separate a function or service from the politics associated with city hall or the county courthouse, and
- the legal and political ease of initiation.

Criticisms Of Special Districts

The independence that makes special districts a convenient means of bypassing tax or debt limits has also been a source of criticism. Complaints have sometimes been raised that special districts are not accountable or that they create problems of coordination in local government. Specific criticisms have included the lack of county government's control over the day-to-day operation of special districts and the lack of regular or complete reporting of district fiscal affairs.

The fiscal court is involved in approving the creation of special districts in the county. The county judge/executive generally makes appointments to the boards of directors for most types of districts. The judge/executive may abolish or combine districts, with fiscal court approval (KRS 67.715). The county judge/executive also may require all special districts to make detailed annual financial reports to the fiscal court concerning their business and condition (KRS 67.710).

Beyond these controls, the county government has little authority to regulate the day-to-day operation of most special districts. In fact, there are limits to the amount of control that county government could exercise without conflicting with the independent legal status of special districts.[51] The General Assembly has given fiscal courts the authority of reviewing and either approving or disapproving most special districts' (special purpose governmental entities') tax rates and fee increases (KRS 65A.110). For more detail, see "Special Purpose Governmental Entity Reporting and Accountability" in this chapter.

Critics also say the use of special districts makes local government too complex. For example, it is not uncommon for a part of a county to be served by six or more special districts, in addition to the general-purpose city and county governments. This overlapping of governments can confuse citizens and public officials. In addition, the statutes authorizing and governing special districts can create confusion. Each type of district has its own set of statutes, with different methods of administration and ways of conducting business. Both the overlapping of districts and the complexity of special district statutes may discourage citizens' involvement in local government.

Creation Of Special Districts

Before 1984, different methods were used to create each type of special district. The 1984 General Assembly enacted legislation that established uniform procedures for creating taxing (KRS 65.182 to 65.192) and nontaxing (KRS 65.810 to 65.830) special districts. The procedures call for the presentation of a petition to the fiscal court. The petition must be accompanied by information explaining why the district is needed, describing the area to be served, and estimating the proposed district's revenue needs and sources. After the petition is received, various agencies receive notice, a public hearing is held, and the fiscal court decides whether to create the district (KRS 65.182 and 65.810). KRS 65.182 may allow a majority of the members of a fiscal court to vote to form a taxing district without a petition.

For consolidated local governments and for a county containing a city of the first class, there is an alternative procedure for creating taxing districts. After the public hearing, the fiscal court or

council must adopt a resolution to submit to the voters the question of whether the taxing district will be created (KRS 65.192). This alternative procedure may also be used to create a fire protection district or a volunteer fire department district in a county that does not contain a city of the first class (KRS 65.182).

Statutes On Special District Accountability

The General Assembly has enacted statutes aimed at identifying special districts and making administrative information more accessible to the public and to county government itself. Responding to concerns with the administration of some special districts, and in concert with an effort on the part of the Kentucky Auditor of Public Accounts to identify weakness in these entities' reporting and regulation requirements, the General Assembly passed requirements that were even more stringent, which have been codified largely in KRS Chapter 65A. The legislation found in KRS Chapter 65A refers to special purpose governmental entities, and this law includes most entities that have always been considered special districts, as well as a few entities that might not have been. KRS 65A.010 defines special purpose governmental entities.

Special Purpose Governmental Entity Reporting And Accountability

Centralized Registry

All special purpose governmental entities are to submit administrative and financial information each year to the Department for Local Government (KRS 65A.020). The department submits compliance reports to the Interim Joint Committee on Local Government and produces a database of the information submitted by the SPGEs. This database is updated regularly and is accessible to the public. Consult KRS 65A.020 for the effective dates of these measures. KRS 65A.040 provides protocols and penalties for SPGEs that fail to provide the required information in the permitted time frames. SPGEs (and special districts) are no longer required to file Uniform Financial Information Reports.

Audit Standards

All SPGEs must account for their finances through audits and other methods. KRS 65A.030 establishes the following protocols:

- Every SPGE for which the higher of annual receipts from all sources or annual expenditures is less than $100,000 shall annually prepare a financial statement and, once every 4 years, contract for the application of an attestation engagement as determined by the Department for Local Government.
- Every SPGE for which the higher of annual receipts from all sources or annual expenditures is at least $100,000 but less than $500,000 shall annually prepare a financial statement and, once every 4 years, contract for the provision of an independent audit.
- Every SPGE for which the higher of annual receipts from all sources or annual expenditures is at least $500,000 shall annually prepare a financial statement and be audited annually.

In some instances, an SPGE might receive a one-time grant, or engage in the receipt and expenditure of funds in a manner typically uncharacteristic of the SPGE's normal fiscal profile that might cause the SPGE to temporarily cross over into a higher level of audit scrutiny that itself may not be warranted for that limited expenditure. The Department for Local Government has the ability to consider the nature of that uncharacteristic receipt or expenditure and exclude it from consideration in determining the audit level of the SPGE.

Dissolution Procedures

For SPGEs that have become inactive but have never been dissolved, or in cases of chronic failure to comply with certain provisions of registration, KRS 65A.050 establishes a procedure for administrative dissolution. In addition, a standard procedure exists for dissolving SPGEs when there is no other statutory provision for doing so (KRS 65A.050). Certain special districts can be dissolved pursuant to KRS 65.166 to 65.176. See the "Special District Dissolution" section in this chapter for more information.

Education

The Department for Local Government conducts training for board members and employees on the requirements of KRS Chapter 65A (KRS 65A.060).

Codes Of Ethics

In most cases, SPGEs are to operate under codes of ethics of the government where the principal office of the SPGE is located. See KRS 65A.070 for conditions that require otherwise. The SPGE can establish ethical standards that are more stringent and must report any of these additional standards to the Department for Local Government (KRS 65A.070 and 65.003).

Fee And Tax Rate Approval From Local Governments

Local governments have an opportunity to approve or disapprove of SPGE property tax rates and fees. The approval is not applicable to

- an air board established or operating under KRS 183.132 to 183.160,
- a fire protection district established or operating under KRS Chapter 75, or
- an ambulance taxing district established or operating under KRS 108.090 to 108.180.

If not otherwise governed by a provision of law, when an SPGE intends to raise a property tax rate above the compensating tax rate (a rate set by the Department for Local Government and designed to bring in the same amount of tax revenue from the previous tax year exclusive of new construction) or a tax rate that is being set for the very first time, the SPGE notifies its local government of jurisdiction of that fact. A local government so notified has 30 days to

- approve the rate as submitted or fail to act on the rate (in which latter case the rate is deemed approved by action of law),
- approve a lesser rate, or
- disapprove the rate in its entirety.

If a local government of jurisdiction disapproves a rate increase and the SPGE levied a tax rate for the prior tax year, the previous tax rate may be reimplemented. If the rate submitted was for an initial tax levy, and the local government chose to approve no lesser tax rate, then the SPGE must wait a year before proposing another tax levy.

Certain SPGEs, such as water districts, may not levy property taxes, but may rather operate from fees. When such an SPGE proposes a fee that is designed to bring in increased revenue from the previous fiscal year (or when it initiates a fee for the first time), that SPGE must also submit the fee to the local government of jurisdiction. Certain fees are exempted from this process. The local government of jurisdiction has the same options for fee approvals and disapprovals as for the property tax (KRS 65A.110).

Additional Statutes Controlling Special Districts

Appointment And Removal Of District Board Members

The statutes governing special districts include provisions for the appointment of a district board or governing body. Although the details vary, the statutes normally establish the number of members of the board, provide for appointment by the county judge/executive and approval by the fiscal court, and set the length of the board members' terms. KRS 65.008 provides that districts must notify the appointing authority of the pending expiration of the appointment no later than 60 days before a board member's term expires. A board member continues to serve until a successor is appointed and qualified; if a successor is not appointed within 60 days of the expiration of a term, the incumbent member is automatically reappointed.

KRS 65.007 provides grounds for removing special district board members—for inefficiency, neglect of duty, malfeasance, or conflict of interest. The removal procedure calls for notice to the board member and a public hearing. The power to remove a board member rests with the officer who appointed the member; if the appointing officer was the county judge/executive, the fiscal court must approve the removal. A board member who is removed from office under this procedure may appeal the action to the Circuit Court.

Member Of Fiscal Court May Serve As Ex Officio Member Of Special District

KRS 65.009 permits a fiscal court to designate one of its members as an ex officio member of a special district board. The district must provide the fiscal court member with notice of all regular and special meetings of the district's board. This statute merely provides a method of informing fiscal courts about special district actions. The ex officio member has no voting power on the board, is not counted as part of a quorum, and receives no compensation or reimbursement for attending meetings.

Special District Dissolution

In some instances, the statutes governing a particular type of district set up steps for dissolving a district. KRS 65.166 to 65.176 cover dissolving districts listed in KRS 65.164. This method is to

be distinguished from the method found in KRS 65A.050, which applies to special purpose governmental entities, in which special districts are included. If a statute mentions a particular method for dissolving a special district, that method is the one generally used. KRS 65A.050 is to be used when no other method is noted.

One way to dissolve a special district is through a petition to the fiscal court or consolidated local government. Under this method, the fiscal court or consolidated local government holds a public hearing and decides whether to dissolve the district (KRS 65.166).

An alternative way to dissolve a district is by petition and referendum. Under this approach, a petition seeking a referendum is submitted to the county clerk. If the petition satisfies statutory requirements, a referendum is held, allowing voters to decide whether the district will continue to exist (KRS 65.170).

Under either method, the contractual obligations of the district must be satisfied before the district may be legally dissolved. Where no other statutory dissolution procedure exists, the provisions of KRS 65A.050 are available.

Board Member Incompatibilities

In some instances, an individual who is appointed to serve on a board in more than one special taxing district, or more broadly a special purpose governmental entity as defined in KRS Chapter 65A with taxing authority, may be deemed to hold incompatible offices. State officers also appointed to serve on one of these boards may also be deemed to hold incompatible offices. See “Incompatible Offices” in Chapter 7 of this publication or KRS 61.080 for more information.

Table 10.1 lists the types of special districts and their statutory authority.

Table 10.1
Special Districts

Districts Without The Power To Levy Ad Valorem Taxes	
Type Of District	**KRS**
Agriculture district	262.850
Air pollution control district	77.005 to 77.990
Area development district	147A.050 to 147A.140
City and county housing authority	80.262 to 80.610
Community action agency	273.405 to 273.453
Cooperative extension service district*	164.605 to 164.675
Drainage district	267.010 to 267.990
Independent district health departments	212.780 to 212.794
Industrial development authority	154.50-301 to 154.50.346
Management district in city of first class, consolidated local government, and urban-county government (fund through assessments)	91.750 to 91.762
Mass transit authority	96A.010 to 96A.230
Metropolitan sewer district	76.005 to 76.210
Nontaxing solid waste district	109.041(13)

Districts Without The Power To Levy Ad Valorem Taxes	
Type Of District	**KRS**
Public road district	184.010 to 184.300
Sewer construction district	76.295 to 76.420
Sewer construction subdistrict	76.241 to 76.273
Soil and water conservation district	262.010 to 262.660
Transportation improvement district	184.350 to 184.395
Urban services district	108.010 to 108.075
Water district	74.010 to 74.415
Districts With The Power To Levy Ad Valorem Taxes	
Type Of District	**KRS**
Ambulance service district	108.080 to 108.180
Area planning commission	147.610 to 147.705
Community improvement district	107.310 to 107.500
Consolidated emergency services district	75A.010 to 75A.140
Drainage taxing district	269.100 to 269.270
Drainage, levee, and reclamation districts	268.010 to 268.990
Fire protection district; volunteer fire department district	75.010 to 75.260
Flood control district	104.450 to 104.680
Hospital district	216.310 to 216.361
Industrial taxing district	68.600 to 68.606
Levee district	266.010 to 266.990
Library district (formed by petition)	173.710 to 173.800
Library district (public)	173.450 to 173.650
Local air board	183.132 to 183.160
Local tourist and convention commission	91A.345 to 91A.394
Mental health or intellectual disability district	210.370 to 210.485
Municipal college support district	165.175
Public health taxing district	212.720 to 212.755
Rescue squad taxing district	39F.160 to 39F.210
Riverport authority	65.510 to 65.650
Sanitation district; construction subdistrict	220.010 to 220.613
Sanitation tax district	76.274 to 76.279
Solid waste management district	109.011 to 109.310
Subdivision road district	179.700 to 179.735
Watershed conservancy district	262.700 to 262.990

*OAG 83-264 says such districts have taxing authority, but Trigg Circuit Court, in Civil Action Number 88-CI-082, says they do not.
Source: Kentucky Revised Statutes.

Descriptions Of Special Districts

Agriculture Districts (KRS 262.850)

Purpose. The purpose of an agriculture district is to encourage, conserve, protect, and develop agricultural lands in the commonwealth. A city cannot annex land in an agricultural district. The owners of land within the boundary of an agricultural district are exempt under KRS 74.177 from any assessment authorized for the extension of water service lines until the land is removed from

the district and developed for nonagricultural use. Agricultural districts are composed only of agricultural land as defined in KRS 132.010.

Creation. Any landowner may submit a petition to the local conservation district board of supervisors requesting the creation of an agricultural district in the county. The supervisors notify local governments in the area of the receipt of the petition. The local conservation district board of supervisors and the Soil and Water Conservation Commission consider the agricultural viability of the parcel of land submitted for consideration using the criteria set out in the statute. The total acreage of the district cannot be less than 50 acres unless certain production values are used in lieu of acreage. The local soil and water conservation district board of supervisors reviews the petition application and submits a recommendation to the Soil and Water Commission within 100 days of receipt. That commission reviews the recommendation of the district board of supervisors and certifies or denies the agricultural district's petition within 100 days of receipt. The commission notifies the area development district and area local governments of any approvals of a district.

Governance. The local governing administrative body for an agricultural district is the conservation district board of supervisors. The Soil and Water Conservation Commission is responsible for statewide administration of the agricultural district program.

Revenue Sources. No revenue sources are associated with this district.

Dissolution. Districts are created for 5-year periods, with a review at the end of the period. The districts may be dissolved pursuant to KRS 65A.050. Individual landowners may withdraw their properties from the district after a 5-year period, by notifying the local conservation district board of supervisors in writing. The removal is effective immediately upon receipt of the notice. The supervisors do not engage in an approval or disapproval process. Districts may continue if departure of a landowner drops the acreage below the required minimum of 50 acres. The local district board of supervisors may consider a dissolution of the agricultural district if the withdrawal causes the remaining property within the agricultural district to no longer meet the definition of *agricultural land* in KRS 132.010.

Air Pollution Control Districts (KRS 77.005 To 77.990)

Purpose. The purpose of an air pollution control district is to regulate the emissions of contaminants into the air in the district.

Creation. Every county is declared an air pollution control district (KRS 77.010), but no district can become active until the fiscal court, by resolution, declares the need for the district to function (KRS 77.015, 77.030, and 77.040). The legislative body of the largest city in such county must also issue an ordinance declaring the need. Public hearings and notice are required (KRS 77.020, 77.025).

Governance. In counties other than those containing a city of the first class or a county where the largest city is of at least 20,000 according to the most recent federal decennial census, the fiscal court members are ex officio members of the air pollution control board, and all county

officers and their assistants, clerks, deputies, and employees also work for the district in the ex officio capacity. However, different staffing is required when a cooperative compact is in effect in a county containing a city of the first class or a consolidated local government (KRS 77.065).

In a county containing a city of the first class or a city of at least 20,000 according to the most recent federal decennial census, seven members are on the board. The county judge/executive appoints three with approval of the fiscal court. The city's mayor appoints four with approval of the city legislative body. In a consolidated local government where there was a cooperative compact, the mayor of the consolidated local government makes the appointments (KRS 77.070).

Revenue Sources. The air pollution control district is a nontaxing district but may receive appropriations from various legislative bodies having jurisdiction in the district boundaries (KRS 77.125). Counties containing a city of the first class or a city of at least 20,000 according to the most recent federal decennial census and consolidated local governments also set up air quality trust funds. There is no dedicated revenue stream, but the board manages the income and disbursements of money in the fund (KRS 77.127). The air pollution control board is authorized to levy emission fees (KRS 77.205).

Dissolution. No specific dissolution process is enumerated in its creating chapter. KRS 65.166 and 65.170 do not include pollution control districts in the definition of districts that can be dissolved pursuant to those two sections. The districts may otherwise be dissolved pursuant to KRS 65A.050.

Ambulance Service Districts (KRS 108.080 To 108.180)

Purpose. An ambulance service district enables cities or counties, or parts thereof, to provide emergency ambulance service to assure public safety and welfare. A district may include

- all of the territory coterminous with the boundaries of a city or county; or
- all of the territory coterminous with the boundaries of two or more cities or counties contiguous to each other; or
- an unincorporated area in a county, contiguous with the boundaries of an existing ambulance district in that county (KRS 108.090).

Creation. A district may be created pursuant to KRS 65.182, for either counties or cities. In counties where no county or city-county ambulance service has been established pursuant to KRS 108.080 to 108.180, the fiscal court or local legislative body may by ordinance create an ambulance service district (KRS 108.100 and 108.105).

Governance. An ambulance service district is governed by a board with three or more members. The composition and appointment vary according to the jurisdictions included; see KRS 108.110 for details.

Revenue Sources. An ambulance service district is funded by an ad valorem tax that does not exceed 10 cents on each $100 of assessed valuation of all property in the district (KRS 108.100 and 108.105). A service fee is also allowed (KRS 108.140).

Dissolution. Dissolution of single-city or single-county districts is accomplished by petition (KRS 108.160). In multicounty or multicity districts, each jurisdiction involved must follow the provisions of KRS 108.160 (KRS 108.170).

Area Development Districts (KRS 147A.050 To 147A.140)

Purpose. Area development districts are involved in many aspects of local governance. Among other duties, ADDs serve as catalysts for networking local and state leaders to solve regional issues. Among the many services ADDs provide are grant writing and area planning services.

Creation. There are 15 ADDs in Kentucky, encompassing all 120 counties. Established by statute in 1972, the number of ADDS, and their constituent counties, will remain as they presently are unless changed by statute (KRS 147A.050).

Governance. Each ADD is governed by a board of directors set by administrative regulation under the Department for Local Government (109 KAR 5:010; KRS 147A.060). Generally speaking, county judges/executive and mayors serve on the boards. Those local officials may appoint alternates to serve on the board. The board may allow additional elected officials to sit on the board. When doing so, they shall at least offer a resident member of the House or a resident member of the Senate (or both) a seat. These additional members need not be considered in determining a quorum. Each board may appoint a salaried executive director (KRS 147A.070). The Kentucky Council of Area Development Districts serves as a representative for all the ADDs. The council is composed of board members of each ADD, but this council is not governed by statute. Each ADD establishes a regional planning council composed of one representative from each planning unit in the district, selected by the planning commission therein (KRS 147A.125).

Revenue Sources. The board of directors of an ADD cannot levy taxes but may charge for services. The ADDs have historically received general fund budget money from the General Assembly. The Department for Local Government allocates ADD funds appropriated to the Joint Funding Administration Program as follows:

- 70 percent of the total appropriated is allocated equally among all ADDs;
- 20 percent is allocated based proportionately by ADD population; and
- 10 percent is allocated based upon each ADD's proportionate share of total incorporated cities and counties. If all ADDs agree, this 10 percent instead may be reallocated to provide additional nonfederal dollars to ADDs for the purpose of maximizing federal awards (KRS 147A.100).

Dissolution. KRS 147A.050 to 147A.140 do not provide a dissolution procedure. KRS 65.166 and 65.170 do not include area development districts in the definition of districts that can be dissolved pursuant to those two sections. KRS 65A.050 establishes a method of dissolution when no other method is set by statute.

Area Planning Commissions (KRS 147.610 To 147.705)

Purpose. Area planning commissions provide consolidated planning services to two or more counties, and the constituent cities, in counties containing at least one city of 50,000 to 200,000 population.

Creation. An area planning commission is established if the fiscal courts of any two or more adjacent counties elect to be consolidated as provided in KRS 147.610 and 147.620 and the following conditions are met:

- The legislative bodies of cities representing more than two-thirds of the population of the residents living within the boundaries of corporate territories of each county, by ordinance or resolution, elect to consolidate as provided in KRS 147.610.
- The affected cities and counties authorize the execution of a contract between themselves agreeing to participate in the creation of an area planning commission and agreeing to be governed by provisions of KRS 147.610 to 147.705.
- When a sufficient number of municipalities and counties have executed the agreement, copies are filed in the office of the clerk of each of the counties affected.

Governance. The area planning commission is composed of not more than nine members, selected from participating governmental units. The commission elects from its membership a chair and a vice chair. The commission may appoint a secretary from within or outside its own membership and prescribe the secretary's duties and compensation (KRS 147.630).

Revenue Sources. Area planning commissions are funded by an annual tax, which cannot exceed 5 cents on each $100 of the assessed valuation of property in the counties affected, to be used for defraying expenses necessary and incidental to carry out the continuing activities of the area planning commission (KRS 147.660).

Dissolution. Dissolution generally involves public petition, public hearings, and a public referendum; any county may withdraw from a planning commission (KRS 147.620).

City And County Housing Authorities (KRS 80.262 To 80.610)

Purpose. The purpose of a housing authority is to have a centralized and unified authority to oversee housing projects in an area.

Creation. Housing authorities may take various forms based on the government or governments that form and comprise them.

To create a city-county housing authority, the governing bodies of a city and of a contiguous county by resolution declare a need for one housing authority to be created for the city and county to exercise prescribed powers and functions; a public body corporate and politic to be known as a city-county housing authority will exist for all of that city and county and exercise its powers and other functions in its area of operation, including the power to undertake projects therein (KRS 80.262).

The resolutions of the governing body of a city and of a contiguous county also provide for the abolishment of any municipal and contiguous county housing commissions existing in the city and county adopting the resolution, on a day certain; on that day, the authority, responsibilities, personnel, and property, both real and personal, of said municipal and contiguous county housing commissions are transferred to the newly created city-county housing authority, and the present commissioners of the existing municipal and contiguous county housing commissions will finish their terms as members of the new authority. Thereafter, appointments will be made as provided in KRS 80.266 (KRS 80.262).

A county may create a housing authority by passage of a resolution (KRS 80.320). Counties may realize the need to combine housing authorities to create a regional housing authority. This is done by passage of a resolution, doing so from each county involved, and by following the procedures of KRS 80.330 to 80.610 (KRS 80.320). Two or more cities may combine resources and operate a consolidated housing authority (KRS 80.490).

Governance. The governance of a housing authority differs based on how it is created.

A city-county housing authority has eight members. The mayor appoints four, and the county judge/executive appoints four. No more than four appointees on any housing authority can be affiliated with the same political party. Each person appointed to a city-county housing authority must be at least 25 years old and must be, for at least 1 year preceding the appointment, a bona fide resident of the city or county for which appointed. No officer or employee of the city or county, whether holding a paid or unpaid office, may hold an appointment on the housing authority. No more than two appointees of the mayor or of the county judge/executive can be affiliated with the same political party. Two of the four members appointed by the mayor will be designated to serve for terms of 2 years and two for terms of 4 years from the date of their appointment; the same is true for appointees of the county judge/executive. Thereafter, all members of the authority will be appointed for a term of 4 years, except that all vacancies will be filled for the unexpired terms (KRS 80.266).

The governing body of a single county housing authority appoints five persons as members of the housing authority. Three of the five members who are first appointed are designated to serve for terms of 1, 2, or 3 years and two of the members for terms of 4 years from the date of their appointments. After that, members of the housing authority are appointed for a term of 4 years, except the governing body fills all vacancies for the unexpired terms (KRS 80.420).

The governing bodies of a regional housing authority shall each appoint one member. No more than four members may be of the same political party. If there is an even number of counties in the authority, the board members together appoint one additional member. Terms are for 4 years and vacancies are filled by reappointment of the original appointing authority (KRS 80.430).

Occasionally, a city may divest itself of its responsibilities to operate its housing authority, and another local government may agree to accept the transfer of ownership and operation of that city's public housing program. In these instances, the board membership contains a board member representing the city divesting itself of its authority (KRS 80.030, 80.040, 80.060, and 80.266).

Revenue Sources. In connection with the issuance of bonds or the incurring of obligations under leases and in order to secure the payment of such bonds or obligations, a housing authority (including any housing authority created pursuant to KRS 80.010 to 80.250) has the power to agree to sell a project and to enter into such covenants and conditions and to do what is necessary or desirable to secure its bonds, or, in its discretion, what will tend to make the bonds more marketable (KRS 80.550). In addition to the powers conferred on an authority by other provisions of KRS 80.320 to 80.610, an authority may borrow money or accept contributions, grants, or other financial assistance from the federal government for any housing, to take over, lease, or manage any housing project or undertaking constructed or owned by the federal government, and to comply with such conditions and enter into such mortgages, trust indentures, leases, or agreements as may be necessary, convenient, or desirable. It is the purpose and intent of KRS 80.320 to 80.610 to authorize every housing authority to do anything necessary or desirable to secure the financial aid or cooperation of the federal government in the undertaking, construction, maintenance, or operation of any housing project by such authority (KRS 80.600).

Dissolution. No specific dissolution process is enumerated in the authorizing chapter. KRS 65.166 and 65.170 do not include housing authorities in the definition of districts that can be dissolved pursuant to those two sections. A district may otherwise be dissolved pursuant to KRS 65A.050.

Community Action Agencies (KRS 273.405 To 273.453)

Purpose. Designated by one or more local governments, a community action agency is a nonprofit corporation organized to alleviate poverty in a community or area by developing employment opportunities; by improving the area's living, learning, and working conditions; and by conducting, administering, and coordinating similar programs (KRS 273.441).

Creation. KRS 273.435 allows a city or cities, a county or counties, or cities and counties jointly to form community action agencies. The city or county may designate itself as the community action agency, or it may designate an eligible private nonprofit corporation whose board of directors is established pursuant to KRS 273.437, which sets out the composition of the board. If a city or county elects not to designate a community action agency, the governor may designate an eligible private nonprofit corporation as the community action agency for the city or county.

No community action agency is to be created after July 15, 1982, unless a single county or city creating it or the combined population of cities or counties creating it equals or exceeds 50,000 people (KRS 273.435).

Not every community action agency is a special district.[52]

Governance. Community action agencies are governed by boards (KRS 273.437). The articles of incorporation of a community action agency are to establish the board under the following requirements:

- Total membership of the board is to number 15 to 51.
- One-third of the board members are to be public officers, including elected public officials or their representatives, unless the number of public officers reasonably available or willing to serve is less than one-third of the membership of the board.

- At least one-third of the board members must be chosen in accordance with democratic selection procedures adequate to assure that they are representative of the poor in the area to be served.
- The remaining board members are to be officials or members of business, industry, labor, religious, welfare, education, or other major groups and are also to be interested in the community.
- Each board member who is to represent a specific geographic area in a community must reside in that area.

Revenue Sources. Community action agencies use federal block grant money allocated to them (KRS 273.446). In addition, they may borrow money or take on other modes of debt, and they may apply for and accept loans, grants, and other assistance from any entity, public or private, including but not limited to the commonwealth and the United States (KRS 273.430).

Dissolution. KRS 273.405 to 273.453 provide no specific method of dissolution. KRS 65.166 and 65.170 do not include community action agencies in the definition of districts that can be dissolved pursuant to those two sections. A district may otherwise be dissolved pursuant to KRS 65A.050.

Community Improvement Districts (KRS 107.310 To 107.500)

Purpose. The purpose of a community improvement district is to provide for the acquisition or construction, and the necessary equipping, of such buildings and facilities as may be needed for any project that serves a county purpose, by any governmental unit in the territorial limits of the district, or any combination of any such units (KRS 107.330).

Creation. These districts are created pursuant to KRS 65.182 (KRS 107.320). The process involves a petition signed by a number of registered voters equal to at least 25 percent of an average of the voters living in the proposed taxing district and voting in the last four general elections. A public hearing and notification are required. The fiscal court of the county must pass an ordinance creating the community improvement district (KRS 65.182). The county must contain a city that has at least 3,000 residents in order to form the district. The district encompasses all the area of the county, including that of the incorporated cities within the county (KRS 107.320).

Governance. The district is governed by a board of commissioners consisting of four members appointed by the county judge/executive with approval of the fiscal court. Not more than three-fourths of appointees can be of the same political party. The board elects its chairman from among its members and may appoint a secretary, an executive director, and other officials and employees, who need not be members of the board (KRS 107.340).

Revenue Sources. Through its board, the district may request the fiscal court of the county where it is located to levy an ad valorem tax on all property in the district that is assessed for local taxation, at a rate not to exceed 10 cents per $100 of assessed value of said property and not to exceed the amount necessary to amortize any bonds issued or proposed to be issued to

finance projects proposed by the district, plus operating expenses of the district (KRS 107.350). The district may issue bonds (KRS 107.450) and borrow money (KRS 107.470).

Dissolution. A district is dissolved pursuant to KRS 65.166 or 65.170, via petition or ordinance. Either approach requires public notice and a public hearing, before any action.

Consolidated Emergency Services District (KRS 75A.010 To 75A.140)

Purpose. This type of district addresses the provision of emergency services via the merger of volunteer fire districts formed under KRS Chapters 75 and 273, any rescue squads formed under KRS Chapter 39F, or any special district subject to the licensure provisions of KRS Chapter 311A.

Creation. Any two or more fire districts, rescue squads, or providers of emergency medical services may request of the county, consolidated local government, charter county, or unified local government that they be merged into a consolidated emergency services district. The legislative body of the county may approve the creation of this district by ordinance (KRS 75A.020).

Governance. The district is governed by a seven-member board of trustees. Three of the trustees are appointed by the chief executive officer of the county. Four trustees are elected, two of whom must be active members of the district, and two of whom must own property within the district (KRS 75A.030).

Revenue Sources. The board may levy a property tax, not to exceed $0.10 per $100 of valuation for the provision of fire and rescue services. An additional $0.10 per $100 of valuation may be levied for the provision of emergency medical services (KRS 75A.050).

Dissolution. Dissolution occurs via a petition to the fiscal court clerk and to each member of the fiscal court, meeting the criteria of KRS 65.184, and signed by a number of registered voters equal to or greater than 25 percent of an average of the voters living in the proposed taxing district and voting in the last four general elections. After a public hearing, the legislative body of the county may approve the dissolution of the district via ordinance (KRS 75A.130).

Cooperative Extension Service Districts (KRS 164.605 To 164.675)

Purpose. Cooperative extension service districts promote agricultural practices, techniques, and research, as well as subjects related to home economics and rural and community life throughout Kentucky in concert with the University of Kentucky and the US Department of Agriculture (KRS 164.610).

Creation. The cooperatives are created by the county, and the boundaries are coextensive with the county. These districts are subdivisions of the commonwealth, yet they have independent corporate identities (KRS 164.620).

Governance. Cooperative extension service districts are controlled by two levels of governance. The first is by extension councils composed of 15 to 40 citizen members. The members of the extension council are appointed by county groups whose major interest is agriculture and home economics, such as farm bureaus, homemaker councils, 4-H Club councils, and commodity groups. However, its membership is not necessarily limited to appointees from those groups. Each director of extension (who is the director of the Kentucky Cooperative Extension Service of the College of Agriculture of the University of Kentucky) determines the number of members for each cooperative (KRS 164.625).

Controlling the extension council is the extension board, which is composed of the county judge/executive and six citizen members of the district (KRS 164.630). The county judge/executive makes the appointments, with the approval of the fiscal court, from nominations submitted by the extension council (KRS 164.635).

Revenue Sources. There is a dispute over the taxing authority of the cooperative. The Attorney General has acknowledged a taxing authority, but a judgment in Trigg Circuit Court indicates that the cooperatives do not have the power to tax.[53] KRS 164.670 refers to a cooperative extension district education tax. In addition to this possible revenue source, KRS 164.655 permits a cooperative to charge fees for services, to borrow funds (with the approval of the fiscal court), to accept contributions from fiscal courts and boards of education for use in conducting extension work in the district as provided under KRS 247.080, and to accept private funds for use in conducting extension work in the district if the director of extension approves the acceptance.

Dissolution. KRS 164.605 to 164.675 do not provide a dissolution procedure. KRS 65.166 and 65.170 do not include cooperative extension service districts in the definition of districts that can be dissolved pursuant to those two sections. Districts may otherwise be dissolved pursuant to KRS 65A.050.

Drainage Districts (KRS 267.010 To 267.990)

Purpose. A drainage district may be created for the purpose of draining or reclaiming low, swampy, or overflowed county land; locating, establishing, and constructing a levee, ditch, drain, or canal; constructing, straightening, widening, or deepening any ditch, drain, creek, or nonnavigable watercourse; and reconstructing any ditch, drain, creek, levee, or canal previously constructed under any drainage law (KRS 267.020).

Creation. A drainage district is created in accordance with KRS 65.810, the nontaxing district creation method (KRS 267.020).

Governance. A drainage district in a county with fewer than 75 independent drainage districts is governed by a board of drainage commissioners. On a day in May, the county judge/executive (or a member of the public) holds a viva voce election to elect a director from each drainage district in the county (KRS 267.090). Together these directors constitute the board of drainage commissioners (KRS 267.100).

In counties with more than 75 drainage districts, or in a county that has adopted this method of governance pursuant to KRS 267.495, the county judge/executive appoints for a 1-year term a drainage commissioner who has the powers and duties vested in directors and boards of drainage commissioners elected under provisions of KRS 267.090 and 267.100. Working with the drainage commissioner is a five-member board of supervisors who are landowners elected from five divisions of the drainage district areas set out by the judge/executive. Their duty is to equalize assessments of all lands of like classification for, and only for, the purpose of providing funds to purchase machinery and equipment necessary in carrying out the work of the commissioner (KRS 267.490).

Revenue Sources. Drainage districts do not levy ad valorem taxes but do levy assessments based on the costs of the improvements and the benefit received, as shown by the classification and ratio of assessment made by the viewers and confirmed by the court (KRS 267.290, 267.300, and 267.390). The assessment may be changed (KRS 267.350). Districts meeting certain requirements may issue bonds (KRS 267.320 to 267.340). Fiscal courts can make appropriations to drainage districts (KRS 267.560).

Dissolution. KRS 267.570 allows for the discontinuance of improvements. A majority of those assessed for the maintenance of any improvement may petition the county judge/executive for a discontinuance of an improvement. The judge/executive will schedule a hearing and discontinue it if no good reasons are presented for not doing so. There appears to be no explicit language detailing the dissolution of a district itself. A district may otherwise be dissolved pursuant to KRS 65A.050.

Drainage Taxing Districts (KRS 269.100 To 269.270)

Purpose. A drainage taxing district allows the voters of land containing ponds, swamps, or marshland to drain it for use and to have the property in that district taxed or assessed to fund the reclamation (KRS 269.100).

Creation. If the cost of the improvement amounts to more than the revenue and income of the county for that year, the county judge/executive may lay off such part of the county into a taxing district to tax the property thereof subject to taxation for state purposes to make the improvement. The county judge/executive may submit the proposition to the taxing district in the same way provided for submitting the proposition to the whole county, via an election (KRS 269.100).

Governance. Any corporation existing for the purpose of improving the public health by draining swampland, or lands that need drainage to make them more suitable for cultivation, is to be continued in force for those objects and purposes (KRS 269.110). Upon written petition signed by more than half the landowners residing within the district of the corporation, or their agents, guardians, or personal representatives, the county judge/executive of any county in which the corporation exists must appoint a board of commissioners consisting of three landowners who are more than 25 years old, reside in that county, are not interested in the corporation, and do not own land within its district (KRS 269.120). Board members have a special oath. Vacancies are filled by the county judge/executive (KRS 269.130).

Revenue Sources. The board of commissioners shall assess and apportion on the land within the district of the corporation a tax of 10 to 25 cents per acre per year for 10 years in proportion to the benefits conferred (KRS 269.140).

Dissolution. KRS 269.100 to 269.270 do not provide any dissolution procedure. KRS 65.166 and 65.170 include drainage taxing districts in the definition of districts that may be dissolved pursuant to those sections. If a person owning land in a drainage district desires to withdraw all or part of the land from the district, that person, on the approval of a majority of the qualified members of the drainage board, may petition the county judge/executive for such withdrawal (KRS 269.260).

Drainage, Levee, And Reclamation Districts (KRS 268.010 To 268.990)

Purpose. This type of district deals with improvements for draining, leveeing, and reclaiming property from overflow or damage by water.

Creation. Any county may, in accordance with the procedures of KRS 65.182, establish, organize, and provide for the operation and maintenance of drainage, levee, and reclamation districts (KRS 268.020).

Governance. The district is governed by a three-person board. The county judge/executive divides the district into three precincts as nearly equal in area as practicable, following owners' property lines, and, immediately upon such division, appoints a temporary secretary to act for the district board. The secretary must give 20 days' notice by posting three notices in each precinct of the district and by publication pursuant to KRS Chapter 424, informing the owners in the district that they may vote for a drainage commissioner for each precinct and a secretary for the board and the district, within a stated time. The board consists of three persons, those who have received the largest number of votes in each of the three precincts. Each commissioner is to be a property owner and more than 21 years old. Vacancies in the office of board member or secretary are filled by a special election (KRS 268.160).

Revenue Sources. The board must levy a uniform tax of not more than 50 cents per acre on each acre of land in the district to pay expenses incurred in establishing the district, or to be incurred in organizing the district, making surveys, and assessing benefits and damages, and to pay other necessary expenses, before the board may provide funds to pay the total cost of improvements of the district (KRS 268.180). A district assessment is established and levied when work is let (KRS 268.340). The board may issue bonds on behalf of any district under its control, not to exceed 90 percent of the total amount of the minimum district assessments levied on the property of the district approved by the county judge/executive (KRS 268.370).

Dissolution. KRS 268.010 to 268.990 do not provide a dissolution procedure. KRS 65.166 and 65.170 include drainage, levee, and reclamation districts under the definition of districts that may be dissolved pursuant to those sections. Upon dissolution of any drainage, levee, and reclamation district, if any money remains after all liabilities of the district are satisfied, it is prorated to the several pieces of property according to the assessed benefits in the organization of the district (KRS 268.640).

Fire Protection Districts, Volunteer Fire Department Districts (KRS 75.010 To 75.260)

Purpose. Fire protection districts (and volunteer fire department districts) operate fire departments and can operate emergency ambulance services. The establishment, maintenance, and operation of a fire protection district or volunteer fire department district includes but is not limited to the following activities:

- Acquisition and maintenance of adequate fire protection facilities and adequate firefighting equipment
- Recruitment, training, and supervision of firefighters
- Prevention, control, and extinguishment of fires
- Fire safety activities
- Payment of compensation to firefighters and provision of necessary support and supervisory personnel
- Payment for reasonable benefits or a nominal fee to volunteer firefighters when benefits and fees do not constitute wages or salaries under KRS Chapter 337 and are not taxable as income to the volunteer firefighters under Kentucky or federal income tax laws
- The use of fire protection district equipment for activities that are for a public purpose and that do not materially diminish the value of the equipment (KRS 75.040)

Creation. Fire protection districts (and volunteer fire department districts) are created under the provisions of KRS 65.182 for taxing districts (KRS 75.010).

Governance. Fire districts are governed by a board of trustees that consists of seven members constituted as follows:

- Four elected members, two of whom are elected by the firefighters of the district and are members of the district, and two of whom are property owners in the district who are not active firefighters
- Three members appointed by the county judge/executive with approval of the fiscal court, unless the district is in a county containing a consolidated local government, whereupon, in general, the mayor of that government makes appointments pursuant to KRS 67C.139

The election of trustees is held on the fourth Saturday of June between 11 a.m. and 2 p.m. at the principal firehouse in the district. The election is advertised pursuant to KRS Chapter 424. If firefighter trustees are being elected, the notice may be made by first-class mail rather than by being published in a newspaper. Nominations are made accordance with district bylaws (KRS 75.031).

Revenue Sources. Pursuant to KRS 75.040, trustees of a district are authorized to levy a tax on the property in the district subject to county tax, including property in cities in the district, to a maximum of 10 cents per $100 of assessed value. Any district that establishes and operates an emergency ambulance service and is the primary provider in the district may levy a tax that does not exceed 20 cents per $100 of assessed value. Districts may also contract with another fire district, municipal corporation, or volunteer fire department to provide fire protection services (KRS 75.050).

Under the provisions of the Firefighters Foundation Program fund, qualified volunteer fire departments are allowed $11,000 that goes to the department (KRS 95A.262). A supplement

for professional firefighters is also allowed, but that is a salary supplement paid to the firefighters (KRS 95A.250).

Operating similarly to fire districts, some fire departments are created under KRS Chapter 274 as nonprofit corporations. These fire departments often charge membership or subscriber fees. They are not fire districts and cannot levy a tax.

Dissolution. KRS 65.164 mentions that a fire district may be dissolved through the initiation of a petition and subsequent hearing conducted by the fiscal court or courts of jurisdiction using the procedures set out in KRS 65.164 to 65.176.

Flood Control Districts (KRS 104.450 To 104.680)

Purpose. Flood control districts are established to maintain and operate any existing or proposed flood control works in the state.

Creation. The secretary of the Energy and Environment Cabinet may create the districts (KRS 104.460). The secretary must receive a petition containing the valid signatures of 70 percent of those in possession claiming as freeholders in the boundaries of the proposed district (KRS 104.480). Alternatively, a petition may be signed by a majority of the governing body of any municipality lying wholly or partly within the proposed district; this petition must be created by ordinance.

Governance. The district is governed by a five-member board. Board membership is set by KRS 104.580 and depends on the many variable jurisdictions that may be incorporated into the district. The board is appointed by the chief executive officers of the jurisdictions covered.

Revenue Sources. The board of directors, as soon as duly appointed and qualified, may levy an annual tax of not more than 15 cents on each $100 of assessed valuation of property in the district (KRS 104.670).

Dissolution. No specific dissolution process is provided in the authorizing chapter. Districts may be dissolved pursuant to KRS 65.164 to 65.176.

Hospital Districts (KRS 216.310 To 216.361)

Purpose. Hospital districts provide a broader basis for local support of hospitals and related health facilities, including supportive services, training, and education of health personnel (KRS 216.310).

Creation. Hospital districts are created pursuant to KRS 65.182 and 216.320. The process involves a petition signed by a number of registered voters equal to at least 25 percent of an average of the voters living in the proposed taxing district and voting in the last four general elections. A public hearing and notification are required. The fiscal court of the county must pass an ordinance creating the district (KRS 216.317).

Governance. Where only one participating county is in the district, the county judge/executive, with the approval of the fiscal court, appoints five members of the district board. Where two or more counties participate in the district, the board consists of one to four persons from each participating county, and the total membership of the board consists of at least five persons. Where a participating county in a multicounty district has a population of 75,000 or fewer, that county is allowed one board member. Where a participating county in a multicounty district has a population in excess of 75,000, the county is allowed a board member for each 40,000 (or portion thereof) of population in excess of 75,000, not to exceed four members in all (KRS 216.323).

Revenue Sources. Hospital districts may impose a special ad valorem tax for the maintenance and operation of the district, in an amount no greater than 10 cents on each $100 of the assessed valuation of all property in the district (KRS 216.317).

Dissolution. To dissolve a hospital district, the board unanimously adopts a resolution calling for the dissolution and sends a copy of the resolution to the fiscal court of each county that is a party to the district. A fiscal court agreeing with the dissolution adopts a resolution of intent to dissolve the district within 6 months of the receipt of the resolution from the board. A plan for the settlement of all outstanding obligations and debts of the district must be filed with the secretary of the cabinet and the county clerk. The secretary may then dissolve the district by certificate. The certificate is filed with the secretary of state, the state local finance officer, and the county clerk of each county party to the district. The county clerk removes the tax levy from property owners' tax bills (KRS 216.357).

Independent District Health Departments (KRS 212.780 To 212.794)

Purpose. The independent district health department replaces the local health departments and provides traditional health department services on a regional level.

Creation. In areas where a district board of health and district department of health include counties that are a part of an interstate metropolitan statistical area of which the Kentucky population exceeded 250,000 people on July 1, 1989 (as estimated by annual population estimates by the US Bureau of the Census), fiscal courts may establish an independent district board of health and an independent district department of health (KRS 212.782).

Governance. An independent district health department is governed by an independent district board of health (KRS 212.784 and 212.786). The board is constituted as follows:

- The judge/executive from each participating county (or his or her designee) serves as an ex officio member.
- The chairman from each participating local board of health serves as an ex officio member.
- The judge/executive appoints additional members with the approval of the fiscal court including, at least to the extent practicable, consumers and human and animal health professionals.

Each county has an appointment of one member for 30,000 population or portion thereof. Additional members are appointed at a rate of one member per whole increment of 30,000 population. The mayor of each city containing a population equal to or greater

than 15,000 based on the most recent federal decennial census, or his or her designee, serves as an ex officio member of the district board of health and counts against the population-based appointees.

Revenue Sources. The costs of the district are paid by the participating local boards of health in proportion to the taxable property of each and in accordance with revenues generated pursuant to authority under KRS 212.720 and 212.725 (KRS 212.794). In addition, the district is authorized to charge fees for services provided.

Dissolution. No specific dissolution process is provided in the authorizing chapter. A district may otherwise be dissolved pursuant to KRS 65A.050.

Industrial Development Authorities (KRS 154.50-301 To 154.50-346)

Purpose. These authorities aid in the acquisition, retention, and development of land for industrial and commercial purposes; development and promotion of industrial sites, parks, and subdivisions for accommodating industrial and commercial needs; and promotion and stimulation of the acquisition, retention, and development of land for industrial and commercial purposes by other public and private local development organizations (KRS 154.50-313).

Creation. Any local government or governments may establish a nonprofit industrial development authority (KRS 154.50-316).

Governance. An authority has six to eight board members, appointed for 4-year terms as follows:

- If a city establishes the authority, the mayor appoints the members.
- If a county establishes the authority, the county judge/executive appoints the members.
- If the authority is established as a joint city-county industrial development authority, the mayor appoints half the members and the county judge/executive appoints half. If the authority is composed of seven members, the county judge/executive and the mayor jointly appoint the seventh member.
- If a combination of cities or counties or both establishes a joint industrial development authority, or if an established joint industrial development authority adds a new city or county as a participating member, the mayors or county judges/executive involved
  - jointly choose the members and jointly choose successors, or
  - choose the members and successors in a manner established by an agreement entered into between the legislative bodies of the affected cities and counties (KRS 154.50-316 and 154.50-326).

Revenue Sources. Industrial development authorities have no taxing authority but may receive general fund appropriations from their participating local governments, may borrow money and issue notes from their own credit, may issue revenue bonds pursuant to KRS Chapter 103, and may issue bonds under the provisions of KRS Chapter 58 (KRS 154.50-340).

Dissolution. If a local government withdraws from a joint authority, the remaining local government members may appoint a new member to represent them in the authority. Local

governments may dissolve a joint authority by mutual agreement and redistribute the assets among the local governments. No dissolution can occur while an authority has outstanding legal obligations and unfulfilled contracts (KRS 154.50-330).

Industrial Taxing Districts (KRS 68.600 To 68.606)

Purpose. In a county that includes property used in an economic development project that will result in the creation of at least 500 jobs, territory may be organized into a district for the purpose of levying taxes to pay for the establishment, operation, and maintenance of the level of governmental services provided to the district that exceeds the level of services provided to the other territory of the county. Governmental services include fire protection, solid waste management, water, electric, telecommunications, sewer, and other services as may be specified by the fiscal court of the county where the district is located.

Creation. An industrial taxing district is created by the provisions of KRS 68.602 and is a tax district as contemplated by Section 157 of Kentucky's constitution (KRS 68.604).

Governance. The district is administered by the fiscal court creating it or by a board of trustees established by the fiscal court. When governed by a board, the board consists of four members appointed by the county judge/executive and approved by the fiscal court (KRS 68.606).

Revenue Sources. A special ad valorem tax of up to 10 cents per $100 of the assessed valuation of all property in the district and an occupational license tax may be imposed for the establishment, maintenance, and operation of the governmental services provided to the district (KRS 68.604). The occupational license tax requires the approval of the fiscal court.

Dissolution. No specific dissolution process is provided in the authorizing chapter. A district may otherwise be dissolved pursuant to KRS 65A.050.

Levee Districts (KRS 266.010 To 266.990)

Purpose. A levee district may be established to oversee construction, care, and protection of a levee and to see that convenient crossings are made for the intersection of all public roads and private crossings (KRS 266.010 and 266.120).

Creation. In counties with a population of less than 200,000, when conducive to the public health, convenience, or welfare or of public benefit or utility, a levee district may be created in accordance with KRS 65.182 (KRS 266.010).

Governance. The county judge/executive, upon the creation of a levee district and every 4 years thereafter, appoints five resident landowners of the vicinity of the levee, to be known as the board of levee commissioners (KRS 266.100).

Revenue Sources. For the purpose of building or repairing its levees, the board may levy and have collected an annual tax, not exceeding 50 cents on $100, on all property in the territory protected by the levee (KRS 266.150). With regard for establishing, constructing, reconstructing,

repairing, enlarging, and maintaining the levees, the board may borrow money and may issue, negotiate, and sell its bonds in denominations of $100 to $1,000 each, as the board prescribes (KRS 266.160). Additional assessments of benefited lands are possible under KRS 266.170.

Dissolution. KRS 65.166 and 65.170 include levee districts in the definition of districts that may be dissolved pursuant to those sections.

Library Districts, Formed By Petition (KRS 173.710 To 173.800)

Purpose. All of the territory in a county, or in two or more contiguous counties, may be organized into a public library district for the purpose of levying a tax to pay for establishing, equipping, maintaining, and administering libraries, or for contracting for library service from any existing library (KRS 173.715).

Creation. Districts organized under the provisions of this section before July 13, 1984, operate under this range of statutes. The original district was created by petition.

Governance. The district is governed by a board, whose composition is variable based on the governments it comprises. The county judge/executive appoints the board and fills subsequent vacancies (KRS 173.725 and 173.730).

Revenue Source. A special ad valorem tax rate for the maintenance and operation of a public library may be levied, with increases in the ad valorem tax not to exceed 20 cents on each $100 of the assessed valuation of all property in the district. Increases are established via petition (KRS 173.790). The district may also issue revenue bonds (KRS 173.785).

Dissolution. Within certain time limits and subject to any contractual/bond obligations of a district, a petition signed by a number of voters equal to 51 percent of those who voted in the last general election, presented to each relevant jurisdiction, will dissolve this district (KRS 173.800).

Library Districts, Public (KRS 173.450 To 173.650)

Purpose. All of the territory in a county, or in two or more contiguous counties, may be organized into a public library district for the purpose of levying a tax to pay for establishing, equipping, maintaining, and administering libraries, or for contracting for library service from any existing library (KRS 173.460).

Creation. Districts are organized in accordance with the procedures of KRS 65.182 (KRS 173.470).

Governance. The district is governed by a board, whose composition is variable and based on the governments it comprises. The county judge/executive appoints the board and fills subsequent vacancies (KRS 173.490, 173.500, and 173.520).

Revenue Sources. The special ad valorem tax imposed for the maintenance and operation of the district may not exceed 20 cents on each $100 of the assessed valuation of all property in the district (KRS 173.610). The library district may also issue bonds (KRS 173.600).
Dissolution. A district may be dissolved by petition (KRS 173.630).

Local Air Boards (KRS 183.132 To 183.160)

Purpose. Local air boards establish, maintain, operate, and expand necessary, desirable, or appropriate airport and navigation facilities. The board has the duty and powers as necessary or desirable to promote and develop aviation, including air transportation, airports, and navigation facilities (KRS 183.133).

Creation. Cities, counties, urban-county governments, or combinations of cities and counties form boards. (KRS 183.132).

Governance. Composition of local air boards and the appointment of board members varies according to the jurisdiction of the particular board.

The appointments of six-member boards are as follows:
- If a city establishes the board, the mayor appoints members.
- If the county establishes the board, the county judge/executive appoints members. If the airport established by the county is located in another county, the county judge/executive appoints an additional member from that county.
- If a city and county jointly establish the board, the county judge/executive and the mayor jointly appoint members.
- If a combination of cities and counties jointly establish the board, the mayors and county judges/executive jointly appoint members.
- If an urban-county government establishes the board, the mayor appoints members. The mayor or the mayor’s designee also serves on the board.

The appointments of eight-member boards are as follows:
- An eight-member board will exist only when an air board has an agreement with a state university that operates an aviation degree program that uses that airport. The air board will have the same appointments as a six-member board with the inclusion of two additional members appointed by the university’s board of regents.

The appointments of 10-member boards are as follows:
- If a city (except a city of the first class) and county (except an urban-county government) jointly establish the board, the mayor and the county judge/executive appoint members without the approval of the respective legislative bodies.
- If an urban-county government establishes the board, the mayor appoints members.

The appointments of 11-member boards are as follows:
- If a city of the first class and the county jointly establish the board, the mayor, the county judge/executive, and the governor appoint members.

- If a consolidated local government establishes or maintains the board, the mayor and the governor appoint members.

If a county creates an air board and locates the airport outside the county boundaries, then the board is composed of a board member appointed by the governor and 10, 11, or 12 members who are appointed as follows, with appropriate fiscal court approval:

- Eight members are appointed by the county judge/executive creating the air board.
- Two members are appointed by the county judge/executive of the county where the airport is located.
- For counties having territory within 20 miles of the airport, the county judge/executive of the particular counties appoints one or two additional members. If more than two counties are within 20 miles of the airport, then the appointment falls upon the counties with the largest populations (KRS 183.132).

Revenue Sources. Local air boards constitute a legislative body for the purposes of KRS 183.630 to 183.740 relating to revenue bonds for airport purposes (KRS 183.132). A governmental unit may borrow money and issue bonds for the cost of acquiring, constructing, maintaining, expanding, financing, or improving airport facilities or air navigation facilities only after the legislative body has adopted an ordinance or resolution. Those bonds are negotiable and not subject to taxation (KRS 183.630 and 183.650). The board establishes and fixes reasonable rates, charges, and fees for the use of the airport's landing area, ramps, and other aviation facilities. In addition, the board receives revenue from commercial vendors and concessionaires (KRS 183.133). The board can also borrow money and issue revenue bonds (KRS 183.135 and 183.136). The Transportation Cabinet can apply for federal funds on behalf of the board that are authorized for the mission of the board (KRS 183.160).

Dissolution. KRS 183.132 to 183.160 do not provide any dissolution procedure. KRS 65.166 and 65.170 do not include local air boards within the definition of districts that may be dissolved pursuant to those sections. A district may otherwise be dissolved pursuant to KRS 65A.050. However, if a joint air board is created by cities, counties, or both, and a city or county subsequently desires to withdraw from participation, the remaining members may jointly choose a successor member or members of the board. A local government wanting to withdraw is not entitled to return of any money or property advanced to the board (KRS 183.132).

Local Tourist And Convention Commissions (KRS 91A.345 To 91A.394)

Purpose. Local tourist and convention commissions are created to promote and develop convention and tourist activities and facilities. They may also continue to fund recreational activities or projects not related to tourism or conventions that were funded by the commission before July 13, 1990, at a level no greater than what they provided in the 1990 fiscal year (KRS 91A.350).

Creation. The commissions are created jointly or separately by fiscal courts or by cities of the home rule class. They may also be maintained by consolidated local governments. Two or more counties may jointly create a tourism and convention commission (KRS 91A.350).

Governance. When counties and cities establish a commission, a seven-member board governs it. The chief executive officer of the creating jurisdiction appoints commissioners. Three commissioners are appointed with input from city and county hotel and motel associations. One is appointed with input from the local restaurant association. One is appointed from the local chamber of commerce. Two are appointed by the chief executive officer or officers from the jurisdiction or jurisdictions creating the commission. The commission elects its own chair and treasurer (KRS 91A.360).

In a consolidated local government, a commission has 10 members—6 appointed by the mayor, 3 appointed by the governor, and the president and chief executive officer of the Kentucky State Fair Board (KRS 91A.370(8)).

In an urban-county government, the commission has nine members appointed by the mayor (KRS 91A.372).

When two counties form a commission under KRS 91A.350(3), the commission has six members from each county appointed by each county judge/executive with approval by the respective fiscal courts (KRS 91A.380).

Revenue Sources. The primary revenue source for a commission is a transient room tax (TRT). The commission's expenses are a part of the creating jurisdiction's budget. That jurisdiction allocates funds to the commission. These funds are to be provided by a TRT:

- For a locality other than an urban-county government, the TRT is not to exceed 3 percent.
- For an urban-county government, the TRT is not to exceed 4 percent.
- Localities that are not urban-county governments may impose an additional 1percent for convention center purposes.
- A county with a city of the first class may impose an additional tax of up to 1.5 percent to be used for funding additional promotion of tourist and convention business.
- An urban-county government may impose an additional tax of up to 1 percent for a purchase of development rights program administered under KRS 67A.845.
- Local governing bodies having multicounty tourist and convention commissions may impose an additional tax for convention centers and tourist and convention business. This can include the construction, maintenance, repair, renovation, improvement, expansion, acquisition, development, promotion, or operation of real property, personal property, or facilities within the jurisdiction. There is no rate cap for this particular tax (KRS 91A.390).
- A consolidated local government, or the fiscal court in a county containing a city of the first class or a city that was classified as a city of the second class as of August 1, 2014, except those counties that are included in a multicounty tourist and convention commission under KRS 91A.350 may levy an additional tax of 2 percent (KRS 91A.392).

Permissions for jurisdictions outlined above to levy the permitted rates should be viewed, and any determinations made regarding those permissions, within the context of KRS 91A.390.

For cities that, as of January 1, 2014, were classified as cities of the fourth or fifth class, a secondary source of revenue is a restaurant tax, which may not exceed 3 percent (KRS 91A.400).

Even though this is out of the statutory range of a local tourist and convention commission, a local government must have one to benefit from this tax. The tax goes to the commission.

Dissolution. No specific dissolution process is provided in the authorizing statute, and this district is not subject to the general provisions of KRS 65.166 or 65.170. A district may otherwise be dissolved pursuant to KRS 65A.050.

Management Districts In Cities Of The First Class, Consolidated Local Governments, And Urban-County Governments (KRS 91.750 To 91.762)

Purpose. The purpose of management districts in cities of the first class, consolidated local governments, and urban-county governments is to provide and finance economic improvements that specially benefit property within the management district (KRS 91.752).

Creation. A city, consolidated local government, or urban-county government may initiate proceedings to establish a management district upon receipt by the executive authority of a written petition signed by owners of real property within the proposed district requesting the formation of a management district. The petition must include names and addresses of petitioners, a description of the boundaries of the proposed management district, an economic development plan, and the proposed makeup of the board of directors with its powers and duties. The executive authority will forward the petition to the legislative body, which may enact an ordinance establishing a management district (KRS 91.754). Before its approval, the ordinance must have two readings, a public hearing, and a summary of the proposed plan for the management district published in the newspaper and mailed to all property owners (KRS 91.756).

Governance. A board of directors is appointed on the effective date of the ordinance establishing the district. All members of the board must be property owners, representatives of property owners, or tenants within the district, except for specified ex officio members designated by local ordinance. At least two-thirds of the board members, including ex officio members, must be property owners or the representatives of property owners within the district. The board members are appointed by the executive authority of the city, consolidated local government, or urban-county, with the approval of the legislative body. The executive authority may remove a board member for violation of the rules, regulations, or operating procedures adopted by the board if a majority of the members of the board recommend removal (KRS 91.760(2)).

Revenue Sources. An annual assessment is levied on each property owner based on the total cost of the economic improvements to the district (KRS 91.758).

Dissolution. The management district is dissolved by the legislative body upon receipt of a petition requesting dissolution that is signed by a number of persons who together are the owners of real property within the management district equal to at least 50.1 percent of the assessed value of the property and 33 percent of the number of property owners within the management district, except that a management district will not be dissolved if the district has any outstanding indebtedness (KRS 91.762).

Mass Transit Authorities (KRS 96A.010 To 96A.230)

Purpose. Mass transit authorities promote and develop mass transportation in a transit area and adjoining areas, including the acquisition, operation, and extension of existing mass transit systems (KRS 96A.020).

Creation. A transit authority may be created and established by proceedings or joint proceedings. *Proceedings* means (in the case of a county) a resolution of a fiscal court or (in the case of a city or consolidated local government) an ordinance adopted and made effective according to law by a governing body. *Joint proceedings* relates only to the establishment of a transit authority by two or more public bodies acting in concert or by agreement, and it means the proceedings, taken collectively, by the governing bodies of the public bodies participating in the creation and establishment of a transit authority (KRS 96A.020).

Governance. The business, activities, and affairs of a transit authority are managed, controlled, and conducted by a board consisting of members appointed as follows:

- If one city alone, or one county alone, establishes the authority, the appointing authority of such city or county appoints the eight members.
- If joint proceedings of two public bodies establish the authority, the authority is eight members, of whom four are appointed by the appointing authority of each of the public bodies.
- If an authority is created and established by joint proceedings of more than two public bodies, there are eight members plus one additional member for each participating public body in excess of two, and the members are appointed by the appointing authorities of the participating public bodies in such manner as may be set forth in the joint proceedings.
- If an authority is created and established, and subsequently one or more other public bodies are permitted to join, the membership of the board may be enlarged, with the concurrence and approval of the governing bodies of the public bodies previously participating, by not more than one additional member for each public body that is permitted to join (KRS 96A.040).

Revenue Sources. The transportation authority may not levy taxes but may charge a fee for services and receive money from the general fund of the local government, the Transportation Cabinet, or the Kentucky public transportation development fund. The authority may receive gifts, grants, and loans from many entities and may issue bonds. The authority may enter into management contracts to have transportation services provided by another party (KRS 96A.090, 96A.095, 96A.096, 96A.120, 96A.130 and 96A.150).

Dissolution. No specific dissolution process is provided in the authorizing chapter. A district may otherwise be dissolved pursuant to KRS 65A.050.

Mental Health Or Intellectual Disability Districts (KRS 210.370 To 210.485)

Purpose. Local governments may create these districts to promote mental health programs, as well as programs for persons with intellectual disabilities (KRS 210.370 and 210.400).

Creation. The General Assembly created 15 regional service areas comprising specific counties throughout the entirety of the state. Additionally, any combination of cities or counties over 50,000 in population may establish a regional community mental health or intellectual disability services program. Any combination of cities or counties with less than 50,000 in population needs the consent of the secretary of the Cabinet for Health and Family Services (KRS 210.370). A tax district is statutorily declared to assist in the funding of the programs. (KRS 210.470 and 210.480).

Governance. The district establishes a community board for mental health or individuals with an intellectual disability that consists of at least nine members. If the district is administered by local governments, then the chief executive officer appoints members to a selecting committee, which selects the board members. When a nonprofit corporation is the administrator of the program, the corporation selects the board. The members, no matter the selecting authority, are representative of elected chief executives of county governments, local health departments, medical societies, county welfare boards, hospital boards, lay associations concerned with mental health and intellectual disabilities as well as labor, business and civic groups, and the general public (KRS 210.380).

Members of the community mental health or intellectual disability board are the governing board of the mental health or intellectual disability taxing district. They perform the attendant duties in addition to their duties as members of the community mental health or intellectual disability board. Officers of the board are also officers of the mental health or intellectual disability taxing district (KRS 210.470).

Revenue Sources. Member local governments are the first source of revenue for the district through appropriations. When, in the opinion of the board, the local governments have not appropriated enough to meet the needs of the service program, the mental health or intellectual disability boards may request, with the approval of the Cabinet for Health and Family Services, the fiscal courts to impose a special ad valorem tax in an amount no greater than 4 cents on each $100 of the assessed value of all property in the district (KRS 210.480).

Dissolution. KRS 210.370 to 210.485 do not provide any dissolution procedure. KRS 65.166 and 65.170 do not include mental health or intellectual disability boards within the definition of districts that may be dissolved pursuant to those sections. A district may otherwise be dissolved pursuant to KRS 65A.050.

Metropolitan Sewer Districts (KRS 76.005 To 76.210)

Purpose. The purpose of a joint metropolitan sewer district is to provide adequate sewer and drainage facilities in and around each city of at least 20,000 (KRS 76.010 and 76.080).

Creation. To create a district, the legislative body of such a city passes an ordinance declaring that such a district be created under the provisions of KRS 76.010 to 76.210 for the best interests of the city and its inhabitants, the mayor approves the ordinance, and the clerk of the legislative body of the city files a certified copy with the county judge/executive of the county where the city is located (KRS 76.020).

Governance. In counties other than those containing consolidated local governments, the board is composed of seven members. The mayor appoints four, with approval of the city legislative body, and the county judge/executive appoints three, with approval of the fiscal court. No more than one member may reside in any one state senatorial district. In a county containing a city of the first class, the county judge/executive, with approval of the fiscal court, appoints one additional board member, who may be a resident of any state senatorial district in the county (KRS 76.030). Not more than four members of a seven-member board (or more than five members of an eight-member board) can be affiliated with the same political party. The term of each member is 4 years, ending on July 1. A member is eligible to succeed himself or herself and continues in office until a successor has been appointed and qualified. Vacancies in the membership are filled for the unexpired portion of the term by the mayor or the county judge/executive, subject to the same approval.

Upon the establishment of a consolidated local government in a county where a city of the first class and a county containing that city have had in effect a cooperative compact pursuant to KRS 79.310 to 79.330, all board members are typically appointed by the mayor of the consolidated local government pursuant to the provisions of KRS 67C.139 for terms of 3 years.

Revenue Sources. The district may establish a schedule of rates, rentals, and charges to be collected from all real property within the district area served by the facilities of the district and may prescribe the manner and time for payment of rates, rentals, and charges (KRS 76.090). The district may not levy ad valorem taxes on any property for any purpose (KRS 76.140). The district may receive grants-in-aid from the federal government and the state.

Dissolution. No specific dissolution process is provided in the authorizing chapter. This district is not subject to the general provisions of KRS 65.166 or 65.170. A district may otherwise be dissolved pursuant to KRS 65A.050.

Municipal College Support Districts (KRS 165.175)

Purpose. A municipal college support district may be created to provide funding for a municipal college in a county with a city of at least 20,000 according to the most recent federal decennial census, if the city has a municipal college.

Creation. With the authorization of the legislative body of such a city, the fiscal court establishes the district. Its territory is the area of the county outside the city.

Governance. The fiscal court is the governing body of the district.

Revenue Sources. The fiscal court, upon the approval of the public through a referendum, may establish a tax of 5 to 14 cents per $100 assessed valuation of all property in the district.

Dissolution. No specific dissolution language is set out in statute. A district may otherwise be dissolved pursuant to KRS 65A.050.

Nontaxing Solid Waste Districts (KRS 109.041(13))

Purpose. The fiscal court may create a solid waste district to collect solid waste.

Creation. KRS 109.041(13) allows a fiscal court to create a solid waste district by ordinance. No other methodology is specified.

Governance. No governing body is specified.

Revenue Sources. No revenue source is specified, but taxation is clearly prohibited.

Dissolution. No specific dissolution process is provided in the authorizing section. The district is not subject to the general provisions of KRS 65.166 to 65.170. A district may otherwise be dissolved pursuant to KRS 65A.050.

Nontaxing Waste Management Districts (KRS 109.041(13) And 109.115 To 109.270)

Purpose. A nontaxing waste management district is created to exercise the powers of the county for solid waste management.

Creation. Nontaxing waste management districts are created by the fiscal court by ordinance in accordance with KRS 65.182 or may be created by petition according to KRS 109.270 (KRS 109.115).

Governance. The management district is controlled and managed by a board of directors selected as follows:

- For a county that does not contain a consolidated local government, one of these two arrangements is used:
  - Each county judge/executive (or appointee) of each county represented in the district serves, as well as the mayor (or appointee) of the most populous city in each county. An additional member may be appointed to represent the proportional urban-rural distribution.
  - The county judge/executive makes appointments with confirmation by the respective fiscal court. Multicounty districts' boards are apportioned among the participating counties in ratio to their population, with each county having at least one member. The mayor of the most populous city in each county serves, also. In some instances, when counties have multiple members, the urban-rural population comes into play.
- For a county containing a consolidated local government, the mayor of that government makes appointments as follows with the approval of that government's legislative body:
  - Three residents, one from each of the three commissioner's districts in the county, provided that no two members can reside within the same state Senate district
  - One county resident who also resides within and represents the urban services district within the consolidated local government
  - One county resident submitted by the organization representing the largest number of cities within the county that does not have statewide membership

- One county resident who does not reside within a city or the urban services district in the county
- One county resident submitted by the association representing the largest number of waste management entities operating within the county (KRS 109.115).

The Supreme Court has overturned certain statutory provisions relative to the operation of the districts within the boundaries of a county containing a consolidated local government.[54]

Revenue Sources. This district cannot levy or collect ad valorem property taxes. The district charges service fees and receives revenue from other sources (KRS 109.140).

Dissolution. No specific dissolution process is provided. A district may otherwise be dissolved pursuant to KRS 65A.050. Waste management districts formed by petition under the provisions of KRS 109.270 may be dissolved using KRS 65.166 to 65.176 (KRS 109.270).

Public Health Taxing Districts (KRS 212.720 To 212.755)

Purpose. Created in counties that did not have a health department as of 1968, public health taxing districts provide for health programs and for the creation of facilities for public health (KRS 212.750).

Creation. By operation of law, public health taxing districts were established in every county of the commonwealth that lacked them, except counties containing cities of the first class or a consolidated local government (KRS 212.750).

Governance. The members of the county or city-county board of health, or the urban-county department of health, are the governing body of the public health taxing district. They perform attendant duties in addition to their duties as members of the county or city-county board of health or urban-county department of health. The officers of the county or city-county board of health or urban-county department of health are the officers of the public health taxing district (KRS 212.750).

Revenue Sources. Public health taxing districts may request the legislative body of the county government to impose by resolution a special ad valorem public health tax in an amount no greater than 10 cents on each $100 of the assessed valuation of all property in the district (KRS 212.725 and 212.755).

Dissolution. KRS 212.720 to 212.755 do not provide any dissolution procedure. KRS 65.166 and 65.170 do not include public health taxing districts within the definition of districts that may be dissolved pursuant to those sections. A district may otherwise be dissolved pursuant to KRS 65A.050.

Public Road Districts (KRS 184.010 To 184.300)

Purpose. A district may be created in counties (and within certain cities) to provide for road and appurtenant structure creation to include sidewalks. This district is different from a subdivision road district. The public road district does not provide improvements to county or state roads (KRS 184.010).

Creation. A public road district is a nontaxing district created by the nontaxing district creation procedure set out in KRS 65.810. The sponsors of the road district must craft a map showing, among other items, the road to be improved, a measurement of the linear feet pertaining to each resident abutting the section of road to be improved, and a cost estimate of the improvement prepared by a licensed engineer (KRS 184.020).

Governance. A public road district is governed by a three-member board of directors, appointed by the county judge/executive with the approval of the fiscal court. The board members must be residents of the district (KRS 184.060).

Revenue Sources. A public road district does not levy taxes. The costs of the improvements are assessed against the homeowners of the district based on the linear feet of exposure of property to the affected roads (KRS 184.120). The property owners are allowed 10 years to pay their portion of the assessment if they enter into such an agreement (KRS 184.140 and 184.150). If no agreement is entered into in the permitted time, the entire assessment is due at once (KRS 184.160). Early retirement of an assessment is permitted (KRS 184.180).

The board of directors may, in its discretion, issue interest-bearing apportionment warrants against each parcel of property or may direct the issuance and sale of road district bonds. No bonds are to be issued unless the aggregate amount of installment payments, subsequent to the first cash payment, is $1,000 or more (KRS 184.240 to 184.260).

Dissolution. A public road district is not designed to exist in perpetuity. When the affairs of the district have been completed, the directors and officers, by verified petition, ask the county judge/executive for a dissolution of the district. The petition includes an accounting of all money received and disbursed by the district and is referred to the county judge/executive. Upon approving the petition, the county judge/executive will release the officers, the directors, and their sureties (KRS 184.080).

Rescue Squad Taxing Districts (KRS 39F.160 To 39F.210)

Purpose. Rescue squads perform rescue activities. There are general rescue squads and specialized rescue squads. Under certain circumstances, each may perform specified duties of the other. A general rescue squad may perform the following functions:

- Light-duty rescue
- Extrication of persons from vehicles
- Water rescue and recovery operations, not using divers
- Low-angle and high-angle rescue and recovery operations
- Search for lost, trapped, or missing persons, not using dogs

Specialized rescue activities include the following:

- Cave rescue
- Water rescue and recovery operations, using divers
- Search for lost, trapped, or missing persons, aircraft, or vehicles, using aircraft (this component of the definition of *specialized rescue activities* does not apply to licensed air ambulances, active or reserve military organizations, the National Guard, or the Civil Air Patrol)
- Search for lost, trapped, or missing persons, using dogs (KRS 39F.010)

Creation. The fiscal court may create a rescue squad taxing district pursuant to KRS 65.182 or 65.188 (KRS 39F.160).

Governance. The affairs of a rescue squad taxing district are controlled by a board of directors appointed by the county judge/executive, the mayor of an urban-county, or the chief executive of another local government with the approval of the legislative body of that jurisdiction. The number and distribution of directors of the board are determined by how many local jurisdictions constitute the district.

- If the district consists of one county, three directors are appointed.
- If the district consists of two counties, the county judge/executive of the county having the greater portion of the population of the district appoints two directors and the county judge/executive of the other county appoints the third director.
- If the district consists of more than two counties, the county judge/executive of the county having the greatest portion of the population of the district appoints two directors and the county judges/executive of the remaining counties in the district each appoint one director.
- The legislative body of each city of at least 3,000, according to the most recent federal decennial census, shall appoint one additional director; if there is no such city in the district, the city with the greatest population according to the most recent federal decennial census appoints one additional director (KRS 39F.160).

Revenue Sources. KRS 39F.160 allows a rescue squad taxing district to collect up to 10 cents per $100 assessed valuation of all property in the district. Rescue squad districts can also apply for state and federal grant money. KRS 39F.100 to 39F.150 allow participation in the Rescue Aid Program, which is funded through the state budget. This is a competitive grant program.

Dissolution. KRS 39F.160 to 39F.210 do not provide a dissolution procedure. KRS 65.166 and 65.170 do not include rescue squad taxing districts within the definition of districts that can be dissolved pursuant to those two sections. A district may otherwise be dissolved pursuant to KRS 65A.050.

Riverport Authorities (KRS 65.510 To 65.650)

Purpose. The purposes of a riverport authority are to establish, maintain, operate, and expand necessary and proper riverport and river navigation facilities, and to acquire and develop property, or rights therein, within the economic environs, the home county, or any adjacent county of the riverport or proposed riverport to directly or indirectly attract river-oriented

industry. It can promote and develop navigation, river transportation, riverports, and riverport facilities and attract industrial or commercial operations to the property held as industrial parks (KRS 65.530).

Creation. Any governmental unit by an act of its legislative body, or any two or more governmental units acting jointly by acts of their legislative bodies and with the approval of the Transportation Cabinet, may establish a developmental riverport authority (KRS 65.520).

Governance. An authority is composed of a base of six members under KRS 65.540; additional appointments are allowed in the following circumstances:

- If a city establishes the authority, the mayor appoints the members.
- If a county establishes the authority, the county judge/executive appoints the members with the approval of the fiscal court.
- If the authority is established as a joint city-county riverport authority, the mayor appoints three members and the county judge/executive appoints three, to terms as provided in KRS 65.540(2). The mayor may appoint himself or herself, or a member of the city legislative body, as one additional member of the authority, and the county judge/executive may appoint himself or herself, or a member of the fiscal court, as one additional member of the authority for a term of 2 years, provided that those persons may not serve on the authority after the expiration of their terms as elected officials.
- If a combination of cities or counties or both establishes a joint riverport authority, the mayors and county judges/executive involved jointly choose six members for terms as provided in KRS 65.540(2) and jointly choose successors and may agree to appoint a mayor or a member of a city legislative body and a county judge/executive or a member of a fiscal court as two additional members of the authority for terms of 2 years, provided that those persons may not serve on the authority after the expiration of their terms as elected officials.

Revenue Sources. The legislative body of a governmental unit creating a riverport authority may appropriate funds for the use of the authority. In lieu of that appropriation, the legislative body of the governmental unit may make an annual levy to collect a tax on taxable property within its boundaries. The authorizing statute, KRS 65.580, defines no limit. The authority may borrow money on its own credit (KRS 65.590). The authority may also issue revenue bonds (KRS 65.600). The authority may issue contracts for the use of its facilities, presumably also generating income for the authority (KRS 65.610).

Dissolution. KRS 65.550 sets out provisions for withdrawal of a member city or county, as well as for dissolving the riverport authority through mutual written agreement among the membership of the governmental units that it comprises.

Sanitation Districts And Construction Subdistricts (KRS 220.010 To 220.613)

Purpose. Sanitation districts and construction subdistricts are established to transport and treat sewage and other liquid wastes produced in the district, to collect and dispose of storm drainage, and to prevent and correct stream pollution resulting from sanitary sewage deposition and storm water runoff (KRS 220.030).

Creation. The secretary of the Energy and Environment Cabinet, as commissioner of sanitation districts, may establish sanitation districts in any county of the commonwealth when conditions set forth in KRS 220.010 to 220.520 are certified to exist (KRS 220.020). The commissioner must receive a petition containing valid signatures of 60 percent of those in possession claiming as freeholders within the boundaries of the territory proposed to be organized into a district (KRS 220.040).

Governance. A three-member board of directors is appointed; it controls and manages the affairs of the sanitation district. If the district lies wholly within a single county, its judge/executive appoints all of the directors. If the district lies within two counties, the judge/executive of the county in which the greater portion of the population of the district resides may appoint two directors and the judge/executive of the other county appoints the third. If the district lies within more than two counties, the judges/executive of all the counties jointly select the directors, but each director must reside in a different county. No fewer than two of the directors can be freeholders, and no more than two can be affiliated with the same political party. If the district is coextensive with the boundaries of two or more counties, the judge/executive of the most populous county appoints four directors and the county judge/executive of each remaining county appoints two. All appointments by county judges/executive are subject to the approval of the respective fiscal courts (KRS 220.140).

Revenue Sources. The board of directors may levy one, two, or three annual taxes, which need not be in successive years, in an amount no greater than 15 cents on each $100 of the assessed valuation of all property in the district, to be used for paying the expenses of organization, surveys, and plans, and for other incidental expenses that may be necessary up to the time money is received from the sale of bonds (KRS 220.360 and 220.380). The board levies user fees for the actual usage of the sewer facilities (KRS 220.510, 220.515, 220.520, and 220.542).

Dissolution. KRS 65.166 and 65.170 provide for dissolution of sanitation districts or construction subdistricts via petition or ordinance. Either approach requires public notice and a public hearing before any action. Districts may also be dissolved pursuant to 220.115, which also requires notice and a hearing but contemplates a failure of service that would precipitate dissolution.

Sanitation Tax Districts (KRS 76.274 To 76.279)

Purpose. A sanitation tax district provides sanitation and drainage facilities in each county containing a city of the first class. A district cannot operate in the following areas:

- Territory in the district area of a metropolitan sewer district
- Sewered areas connected to the district facilities of a metropolitan sewer district
- Sewered areas that have paid or are paying a capital investment recovery fee to reimburse a metropolitan sewer district for that portion of its capital expenditures equitably allocable to the sewered area (KRS 76.274).

Creation. The district is created by resolution of the fiscal court acting on its own initiative or on petition from a metropolitan sewer district (KRS 76.276).

Governance. A five-member board, appointed by the county judge/executive, governs the district. No more than three members can be of the same political party. Each member must be at least 25 years old and a resident of the county. No officer or employee of a city or county, whether in a paid or unpaid position, is eligible for appointment to the board (KRS 76.277).

Revenue Sources. The board may levy an ad valorem tax on the real property in the district, not exceeding limits designated by the Constitution of Kentucky. The board decision to levy a tax and the rate are subject to Chapter 424 notice provisions. If 15 percent of voters object and sign a petition, the county judge/executive may suspend the rate or the fiscal court may pass a resolution suspending the rate (KRS 76.278). The district may issue bonds (KRS 76.279).

Dissolution. No specific dissolution process is provided in the authorizing chapter. The district is not subject to the general provisions of KRS 65.166 or 65.170. A district may otherwise be dissolved pursuant to KRS 65A.050.

Sewer Construction Districts (KRS 76.295 To 76.420)

Purpose. Where a metropolitan sewer district has been established, the resident freeholders may establish a sewer construction district for the purpose of providing sewers, drainage facilities, or both to serve the district (KRS 76.300 and 76.325).

Creation. In counties containing a metropolitan sewer district, the county judge/executive is not to accept for filing a petition unless the sewer construction district will not interfere with the orderly operation and expansion of the metropolitan sewer district (KRS 76.295). Resident freeholders file a petition and the county clerk gives notice of the filing by publication pursuant to KRS Chapter 424 and by posting notices in three public places in the proposed district. Within 30 days after publication, any freeholder of the proposed district may file objections, and the county judge/executive sets the case for hearing at the first rule day after the 30 days. If the county judge/executive finds that the establishment of the district is reasonably necessary for the public health, convenience, and comfort of the residents of the district, he or she establishes the district and designates it by name and number (KRS 76.305).

Governance. The county judge/executive, with the approval of the fiscal court, appoints three commissioners from among the residents of the sewer construction district. One of the commissioners is appointed for a term of 2 years, one for a term of 3 years, and one for a term of 4 years. Upon expiration of the term of commissioners, the county judge/executive, with approval of the fiscal court, appoints a commissioner to succeed the commissioner whose term has expired, to serve for a term of 4 years (KRS 76.315). A commissioner may be removed from office as provided by KRS 65.007.

Revenue Sources. When the cost of construction of the planned sewers or drains has been ascertained, the commission is to assess property (KRS 76.360). Landowners may pay immediately or may finance their assessment over a period of 10 years. (KRS 76.360 and 76.365). The commissioners may finance the cost of construction by the issuance of revenue bonds (KRS 76.366).

Dissolution. On completion of collection of assessments, distribution of funds, and retirement of all bonds, a sewer construction district may be dissolved by order of the county judge/executive (KRS 76.370).

Sewer Construction Subdistricts (KRS 76.241 To 76.273)

Purpose. In areas of particular need, construction subdistricts may be formed as a part of the larger metropolitan sewer district created under KRS 76.005 to 77.295 (KRS 76.005 and 76.242).

Creation. The district may establish a construction subdistrict when at least 25 percent of the freeholders of land sought to be included in the construction subdistrict file their petition with the district. When the petition is filed, the district gives notice of the filing by publication pursuant to KRS Chapter 424. If the district finds that the establishment of the construction subdistrict is reasonably necessary for the public health, convenience, and comfort of the residents of the subdistrict, it makes an order establishing the construction subdistrict and designating it by name and number (KRS 76.241). The district may then make and publish an order creating the construction subdistrict, and its order as provided in KRS 76.246(2), without further action being required, and may carry out the plan for improvements without further recourse to the statutory provisions and formalities (KRS 76.241).

If the owner or owners of all property proposed to be included in a construction subdistrict tender to the district a written request or requests that the district proceed immediately with the creation of a construction subdistrict and the construction and installation of sewer facilities as provided in KRS 76.241 to 76.273, they waive all formalities and substantive rights contained in KRS 76.241.

Governance. Sewer construction subdistricts are governed by the metropolitan sewer district board created under KRS 76.030 (KRS 76.005).

Revenue Sources. For facilities designed to serve the construction subdistrict, the district may, pursuant to KRS 76.243, adopt a method of assessment of benefited property on the basis of acreage or any other equitable basis set forth in the order (KRS 76.251).

Dissolution. If the board should determine that a proposed construction subdistrict sewer or drainage construction project, once found feasible, should no longer appear feasible, or should a change in circumstances make it appear that some alternative to a construction subdistrict represents a more desirable and feasible way of undertaking such sewer or drainage construction, the board, in its sole discretion, may make an order abolishing the construction subdistrict, and the order shall be published pursuant to KRS Chapter 424 (KRS 76.244).

Soil And Water Conservation Districts (KRS 262.010 To 262.660)

Purpose. Soil conservation districts conserve and develop all natural resources in their jurisdiction. Their activity includes but is not limited to conservation practices on agricultural lands; control of soil erosion; retardation of water runoff; construction of flood prevention and control reservoirs; maintenance of floodplains; promotion of projects to assure adequate

municipal, industrial, and agricultural water supplies; watershed stabilization; avoidance and abatement of sedimentation and pollution in streams and other bodies of water; forestation and reforestation; establishment of parks and outdoor recreation areas; protection of open space, greenbelt areas, and scenery; preservation of wilderness areas; protection of fish and wildlife; and working for the location of highways, industries, housing developments, airports, and other structures (KRS 262.020).

Creation. Any 25 members of the proposed area of the district may petition the Soil and Water Conservation Commission for the creation of a district (KRS 262.100). Within 30 days of the submission of a petition, the commission schedules a hearing to determine whether a soil conservation district is necessary (KRS 262.110). If the commission determines one is necessary, a public referendum is held for the voters within the boundaries of the proposed district (KRS 262.120). The commission reviews the results of the referendum, and if the creation of a district is feasible, it proceeds with organization of the district under KRS 262.150 (KRS 262.140).

Governance. Soil conservation districts are governed by a seven-member elected board of supervisors. When created, the board includes a portion of the membership that is appointed by the Soil and Water Conservation Commission. Thereafter, the board is elected (KRS 262.200 to 262.220 and 262.240).

Revenue Sources. A soil conservation district may receive money from fiscal courts and from the levy of a millage tax (KRS 262.200). Districts that invite local governments to participate with them may receive money from the local government's general funds (KRS 262.260). The district may accept contributions in money, services, materials, or otherwise from the United States or any of its agencies, or from this state or any of its agencies, and may use or expend those services, money, materials, or other contributions in carrying on its operations (KRS 262.340).

Dissolution. At any time after 5 years from the organization of a district, 25 percent of the owners of land lying within its boundaries may file a petition with the Soil and Water Conservation Commission asking that the district be discontinued. The commission may conduct public meetings and public hearings on the petition for discontinuance as may be necessary to assist in its consideration (KRS 262.530). Within 60 days after the commission receives a petition for discontinuance of a district, it is to give due notice of the holding of a referendum, supervise the referendum, and issue appropriate regulations governing the conduct of the referendum (KRS 262.540). Once the referendum is held, the commission reviews the results and considers them in its determination of whether to discontinue the district. The commission may continue a district only when a majority of the voters in the referendum vote to continue it (KRS 262.550). A petition to discontinue is to be entertained no more often than once every 5 years (KRS 262.580).

Solid Waste Management Districts (KRS 109.011 To 109.310)

Purpose. Solid waste management districts provide solid waste management services for cities (see KRS 109.260) and counties or joint jurisdictions, subject to the regulations promulgated by the Energy and Environment Cabinet (KRS 109.011).

Creation. A county, or two or more counties, may establish a district pursuant to KRS 65.182 (KRS 109.115), or under the petition process set out in KRS 109.270.
Governance. A solid waste management district is governed by a board of directors whose composition and appointment are variable, depending on the jurisdictions incorporated (KRS 109.115).

Revenue Sources. The board may levy an annual tax not to exceed 10 cents on each $100 of assessed valuation of real property in the area subject to taxation for county purposes. The proceeds of the tax are used for solid waste management expenses of the area and for redemption of any bonds issued. The board may, in lieu of this tax or in addition to it, finance the maintenance, operation, and capital acquisition costs of the area by fees to be collected from all persons receiving services from the area. The charges shall be fixed in amounts as can be reasonably expected to yield revenues not in excess of the cost of operation and maintenance of the system and for an adequate depreciation fund and amortization of capital acquisition costs (KRS 109.056).

Dissolution. No specific dissolution process is provided in the authorizing chapter. The district is not subject to the general provisions of KRS 65.166 or 65.170. A district may otherwise be dissolved pursuant to KRS 65A.050.

Subdivision Road Districts (KRS 179.700 To 179.735)

Purpose. Subdivision road districts are established within a subdivision for the maintenance of public roads that are not state or county roads (KRS 179.700(2)).

Creation. The district may be created in accordance with the procedures of KRS 65.182 that allow for a petition (KRS 179.705).

Governance. The district is governed by a board of seven members—three appointed by the county judge/executive and four elected by residents in the district. The trustees elect from their number a chair, a secretary, and a treasurer (KRS 179.715).

Revenue Sources. The district may levy a special ad valorem tax of no more than 10 cents on each $100 of the assessed valuation of property in the district (KRS 179.705 and 179.720).

Dissolution. No specific dissolution process is provided. The district is not subject to the general provisions of KRS 65.166 or 65.170. Territory may be stricken via petition and decision of the county judge/executive or via public hearing if written objections are presented. A district may otherwise be dissolved pursuant to KRS 65A.050.

Transportation Improvement Districts (KRS 184.350 To 184.395)

Purpose. Transportation Improvement Districts may engage in the provision of highways or parking facilities; freight rail tracks and appurtenant facilities; transportation projects including bridges, tunnels, overpasses, underpasses, interchanges, or approaches that are determined by the district to enhance the safe conduct of traffic between a project and highways; and buildings, property and facilities that are necessary for the operation of projects. The district may acquire property to execute these projects (KRS 184.350).

Creation. Cities and counties through action by their legislative bodies create transportation improvement districts (KRS 184.353). Up to three counties may form a single district.

Governance. The district is governed by a board of trustees appointed for terms of 4 years (KRS 184.353). The composition of the board varies as to the participating local governments creating the district.

- A district established by a city has five voting members appointed by the city legislative body and one nonvoting member appointed by the regional planning commission for the county.
- A district established by a single county has five voting members appointed by the county legislative body, one nonvoting member appointed by the legislative body of the largest city in the county, and one nonvoting member appointed by the regional planning commission for the county.
- A district established by two counties has six voting members (each participating county appoints three), one voting member appointed by the district's board of trustees themselves, two nonvoting members (the largest city in each participating county appoints one), and one nonvoting member appointed by the regional planning commission for the counties making up the district.
- A district established by three counties has nine voting members (each county appoints three), three nonvoting members (the largest city in each county appoints one), and one nonvoting member appointed by the regional planning commission for the counties making up the district.

Revenue Sources. The district is empowered to issue notes, bonds, revenue anticipation instrument and other obligations (KRS 184.357, 184.365 and 184.367). It may accept loans and grants from federal, state, or local entities. It may accept money, property, labor, or other things of value from any source (KRS 184.355).

Dissolution. KRS 184.350 to 184.395 contain no specific methodology to dissolve a transportation improvement district. The district is not subject to the general provisions of KRS 65.166 or 65.170. A district may otherwise be dissolved pursuant to KRS 65A.050.

Urban Services Districts (KRS 108.010 To 108.075)

Purpose. Urban services districts serve the public interest and provide a means of meeting problems of local government in urban areas. An urban services district can provide police and fire protection, sidewalk construction, library services, refuse collection and disposal, sewer and water control, streetlight lighting and cleaning, and recreational endeavors (KRS 108.020 and 108.010).

Creation. The district may be created in accordance with the procedures of KRS 65.810 (KRS 108.050). Persons desiring to form a district present the fiscal court clerk and each fiscal court member a petition that meets the criteria of KRS 65.815, signed by a number of registered voters equal to or greater than 20 percent of an average of the voters living in the proposed service area and voting in the last four general elections (KRS 65.810).

Governance. The governmental and corporate authority of the district is vested in a district council, which is the legislative and policy-making body, and a district director, who is the chief executive officer and presides over council meetings. The director has no right of veto over council actions (KRS 108.030).

The council is composed of five members, to be elected for a term of 4 years at the next general election after creation of the district. At the expiration of their terms, vacancies are filled in accordance with the general election laws of the state. Members of the council must be qualified voters of the district, and a member vacates a position by removal of residence from the district. Vacancies are filled by appointment by the governor for the remainder of the term. Members serve until their successors are elected and qualified (KRS 108.030).

Revenue Sources. The district may collect fees for services performed and may levy assessments consistent with law and in such amounts as the council deems necessary to carry out district functions (KRS 108.020).

Dissolution. A district may be dissolved pursuant to KRS 65.164 to 65.176.

Water Districts (KRS 74.010 To 74.415)

Purpose. Any county may create a water district to provide a water supply for the citizens in the district. The board of the water district may also create a fire protection district (KRS 75.075). In certain instances, the water district can see to the provision of gas and sewage services (KRS 74.120 and 74.400).

Creation. Before a fiscal court creates a water district using the provisions of KRS 65.810, a committee of not fewer than five resident freeholders of the geographical area sought to be served with water facilities by the proposed district or the proposed water association must formally apply to the Public Service Commission seeking authority to petition the appropriate county judge/executive for establishment of a water district, or to proceed to incorporate or otherwise create a water association (KRS 74.012).

Governance. A water district is administered by a board of commissioners, which controls and manages district affairs (KRS 74.020). The ordinary term of each commissioner is 4 years. Members of the board must be residents of the district, or of any incorporated or unincorporated area served by the district in the county where the district was originally established; they are appointed by the county judge/executive with the approval of the fiscal court.

- If a district lies wholly within a single county, or operates as a single-county district, the board of commissioners is composed of three or five members as the county judge/executive determines. Initial appointments are for terms of 2, 3, and 4 years, as designated by the court.
- If a district formed in a single county extends its area to include territory in one or more adjacent counties as provided by KRS 74.115, the board of commissioners is appointed by the appropriate county judges/executive, with the approval of the respective fiscal courts, as follows:
  - In two-county districts, three members are appointed from the original district and two members from the extended portion of the district.
  - For extensions into three or more counties, the respective county judges/executive, with the approval of the respective fiscal courts, appoint, in addition to the existing membership of the commission, two members from the original one-county district and two members from the newly extended portion of the district.
- If a district acquires an existing water or gas distribution system serving an area that extends beyond the boundaries of the district into one or more additional counties, or if a district extends its area to include territory in one or more adjacent counties as provided by KRS 74.115, it may operate the acquired or extended distribution system without adding board members, if the new area to be served is deemed a minor portion of the total area served by the district, and if the fiscal court of the county containing the minor portion of the total area agrees to the acquisition or extension of the distribution system.

Vacancies are filled by the appointing authority that is empowered to make the original appointment (KRS 74.040).

Revenue Sources. The commission may establish water rates and make reasonable regulations for the disposition and consumption of water (KRS 74.080). Water districts are specifically allowed to levy late payment charges in the amount of 10 percent of the bill (KRS 278.0154). Emergency orders or other laws or guidance issued during an emergency cannot remove this authority or interfere with the termination of a subscriber's water service (KRS 39A.290). The district can also issue bonds (KRS 74.180 and 74.290).

Dissolution. At any time after the organization of a water district, and after approval by the Public Service Commission in a proceeding similar to that provided by KRS 74.012, more than 50 percent of the freeholders within the district may file a petition with the county judge/executive who had jurisdiction over the organization of the district, requesting discontinuance of the water district. The petition is to state the reasons for discontinuance and that all obligations of the district have been met and that approval of the Public Service Commission has been obtained. The water district is then dissolved by order of the county judge/executive after hearings have been conducted, and a copy of the order is forwarded to the Public Service Commission (KRS 74.367).

Watershed Conservancy Districts (KRS 262.700 To 262.795, 262.990)

Purpose. Watershed conservancy districts, subdistricts of a soil conservation district, may be formed in a watershed area for the purpose of developing and executing plans and programs relating to any phase of water conservation, water usage, flood prevention, flood control, erosion, floodwater, and sediment damage (KRS 262.700).

Creation. When 25 or more landowners in a proposed watershed conservancy district (or, if fewer than 50 landowners are involved, a majority of the landowners in the proposed district) desire to form a watershed conservancy district, they file a petition with the board of supervisors of the soil conservation district (KRS 262.707, 262.710 and 262.715). Within 30 days, the board of supervisors causes due notice of the hearing on the practicality and feasibility of creating the subdistrict (KRS 262.720). The board of supervisors then holds a referendum to record the affected property owner's wishes and forwards that result to the State Soil and Water Conservation Commission (KRS 262.725 to 262.735).

Governance. The board consists of at least five elected members who hold the office for 4 years. If a proposed watershed conservancy district lies in more than one soil conservation district, the supervisors of all the districts act as a joint board of supervisors in the formation and supervision of the watershed conservancy district (KRS 262.715).

Within 30 days after a watershed conservancy district is created, nominating petitions may be filed with the board of supervisors for the election of a board of directors consisting of five members, for terms of 4 years or until a successor is qualified (KRS 262.740).

If the territory within a watershed conservancy district lies within more than one soil and water conservation district, each additional district with the minority of the land involved in the watershed shall be entitled to elect three additional directors (KRS 262.740).

Revenue Sources. If the board determines a need for a conservancy district, the board of supervisors establishes a proposed maximum budget for the maintenance of the district, to be funded either by millage or flat rate sufficient to meet the budget (KRS 262.720 and 262.765).

Dissolution. If the board of a district fails to meet over the span of a year, or if it fails to prepare and fund a budget, the district may be discontinued (KRS 262.789). Notice is served to the board members by the soil and water conservation district board or the fiscal court of jurisdiction and is published pursuant to KRS Chapter 424. Persons owning land within the district may request a public hearing to discontinue the district, or the soil and water conservation district or fiscal court of jurisdiction may initiate discontinuance proceedings via a public hearing. A fiscal court of jurisdiction or the soil and water conservation district board hosts the public hearing and votes on the discontinuance. If the district is discontinued, the soil and water conservation district can take over the responsibilities of the former district. Short of discontinuing the district, land owners not seeing a benefit from the district's operations may petition to have their lands detached (KRS 262.785).

Chapter 11

Intergovernmental Relations

Intergovernmental relations cover the cooperation between levels of government and can be divided into three main categories:

- **Federal**
  - **Federal/State/Local.** Some federal-aid programs follow this route, whereby the state and the local government divide matching funds. For example, some projects are supported 50 percent by US funds, 25 percent by state funds, and 25 percent by local funds. The state, in those instances, may act as an intermediary.
  - **Federal/Local.** In some federal-aid programs, the state government is bypassed and the US agency deals directly with the local government.
- **State**
  - **State/Local.** One form of intergovernmental activity is state supervision of activities of local governments. For example, the state local finance officer supervises some of the financial functions of the county.
  - **Other.** The state also renders technical assistance to counties in such areas as planning and health.
- **Local**
  - **County/County.** Counties may cooperate with other counties in forming transit authorities or in any area of mutual interest. Kentucky counties may also cooperate with counties in adjoining states (KRS 65.230 and 65.240).[55]
  - **County/City.** These units of government may cooperate in areas of mutual advantage, such as forming a planning commission.
  - **County/Special District.** The special district is a political subdivision within the county. In most instances, the sheriff collects taxes for special districts.

Areas of cooperation between governmental units are numerous; these examples are not a complete list. KRS 67.083 enables and encourages counties to exercise their powers, other than the power to tax, in cooperation with other counties, cities, special districts, and the state. This section sets criteria for contracts relating to intergovernmental cooperation but does not require approval of the Department for Local Government, as does the Interlocal Cooperation Act (KRS 65.210 to 65.300).

Interlocal Cooperation Act

In a number of instances, the statutes authorizing various services provide for cooperation between local governments. For example, counties and cities may create joint planning and zoning commissions (KRS 100.121) or housing authorities (KRS 80.262). The Interlocal Cooperation Act (KRS 65.210 to 65.300) gives local governments general authority to work together in providing services and facilities. Cooperative agreements have also been formed with local governments of neighboring states.[56]

The Interlocal Cooperation Act underwent a moderate overhaul in 2020. The list of entities to which it applies was expanded, and the ability to accept or remove parties to existing agreements was made more efficient. Any two or more public agencies are allowed to enter into agreements for purposes including but not limited to sharing revenues and physical assets (KRS 65.240).

When any of the following types of public agency intends to enter into an interlocal agreement, it must notify each of its establishing entities of that intent:

- Any agency, board instrumentality, or commission created by a local government
- Any taxing district as defined by KRS 65.180
- Any special purpose government entity as defined in KRS 65A.010(9)(a) to (c), including those entities that are exempt from the definition of special purpose governmental entity under the provisions of KRS 65A.010(9)(d)7 to 9.
- Any interlocal agency

It must also provide a copy of the proposed agreement, as well as other paperwork. The establishing entities have an opportunity to disapprove the proposal (KRS 65.241).

Pursuant to KRS 65.250, each interlocal agreement must contain the following elements:

- The purpose and duration of the agreement
- If the agreement creates an interlocal agency:
    - The organization, composition, authority, and nature of the interlocal agency, including the terms and qualifications of the members of the governing authority and their manner of appointment or selection
    - A statement of the powers delegated to the interlocal agency or any restrictions, limitations, or conditions the contracting parties wish to place on those powers
    - A general statement of any responsibilities of the interlocal agency to the parties that established it
- The manner of financing the joint or cooperative undertaking and of establishing and maintaining a budget therefor; said agreement for financing the joint or cooperative undertaking shall include agreements relative to the respective responsibilities of the public agencies involved for the payment of the employer's share involved in any pertinent pension plan or plans, if any, provided for by KRS 65.280
- The permissible method or methods to be employed in accomplishing the partial or complete termination of the agreement, including the method for disposing of property upon such partial or complete termination
- Termination consent conditions when the contract concerns the sharing of specified occupational or insurance premium tax revenue between a city and a county
- Any other necessary and proper matters

Most interlocal agreements must be reviewed by either the attorney general or the Department for Local Government before the terms of the agreement may be enforced. If the agreement involves only local governments or an agency, board, instrumentality, or commission created by one or more local governments, it goes to the Department for Local Government. Agreements involving all other parties go to the attorney general. If an agreement involves the construction, reconstruction, or maintenance of a city road or bridge, or if the agreement is between school

boards and local governments, then it does not need to be reviewed by the attorney general or the Department for Local Government (KRS 65.260).
If an agreement is to be amended only to admit or remove parties to the agreement, review by the attorney general or Department for Local Government is not required. The amended agreement need not be filed with the secretary of state (KRS 65.242).

Copies of interlocal agreements, other than those merely adding or removing parties to the agreement, are to be filed with the secretary of state (KRS 65.290).

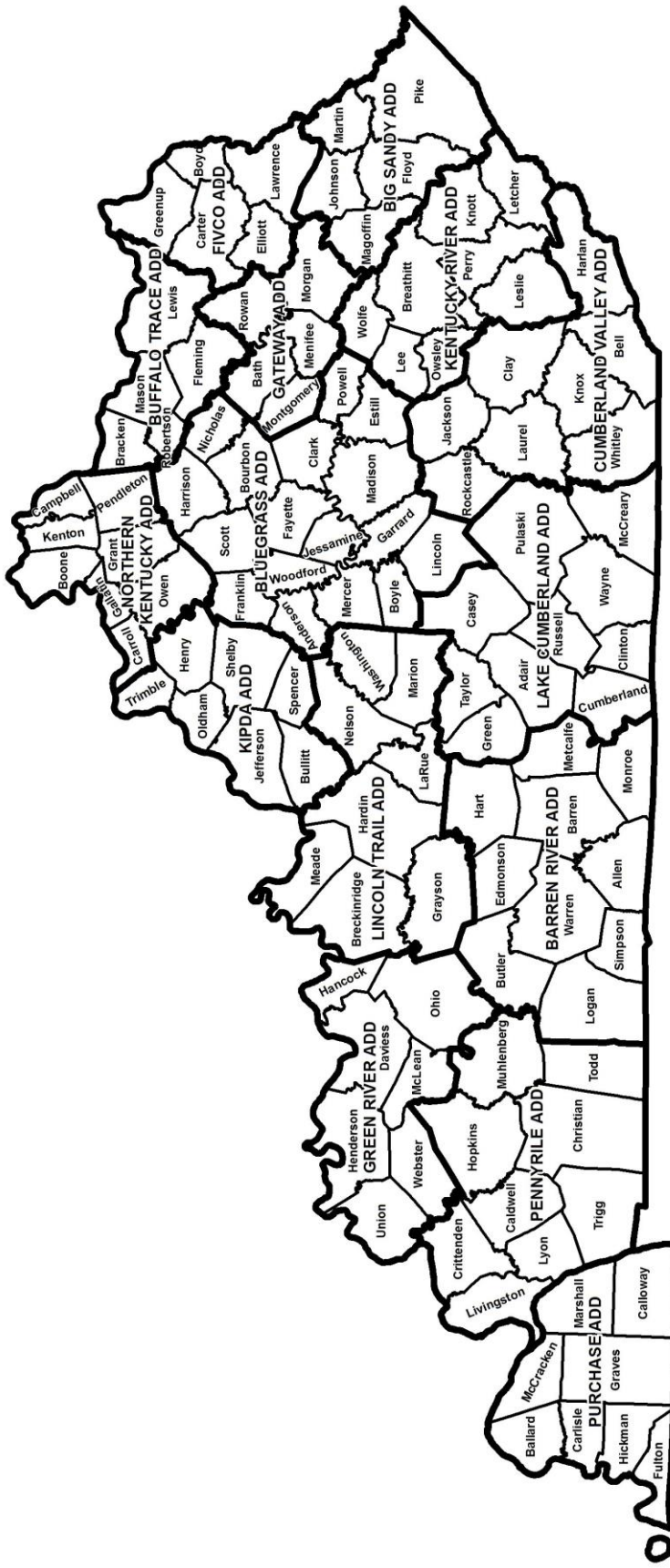
Appropriations From One Local Government To Another

Counties may appropriate funds to the cities within their borders to perform necessary government functions. Cities may do the same for the counties in which they are located. The ordinance appropriating the funds must specify the purposes for which the money may be used. The county or city receiving funds must account at least twice a year to the grantor on the expenditure of the funds (KRS 65.157).

Area Development Districts

KRS 147A.050 establishes and defines the boundaries of 15 area development districts, identified in Figure 11.A. Area development districts provide research and planning assistance to local planning agencies, coordinate state and federal grants, and prepare areawide development plans (KRS 147A.080 and 147A.090). Each district is governed by a board of directors composed of local government officials and citizens selected through procedures set out in KRS 147A.060 and 109 KAR 5:010. Under KRS 147A.004, the Department for Local Government has the authority to regulate the operation of area development districts, to distribute state and federal funds to the districts, and to require audits and financial reports.

Figure 11.A
Area Development Districts



Source: Kentucky Division of Geographic Information.

State Government Agencies

Department For Local Government

This department acts as a liaison between local and state governments, and between the state and certain federal government programs. It provides technical assistance and information to units of local government and works directly with area development districts (KRS 147A.021). The department conducts an annual training program to instruct county clerks, sheriffs, jailers, and county treasurers in the proper procedures for the collection and expenditure of public money under their respective jurisdictions (KRS 147A.025). The department also conducts continuing education training for the officials listed under KRS 64.5275. The department assumed the duties assigned to the state local finance officer in KRS Chapters 65, 68, and 131 relating to the control of local government funds. When local governments and their agencies enter into interlocal agreements under KRS 65.210 to 65.300 (except agreements involving the construction, reconstruction, or maintenance of a city road or bridge, or agreements between school boards and local governments), the department reviews those agreements (KRS 65.260). The department also is the nexus for the reporting to state government by special purpose governmental entities as set out in KRS Chapter 65A. It hosts the database of financial and administrative information required to be submitted under the chapter.

State Local Finance Officer

The state local finance officer is the commissioner of the Department for Local Government or the commissioner's designated agent (KRS 68.001). This officer provides technical assistance and information to units of local government on fiscal management, purchases, contracts, and other matters. The officer coordinates for the governor the state's general revenue sharing for local government and acts as a liaison with state and federal agencies. The officer also trains local officials in the management of public money and exercises all administrative functions regarding county and local government budgets as provided in KRS 68.210 to 68.360 (KRS 147A.020).

State Local Debt Officer

The state local debt officer is the commissioner of the Department for Local Government or the commissioner's designated agent (KRS 66.011). This officer studies debt management and publishes information on local government long-term debt and other data, which can be accessed at the department's website, kydlgweb.ky.gov/index.cfm. To compile the information, the officer may require reports from local governments and may collect information from the state. The officer also exercises all administrative functions regarding local government bonds as provided in KRS 66.045 (KRS 147A.020).

Governmental Services Center

At the request of the Department for Local Government, the Governmental Services Center, which is attached to the Kentucky Personnel Cabinet and is located at Kentucky State University,

may assist agencies of county government in conducting employee and management training programs (KRS 164.3571).

Appendix A

Counties With Populations, Seats, And Government Forms

County	2024 Population Est.	Seat	Form	Number Of Magistrates/ Commissioners
Adair	19,239	Columbia	MAG	7
Allen	22,037	Scottsville	MAG	5
Anderson	24,883	Lawrenceburg	MAG	6
Ballard	7,626	Wickliffe	MAG	5
Barren	45,609	Glasgow	MAG	7
Bath	12,951	Owingsville	COM	3
Bell	23,051	Pineville	MAG	5
Boone	144,135	Burlington	COM	3
Bourbon	20,333	Paris	MAG	7
Boyd	47,777	Catlettsburg	COM	3
Boyle	31,394	Danville	MAG	6
Bracken	8,497	Brooksville	MAG	8
Breathitt	12,804	Jackson	MAG	4
Breckinridge	21,221	Hardinsburg	MAG	6
Bullitt	85,802	Shepherdsville	MAG	4
Butler	12,551	Morgantown	MAG	5
Caldwell	12,611	Princeton	MAG	4
Calloway	38,975	Murray	MAG	4
Campbell	94,008	Newport	COM	3
Carlisle	4,777	Bardwell	MAG	3
Carroll	11,111	Carrollton	MAG	3
Carter	26,098	Grayson	MAG	5
Casey	15,948	Liberty	MAG	4
Christian	71,006	Hopkinsville	MAG	8
Clark	37,673	Winchester	MAG	6
Clay	19,592	Manchester	MAG	6
Clinton	9,183	Albany	MAG	6
Crittenden	8,982	Marion	MAG	6
Cumberland	6,047	Burkesville	MAG	4
Daviess	104,457	Owensboro	COM	3
Edmonson	12,635	Brownsville	MAG	6
Elliott	7,263	Sandy Hook	MAG	7
Estill	14,002	Irvine	MAG	3
Fayette	329,437	Lexington	UCG	15*
Fleming	15,591	Flemingsburg	MAG	6
Floyd	34,532	Prestonsburg	MAG	4
Franklin	52,442	Frankfort	MAG	6
Fulton	6,282	Hickman	MAG	4
Gallatin	8,805	Warsaw	MAG	4
Garrard	18,040	Lancaster	MAG	5
Grant	25,722	Williamstown	MAG	3
Graves	36,821	Mayfield	COM	3
Grayson	27,070	Leitchfield	MAG	6
Green	11,552	Greensburg	MAG	5

County	2024 Population Est.	Seat	Form	Number Of Magistrates/ Commissioners
Greenup	35,273	Greenup	COM	3
Hancock	9,013	Hawesville	MAG	4
Hardin	112,826	Elizabethtown	MAG	8
Harlan	25,052	Harlan	MAG	5
Harrison	19,525	Cynthiana	MAG	8
Hart	19,923	Munfordville	MAG	5
Henderson	44,175	Henderson	MAG	5
Henry	16,198	New Castle	MAG	6
Hickman	4,393	Clinton	MAG	3
Hopkins	45,218	Madisonville	MAG	7
Jackson	13,358	McKee	MAG	3
Jefferson	793,881	Louisville	CLG	26**
Jessamine	56,495	Nicholasville	MAG	6
Johnson	22,098	Paintsville	COM	3
Kenton	174,862	Covington	COM	3
Knott	13,438	Hindman	MAG	4
Knox	29,657	Barbourville	MAG	5
LaRue	15,128	Hodgenville	MAG	4
Laurel	63,353	London	MAG	6
Lawrence	15,798	Louisa	MAG	4
Lee	7,313	Beattyville	MAG	4
Leslie	9,729	Hyden	MAG	4
Letcher	20,139	Whitesburg	MAG	5
Lewis	12,875	Vanceburg	MAG	4
Lincoln	24,910	Stanford	MAG	4
Livingston	8,815	Smithland	MAG	4
Logan	28,467	Russellville	MAG	6
Lyon	9,078	Eddyville	MAG	3
McCracken	67,550	Paducah	COM	3
McCreary	16,824	Whitley City	MAG	4
McLean	9,126	Calhoun	MAG	4
Madison	99,582	Richmond	MAG	4
Magoffin	11,118	Salyersville	MAG	3
Marion	19,851	Lebanon	MAG	5
Marshall	31,734	Benton	COM	3
Martin	10,696	Inez	MAG	5
Mason	16,956	Maysville	COM	3
Meade	30,442	Brandenburg	MAG	6
Menifee	6,341	Frenchburg	MAG	5
Mercer	23,515	Harrodsburg	MAG	6
Metcalfe	10,558	Edmonton	MAG	4
Monroe	11,163	Tompkinsville	MAG	5
Montgomery	28,771	Mt. Sterling	COM	3
Morgan	14,300	West Liberty	MAG	5
Muhlenburg	30,512	Greenville	MAG	5
Nelson	48,706	Bardstown	MAG	5
Nicholas	7,816	Carlisle	MAG	5
Ohio	23,933	Hartford	MAG	5
Oldham	70,525	La Grange	MAG	8
Owen	11,435	Owenton	MAG	4
Owsley	3,928	Booneville	MAG	3

County	2024 Population Est.	Seat	Form	Number Of Magistrates/ Commissioners
Pendleton	14,844	Falmouth	MAG	4
Perry	26,739	Hazard	MAG	3
Pike	55,430	Pikeville	COM	3
Powell	12,928	Stanton	MAG	5
Pulaski	66,842	Somerset	MAG	5
Robertson	2,382	Mt. Olivet	MAG	5
Rockcastle	16,226	Mt. Vernon	MAG	5
Rowan	24,675	Morehead	MAG	4
Russell	18,458	Jamestown	MAG	5
Scott	61,700	Georgetown	MAG	7
Shelby	50,124	Shelbyville	MAG	7
Simpson	20,350	Franklin	MAG	4
Spencer	20,823	Taylorsville	MAG	5
Taylor	26,809	Campbellsville	MAG	6
Todd	12,757	Elkton	MAG	5
Trigg	14,559	Cadiz	MAG	7
Trimble	8,591	Bedford	MAG	4
Union	13,178	Morganfield	MAG	5
Warren	147,936	Bowling Green	MAG	6
Washington	12,269	Springfield	MAG	6
Wayne	19,629	Monticello	MAG	4
Webster	12,854	Dixon	MAG	3
Whitley	37,233	Williamsburg	MAG	4
Wolfe	6,364	Campton	MAG	3
Woodford	27,728	Versailles	MAG	8

Notes: CLG = consolidated local government; COM = commissioner; MAG = magistrate; UCG = urban-county government. Commissioner forms of county government always have three commissioners. Magistrate forms have three to eight magistrates. In commissioner forms of governments, a county may still have a minimal number of magistrates, not reflected in this table.

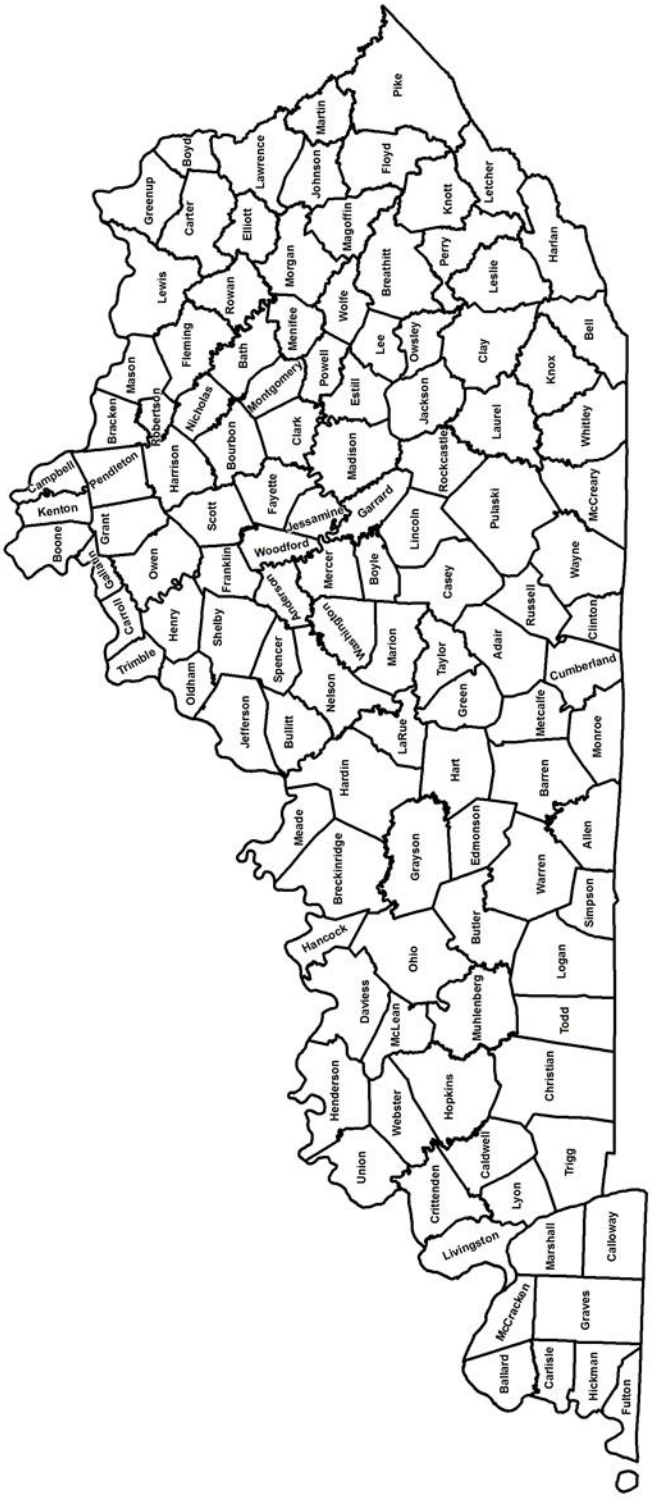
*Fayette County and Lexington are governed by an urban-county government that has an urban-county council of 12 members plus 3 at-large members.

**Louisville and Jefferson County are governed jointly by a consolidated local government that has 26 metro council members.

Sources: Compiled by LRC staff using data from the Department for Local Government; US Census Bureau; and personal interviews.

Appendix B

Kentucky County Map



Source: Kentucky Department of Geographic Information.

Endnotes

[1] Herbert S. Duncombe. *County Government In America.* National Association of Counties, 1966, pp. 18-19.
[2] Robert M. Ireland. *The County Courts In Antebellum Kentucky.* University Press of Kentucky, 1972, p. 2.
[3] George Morgan Chinn. *Kentucky: Settlement And Statehood 1750-1800.* Kentucky Historical Society, 1975, p. 123.
[4] Robert M. Ireland. *Little Kingdoms.* University Press of Kentucky, 1977, pp. 1-2.
[5] Kentucky. Opinions of the Attorney General OAG 93-14.
[6] Material in the section labeled Constitutional Provisions Relating To The Creation Of Counties and the section labeled Constitutional Provisions Relating To County Offices is taken from the "Local Government" section in Kentucky. Legislative Research Commission. *Citizens' Guide To The Kentucky Constitution*, Research Report No. 137, 2013, pp. 85-100.
[7] Robert M. Ireland. *Little Kingdoms.* University Press of Kentucky, 1977, pp. 101-140.
[8] *Bath Cty. v. Daugherty*, 68 S.W. 436 (Ky. 1902); *Walker v. Fox*, 287 S.W. 228 (Ky. 1926).
[9] Kentucky. Opinions of the Attorney General OAG 78-402.
[10] Kentucky. Opinions of the Attorney General OAG 93-40.
[11] *Garner v. Harris*, 394 S.W.2d 465 (Ky. 1965).
[12] *Avery v. Midland Cty.*, 390 U.S. 474 (1967).
[13] *Rentz v. Campbell Cty.*, 84 S.W.2d 44 (Ky. 1935); *Hogg, Cty. Att'y v. Rowan Cty. Fiscal Ct., et al.*, 231 S.W.2d 8 (Ky. 1950).
[14] Kentucky. Opinions of the Attorney General OAG 88-45.
[15] *Fiscal Ct. of Jefferson Cty. v. City of Louisville*, 559 S.W.2d 478 (Ky. 1977).
[16] *C.C.C. Coal Co., Inc. v. Pike Cty., Ky.*, 536 S.W.2d 467 (Ky. 1976).
[17] Kentucky. Department of Revenue. *Kentucky Property Tax Rates.* 1978.
[18] *Russman v. Luckett*, 391 S.W.2d 694 (Ky. 1965).
[19] *Webster v. Nance*, 362 S.W.2d 723 (Ky. 1962).
[20] Aaron Wildavsky. *The Politics Of The Budgetary Process.* Little, Brown and Co., 1964, pp. 1-2.
[21] Kentucky. Opinions of the Attorney General OAG 88-45.
[22] *Shearin v. Ballard Cty.*, 103 S.W.2d 292 (Ky. 1937).
[23] *Droege v. Kenton Cty. Fiscal Ct.*, 188 S.W.2d 320 (Ky. 1945).
[24] *Droege*, p. 320.
[25] James A. Maxwell. *Financing State And Local Governments*. The Brookings Institution, 1965, p. 202.
[26] *Monroe Cty. v. Rouse*, 274 S.W.2d 477 (Ky. 1954).
[27] Peggy S. Foraker Horner. "The Employe Defense Act: Wearing Down Sovereign Immunity." *Kentucky Law Journal* 66 (1977-78): 150-164; OAG 80-538.
[28] *Withers v. Univ. of Ky.*, 939 S.W.2d 340 (Ky. 1997).
[29] 957 S.W.2d 195 (Ky. 1997).
[30] *Burns v. Moore*, 307 Ky. 167, 209 S.W.2d 735 (Ky. 1948).
[31] *Kelo v. City of New London*, 545 U.S. 469 (2005).
[32] National Conference of State Legislatures. "Eminent Domain Legislation: Post-Kelo Update." NCSL, 2012.
[33] Kentucky. Legislative Research Commission. *Kentucky Local Planning Laws: Review And Analysis*, Research Report No. 134, 1977.
[34] *Jefferson Cty. Fiscal Ct. v. Queenan*, 234 S.W.2d 949 (Ky. 1950).
[35] *Chenault v. Collins*, 159 S.W. 834 (Ky. 1913); *Gratzer v. Gertisen*, 205 S.W. 782 (Ky. 1918).
[36] *Dixon v. Giles*, 200 S.W.2d 919 (Ky. 1947).
[37] *Harlan Cty. v. Cole*, 218 Ky. 819, 292 S.W. 501 (1927).
[38] *Denton v. Pulaski Cty.*, 185 S.W. 481 (Ky. 1916).
[39] Kentucky. Division of Water. *Report To The Kentucky Legislative Research Commission On House Joint Resolution 56*, 2017, p. 5.
[40] Kentucky. Division of Water. *Annual Report*, 2022, p. 17.
[41] Kentucky. Opinions of the Attorney General OAG 82-63; *Christian v. Belcher*, 888 F.2d 410, (6th Cir. 1989).
[42] *Matthews v. Allen*, 360 S.W.2d 135 (Ky. 1962).
[43] Kentucky. Opinions of the Attorney General OAG 82-16, 82-348, and 86-69.
[44] *Commonwealth v. Hesch*, 395 S.W.2d 362 (Ky. 1965).

[45] Kentucky. Opinions of the Attorney General OAG 82-16, 82-348, and 86-69.
[46] Kentucky. Opinions of the Attorney General OAG 92-108.
[47] Eugène McQuillin, Jerome H. Dray, and Clark Asahel Nichols. *The Law Of Municipal Corporations*, 3rd ed. Callaghan and Co., 1971, p. 174.
[48] Sho Sato and Arvo Van Alstyne. *State And Local Government Law.* Little, Brown and Co., 1970, p. 11.
[49] *Lowery v. Cty. of Jefferson*, 458 S.W.2d 168 (Ky. 1970).
[50] Kentucky. Legislative Research Commission. *Special Districts In Kentucky*, Research Report No. 48. LRC, 1968, p. 1.
[51] *Lowery*; Kentucky. Opinions of the Attorney General OAG 77-433.
[52] Kentucky. Opinions of the Attorney General OAG 82-196.
[53] Kentucky. Opinions of the Attorney General OAG 83-264.
[54] *Louisville/Jefferson Cty. Metro Gov't Waste Mgmt. Dist. v. Jefferson Cty. League of Cities, Inc.*, 626 S.W.3d 623 (Ky. 2021).
[55] Kentucky. Opinions of the Attorney General OAG 77-632.
[56] Ibid.