

Meeting Date: 6/30/2025

Meeting of: Madison County Fiscal Court

Meeting Type: Regularly Scheduled

HONORABLE REAGAN TAYLOR COUNTY JUDGE EXECUTIVE PRESIDING

The Madison County Fiscal Court convened in regular session on the 30th of June 2025 at 9:30 AM in the Fiscal Courtroom of the Courthouse Annex Building in Richmond, Ky. Present was the Honorable Reagan Taylor in the chair presiding and the following members of the Fiscal Court: James Brian Combs, Stephen Lochmueller, Billy Ray Hughes, and Tom Botkin were present. Madison County Attorney Jennie Haymond, Madison County Sheriff Mike Coyle, and Madison County Clerk Kenny Barger were also present.

It being determined a quorum was present, the meeting was called to order.

Judge Taylor asked Magistrate James Brian Combs to lead the Court in prayer.

Judge Taylor asked Sheriff Mike Coyle to lead the Pledge of Allegiance.

IN RE: Pay Claims and Approve Transfers for FY 2024-2025:

Motion made by Billy Ray Hughes seconded by Tom Botkin to approve to pay claims and transfers for FY 2024-2025.

Judge Taylor explained that this is the first time they have had a regularly scheduled meeting on the last day of the fiscal year, due to the auditors wanting them to have a meeting to approve all the end-of-year expenditures.

IN RE: Pay Claims and Approve Transfers for FY 2025-2026:

Motion made by James Brian Combs seconded by Stephen Lochmueller to approve to pay claims and transfers for FY 2025-2026.

IN RE: Discussion of Ordinance 2024-07 — Joint Local Government (City of Berea, Madison County, KY & City of Richmond) 911 Fee:

Judge Taylor stated that they have had quite a few conversations with constituents both in the Judge Executive's Office and online about moving forward with the 911 fee.

Jill Williams, Deputy Judge Executive, provided an overview of the most common questions that they have seen or been asked concerning the 911 fee. The most frequently asked question they have received was related to incorrect zoning classifications. She explained that they pulled zoning maps from the City of Berea, Madison County, and the City of Richmond, in addition to the PVA information. When those zoning classifications were pulled over into the PVA data, the zone that was input may not be the actual use, because multiple zone classes could be used in that area. Judge Taylor stated that the PVA gets those zoning classifications from the cities or the County, and older areas may have had mixed use zoning classifications, and those areas just need to have the classification fixed on those properties. Updating and getting these 911 zoning classifications correct will only help the first responders when they are dispatched out.

Magistrate Combs asked if once they get the classifications correct, would they have a database that reflects all 911 classification zones. Judge Taylor stated they are working on an interactive 911 map that will be on the website.

Jill stated that another question they have received is that if a constituent pays a fee on their cell phone, why do they have to pay this fee. She stated that every cell phone bill pays a \$0.70 State 911 fee, which is collected by the State and in turn goes to the State. The State 911 Board does allow counties to apply for grants, which they just applied for one at the last court meeting to update technology.

Magistrate Lochmueller asked how much of that State fee does the County get back. Jill stated that it is about \$0.30 of the fee, and they did calculate that into the financial model for the 911 fee.

Magistrate Combs stated that they may budget that amount, but they are not guaranteed that amount. He asked Wendy to share what they utilize that 911 fee for.

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Wendy Lynch, MCECC (911) Director, explained that the State fee is mandated by KRS so there are only certain things they can use those funds on within the 911 center. That can only be used for personnel, for upgrading GIS, training, and other classifications that are listed under the KRS. One misconception is that just because someone is in Madison County, the cell phone fee stays in Madison County. The State 911 fee goes to the county where the phone was purchased, which is seen a lot with students at ECU or Berea College. She also stated that with the Madison County 911 fee, there is also a KRS that governs what they can or cannot use the funds on. Madison County Emergency Management Center is not only a 911 Center but also an Emergency Communications Center, and as such some of the items they use for Emergency Communications can't utilize these funds because it isn't part of the Public Safety Answering Point (PSAP) which is what is used to bring the 911 calls in.

Magistrate Lochmueller asked how many 911 centers there are in the county. She said that there is one certified PSAP, which is where all the 911 landline and cell phone calls come in at.

Magistrate Lochmueller also asked where the majority of the 911 calls came from. Wendy stated that the City of Richmond has more calls, with the County and Berea being a close second.

Magistrate Combs asked Wendy how the State determines where the funds go from their 911 fee. Wendy stated that the cell phone carriers report to the State Legislation all the fees and based on the area that the cell phone carriers report from, the State determines what gets sent back to each county, which is normally \$0.29 to \$0.30. As administrators for collecting the fee, the carriers keep a part of the fee, which is all mandated. She also stated that the grants they apply for from the State are competitive grants and as such are not guaranteed.

Magistrate Combs asked why the County can't put a 911 fee on a cell phone bill. Wendy stated that it would have to be lobbied through State Legislature. The State 911 Board and a large group of 911 Directors have lobbied with the State several times in the past and will continue to keep trying. She explained the technical updates they have to complete are being mandated by the State, and that technology costs a lot.

Magistrate Combs stated that even in addressing, depending on where they are getting their data determines where the first responders go. They have had issues where the name of the road is the same in Rockcastle County as it is in Madison County and they both have Berea addresses. Google maps may send them to the wrong address but the data from 911 will send them to the correct address. Wendy stated that they also use Pictometry to assist in getting the first responders to the correct house.

Jill stated that another question that has come up frequently is why this is a new 911 fee. She explained that this isn't a new fee, this is an update to the fee structure. Since the early 90's, Madison County as a totality, has had a landline fee of \$3.50 per month per landline. This method no longer meets the needs of the 911 Center nor the community since most people have cancelled their landlines. CSEPP funding has been subsidizing the 911 fee for many years because it has been such an important part in insuring first responders get to emergency situations, whether that was a chemical emergency or any other emergency.

Another question was why they didn't plan or implement this change sooner. Judge Taylor stated that they aren't going to charge a fee until you need a fee. Jill explained that all three governments established and voted for the structure change, and the decision by all local governments was as long as they could get the federal funds to subsidize 911, they didn't want to collect money that wasn't needed.

Jill provided the background and timeline on the conversations about the need to change the fee structure once CSEPP left. There have been several conversations since 2008. In September 2023, the Fiscal Court and both cities composed a Post-CSEPP Taskforce to put together a recommendation, which was presented to all local governments. Resolutions were passed by both cities, and an Ordinance was passed by the Fiscal Court in 2024. There was another question concerning why not just implement a flat rate fee for all properties, regardless of size, use, or occupancy. Jill stated that this method was determined not to be a fair and equitable method for funding 911. It fails to consider the varying levels of risk, the service needs, and potential demand. They felt that it was unreasonable to ask someone that lives in a 900-square-foot home to pay the same amount as a 10-unit apartment building or a business like Wal-Mart.

Another part of that question was why each classification fee differs. When they looked at the 911 call data, it was determined that commercial businesses had the most 911 calls. The budget was then divided based on the

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calls for service from each classification. They also looked at the number of calls from the educational institutions and based their rate off of the service call volume they have used in the past.

Magistrate Combs clarified that they are trying to reach the amount of what 911 costs and dividing that by the percentage of calls that have come in from each classification.

Jill also explained that the square-foot was determined based on what the Property Valuation Administrator (PVA) had on record for their assessment. On the PVA database, it lists the basement square footage, the living square footage, and garage square footage, which is all used to get the total square footage. The intent was to only include improved square footage, meaning the living square footage, finished basement square footage, and improved garage square footage. She stated that when the information was pulled over from the PVA database, they looked at the total square footage, when they should have only pulled improved square footage. They have worked with the PVA Office and have corrected the square footage on all notices to reflect only the improved square footage value. There will be a system online that will allow the public to look at their property and see what the square footage and rate will be; it should be available within the next couple of weeks.

Eric Taylor asked what the rate of each classification was. Chris Iseral, Chief Information Officer, pulled up the spreadsheet that showed what the rates were, and Jill pointed out that for single-family/farm dwelling, the rate is 0.016%.

Glenda Dryden asked why they used square footage to base the rate on instead of just a yearly fee for each residence. Jill explained that risk, resources needed, and number of calls for service is higher for commercial buildings (like Wal-Mart) than it would be for a 2-bedroom single-family home. It wouldn't be fair to make them pay the same price when the risk is lower for single-family properties.

Magistrate Combs stated that when they looked at a flat-rate model, the amount that everyone would pay would have been \$103 per parcel.

Adam Arvin stated that he is for the 911 fee but the amount that is calculated for commercial properties is too high for those that have small rental properties. Judge Taylor explained that with this fee being a joint interlocal agreement, the Richmond City fee is put on this bill. The Richmond governing body can make a decision for the properties located within the Richmond City limits. Mr. Arvin also stated that he felt the public needed more notice of any meetings in relation to the 911 fee so more people could attend.

Edwin Luxon thanked Judge Taylor and the Magistrates for their work on providing information and answering his questions. He stated that there are only 3 other counties in Kentucky that are using the square-foot method for determining the 911 fee and he feels like there must be some reasons of why there aren't more counties that use it. Judge Taylor stated every county in Kentucky is dealing with this because it is something that has resulted as landlines are discontinued, but there are only a few that have established a structure to collect the 911 fee. Wendy stated that it is affecting everyone across the state, and everyone is doing something different based on the needs of each county. There are some counties that add the fee to the electric or water bill, or on motor vehicle bills. That is something that the task force looked into but there are several issues that apply to those models, including an administration fee for having that fee on the bills. She explained that when the fee was on the landlines, they didn't have to fund the infrastructure for the radio system, or outdoor warning sirens, etc. because CSEPP was funding all that. Jill stated that roughly 80 counties have a 911 fee structure in place, and some have even changed models after they established their initial one. The task force had several conversations and meetings with different counties that used different models to determine what works well for them and what doesn't work. They even looked at models that had been challenged and were taken to the Kentucky Supreme Court.

Magistrate Botkin pointed out that when they looked at putting the fee on motor vehicle bills, they determined that wasn't fair because some people don't have a vehicle, or have several vehicles, boats, etc.

Magistrate Hughes asked about the operating expenses for Madison County 911 in comparison to other counties. Wendy explained that the biggest majority of the budget is for personnel and computer hardware and software. When they prepare the budget, they go line by line of what the actual cost or contract cost for the previous year was, with some line items adding a 3% increase onto the cost to account for a price increase. Magistrate Combs stated that the replacement cost and the cost of the hardware/software is what is driving the expense of the 911 fee. Wendy explained that this will be the first year that 911 is taking on the things that

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EMA/CSEPP had covered, such as the radio infrastructure and the outdoor warning sirens. When going through the contracts for those services, some were prepaid through a particular timeframe, and some were maintenance out. For the items that had a maintenance cost, they tried to get a good cost on them and set them up for a certain number of years so they would know what that cost would be. They then had to try to project the replacement cost on the equipment to determine how much money they would need to set aside each year in preparation for that, so they are not hit with a high cost at one time.

Judge Taylor stated that one question he has had is about the need for 27 full-time employees and explained that some people might not realize that the 911 center is a 24 hour/7-day a week operation. Wendy stated that 27 full-time positions doesn't mean that they have all 27 positions filled; there is a lot of burn-out associated with the dispatchers due to the high call volume, and they operate a 4-shift rotation with at least 4 people per shift, if possible.

Chris Iseral went over the hardware/software projection costs. They do their best to make sure these numbers are as close to the actual numbers as possible. The funding mechanism has been built to be based on the budget; if the cost of a line item decreases, then the rate per square footage will in turn decrease, and vice versa.

Magistrate Combs stated that not everyone is in the market for a 911 system. Chris explained that there is only one authorized service center in this area that is authorized to maintain and make repairs on the system. Once the Court has done their due diligence and determined the provider for the product they are to use, then the provider determines who is contracted to provide the service on the products.

Judge Taylor stated that some people have asked about the lifecycle replacement, which the budget has a line item for. This model has figured in the lifecycle of the system and putting funds back to be able to replace it at that timeframe. The funds that are being put aside for that cost will be put into an investment account that will draw interest, and the return on the investment that will be earned has also been determined into the fee amount.

Chris explained that CSEPP replaced the equipment about 3 years ago at \$22 million dollars, and they have estimated that the cost will be \$25 million at the time of the next replacement.

Clerk Barger reiterated that this system is not the high-cost system that CSEPP had, it's what is needed for the size of the county without anything extra that is not needed. Chris stated that it is the correct system needed for Madison County, based on what 3rd Party Federal Contractors said was needed. The maintenance program that CSEPP required was "the Cadillac" of programs and is not what Madison County needs now that CSEPP is gone.

Graham Nichols, a citizen from Richmond, asked if it was possible to have another meeting so more individuals within the county can understand the 911 fee. Magistrate Botkin stated that all notices for the Court meetings and the agenda are available on the County's website, and he also put a copy of this agenda on his Facebook page for public knowledge.

Dean Vencill stated that he is for this 911 fee. He asked about commercial properties and how the businesses will absorb the fee. He believes that all single-family residential should be the same amount. He also stated that in addition to the landlines going away, voice over IP lines will be going away as well. He asked if the fee amount increases each year or will it adjust each year. Chris stated that the calculation is based every year on the budget need, so if the cost of an item decreases then the rates for each category will decrease. The budget is also based on the calls for service, so if the calls for service for businesses decrease over the year, then the rate for the commercial properties will decrease as well.

Magistrate Lochmueller asked what was put in for the projection of growth. Chris said there wasn't anything put in for growth, but the model fluctuates to allow for the change in the number of single-family homes or businesses. If the number of businesses increases, then the total budget for that category gets spread out between all the businesses, which in turn lowers the fee amount for each business. The same will be true as more single-family homes or multi-purpose homes are being built.

Wendy stated that the budget is projected, and the fees will fluctuate each year as items are needed or are not needed.

Dean Vencill stated that as long as they are transparent each year on the fee and how the fee changes based on the budget, he believes the citizens of Madison County will be accepting of this.

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Judge Taylor stated that with tenants, there isn't a way to get the fee to each tenant accept through the landlords. The intent of postponing the fee implementation to 2025, was so the landlords would have enough time to re-adjust/renegotiate lease or rent agreements to reflect that fee. Jill stated that the intent of having the public meetings and hearings in 2024 was to get the rates out to the public so they would have an idea of what the fee amount would be based off the square footage and be able to renegotiate that amount into the rental agreements. Edwin Luxon stated that there are some lease agreements that state the lessee will not pay more than a certain percentage. Judge Taylor stated that they have had a conversation about if the landlord can't collect that fee from the tenant, is there another way that they can collect it from the tenant since it is a user fee.

Graham Nichols asked how much money this fee would bring in, and if any extra that is not used could be invested. Judge Taylor stated the fee would bring in \$4.2 million, and the investment aspect has already been figured into the model.

Eric Taylor stated that the letters didn't get to him until Thursday evening and he will need a few more days to get his information together. Judge Taylor stated that they have extended the deadline for filing an appeal until July 11th. Jill stated that property owners that have multiple properties don't need to put each discrepancy in the appeal portal individually and suggested that such individuals call or come into the Judge's Office or the EOC building to help get that together.

Magistrate Hughes asked if there will be another mailing for those properties that had corrections made. Jill stated that they will have a link put on the website that will show the square footage that each property will be assessed at once it has been changed, as well as an email that will be sent to those that have filed an appeal letting them know what has been changed.

Jill stated there was a question about if someone didn't live in the county anymore or sold a property, how is that fee taken care of. She explained that, just like with property tax bills, if a property has been sold, then the notice will need to be forwarded to the new owner.

Magistrate Combs asked if there was a way for the Court to restructure a taxing district, like EMS, after it had been established to include this fee in it. Judge Taylor stated that they can't have a 911 taxing district since it is a fee not a tax, but he isn't sure about restructuring the EMS taxing district. Jill stated that it would be based on how the taxing district was established and would have to look up the statute. Based on what they have been told by other counties, it is a very difficult process. Judge Taylor stated that people tend to think that EMS and 911 are the same thing, but they are not.

Debbie Vescio asked about sending the extended timeline of July 11th to the newspaper. Jill stated that Steve with the Richmond Register is in attendance and is sure that he will put that information in the paper. She went on to say that they had invited all the Lexington television stations to today's meeting as well. She thanked those that have helped citizens input in their appeal, especially the staff at the Madison County Public Library, at the Emergency Operation Center, and at the Property Valuation Office.

Jill stated that these funds can only be used for certain things, which is outlined in the KRS. They are also audited on the use of the 911 fees every year by the State 911 Board to make sure the fees are being used appropriately, and they have always had a clean audit.

Magistrate Combs commented that all County budgets are approved by the Fiscal Court and also by the Department for Local Governments, as well as the State Auditor. Jill explained that 911 gets an extra audit done by the State 911 Board.

Judge Taylor stated that the budgets are always online for the public to view. He also stated that people have asked if Fiscal Court has the authority to implement a 911 fee, and he explained that KRS does give local authority to assess a 911 fee. Jill reiterated that the KRS outlines information on establishing and the uses of a 911 fee. It is the same legislation that gave all 3 local governments authority to implement a landline fee in 1989.

Magistrate Hughes asked about proof needed if someone appeals. Jill explained that if they want to attach documents, such as house plans or an appraisal, there is the option to do that, but it is not required. The open text field is required to be completed to explain what correction needs to be made and why.

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Judge Taylor asked for some guidance from the Fiscal Court on what direction they want to go in concerning the fee.

Magistrate Combs asked what happens if they delay the fee another year. Judge Taylor explained that all 3 governments will have to provide the funds necessary to keep 911 running for the year. In the past, the shortfall of 911 has been divided equally between the governments. There is already a law on the books for both cities and the County, which would need to be amended. The cities have their own tax bill, so if they don't agree with delaying the fee, they do have the right to continue on with it, if they wish. Jill stated that there are two Ordinances on the books; one for the 911 fee classification and the other is the Joint Interlocal Agreement which references the fee structure. If it was to be delayed, they would need to revisit both Ordinances.

Magistrate Hughes asked about non-profit businesses. Judge Taylor stated that the non-profits were classified under the commercial classification. Jill stated that the Public Safety Advisory Board is the ultimate appeal body, and anything that is not cut and dry can be appealed to them. They meet monthly on the 3rd Wednesday of each month at 10AM at the EOC.

Magistrate Combs stated that the team has done a great job, and he doesn't see any reason to change the direction they are going in regard to the 911 fee; adding that there is a process to appeal to the Public Safety Advisory Board if needed.

Magistrate Lochmueller agreed with Magistrate Combs. He stated that they haven't allowed the process to play out to determine the positives and negatives of it. They are doing what is best for the citizens of Madison County.

Magistrate Botkin stated that all 3 governments had representatives on the Post-CSEPP Task Force, who researched for over a year to determine this was the best model for Madison County, and all 3 local governments have voted to accept it. He accepts that decision. He thanked everyone that came to court or provided feedback.

ANNOUNCE NEXT COURT DATE:

Judge Taylor announced the next court date for July 8, 2025, in the Council Chambers' Courtroom in Berea, Ky at 9:30 AM.

IN RE: ADJOURNMENT

Motion from Billy Ray Hughes to adjourn, seconded by Stephen Lochmueller. Hearing no objection, the meeting adjourned at 12:00 PM.



REAGAN TAYLOR, MADISON CO. JUDGE/EXECUTIVE