

KENTUCKY COMMUNITY AND TECHNICAL COLLEGE SYSTEM
Kentucky Fire Commission
(Amendment)

739 KAR 2:140. Fire department reporting requirements.

RELATES TO: KRS Chapter 65A, 75.430, Chapter 95A

STATUTORY AUTHORITY: KRS 95A.050(3), 95A.055(13)

CERTIFICATION STATEMENT:

NECESSITY, FUNCTION, AND CONFORMITY: KRS 95A.055(13) requires the commission to promulgate administrative regulations to implement KRS 75.430 and KRS 95A.055. This administrative regulation establishes fire department reporting requirements.

Section 1. Definitions.

- (1) "Commission" means the Kentucky Fire Commission established in KRS 95A.020.
- (2) "Nonprofit fire department" is defined by KRS 95A.055(1)(b).
- (3) "Reporting fire district" means a fire district defined by KRS 95A.055(1)(a) which is obligated to report to the commission.

Section 2. Reporting Requirements. Each reporting fire district shall comply with KRS 95A.055(3) and shall submit:

- (1) A list of the elected or appointed members of the board of the reporting fire district, if applicable;
- (2) The budget adopted by the reporting fire district, if applicable; and
- (3) Current year budget estimates, prior year amendments or transfers, and prior year end actual financial data for:
 - (a) Revenue calculations for:
 1. Taxes;
 2. Permits and licenses;
 3. Payments made to governmental authorities in lieu of taxes;
 4. Intergovernmental revenues;
 5. Charges for services;
 6. Other revenues; and
 7. Interest earned;
 - (b) Receipts and cash calculations for:
 1. Carryover cash from the prior reporting year;
 2. Bonded debt;
 3. Transfers to other funds;
 4. Transfers from other funds;
 5. Borrowed funds;
 6. Government Leasing Act funds; and
 7. Loans obtained from the commission; and
 - (c) Appropriations calculations for:
 1. Personnel;
 2. Operations;
 3. Administration and reserves;
 4. Capital outlay; and
 5. Debt service.

Section 3. Reporting Procedure.

- (1) Each reporting fire district shall, on or before August 31 of each calendar year, complete and submit an updated Financial Disclosure Report to the commission

electronically via Web site access, by regular U.S. Mail, or through electronic mail to fdstateaid@kctcs.edu.

(2) Upon receipt of a reporting fire district's Financial Disclosure Report, the commission shall review the Financial Disclosure Report for accuracy and compliance with the requirements established in this administrative regulation and in KRS 95A.055.

(a) If a reporting fire district's Financial Disclosure Report does not comply with the requirements established in this administrative regulation or KRS 95A.055, the commission shall notify the reporting fire district in writing.

(b) The written notification shall state the specific deficiencies identified and the process and timeframe for correcting the deficiencies.

(3) On or before October 1 of each calendar year, the commission shall produce a cumulative report of all reporting fire districts' actual revenues, receipts, and appropriations and their averages, as reported on the reporting fire districts' Financial Disclosure Reports for that year, and of the compliance of the reporting fire districts with the requirements of this administrative regulation and KRS 95A.055(3). This report also shall be filed with the Legislative Research Commission and shall be published on the commission's Web site within seven (7) days of its production.

Section 4. Financial Reviews and Audits.

(1) At least once every twelve (12) months, every reporting fire district or nonprofit fire department shall be subject to a financial review in accordance with KRS 95A.055(5).

(2) The commission may require any fire district or nonprofit fire department with the higher of annual receipts from all sources or annual expenditures equal to or greater than \$100,000 but less than \$500,000 to once every four (4) years be subject to an independent audit in the manner specified within KRS 65A.030(2).

(3) The commission shall ensure that every fire district or nonprofit fire department with the higher of annual receipts from all sources or annual expenditures equal to or greater than \$500,000 for two (2) consecutive fiscal years is audited annually in the manner specified within KRS 64A.030(2) until its annual revenues or expenditures are less than \$500,000.

(4) If a reporting fire district is audited pursuant to KRS 95A.055 and as established in this section, the reporting fire district shall submit a copy of the audit report and all related documents to the commission within seven (7) days of receiving the completed audit report.

Section 5. Penalties.

(1) If the commission identifies any irregularities relating to the finances or operations of a reporting fire district or nonprofit fire department, the commission shall report the irregularities to the Attorney General and Auditor of Public Accounts.

(2) The commission may also notify any other public official with jurisdiction over fire district or nonprofit fire department for further investigation and follow-up action.

(3) If a reporting fire district fails to comply with the requirements of this administrative regulation, KRS 95A.055, or 75.430, the commission shall, for substantial noncompliance or abuse, withhold one (1) or more of the following:

(a) Incentive pay to qualified firefighters as established in KRS 95A.250;

(b) Volunteer fire district aid, funds used to purchase workers compensation insurance for fire departments, and low-interest loans under KRS 95A.262;

(c) Thermal Vision Grant program funds as established in KRS 95A.400 through 95A.440; and

(d) Any other funds controlled by the commission.

Section 6. Incorporation by Reference.

(1) The following material is incorporated by reference:

(a) "Financial Disclosure Report," 2019 edition, Kentucky Fire Commission; and

(b) "Kentucky Fire Commission Internal Audit Procedures", January 2024;.

(2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at the Office of the Kentucky Fire Commission, 110 Cleveland Drive, Paris, Kentucky 40361, Monday through Friday, 8 a.m. to 4:30 p.m.

(3) This material is also available on the commission's Web site at: <https://kyfirecommission.kctcs.edu/>.

(43 Ky.R. 153, 406; eff. 9-28-2016; Crt eff. 2-24-2020; 46 Ky.R. 1949, 2639; eff. 6-30-2020; 51 Ky.R. 1810; eff. 8-26-2025.)

RICKY KING, Chair

APPROVED BY AGENCY: March 10, 2025

FILED WITH LRC: March 12, 2025 at 9:21 a.m.

PUBLIC HEARING AND COMMENT PERIOD: A public hearing on this administrative regulation shall be held on May 25, 2025, at 1:00 p.m. ET at the Kentucky Fire Commission, 110 Cleveland Drive, Paris, Kentucky 40361. Individuals interested in being heard at this hearing shall notify this agency in writing by five (5) workdays prior to the hearing of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through May 31, 2025. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person.

CONTACT PERSON: John K. Wood, Counsel for the Kentucky Fire Commission, 163 East Main Street, Suite 200, Lexington, Kentucky 40507, phone (859) 225-4714, email administrativeregulations@wgmfirm.com.