



# Kentucky Office of Homeland Security

## *2018 Annual Report*

Matthew G. Bevin  
Governor

John W. Holiday  
Homeland Security Advisor/ Executive Director





## Kentucky Office of Homeland Security Mission Statement:

*The Kentucky Office of Homeland Security is Kentucky's strategic center of gravity for the accumulation and dissemination of critical information through collaborative efforts with local, state, federal, and private sector partnerships, which provides relevant and timely intelligence, executive advisement, and resource allocations for the preparation, prevention, response and recovery of all hazards or incidents that affect the safety, security, and the health of the Commonwealth.*





OFFICE OF THE GOVERNOR  
KENTUCKY OFFICE OF HOMELAND SECURITY

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To: Honorable Matthew Bevin, Governor  
Honorable Mike Harmon, Auditor of Public Accounts  
Honorable members of the Interim Joint Committee on Veterans, Military Affairs  
and Public Protection

From: John Holiday

Date: October 31, 2018

Subject: 2018 Kentucky Office of Homeland Security Annual Report

Fiscal Year 2018 was an exciting and challenging time for the Kentucky Office of Homeland Security (KOHS). KOHS's ongoing effort to deliver more value to stakeholders without incurring additional costs to the taxpayers of the Commonwealth mandates constant self-evaluation and critical analysis to ensure maximum efficiency and effectiveness with limited resources.

KOHS continues to fulfill myriad strategic objectives on behalf of first responders, private sector entities, a plethora of state, federal and local collaborative partners, and the people of the Commonwealth as mandated by the U.S. Department of Homeland Security and the Kentucky General Assembly.

KOHS was established to partner with and assist first responders and communities in preventing, protecting, mitigating, responding and recovering from threats and hazards that affect Kentucky through providing relevant intelligence and information, and administering federally-funded grants to allow municipalities to purchase homeland security-related equipment. During the 2018 fiscal year, KOHS implemented numerous initiatives to better serve the Commonwealth.

Highlights of this reporting cycle include:

- Implemented the Hometown Safe Initiative (HSI). Under the HSI, Kentucky is divided into six sections, with each fusion center analyst tasked to engage local stakeholders across all 16 sectors of critical infrastructure on a regular basis, leading to stronger collaboration and information sharing between local government and KOHS.

- Facilitated the passage of HB 424, legislation that codified the integration of the Kentucky 911 Services Board into KOHS, leveraging KOHS staff and resources to increase services offered to Kentucky's 911 emergency communications community and the citizens they serve.
- For the first time in history, KOHS secured funding under the Department of Homeland Security Nonprofit Security Grant Program (in the amount of \$127,295).
- Formed the Special Weapons and Tactics (SWAT) Working Group, comprised of a host of law enforcement entities working together to strengthen SWAT capabilities across the Commonwealth.
- Expanded the depth and breadth of the Kentucky Cyber Threat Working Group, the sole private and public sector cyber security working group in the Commonwealth collaborating and sharing information on current threats and best practices in the cyber arena.
- Completed a six-month audit of the 911 Services Board, which identified a litany of shortcomings of past Board leadership and staff, including misappropriation of more than \$260,000 in funds dedicated to 911 call center grants. Issues addressed by the audit were aggressively remedied by current Board leadership and staff, including the development of stringent policies and procedures to ensure clean audits moving forward.

# *Kentucky Office of Homeland Security Initiatives*

The Kentucky Office of Homeland security exists to provide strategic and operational daily support and necessary resources to approximately 7,700 sworn police officers in 400 police departments, 21,000 fire fighters in 825 departments (of which 3,500 are full-time and more than 18,000 are volunteers), 12,685 emergency medical service (EMS) personnel, 595 emergency medical responders, 8,730 emergency medical technicians (EMTs), 30 Advanced EMTs, 3,330 paramedics, 65 air ambulances, 3 fixed wing, approximately 1,147 ground ambulances, along with the approximately 1450 full-time certified telecommunicators in 116 certified 911 call centers throughout Kentucky, 24 hours a day and 7 days a week.

KOHS is committed to ensuring these frontline first responders have the resources needed to execute their duties while maximizing their safety and the safety and security of the public in all communities.

## **PUBLIC OUTREACH**

To improve engagement among Kentucky's first responders and its citizens, the Kentucky Office of Homeland Security continued its aggressive effort to bolster its public outreach through the use of social media as well as traditional media outlets.

At the time of implementation, KOHS rarely posted to its Facebook or Twitter accounts. There were fewer than 650 "Likes" to the KOHS Facebook page and posts rarely reached more an audience of greater than 250 people. Over the past two years, the KOHS Facebook audience has grown to more than 6,000 followers, nearly ten times the size of its initial audience.

KOHS is also making a concerted effort to increase transparency of the organization by increasing participation in media requests and public speaking events. KOHS received positive media impressions through news articles from more than 50 media outlets during the fiscal year.

## **LEGISLATIVE/INTRA-STATE GOVERNMENT RELATIONS**

KOHS executive administrative staff regularly attend legislative committee meetings with a nexus to homeland security and 911 issues, including the Interim Joint Committee on Veterans, Military Affairs and Public Protection (VMAPP), the IJC on Local Government, and the IJC on State Government, and are active participants in monthly meetings of executive branch legislative liaisons.

Key outreach initiatives include:

- Weekly: threat assessment presented to Gov. Bevin and Lt. Gov. Hampton.
- Bi-monthly: attend Executive Branch Public Information Officer meetings.
- Monthly: attend Executive Branch Legislative Liaison meetings.
- July 2017: appeared before Veterans, Military Affairs & Public Protection Committee to discuss Executive Order reorganizing Kentucky 911 Services Board.
- August 2017: conducted multiple sessions at 2017 Governor's Local Issues Conference.
- September 2017: provided opening remarks at the 2017 Kentucky Emergency Services Conference.

- October 2017: presented KOHS fiscal overview to Budget Review Subcommittee on General Government
- November 2017: hosted IJC on Veterans, Military Affairs and Public Protection (VMAPP) Committee.
- January 2018: Executive Director Holiday honored by VMAPP Committee with Distinguished Veteran Award.
- March 2018: co-presented HB 424 to House Committee on Local Government.
- May 2018: gave keynote address at Leslie County 911 memorial groundbreaking ceremony.





The Kentucky Intelligence Fusion Center (KIFC) was formed in 2005 and codified in statute in 2013 to serve as the strategic center of gravity for information related to criminal and/or terrorist activity affecting the Commonwealth. The core of the KIFC is the analytical component made up of intelligence criminal analysts from the Kentucky Office of Homeland Security. The mission of the KIFC is to receive, analyze, gather, and appropriately disseminate all-source information and intelligence regarding criminal/terrorist activity and threats in or to the Commonwealth of Kentucky and nation while following fair information practices to ensure the civil rights and privacy of citizens by:

- Serving as the state’s single fusion center providing support to all hazards and all crimes.
- Performing strategic analysis by assessing disparate bits of information to form integrated views on issues of national security and public safety through the identification of trends, patterns and emerging risk and threats related to the Commonwealth and nation.
- Performing tactical and strategic analysis by assessing specific, potential events and incidents related to near-term time frames and provide case and operational support.
- Performing threat assessment and information management services, including supporting the protection of critical infrastructure and key resources.

Prior to 2016, the KIFC was considered an “all crimes” fusion center. The KIFC is now considered an “all hazards” fusion center and works closely with the Kentucky Department of Emergency Management regarding mitigation and response to natural and man-made disasters, specifically in regards to the effects those incidents have on Kentucky’s critical infrastructure.



The KIFC is the only entity in Kentucky state government with placement, access and a valid need to know of federal classified information. Within its secured facility, classified information and intelligence reporting from sources—nationally and globally—can be accessed. The Kentucky

Intelligence Fusion Center must consume and analyze this data effectively and as quickly as possible to determine if any threats or hazards exist, and also to determine if any links and/or additional dangers to the commonwealth exist. The Kentucky Intelligence Fusion Center is networked to all 78 fusion centers in the United States, which provides Kentucky first responders and the communities they serve relevant and timely information, intelligence based on incidents and/or emergency events that take place regionally, nationally and globally. This enables KOHS to constantly inform key decision makers within hours or even sometimes minutes of events happening throughout Kentucky or the world. Also, the KIFC is the sole state government resource that can “connect the dots” at a strategic level across all first responder disciplines to provide an accurate macro view of threats that affect the people and property of not only Kentucky, but also of the region and the nation.

The KIFC is currently staffed by the following agencies:

- Kentucky Office of Homeland Security
- U.S. Department of Homeland Security, Intelligence and Analysis
- U.S. Department of Homeland Security, Protective Programs Directorate

Other members include:

- U.S. Secret Service
- U.S. Coast Guard
- Federal Bureau of Investigation
- Federal Bureau of Prisons
- U.S. Attorney’s Office
- Transportation Security Administration
- U.S. Federal Protective Service
- U.S. Immigration and Customs Enforcement
- U.S. Department of Defense
- Bureau of Alcohol, Tobacco, Firearms and Explosives
- Fort Knox
- Fort Campbell
- Kentucky Department of Corrections
- Kentucky Department of Military Affairs
- Kentucky Fire Commission
- Kentucky Department of Emergency Management
- Kentucky Department for Public Health
- Kentucky Commonwealth Office of Technology
- Kentucky State Police
- Kentucky Department for Environmental Protection
- Kentucky Transportation Cabinet
- Lexington Division of Police
- Lexington Fire Department
- Louisville Metro Police Department
- Louisville Fire Department



- And 100+ first responder agencies.

The KIFC hosts the above agencies monthly for KIFC partner meetings. These meetings consist of roundtable discussions related to current threats, crime trends, future product development and outreach activities.

The daily work of the KIFC is focused on four core operational capabilities:

1. Receive federally generated classified and unclassified threat information.
2. Gather locally generated information through law enforcement, public and open source reporting.
3. Analyze information and provide local context, thereby adding value to already existing information.
4. Disseminate threat information to stakeholders who have a need or right to know, thereby increasing their situational awareness and preparedness.

There are six primary analytic portfolios (each of these portfolios will be detailed in another section of the report):

- Critical Infrastructure/Key Resources
- Cyber Security
- Domestic Terrorism
- International Terrorism/Homegrown Violent Extremists
- Open Source/GIS
- Organized Crime

While KIFC personnel are executing intelligence requirements within their respective portfolios through the preparation of intelligence products, response to requests for information, and completion of threat/vulnerability assessments, they are also involved in a number of other activities which support information sharing, multi-agency collaboration, threat mitigation and outreach. Some ongoing key activities during this reporting period include:

- Established the Hometown Security Initiative by dividing the state into six districts with each intelligence analyst covering one district. This program was established in order to increase liaison and reporting to the KIFC by government officials (phase 1) and private sector/critical infrastructure stakeholders (phase 2). This fiscal year saw implementation of phase 1 and analysts made contact with mayors, county judge executives, police chiefs, fire chiefs, sheriffs, emergency management directors, and 911 directors within their districts to establish a lines of communication for sharing of information and reporting of suspicious activity, as well as establishing a point of contact for questions regarding grants, 911, or any of the KIFC portfolio areas.
- Participated in or hosted/conducted training for analysts, private sector entities and public safety officials in the following areas:
  - Active aggressor/shooter awareness
  - KIFC Intelligence Liaison Officers (ILO) basic training

- Cyber security tabletop exercise
- DOJT officer in-service training, “Current Issues for Patrol Officers”
- KSP cadet training
- Continued to attend and/or participate in:
  - Monthly Threat Working Group Meeting sponsored by the Kentucky National Guard
  - Statewide Human Trafficking Taskforce/Law Enforcement Subcommittee
- Continued to operate and expand the ILO Program, which trains liaisons within the public and private sector to understand the mission of the KIFC and share information, including suspicious activity, with the KIFC. The ILO program began in 2012 with law enforcement and fire personnel. The KIFC expanded the program in 2016 to include private sector and cyber security personnel. The KIFC’s ILO Coordinator also serves on a national committee for ILO coordinators, helping to share best practices and develop training and national baseline requirements for ILO programs at all fusion centers.
- Training ILOs, partners, and the general public on the “See Something, Say Something” suspicious activity reporting initiative. The KIFC serves as the state’s approving agency for Suspicious Activity Reports (SARs) that meet specific terrorism criteria as defined by the Nationwide Suspicious Activity Reporting Initiative (NSI). The NSI was established to provide a “unified process for reporting, tracking, and accessing [SARs]” in a manner that rigorously protects the privacy and civil liberties of Americans, as called for in the National Strategy for Information Sharing. The KIFC receives SARs from multiple sources and then analyzes and assesses those SARs to determine if they meet NSI criteria. Those that meet NSI criteria are entered into eGuardian, the FBI’s secure portal for unclassified SARs, for additional review.
- Leading an Organized Crime Working Group comprised of KIFC analysts and local, state and federal partners involved in the prevention of and response to organized criminal activity, such as drug trafficking, human trafficking, street gangs and outlaw motorcycle gangs. The working group meets monthly and also has their own Community of Interest (COI) on the Kentucky Homeland Security Information Network (HSIN) portal.
- Leading a Cyber Threat Working Group that meets monthly to discuss trends in the cyber security world, such as malware, hacking, identity theft, and a host of other cyber-related crimes. The working group consists of KIFC analysts, as well as cyber security personnel from local, state, and federal government partners, and private sector entities. The working group also has their own Community of Interest (COI) on the Kentucky Homeland Security Information Network (HSIN) portal.

**Highlighted Activities/Achievements**

- Produced and disseminated 96 intelligence products, enhancing investigations and filling information gaps for state and federal law enforcement partners. Some of these products

were jointly created with federal and state partners, such as FBI Louisville, DHS Intelligence and Analysis, U.S. Coast Guard, and the Greater Cincinnati Fusion Center.

- Responded to 481 Requests for Information (RFIs) from Kentucky law enforcement agencies, federal law enforcement agencies, other fusion centers, and law enforcement from other states.
- Received 37 Suspicious Activity Report (SARs) that met NSI criteria for entry into eGuardian.
- Trained nearly 125 new ILOs, from both the public and private sectors.
- Trained state government and private sector employees in Active Aggressor/Shooter Awareness training and created a “Train the Trainer” program in order for trained individuals to conduct courses to their own colleagues.
- Produced weekly threat and hazard briefings for Governor Bevin, Lt. Governor Hampton and their staff.
- Supported federal, state and local partners during numerous special events such as Thunder Over Louisville, Kentucky Derby, Presidential visits, etc. by providing information gleaned from social media via social media monitoring capabilities.
- Facilitated the completion of Kentucky’s annual Threat and Hazard Identification Risk Assessment (THIRA) and State Preparedness Report.



# *Kentucky Intelligence Fusion Center Portfolios*

## **CRITICAL INFRASTRUCTURE**

The Department of Homeland Security (DHS) defines critical infrastructure as “assets, systems and networks, whether physical or virtual, so vital to the United States that their incapacitation or destruction would have a debilitating effect on security, national economic security, national public health or safety, or any combination thereof.” There are 16 identified critical infrastructure sectors that are established by DHS that the KIFC closely monitors:

- Chemical
- Commercial Facilities
- Communications
- Critical Manufacturing
- Dams
- Defense Industrial Base
- Emergency Services
- Energy
- Financial Services
- Food and Agriculture
- Government Facilities
- Healthcare and Public Health
- Information Technology
- Nuclear Reactors, Materials and Waste
- Transportation Systems
- Water and Wastewater Systems

Kentucky's widespread critical infrastructure and key resources include three major international airports, the production of approximately 15% of the nation's electricity, major interstate highways running east to west and north to south, and several major shipping hubs, as well as nationally significant critical sites that fall within 16 US Department of Homeland Security (DHS) identified sectors. This diverse infrastructure makes Kentucky a potential target for criminal, terrorist or other extremist group actions or attacks. At this time, weather-related events are the main causes of disruption to Kentucky's critical infrastructure. Whether it be a natural disaster or a criminal act, either incident could result in the same consequences – loss of life, economic damage or psychological impact.

In order to educate and inform Kentucky law enforcement, fire and private sector partners on threats to critical infrastructure and significant events, the KIFC produced the following products:

- Special Event Threat Assessment with FBI – 2018 Kentucky Derby and Kentucky Derby Festival
- Joint Threat Assessment with the Greater Cincinnati Fusion Center and the U.S. Coast Guard – 2018 Riverfest Cincinnati
- Situational Awareness Bulletins – Threats to Military Facilities/Threats to Religious Facilities/Threats to Rail Infrastructure/Educational Facilities
- Protective Measures for Places of Worship
- Special Event Threat Assessment – Love in Bloom Festival
- Threat Overviews – Kentucky Energy Sector: Electrical Infrastructure/Kentucky Transportation Systems Sector: Pipeline Infrastructure/Kentucky Dams Sector: Olmsted Lock and Dam Opening

Private sector entities either own or operate at least 85% of our nation's critical infrastructure. As of December 2015, the KIFC began outreach to incorporate private sector companies in our Intelligence Liaison Officer (ILO) program, a program that was originally made up of only law enforcement and fire entities. To date, we now have the ability to immediately share threat information with 290 private sector ILOs, more than double the numbers from last year. This number will only continue to grow as the KIFC continues to expand our reach by increasing public awareness of homeland security issues and the critical importance of staying ahead of the ever-changing threat environment.

The KIFC is also continuing to pursue the establishment of sector-specific working groups that will develop out of our private sector ILO program. Once established, the KIFC will work toward meeting with individuals in these groups to share potential threat information and share suspicious activity encounters. These meetings will provide the KIFC with relevant information to produce actionable intelligence products, while participants will enhance their knowledge of security issues occurring outside of their organizations that could potentially impact them. Planned sector-specific working groups include: water/wastewater, aviation, railways, electric, and communications.

The KIFC, along with the Kentucky Department of Aviation (KDA) and the Kentucky Aviation Association (KAA) have partnered together in order to enhance the security of our airports in the Commonwealth. One of the biggest initiatives of this partnership is educating our airport personnel

with indicators of suspicious activity and how to report it by calling our 24/7 tip line. Additionally, every airport in the state will have at least one representative that will be involved in our private sector ILO program so that they can be informed of any potential threat information. This program began in January of this year, and to date KOHS maintains representation from 35 of Kentucky's 59 publically owned and operated airports.

The KIFC also has a partnership with FBI's InfraGard program and Louisville Gas & Electric/Kentucky Utilities to form an Energy Sector Working Group. This industry comes together on a quarterly basis to discuss issues related to the energy sector (i.e. physical security, cyber security, intelligence sharing, and best practices).

The identification and prioritization of critical infrastructure—the destruction or disruption of which could have catastrophic national or regional consequences—provides the foundation for infrastructure protection and risk reduction programs and activities executed by DHS and its public and private sector partners. Annually, DHS initiates an annual data call to sector, state and territorial partners using criteria developed by the Office of Cyber and Infrastructure Analysis' (OCIA) National Critical Infrastructure Prioritization Program (NCIPP). Following the guidelines of the National Infrastructure Protection Plan (2013), Kentucky initiated the prioritization of its critical infrastructure/key resources, starting in 2007, through a coordinated effort of our Critical Infrastructure Protection Panel Working Group. Multiple agencies were given criteria as reference for developing individual agency lists of critical infrastructure. The group met multiple times to negotiate what sites should make Kentucky's critical infrastructure/key resource list. It was decided that the sites on the federal priority list would be included along with additional sites that, although did not meet the federal criteria, would have devastating consequences to the Commonwealth of Kentucky if destroyed, incapacitated, or exploited. As a result of the working group's efforts, 112 sites were identified.

Lastly, in order to have a complete view on activities occurring in the Commonwealth, the KIFC will begin conducting analysis on threats to and crimes against critical infrastructure. While law enforcement investigates crimes within their respective jurisdictions, the KIFC will look at the strategic or big picture, of what crimes take place in those 112 identified infrastructure sites mentioned previously. This will allow the KIFC to identify trends of sectors consistently impacted, which will drive future threat analysis, ILO outreach, and the establishment of infrastructure working groups.

## **DOMESTIC TERRORISM**

The U.S. Department of Homeland Security (DHS) defines domestic terrorism as, “any act of violence that is dangerous to human life or potentially destructive of critical infrastructure or key resources committed by a group or individual based and operating entirely within the United States or its territories without direction or inspiration from a foreign terrorist group. The act is a violation of the criminal laws of the United States or of any state or other subdivision of the United States and appears to be intended to intimidate or coerce a civilian population, to influence the policy of a government by intimidation or coercion, or to affect the conduct of a government by mass destruction, assassination, or kidnapping.”

The primary focus for the domestic terrorism portfolio this year has involved violent/criminal white

supremacist extremist groups and violent/criminal sovereign citizen extremists. Although the adherence to both white supremacist and sovereign citizen ideologies are protected First Amendment rights, the sporadic and potentially violent nature of sovereign citizen extremists and the history of violent/criminal activity amongst members of white supremacist extremist groups, and the counter-protesters they attract, enforce the necessity to be aware of their presence and activity within the Commonwealth.

The activity of violent/criminal white supremacist extremist groups in Kentucky has ebbed and flowed in recent years, but the past two years have brought a new wave of activity and took priority in the domestic terrorism portfolio. While long-established groups have decreased in size and waned in activity and influence, new groups have emerged and are actively recruiting and making themselves known in the Commonwealth. The hostile political environment has also increased the overt use of extremist rhetoric from some of these groups. In April 2016, Kentucky became the national epicenter of these groups when Pikeville was chosen as the location for a white supremacist conference/recruiting effort, which brought together members of multiple groups from all over the U.S. Fortunately, the event concluded without violence and with very few arrests, but many Kentucky members were also present in Charlottesville, VA, which did not end peacefully. We expect to continue to see similar protests and gatherings in the upcoming year. One of the biggest issues with these events is not necessarily the white supremacists, but those that come to counter-protest them. These groups come armed, ready to put up a fight, and expecting to be arrested.

While sovereign citizen extremists still present a problem for the Commonwealth due to the sporadic nature of their attacks, lack of membership in an organized group, and propensity to escalate seemingly routine law enforcement encounters, they took a backseat to white supremacist extremism over the past 12 months. However, we have experienced violence against law enforcement from sovereign citizen extremists in 2017 and 2018, which is something we had not experienced in years past.

During this reporting period, the KIFC produced the following intelligence product to educate and inform Kentucky law enforcement officials on the status of the threat picture in regards to domestic terrorism in Kentucky:

- Background Assessment: Identity Evropa

The KIFC Domestic Terrorism analyst has conducted training for law enforcement on understanding the sovereign citizen ideology and recognizing indicators and tactics used by followers of the movement. As a result, sovereign citizen encounters are being reported more frequently and with more clarity.

In 2018, we created a Domestic Terrorism Working Group that meets monthly and is comprised of federal and state law enforcement entities with knowledge of the trends occurring nationally in domestic terrorism, as well as local law enforcement in areas of the state where these groups are known to be active. The goal of this group is to ensure that all law enforcement partners are receiving an accurate, detailed threat picture in regards to individuals and groups associated with the domestic terrorism portfolio within the Commonwealth. Agencies that have participated in this

group thus far include KIFC, FBI Louisville/Lexington/Covington, LMPD, KSP, UofL PD, and UKPD.

### **INTERNATIONAL TERRORISM/HOMEGROWN VIOLENT EXTREMISM**

The mission of the international terrorism/homegrown violent extremism (IT/HVE) portfolio is to identify tactics, techniques, and procedures (TTPs) utilized by foreign terrorist organizations in an attempt to identify potential trends for the Commonwealth of Kentucky and the United States as a whole. The IT/HVE analyst uses TTPs to predict the threat to infrastructure in the Commonwealth from identified trends overseas and identifies if those trends are developing in the U.S. This portfolio also identifies trends and potential terrorism preoperational planning associated with terrorism by receiving, vetting, analyzing and documenting suspicious activity reports (SARs).

Throughout 2018, there were many areas of concern for the IT/HVE portfolio. Areas that received significant concern from Kentucky residents include:

- The increase in Homegrown Violent Extremism and arrests of those involved throughout the U.S.
- The changes in TTPs used by Homegrown Violent Extremists during attacks across the U.S.
- The threat of vehicle rammings by HVEs or foreign terrorist operatives.

Over the past year, the IT/HVE analyst collaborated with federal law enforcement, local law enforcement, local fire service agencies, fellow Fusion Center analysts and concerned Kentucky residents to develop informational products concerning the following topic areas:

- Suspicious Activity Reports (produced quarterly, at two classification levels)
- Potential Indicators of Terrorist/Criminal Activity or Suspicious Activity for Unmanned Aircraft Systems (UAS)

Over the past year, the SAR portfolio has developed numerous SAR outreach initiatives, including:

- Establishing training for telecommunicators throughout the 116 911 Services Board-certified Public Safety Answering Points (PSAPs) within the Commonwealth.
- Conducting in-person training opportunities to teach private sector, fire and law enforcement personnel on indicators and behaviors of terrorism and reporting procedures.
- Establishing a fluid reporting procedure, resulting in a streamlined informational product for situational awareness across the Commonwealth. By increasing suspicious activity reporting training, the Kentucky Office of Homeland Security has received a substantial increase in reported activity reasonably indicative of potential acts of terrorism.

The Kentucky Office of Homeland Security has attended meetings for the Statewide Human Trafficking Task Force and will continue to do so, providing available assistance throughout 2018. The portfolio will also continue to:

- Develop SAR outreach initiatives.
- Train law enforcement to utilize the suspicious activity reporting database and maintain accounts for the database.



- Analyze trends in suspicious activity encounters across the Commonwealth for potential terrorist preoperational planning.
- Produce the informational product concerning suspicious activity reporting throughout the Commonwealth for situational awareness.
- Serve on the statewide human trafficking task force and law enforcement sub-committee.

## **OPEN SOURCE/GIS**

Open Source/GIS was established in 2016 to integrate and analyze intelligence data, and produce open-source intelligence in response to priority intelligence requirements within the Kentucky Intelligence Fusion Center. This portfolio monitors local, regional, national, and international print media sources, radio, and television by conducting internet searches of geographical and topical interest with an emphasis on Kentucky and surrounding areas with a Kentucky nexus. Open Source/GIS also educates various local/federal agencies, local/federal law enforcement and first responders on open source best practices and analysis.

This position must support and supplement the other KIFC analysts and first responder entities with accurate and timely information pertaining to their specific portfolio. Because of the vast variety of information, the open source intelligence analyst monitors day to day, every product produced by the KIFC has an open source aspect to it. This analyst must produce accurate information for every product pertaining to the other analyst's portfolio disciplines.

In the future, one of KOHS's goals is to expand the capabilities of open source real-time analysis. To accomplish this goal, KOHS must utilize software development in this area and community outreach. As open source platforms grow, so must KOHS's ability to maintain situational awareness on these platforms. Online threats and criminal activities are increasing at an exponential pace. Continuing a network of information sharing with local, state, and federal partners is imperative to the safety of the Commonwealth. In addition to open source analysis, the continued development of geographical information systems is imperative to the safety of the Commonwealth and surrounding states. The endgame result in KOHS's open source analytics is to be the gold standard in the United States in information sharing, knowledge, and education in both of these disciplines.

The KOHS has purchased ArcGIS and ESRI software to establish GSI capabilities and help build functional mapping layers for the state. We have also purchased Hiperwall software and are building a video wall to allow both the GIS and open source analysis components to be displayed in real-time on the video wall for presentation and analysis purposes.

## **ORGANIZED CRIME**

The primary areas of focus for the Organized Crime portfolio for 2018 have been outlaw motorcycle clubs and street gangs operating within the Commonwealth. These groups are actively engaging in criminal activity that directly affects the safety and welfare of Kentucky residents. More specifically, the KIFC is closely monitoring a shift in how relationships are formed among these groups. Historically, race, gang affiliation, and geographic regions have separated organized crime members; however, recent affiliations and agreements have formed alliances centered on the principle of making money through drug trafficking, prostitution, theft, fraud and territorial control. A new trend seen this reporting period involved the migration of members of national

level street gangs to more rural parts of the Commonwealth, likely due to high ranking gang members being incarcerated at federal institutions within those communities. This allows for the continuation of business without disruption. Many of these national level street gangs are extremely violent, which can pose a threat to those smaller communities that often have decreased law enforcement presence.

This year, the KIFC has produced the following intelligence products to educate and inform Kentucky law enforcement officials on the practices of these groups, and to raise situational awareness at large events that could be impacted by criminal activities:

- Situational Information Report (jointly with FBI Louisville): Potential for Violence between Hells Angels and Outlaws Motorcycle Clubs in Kentucky, as of May 2018
- Situational Awareness: Hells Angels MC

The Kentucky Organized Crime Working Group (OCWG), developed in 2016, has continued to be very successful and garners the attendance of multiple federal, state, and local law enforcement agencies. The intelligence generated from the OCWG is disseminated to Kentucky law enforcement to enhance their knowledge and understanding of criminal activity outside of their specific area of responsibility. Participating groups include:

- Kentucky Office of Homeland Security (KOHS)
- Federal Bureau of investigation (FBI)
- Alcohol, Tobacco and Firearms (ATF)
- Louisville Metro Police Department (LMPD)
- Federal Bureau of Prisons (FBOP)
- Kentucky Department of Corrections (DOC)
- Lexington Metro Police Department (LexPD)
- Alcohol Beverage Control (ABC)
- Kentucky Department of Insurance Fraud (KDIF)
- Lexington- Fayette County Detention Center
- United States Secret Service (USSS)
- KY Office of Attorney General – Dept. of Criminal Investigations (DCI)



The KIFC anticipates the continued growth and interaction of the OCWG as the hub for creating and disseminating all Kentucky organized crime information and intelligence for 2018 and beyond. The Commonwealth is an attractive location for criminal organizations based on the state's geographic location to other major metropolitan cities, as well as Kentucky's own critical infrastructure and key resource foundation. The new trend of organized crime interaction evolving into "hybrid gangs" has proven to increase financial profits for these groups and shows no sign of slowing or stagnating in the foreseeable future.

The rapid rise of heroin and synthetic drug distribution has devastated the lives of many Kentucky families through addiction, criminal prosecution and user overdoses. The transportation of drugs through the Commonwealth will continue to play an active role in financing criminal enterprises. Our airports, parkways and interstate highways, bus lines, and train transportation act as valuable pathways for criminal enterprises to profit. Specifically, bus lines and railway infrastructure will need additional investigative efforts in order to enhance security and intelligence gathering on drug traffickers using these transportation networks.

Finally, in order to ascend to the accepted practices of the national framework of fusion centers, the Kentucky Office of Homeland Security seeks to establish a sworn law enforcement officer/officers to properly mitigate asymmetric threats to the Commonwealth, and to further provide law enforcement sensitive resources to the investigation of criminal activity that threatens Kentucky's fundamental critical infrastructure and key resources (CIKR). Further regression from this accepted model within the national fusion center framework could pose a debilitating effect on the security, public health and safety of the people of Kentucky.

Implementing nationally accepted law enforcement status would allow KOHS to legally and more effectively engage in predictive analysis of trends, patterns, and behaviors in international or domestic terrorism aimed at disrupting the economy, initiating fear, or causing a high number of casualties within the Commonwealth.

One of KOHS's main objectives is to expand our capabilities beyond simple reporting and understanding of CIKR-related crimes by examining the Commonwealth as a whole, rather than regionally. To accomplish this goal, it is necessary to investigate crimes and potential threats that could impact or affect CIKR in the Commonwealth. Currently, this lies outside the scope of traditional law enforcement. Using this investigative approach, we can build a bigger picture of the connected systems and assess future behavior of bad actors. Also, centralizing information on Kentucky's CIKR-related crimes would establish KOHS and the OCWG as the go-to source for state and federal law enforcement partners working within the Commonwealth.

## **CYBER**

The Cyber Portfolio was created in 2017 and has developed exponentially in a year's time. At this time, the KOHS cyber analyst is serving as a liaison for public/private sector cyber professionals to discuss and analyze cyber trends and incidents occurring throughout the Commonwealth and nation. The cyber analyst also looks at cybersecurity information to create intelligence bulletins to distribute to our cyber partners. We hope to eventually provide technical and forensic assistance such as ethical hacking and penetration testing to the private sector.

The Cyber Working Group was developed in February 2017 and meets monthly. It consists of federal, state, and local government officials as well as private sector cyber personnel. The aforementioned Intelligence Liaison Program (ILO) has also trained cyber personnel in the analytic portfolio areas and suspicious activity reporting alongside first responders. We are currently building a cyber lab that houses our GIS, cyber, and open source analysis capabilities and, with the addition of the Hiperwall video wall, our functionality is progressing. The cyber realm is ever evolving, as thus we have to be willing to evolve in our techniques as well.

During this reporting period, the KIFC produced the following intelligence product to educate and inform Kentucky cyber professionals on the status of the threat picture in regards to cybersecurity in Kentucky:

- Cyber Open Source Weekly (COSW)
- SCADA Systems Vulnerabilities to Cyber Attacks
- CopyCat Malware Infects Millions of Android Devices

- SIREN Porn Spam Twitter Botnet
- Situational Awareness – Swatting
- US Schools Targeted by TheDarkOverlord

## *Kentucky Office of Homeland Security Federal Grant Program*



The Kentucky Office of Homeland Security (KOHS) has been charged by the Governor’s Office to coordinate the Commonwealth’s terrorism prevention and emergency preparedness efforts. Public safety is our top priority and that is why we work with the communities, first responders and citizens to ensure Kentucky stands “Ready and Prepared.”

KOHS implements objectives addressed in a series of post-9/11 laws, strategy documents, plans and Homeland Security Presidential Directives (HSPDs). Public Law 110-53-August 3, 2007 Implementing Recommendations of the 9/11 Commission Act of 2007 sets forth program requirements for state implementation. Other applicable documents include, but are not limited to, Critical Infrastructure Information Act of 2002, National Response Plan (NRP), National Preparedness Guidelines, National Infrastructure Protection Plan (NIPP), Information Sharing Environment Implementation Plan and specific Homeland Security Grant Programs’ Guidance and Applications Kits and Funding Opportunity Announcements.

Homeland Security Presidential Directive-8 National Preparedness is aimed at strengthening the security and resilience of the United States through systematic preparation for the threats that pose the greatest risk to the security of the nation, including acts of terrorism, cyber-attacks, pandemics and catastrophic natural disasters.

KOHS leverages federal grant programs and the state Law Enforcement Protection Program (LEPP) to better prepare our communities, families and first responders to deal with emergencies. In addition, KOHS manages the 911 Services Board and provides grants to public safety answering points (PSAPs) through the Board.

All of the KOHS activities, which are a result of U.S. Homeland Security laws, plans and guidelines, are supported with federal grant funds. Total federal grant funding to KOHS has been significantly reduced over the years, with current funding slightly higher than the lowest award in FY 2012.

**Federal State Homeland Security Grant Funding provided by U.S. Dept. of Homeland Security**

FY 2004: \$44,007,634

FY 2009: \$13,355,007

FY 2010: \$ 13,058,687            3 % reduction

FY 2011: \$ 5,858,393            45 % reduction

FY 2012: \$ 2,801,316            53 % reduction

FY 2013: \$ 3,459,364            23 % increase

FY 2014: \$ 3,978,000            14 % increase

FY 2015: \$ 3,978,000            0 % increase

FY 2016: \$ 3,978,000            0 % increase

FY 2017: \$ 3,962,000            .4% decrease

FY 2018: \$ 3,980,000            .4% increase

**Even with a recent increase, there has been a 70% reduction in funds since FY 2009 and more than a 90% reduction in funds since the Kentucky Office of Homeland Security was created in FY 2004.**

**Federal Nonprofit Security Grant Funding provided by U.S. Dept. of Homeland Security**

FY 2018: \$127,295.16

**KOHS is currently managing the following grant programs:**

<b>Homeland Security Grant Program (HSGP)</b>		
<b>State Homeland Security Program (SHSP)</b>	Supports the implementation of State Homeland Security Strategies to address the identified planning, equipment, training, and exercise needs for acts of terrorism.	<ul style="list-style-type: none"> <li>• Yearly</li> <li>• Nationally competitive</li> <li>• 5% admin.</li> <li>• Federal funds</li> </ul>
<b>Nonprofit Security Grant Program (NSGP)</b>	Seeks to integrate the preparedness activities of nonprofit organizations that are at high risk of terrorist attack through purchase and installation of physical security equipment.	<ul style="list-style-type: none"> <li>• Yearly</li> <li>• Nationally competitive</li> <li>• 100% funding passed through to the nonprofit organization.</li> <li>• Federal funds</li> </ul>

<b>Law Enforcement Protection Program (LEPP)</b>		
<b>Law Enforcement Protection Program (LEPP)</b>	Provides funds for body armor, duty weapons, ammunition, electronic control devices, electronic weapons or electron-muscular disruption technology, and body worn cameras for sworn peace officers.	<ul style="list-style-type: none"> <li>• Ongoing</li> <li>• During the year</li> <li>• State funds</li> </ul>

**DHS Grant Management Procedures**

All grant programs are managed consistently regardless of the grant source. The office submits applications to the appropriate federal agency, accepts awards, completes agreements with local and state agencies, manages the finances and monitors all projects continually for compliance.

1. When the U.S. Department of Homeland Security (DHS) receives an appropriation, it releases the criteria for a competitive grant process to the states.
  - a. DHS provides guidelines detailing the criteria, which must be followed when applying for and distributing these funds.
  - b. KOHS applies to DHS to receive consideration for funding.
  - c. KOHS receives award notification from DHS.

- d. When KOHS receives a final award letter from DHS for the Homeland Security Grant Program, the office has 45 days to fulfill all compliance requirements. This includes the obligation of 80 percent of State Homeland Security Grant funds and 100 percent of Nonprofit Security Grant Program funds to local government agencies and nonprofit organizations. Specific reporting is required by DHS of all funded projects.
2. The KOHS provides an updated application to local agencies based on DHS guidance and the KOHS Strategic Plan.
  - a. KOHS provides training for grant applicants via PowerPoint and individual technical assistance upon request.
3. Local applications are completed on line and then sent to KOHS. Each agency must submit multiple copies of their grant application.



4. Subject matter experts review all applications.
  - a. KOHS creates independent technical review teams that consist of subject matter experts with varied experience and skills. These technical peer review teams evaluate applications submitted for first responder, critical infrastructure, and communications equipment.



- i. These reviewers include, but are not limited to, current and retired emergency medical technicians, firefighters, law enforcement and other applicable state agencies.
  - ii. Volunteer teams of three or more reviewers are formed with various levels of expertise and skills.
  - iii. All reviewers are required to sign a confidentiality agreement and to disqualify themselves if they have a conflict of interest with a grant they are reviewing.
  - iv. Each team reviews, comments and may recommend each application for funding.
5. KOHS executive staff then performs a functional review and provides a preliminary proposal based on the reviewer's recommendations, statewide needs and the KOHS Strategic Plan.
6. The executive director reviews the recommendations and may make changes based on special needs and risks. This document is then made available to the Governor.
7. The Governor reviews and approves.
8. Award letters are sent to applicants.
9. KOHS obligates the grant funds and sends award information to DHS within 45 days for the federal award.
10. Agreements are created between KOHS and award recipients once pre-award requirements are met.
  - a. DHS/FEMA environmental clearance approval, if required.
  - b. Compliance with the National Incident Management System (NIMS).
  - c. KWIEC approval for communication interoperability grants.
  - d. Following appropriate signatures, the agreement is sent to the Finance Cabinet, who reviews, approves and releases the funds.
11. Award recipients can proceed with project implementation as detailed in their agreements once all appropriate signatures are obtained and the Finance Cabinet reviews, approves and releases the legal agreement.
12. Each award recipient is reimbursed after funds are expended by local agencies and proper documentation is provided to KOHS.

13. KOHS continuously monitors and provides technical assistance for the award period of the grants.
14. Upon the completion of the grant project, a final site visit is conducted to verify compliance with the KOHS agreement.

## **KOHS State Homeland Security Grant Funding Federal Fiscal Year 2018**

### **Local Grant Award Procedures**

By the closing date for State Homeland Security Grant applications – May 4, 2018 – KOHS had received 268 requests, representing a total amount in \$16,881.872.60.

Applications from cities, counties, and area development districts fell within well-defined categories--communications (radios, sirens, infrastructure equipment, etc.); first responder equipment (detection, medical, personal protection equipment, chemical/biological/radiological/nuclear, search and rescue, etc.); and critical infrastructure (physical security, information technology, generators, etc.).

Peer reviewers were divided into groups of three to review the applications. Participants were asked to review applications to evaluate effectiveness in meeting state and federal Homeland Security objectives and then rate the applications on a scale from one to five.

Upon completion of the initial application peer reviews and subject matter experts, KOHS staff began a detailed study to determine individual and all-inclusive costs of each radio and/or equipment application.

### **FFY 2018 STATE HOMELAND SECURITY PROGRAM**

Total funding to KOHS	\$ 3,980,000
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<b>PROJECTS</b>	<b>AMOUNT</b>
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<b><u>Federal Funds to Local Agencies: 80% of Total Award</u></b>	\$3,184,000
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Communications	\$ 767,200
First Responder Equipment	\$1,965,600
Cyber Security	\$ 6,000
Critical Infrastructure	\$ 136,800
Community Preparedness & Fusion Center Outreach Program	\$ 308,400

<b><u>Federal Funds to KOHS: 20% of Total Award</u></b>	\$ 796,000
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Fusion Center	\$ 298,500
Resource Management	\$ 298,500
Management & Administration Costs	\$ 199,000

### **HOMELAND SECURITY GRANT PROGRAM FUNDING TO KOHS**

<b>Fiscal Year</b>	<b>Funding Received</b>	<b>Administration</b>
2004	\$ 35,073,000	3%
2005	\$ 25,492,546	5%
2006	\$ 16,165,634	5%
2007	\$ 12,719,073	5%
2008	\$ 11,592,125	3%
2009	\$ 9,466,429	3%
2010	\$ 8,839,464	5%
2011	\$ 5,858,393	5%
2012	\$ 2,801,316	5%
2013	\$ 3,459,364	5%
2014	\$ 3,978,000	5%
2015	\$ 3,978,000	5%
2016	\$ 3,978,000	5%
2017	\$ 3,962,000	5%
2018	\$ 3,980,000	5%

### **UNITED STATES DEPARTMENT OF HOMELAND SECURITY PERSONNEL AND OPERATING FUNDING TO KOHS**

<b>Fiscal Year</b>	<b>Funding Received for Personnel &amp; Operating Costs</b>
2004	\$ 7,725,039
2005	\$ 5,031,255
2006	\$ 3,747,557
2007	\$ 2,697,222
2008	\$ 2,222,993
2009	\$ 2,061,697
2010	\$ 1,822,457
2011	\$ 1,207,737

2012	\$ 560,263
2013	\$ 656,650
2014	\$ 795,600
2015	\$ 795,600
2016	\$ 795,600
2017	\$ 792,400
2018	\$ 796,000

**STATE HOMELAND SECURITY GRANT PROGRAM (SHSP) &  
NONPROFIT SECURITY GRANT PROGRAM (NSGP) FUNDING TO KOHS  
DISCRETIONARY GRANT FUNDS FOR LOCALS UNITS OF  
GOVERNMENT AND NONPROFIT ORGANIZATIONS**

<b>Fiscal Year</b>	<b>Funding Received for Local Grants</b>
2004 SHSP	\$ 27,616,000
2005 SHSP	\$ 18,394,554
2006 SHSP	\$ 11,864,000
2007 SHSP	\$ 8,808,000
2008 SHSP	\$ 7,672,000
2009 SHSP	\$ 6,874,800
2010 SHSP	\$ 6,416,000
2011 SHSP	\$ 4,114,765
2012 SHSP	\$ 2,241,052
2013 SHSP	\$ 2,802,714
2014 SHSP	\$ 2,852,400
2015 SHSP	\$ 2,699,400
2016 SHSP	\$ 2,699,400
2017 SHSP	\$ 2,869,600
2018 SHSP	\$ 2,869,600
2018 NSGP	\$ 127,295

**KOHS GRANTS STAFF CURRENTLY MANAGING THE FOLLOWING:**

<b>Fiscal Year</b>	<b>Grant Program</b>	<b>Dollars</b>	<b># of Projects</b>
2015	HSGP	\$ 2,699,400	117
2016	HSGP	\$ 2,699,400	112
2017	HSGP	\$ 2,869,600	114
2018	SHSGP	\$ 2,869,600	52
2018	NSGP	\$ 127,295	2
<b>TOTAL</b>	<b>4 grant programs</b>	<b>\$ 11,265,295</b>	<b>397</b>

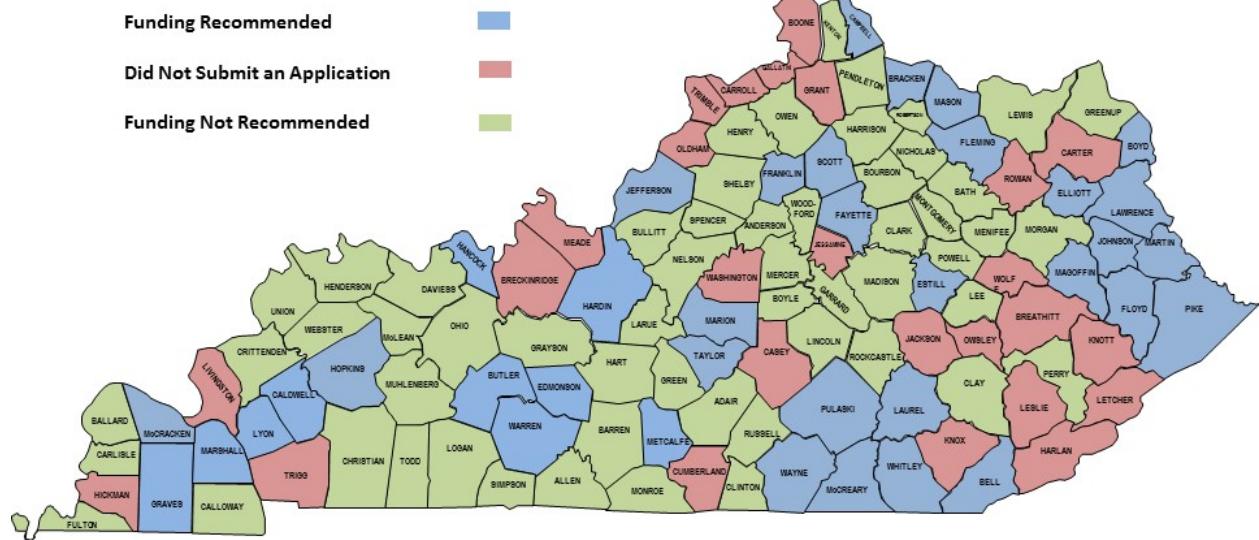
**Kentucky Office of Homeland Security FFY 2018 Grant Awards**

<b>COMMUNICATIONS</b>			
<b>Lead Agency</b>	<b>County</b>	<b>Category</b>	<b>Award Amount</b>
Elliott Co. Fiscal Court	Elliott	911	\$84,700.00
Martin, City of	Floyd	911	\$56,600.00
Marion Co. Fiscal Court	Marion	911	\$55,000.00
Martin Co. Fiscal Court	Martin	911	\$70,400.00
Magoffin Co. Fiscal Court	Magoffin	911	\$271,100.00
Bracken Co. Fiscal Court	Bracken	Infrastructure	\$64,700.00
Metcalfe Co. Fiscal Court	Metcalfe	Infrastructure	\$69,150.00
Mason Co. Fiscal Court	Mason	Infrastructure	\$50,000.00
Newport, City Of	Campbell	Radio	\$91,500.00
Butler Co. Fiscal Court	Butler	Radio	\$41,300.00
<b>CRITICAL INFRASTRUCTURE</b>			
<b>Lead Agency</b>	<b>County</b>	<b>Category</b>	<b>Award Amount</b>
Johnson Co. Schools	Johnson	Physical Security	\$31,100.00
Edmonton, City of	Metcalfe	Physical Security	\$2,800.00
Campbellsville, City Of	Taylor	Power Equipment	\$18,900.00
Westwood Fire Department	Boyd	Power Equipment	\$3,250.00
Fleming Co. Fiscal Court	Fleming	Power Equipment	\$17,500.00

<b>FIRST RESPONDER EQUIPMENT</b>			
<b>Lead Agency</b>	<b>County</b>	<b>Category</b>	<b>Award Amount</b>
Middlesboro, City of	Bell	CBRNE	\$21,000.00
Campbell Co. Fiscal Court	Campbell	CBRNE	\$10,000.00
Bowling Green, City of	Warren	CBRNE	\$17,000.00
Franklin Co. Fiscal Court	Franklin	Detection	\$9,000.00
Lawrence Co. Fiscal Court	Lawrence	Detection	\$5,700.00
Kuttawa, City of	Lyon	Detection	\$19,000.00
Pike Co. Fiscal Court	Pike	Detection	\$36,000.00
Warren Co. Fiscal Court	Warren	Detection	\$50,000.00
Lexington-Fayette UCG	Fayette	Explosive Device Mitigation	\$60,000.00
Paducah, City of	McCracken	Explosive Device Mitigation	\$63,500.00
Butler Co. Fiscal Court	Butler	Medical	\$31,000.00
Caldwell Co. Fiscal Court	Caldwell	Medical	\$31,000.00
Edmonson Co. Ambulance Taxing District	Edmonson	Medical	\$45,000.00
Frankfort, City of	Franklin	Medical	\$48,400.00
Graves Co. Fiscal Court	Graves	Medical	\$21,000.00
Hancock Co. Fiscal Court	Hancock	Medical	\$31,000.00
Marshall Co. Fiscal Court	Marshall	Medical	\$52,000.00
McCreary Co. Fiscal Court	McCreary	Medical	\$15,000.00
Somerset, City of	Pulaski	Medical	\$31,000.00
Wayne Co. Fiscal Court	Wayne	Medical	\$31,000.00
Ashland, City of	Boyd	Search and Rescue	\$7,000.00
Catlettsburg, City of	Boyd	Search and Rescue	\$6,000.00
Irvine, City of	Estill	Search and Rescue	\$31,000.00
Elizabethtown, City of	Hardin	Search and Rescue	\$10,000.00
Laurel Co. Fiscal Court	Laurel	Search and Rescue	\$31,000.00
Lawrence Co. Fiscal Court	Lawrence	Search and Rescue	\$44,000.00
Lawrence Co. Fiscal Court	Lawrence	Search and Rescue	\$28,000.00
Mason Co. Fiscal Court	Mason	Search and Rescue	\$26,000.00
Georgetown, City of	Scott	Search and Rescue	\$27,000.00
Corbin, City of	Whitley	Search and Rescue	\$25,000.00

Lexington Fayette UCG	Fayette	SWAT	\$300,000.00
Madisonville, City of	Hopkins	SWAT	\$27,000.00
Louisville/Jefferson Metro Gov	Jefferson	SWAT	\$400,000.00
Benton, City of	Marshall	SWAT	\$280,000.00
Georgetown, City of	Scott	SWAT	\$42,000.00
		<b>Total</b>	<b>\$2,869,600.00</b>

**FFY 2018 State Homeland Security  
Grant Program**



# Citizen Awareness

In the wake of 9/11, there was a surge of patriotism and volunteerism throughout the country as citizens wanted to be involved in the event of another disaster. Citizen Corps was developed in 2002 to show that there are appropriate roles for volunteers in preventing, preparing for, responding to and recovering from emergencies at all levels.

Several volunteer initiatives are under the umbrella of Citizen Corps including in Kentucky communities:

- Regional or Local Citizen Corps Councils
- Community Emergency Response Teams
- Volunteers in Police Service squads
- USA on Watch/Neighborhood Watch programs.





# *Law Enforcement Protection Program*

The men and women involved in law enforcement encounter some of the most significant challenges imaginable during the course of their careers. Therefore, it is important that these dedicated professionals have available to them the very best in protective equipment and gear. The Law Enforcement Protection Program (LEPP) enables the Kentucky Office of Homeland Security to provide funds for these essential items to law enforcement agencies throughout the Commonwealth. The LEPP program is a joint collaboration between KOHS and the Kentucky State Police.

The LEPP grant program provides grant funding to city, county, charter county, unified local government, urban-county government, and consolidated legal government police departments, university safety and security departments organized pursuant to KRS 164.950, school districts that employ special law enforcement officers and service animals as defined in KRS 61.900; and sheriff's departments for:

- Body armor for sworn peace officers of those departments and service animals, as defined in KRS 525.010, of those departments
- Duty weapons and ammunition
- Electronic-control devices, electronic control weapons, or electro-muscular disruption technology
- Body worn cameras to sworn peace officers and service animals.

## **Grant Award Procedure:**

- Applications are accepted throughout the entire year. Applications for LEPP grant funding are available on the KOHS website.
- Applications are processed in the order they are received then reviewed by KOHS staff. Grant awards are based upon available funding at that time.
- Award letters are sent to applicants.
- Grant agreements are created between KOHS and award recipients.
- Each award recipient is reimbursed after funds are expended and proper documentation is provided to KOHS. The effective date and an expiration date of the contract are outlined in the agreement. All paperwork must reflect those dates when proper documentation is provided to KOHS. Requests for reimbursement must be made within 30 calendar days from the expiration date of the agreement.

**Law Enforcement Protection Program Grants  
July 2017—June 2018**

<b>Grant Recipient</b>	<b>Amount</b>
Louisville Jefferson County Metro Government	\$ 17,640.00
McCreary County Fiscal Court	\$ 15,295.00
Marshall County Fiscal Court	\$ 17,290.00
Jefferson County Sheriff's Office	\$ 26,600.00
Ballard County Fiscal Court	\$ 1,860.00
Somerset, City of	\$ 1,000.00
Letcher County Fiscal Court	\$ 10,064.00
Ludlow, City of	\$ 2,660.00
Monticello, City of	\$ 8,645.00
Hopkins County Fiscal Court	\$ 4,800.00
Paris, City of	\$ 665.00
Muldraugh, City of	\$ 1,330.00
Stanton, City of	\$ 3,600.00
Heritage Creek, City of	\$ 3,000.00
Powell County Fiscal Court	\$ 7,332.00
Franklin County Fiscal Court	\$ 3,600.00
Campbell County Fiscal Court	\$ 1,995.00
Fleming-Neon, City of	\$ 2,558.00
Trigg County Fiscal Court	\$ 3,325.00
Owsley County Fiscal Court	\$ 2,660.00
Edmonton, City of	\$ 4,206.93
Stanford, City of	\$ 7,980.00
Flemingsburg, City of	\$ 3,990.00
Harrodsburg, City of	\$ 15,304.00
Clark County Fiscal Court	\$ 14,281.50
Nelson County Fiscal Court	\$ 25,360.00
Henry County Fiscal Court	\$ 5,985.00
McCracken County Fiscal Court	\$ 29,125.95
Butler County Fiscal Court	\$ 1,995.00
Smiths Grove, City of	\$ 1,889.97
Franklin, City of	\$ 3,325.00
Coal Run Village, City of	\$ 4,484.44
Fort Mitchell, City of	\$ 9,600.00
Princeton, City of	\$ 6,410.19
Madisonville, City of	\$ 15,939.00



# *Kentucky Office of Homeland Security Training and National Incident Management Programs*

The Kentucky Office of Homeland Security training and National Incident Management System (NIMS) programs assist communities throughout the Commonwealth by providing first responders timely and relevant training courses, and through engaging first responders in coordinated and collaborative reviews of their capabilities to respond to anticipated or unanticipated all-hazard events. The training and NIMS programs are a partnership between the Kentucky Office of Homeland Security, the Kentucky Community and Technical College System (KCTCS) and the Kentucky Fire Commission (KFC). In this venture, we also coordinate with the Kentucky Division of Emergency Management (KYEM) and the Kentucky Department for Public Health (KDPH) to increase training opportunities and the testing of capabilities without duplicating services. This endeavor brings several major benefits:

- Assists in enhancing current plans, policies and procedures
- Improving intra- and inter-agency coordination
- Enhances multi- and cross-jurisdictional communications
- Identifying resource deficiencies
- Enhances response capabilities

**Training and National Incident Management Programs:** The National Incident Management System is an ongoing federal program enabling responders and support organizations at all levels to work more effectively while operating under a unified incident management system. NIMS implementation within the Commonwealth is validated through an annual reporting process utilized by the counties. In 2017, all 120 counties reported progress in their efforts to implement the NIMS. The following NIMS Incident Management courses were delivered through a partnership between KOHS, KFC, Department of Criminal Justice Training (DOCJT), KDPH, Kentucky Board of Emergency Medical Services (KBEMS), KYEM and the Texas Engineering Extension Service:

- ICS 300                    10 classes
- ICS 400                    9 classes

Attendance was approximately 400 first responders.

KOHS, KFC, DOCJT, KDPH, KBEMS and KYEM are active members of the Incident Command System (ICS)/Homeland Security Training Workgroup. The workgroup has developed an ICS training program for the Commonwealth's first responders that ensure quality training by utilizing

Kentucky-certified instructors. All lead instructors must: complete an ICS Train-the-Trainer course, have experience as state certified instructors, and be recommended to KOHS to be an ICS instructor by a state training agency. The state ICS courses meet the recommendations contained within the NIMS Training Program. KOHS's Training Division manages the ICS Training Program for the state agencies that are members of the ICS Training Workgroup.

KOHS is responsible for coordinating in-state and out-of-state specialized homeland security training made available to first responders by the U.S. Department of Homeland Security (DHS) through the National Domestic Preparedness Consortium (NDPC) and the Rural Domestic Preparedness Consortium. During the reporting period, approximately 525 Kentucky responders attended DHS training courses outside the Commonwealth.

There were 40 "all-hazards" specialized training courses coordinated by KOHS and delivered by DHS training providers within the Commonwealth. Examples of course topics included:

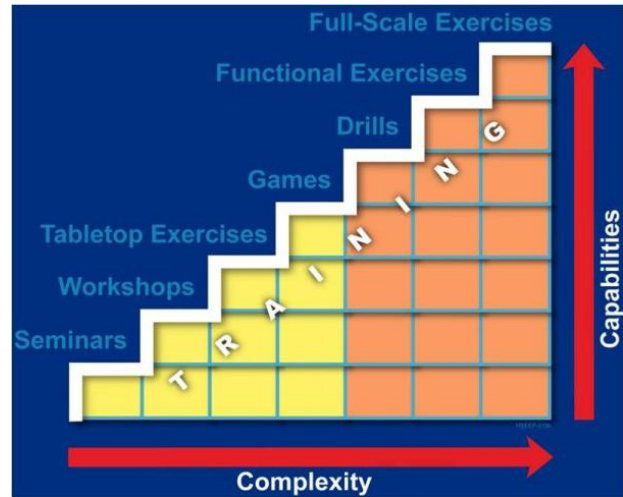
- Sharing Information and Intelligence to Food Importation and Transportation
- CAMEO (Computer-Aided Management of Emergency Operations)
- Advance Threat & Risk Analysis
- CBRNE Response for Rural First Responders
- Integrating the Kentucky Fire Service into the Kentucky Intelligence Fusion Center
- Law Enforcement Prevention and Deterrence to Terrorist Acts
- Screening of Persons by Observational Techniques
- Public Information
- Radiological/Nuclear Response
- Incident Response to Terrorist Bombings
- Mass Fatality Planning & Response for Rural Communities
- Public Safety Weapons of Mass Destruction Response-Sampling Techniques and Guidelines
- Crisis Management for School Base Incidents
- Disaster Recovery in Rural Communities



KOHS has partnered with DOCJT and Louisiana State University to provide training specific to Kentucky law enforcement. DOCJT has adopted the Louisiana State University homeland security-training course: Law Enforcement Prevention and Deterrence of Terrorist Acts. This

course has been approved for delivery through KOHS. The KOHS Training Program also provides training and informational seminars that support the mission of the Kentucky Intelligence Fusion Center.

The Kentucky Hospital Association, in partnership with KOHS, enrolled approximately 65 healthcare providers in several healthcare leadership and health-related response classes at the Center for Domestic Preparedness (CDP) located in Anniston, Alabama. These professionals represented more than 30 different hospitals and organizations stretching across eight of the 13 regional coalitions of Kentucky. The trainings are designed to train students from various emergency response disciplines in an all-hazard mass casualty scenario, requiring a multi-agency, multi-disciplined response. Each scenario focuses on the foundations of CDP training—incident management, mass casualty response and emergency response to a catastrophic natural disaster or terrorist act. The CDP is a member of the NDPC and a training provider for DHS.



In preparation for the 2017 Kentucky Derby and the numerous events leading up to the Kentucky Derby, KOHS, in partnership with DHS and Louisville Metro Police Department, conducted numerous “See Something Say Something” suspicious behavior reporting trainings to various local government and non-governmental agencies. Examples include: Louisville Fire Department, Louisville Metro Sanitation Department, Parks Department, Traffic Division, Louisville Waterfront Development Corporation, Louisville Metro Downtown Partnership and Kentucky Derby Festival volunteers.

### State Technical Search and Rescue Program

KOHS has facilitated partnerships with fire departments across the Commonwealth to develop a state technical search-and-rescue response. These fire departments are trained in performing specialized rescue operations pertaining to collapsed structures, trench collapse, high angle, dive and swift water operations. These departments are also trained in responding to weapons of mass destruction and hazardous materials incidents. KOHS has developed a state “Technical Search and Rescue Advisory Committee” to provide team management, training, qualifications, equipment and an overall vision of the program. The advisory committee meets every other month. KOHS recognizes the importance of having a well-trained technical search-and-rescue response team(s) with capabilities equivalent to a FEMA Type I USAR team within the state. The Kentucky Fire Service, Kentucky Fire Commission, KYEM and the KYNG all support this effort.

### Exercise and Evaluation Support

KOHS continues to support federal, state, regional and local exercises that utilize the Homeland Security Exercise and Evaluation Program (HSEEP) policies and procedures set forth by DHS. HSEEP exercises are focused on multi-agency, multi-jurisdictional participation. State and local

agencies following the HSEEP model meets the NIMS implementation objective for exercises. To ensure the highest quality of services to communities across the Commonwealth in the design, development and conduction of exercises, KOHS is a member of the State Training & Exercise Advisory Group facilitated by the Kentucky Division of Emergency Management. KOHS has supported the annual State Training and Exercise Planning Workshop (TEPW) by providing participating agencies access to its training and NIMS program and offering support to HSEEP exercises. Several members of the State Training & Exercise Advisory Group participate on the KOHS ICS/Homeland Security Training Workgroup.



# **Kentucky 911 Services Board**

**FY 2018 Annual Report  
July 2017—June 2018**



# Message from the KY 911 Services Board Administrator

Since being appointed 911 Services Board Administrator on January 1, 2018, I've had the pleasure to meet and spend time with scores of telecommunicators, PSAP directors, and other stakeholders in the 911 community.

The 911 community's professionalism and passion about improving the delivery of emergency communications in the Commonwealth is nothing short of amazing.

Fiscal Year 2018 was certainly an exciting year. The Board saw record collection of 911 fees and subsequent disbursements to certified PSAPs, with total collections of nearly \$30 million, including \$9 million in prepaid wireless fees.

On the legislative front, the 2018 Kentucky General Assembly passed two 911-related bills. After a productive exchange with representatives of local government and the 911 community, consensus was reached on legislation that codified—in large part—Gov. Bevin's 2017 executive order reorganizing the 911 Services Board. Also, legislation passed to require all telecommunicators that receive or dispatch emergency medical service calls to be trained in T-CPR.

In June, the Auditor of Public Accounts completed a six-month audit of the Board's administrative account covering fiscal years 2014-17. Thanks to the audit, the Board's new management became aware of more than a quarter million dollars that had been improperly spent from a fund dedicated to PSAP grants by the previous administration. The money was immediately returned to its rightful place. Throughout the course of the audit, Board staff adopted and implemented stronger policies and procedures to better comply with standard accounting practices.

Looking forward, the Board is moving full steam ahead with plans to elevate the use of Next Generation 911 technology on a statewide basis, including enhancing GIS-based mapping and expanding the use of text-to-911 in the Commonwealth.

Respectfully,



**Mike Sunseri**  
**911 Services Board Administrator**

# FY 2018 KY 911 Services Board Members



**David Dickerson**



**Sandy Dunahoo**



**John Holiday**



**Michael Dossett**



**Bill McElheney**

On May 17, 2017, Gov. Matt Bevin issued Executive Order 2017-298, which reorganized the 911 Services Board. The Executive Order:

- Reduced the board's membership from 15 to five members.
- Created an advisory council made up of 13 subject matter experts in the 911 community, including first responders and local government representatives.
- Transitioned daily management and oversight of the board to the Kentucky Office of Homeland Security (KOHS).

Membership of the 911 Services Board for Fiscal Year 2018 includes:

**John Holiday**, Executive Director of the Kentucky Office of Homeland Security. Holiday serves as chair due to the nature of his position.

**Bill McElheney** of Florence is a CPA. As the citizen representative appointed by Gov. Matt Bevin, McElheney serves as vice-chair of the board.

**David Dickerson**, Secretary of the Public Protection Cabinet. Dickerson serves due to the nature of his position.

**Sandy Dunahoo**, Commissioner of the Department for Local Government. Dunahoo serves by virtue of the position.

**Michael Dossett**, Director of the Division of Emergency Management. Dossett serves due to the nature of his position.

*The 2018 Kentucky General Assembly passed House Bill 424, which in large part codified Governor Bevin's 2017 executive order. HB 424 increased the number of Board positions from five to seven. The effective date of HB 424 is July 15, 2018, which falls under FY 2019.*

# FY 2018 KY 911 Advisory Council



**Tyler Campbell**



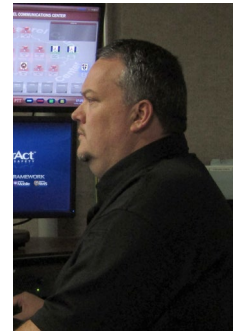
**JD Chaney**



**Chuck Dills**



**Brent Francis**



**Michael Holt**



**Kristi Jenkins**



**Jamie Land**



**Bob Leeper**



**Jeff Medley**



**Paul Nave**



**Deron Rambo**



**Todd Sparrow**



**Diane Vogel**

Executive Order 2017-298 also created the Kentucky 911 Advisory Council, comprised of 13 subject matter experts in the fields of emergency communications, public safety and local government. The 911 Services Advisory Council funnels input from 911 stakeholders to the Kentucky 911 Services Board. The 911 Services Advisory Council provides advisement and counsel to the board on a wide variety of subjects, including developing a statewide 911 strategy, best practices to adopt and implement Next Generation 911 (NG911) technologies, and crafting a strategic vision for grant deployment.

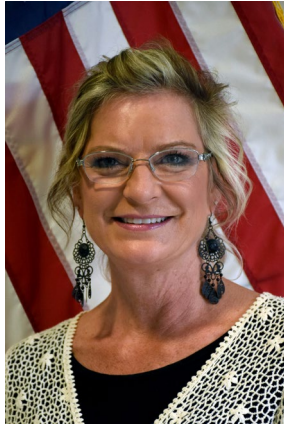
As directed by EO 2017-0298, the executive director of the Kentucky Office of Homeland Security serves as the ex-officio chairperson of the 911 Services Advisory Council. Members of the 911 Services Advisory Council are:

- **Tyler Campbell**, Executive Director of the Kentucky Telephone Association (at-large)
- **JD Chaney**, Deputy Executive Director of the Kentucky League of Cities (KY League of Cities)
- **Chuck Dills**, Grant County Sheriff (KY Sheriff's Assoc.)
- **Brent Francis**, Princeton Fire Dept. Chief (KY Firefighters Assoc.)
- **Michael Holt**, London 911 Director (at-large)
- **Kristi Jenkins**, Muhlenberg Co. 911 Director (KY Emergency Number Assoc.)
- **Jamie Land**, Elizabethtown Police Dept. Chief (KY Assoc. of Chiefs of Police)
- **Bob Leeper**, McCracken County Judge/Executive (KY Assoc. of Counties)
- **Major Jeff Medley** (KY State Police)
- **Paul Nave**, Owensboro-Daviess County 911 Director (KY Assoc. of Public Communications Officials)
- **Deron Rambo**, Frankfort 911 Director (at-large)
- **Todd Sparrow**, Lawrenceburg 911 Director (at-large)
- **Diane Vogel**, Louisville Metro EMS Deputy Director (KY Ambulance Providers Assoc.)

## Kentucky 911 Services Board Staff



**Mike Sunseri**



**Lynann Centers**



**Christie Ross**

**Mike Sunseri** was named the Kentucky 911 Services Board Administrator in January 2018 by KOHS Executive Director John Holiday. Sunseri concurrently serves as the Deputy Director of Kentucky Office of Homeland Security, a post he has held since May 2016. Prior to joining KOHS, Mike held various communications roles during 21 years of service at the Legislative Research Commission--the support staff for the Kentucky General Assembly. He holds a Bachelor's Degree in Journalism from the University of Oregon.

**Lynann Centers** joined the Kentucky Office of Homeland Security in September 2017. Ms. Centers oversees numerous administrative functions on behalf of the Board. Lynann's background is in information technology, telecommunications and nonprofit organizations. She has more than 17 years' experience with various network, telecommunications, and computer systems and a strong background in customer service and support.

**Wes Willis** began service for the Kentucky Office of Homeland Security in February 2018, providing guidance on issues related to PSAPs and technology. Wes has worked both sides of the radio in his nearly 20 years of public safety experience, starting as a medic in the US Air Force and eventually as a dispatcher for the City of Frankfort. Prior to KOHS, Wes served as Deputy Director for Frankfort-Franklin County Emergency Management.

**Christie Ross** joined the Kentucky Office of Homeland Security in May 2018, providing expertise for instituting proper GAAP (generally accepted accounting principles) procedures and oversight of financial transactions. Prior to joining KOHS, Christie was a small business owner for over two decades of an accounting/bookkeeping business. A problem solver, she brings private sector finance and business management experience to the team.

# Report on 911 Revenue and Expenditures

KRS 65.7630 directs the 911 Services Board to gather and report data regarding 911 funding and costs in Kentucky. The Board collects information needed to evaluate 911 revenues and expenditures from local governments annually by using a PSAP survey and a PSAP revenue and expenditure report. Wireless carriers provide information with their monthly remittance reports and quarterly subscriber count reports. Periodic ad hoc surveys are also utilized.

In Fiscal Year 2018, 1 survey was sent out.

**PSAP Survey:** This survey was sent to 116 certified 911 centers in the state. The PSAP survey collects financial and technical information from the 911 centers. This information allows the Kentucky 911 Services Board to take a comprehensive summary of 911 expenses and the level of technology utilized at these centers from a statewide perspective. The survey also provides the number and types of 911 calls, i.e. wireline or wireless, that each center received in the fiscal year.

**PSAP Revenue and Expenditure Report:** This survey was sent to all 116 certified PSAPs in Kentucky and captures PSAP expenditures and the operational costs of providing 911 services to each Kentucky community served. As of 10/31/2018, 101 certified PSAPs have completed the survey.

*Results of the surveys are on the following pages.*

## Revenues

Funding for 911 comes from three primary sources. In order of the least amount of support to the most those sources are: the state imposed 911 fee on cell phone service (CMRS fund); locally enacted 911 fees most commonly collected on bills for 'landline' phone service; and other local general funds as appropriated by cities and counties.

### State 9-1-1 Fee on Cell Phones

The 911 Services Board collects fees from cell phone customers in two manners. For those with a monthly subscription plan via a cell phone provider, \$.70 per month is collected. For those with prepaid wireless service, \$.93 is collected for each transaction (initial purchase and reloading of minutes).

Total collections of CMRS fees for Fiscal Year 2018 were \$29,813,602.99, and the five CMRS funds ended the fiscal year with a combined balance of \$9,885,333.72.

Of this total \$30,320,266.19 was sent directly back to certified PSAPs (see appendix for total breakdown of CMRS fund expenditures, pg. 17). It is important to note that due to prepaid wireless fees now being collected point-of-sale after the passage of HB 585 during the 2016 legislative session, the carrier cost recovery fund is being phased out. In the 2018 fiscal year, funds previously allocated to the carrier cost recovery fund will be redirected to the PSAP call volume and prorated funds.

## **Local Fees**

Local 9-1-1 landline fees continue to be the predominant method for raising 9-1-1 funds at the local level. Revenues derived from this fee continue to decline annually across the Commonwealth (see appendix C, pg. 22).

## **Local General Funds**

The total statewide expenditure of locally appropriated general funds continues to be the largest contributor to the payment of 9-1-1 services.

Kentucky's 116 certified PSAPs received more than \$45 million in city or county funds during the 2018 fiscal year.

## Statewide 9-1-1 Financial Statement

The PSAP Revenue/Expenditure Report that follows is the best effort to date to provide a statewide “financial statement” on 911 services.

The information was acquired using a single, consistent reporting form for Fiscal Year 2018 received through a survey of Kentucky’s 116 certified PSAPs.

As of 12/10/2018, all 116 certified PSAPs returned the form. Most were complete in detail, though there are still reporting inconsistencies and, no doubt, inaccuracies.

Some broad generalizations about 911 funding can be summarized including:

- Of the three primary funding sources the contributors, in order of largest to least, continue to be local government general funds (\$45,560,815.13), local government 911 funds (\$31,579,529.30), and state 911 wireless fees (\$29,120,833.03).
- While the “Balance of all 911 funds at the beginning of the reporting period” of \$26,478,685.17 appears large, it is primarily generated from the PSAPs serving larger metropolitan jurisdictions with larger budgets where carry forward amounts would be more typical of budgeting practices and operational necessity.



## PSAP Revenue Expenditure Report

Reporting Period	July 1, 2017 - June 30, 2018
<b>REVENUE</b>	
(1) Balance of all 911 funds at the beginning of the reporting period.	\$26,478,685.17
(2) Total Amount of CMRS funds received from CMRS Board	\$29,120,833.03
(3) Total Amount of Local 911 fee revenues	\$31,579,529.30
(4) Total Amount of County or City General Funds received in current fiscal year	\$45,560,815.13
(5) Total Amount of CMRS Grant Funds received in current fiscal year	\$1,291,639.80
(6) Total Amount of Other Grant Funds received in current fiscal year	\$612,624.86
(7) Total Amount of Interest received in current fiscal year	\$174,752.20
(8) Total Amount of Other Funds received in current fiscal year	\$34,293,331.96
(9) Total 911 funds available	\$169,112,211.45
<b>EXPENDITURES</b>	
<b>Personnel Cost</b>	
(10) Dispatch Supervisor/Director Salary	\$8,383,142.53
(11) Dispatcher Salaries	\$49,481,401.84
(12) Mapping/Addressing Salaries	\$1,269,573.42
(13) Other Salaries	\$1,776,893.84
(14) Retirement Contribution	\$12,379,817.87
(15) Health Insurance	\$11,692,087.70
(15a) Unemployment Insurance	\$186,133.53
(16) Other Fringe Benefits	\$4,360,547.43
(16a) Sick Leave Payout	\$145,459.65
<b>Facility Costs</b>	
(17) Capital improvements	\$4,008,115.66
(18) Lease or rental payments	\$1,859,778.54
(19) Utilities	\$959,278.82
(20) Telephone Service/911 Trunks	\$4,866,160.13
(21) Maintenance	\$626,789.14
(22) Emergency Power Equipment	\$198,622.75
(23) Insurance	\$682,063.42
(24) Furniture and Fixtures	\$339,057.42
(25) Office Supplies	\$408,122.26

(26) Other Facility Costs	\$721,518.29
<b>Training and Memberships</b>	
(27) On -Site Training	\$163,378.84
(28) Conferences	\$116,996.20
(29) Training Related Travel	\$230,192.07
(30) Membership Dues	\$88,364.78
<b>Equipment/Software</b>	
(31) 911 Controllers	\$3,926,581.31
(32) Telephone Equipment	\$812,532.61
(33) Remote 911 Hardware, Modems etc.	\$1,194,836.08
(34) Computer Work Stations	\$579,639.77
(35) Radio Systems	\$8,314,698.23
(36) CAD System	\$2,301,011.14
(37) GIS/ Mapping System	\$207,939.98
(38) Software licenses	\$1,858,378.12
(39) Maintenance/Service Agreements	\$2,780,836.02
(40) Other Equipment and Software	\$292,127.98
<b>Vehicle Expenses</b>	
(41) MSAG development and Maintenance	\$21,798.42
(42) GIS Verification & Testing	\$10,619.62
(43) Other	\$91,424.24
<b>Professional Services</b>	
(44) Legal	\$46,863.54
(45) Auditing	\$63,350.98
(46) Mapping/Addressing	\$365,125.58
(47) Other	\$1,366,665.79
<b>(48) Total Expenditures</b>	<b>\$129,177,925.54</b>
During this reporting period there were 116 certified PSAPs, the data above represents all submissions received.	
<b>Total reports received (out of 116):</b>	<b>116</b>

# 911 Services Grants Report

During Fiscal Year 2018, the Kentucky 911 Services Board announced 25 grants from 31 Kentucky counties totaling \$2,005,588.64 were awarded for the Board's 2018 grant cycle.

"This year we wanted to focus on helping Kentucky's 911 call centers move toward next generation capabilities and projects that impact not only their own county but their neighboring counties," Holiday explained.

For the 2018 grant cycle, there were 74 applications from 69 Kentucky counties representing \$5.2 million in requests. In evaluating the grants, KOHS followed the same protocol used when evaluating federally-funded U.S. Department of Homeland Security (DHS) grants. After the KOHS grants team ensured all documentation was properly submitted, a team of Kentucky 911 subject matter experts from call centers across the commonwealth analyzed and scored each grant. Following the comprehensive peer review process, a second team of subject matter experts performed a technical review to ensure each grant request met proper technical specifications. The highest scoring projects were then submitted to the full 911 Services Board, which unanimously approved the grant awards at their July 10th meeting.

"As in the last grant cycle the objective was to remove all political processes and obstacles so that all grants are ranked on critical need to the very best of our ability," Holiday said.

A provision of 2018 HB 424 elevated the amount of funding available in the grant pool from \$2 million to \$3 million per year. As such, the Board expects a significant increase in grant issuances for the 2019 grant cycle.

A complete list of grant recipients can be viewed on the Kentucky 911 Services Board web page at: <http://911board.ky.gov>.

# 911 Services PSAP Report

As of June 2018, a total of 116 PSAPs maintain certification with the 911 Service Board, of which 16 are Kentucky State Police posts. This number includes 4 consolidated PSAPs that were once 8 separately certified PSAPs. While the position of the 911 Services Board is not to force PSAP consolidation, KRS 65.7631(4)(d) encourages consolidation by offering a non-competitive \$200,000 per PSAP reimbursement incentive to be used for expenses directly related to the consolidation efforts.

PSAPs certified by the CMRS Board receive two payments each quarter, one based on call volume and one distributed on a pro rata basis.

The PSAP Volume payment is based on the total wireless subscribers reported in a PSAP's jurisdiction and is distributed on the first day of the payment quarter month.

The PSAP Prorated payment is distributed on the 15<sup>th</sup> of the payment quarter month and is an equal payment distribution each certified PSAP receives a distribution determined by dividing the number of wireless PSAPs eligible for payment into the revenue accumulated in the Prorated account during the quarter.

PSAP payment months are February, May, August and November and payments are calculated based on the balance of each fund from remittances received in the most recently closed calendar quarter.

The Erlanger Police Department consolidated into the Kenton County Police Communications Center in June 2018. However, for purposes of the 2018 Annual Report, Erlanger's information is included as a separate PSAP as that entity existed for nearly the entire fiscal year.

# 911 Services Board Legal Report

## CMRS Board vs. Virgin Mobile

Virgin Mobile originally filed suit against the CMRS Board in 2008 in the Jefferson Circuit Court. In the ensuing litigation, they argued that as a prepaid provider they were not legally obligated to collect or remit the CMRS fees to the state, and that only traditional postpaid phones with monthly bills were obligated to do so.

After a split decision by the Kentucky Supreme Court in 2015, Virgin again appealed the case, arguing that their payment was unjust. They contended that the Supreme Court's ruling removed any legal obligation to remit money to the state, and that they should now receive a reimbursement. First the Jefferson Circuit Court and then the Kentucky Court of Appeals disagreed and in July of 2017, confirmed that Virgin was indeed required to pay. The time for them to appeal the matter to the Supreme Court has since lapsed, and the case is now over.



The Board distributed the proceeds of the settlement in May 2018 based on the statutory CMRS funds formula. As such, of the \$473,318 settlement, 10% was deposited into the grant fund, 2.5% to the carrier cost recovery fund, 2.5% was retained in the administrative fund and the remainder was equally divided among the PSAP prorated and volume funds.

## T-Mobile vs. CMRS Board

The T-Mobile litigation, while not as lengthy as that in Virgin Mobile, has been more complicated in that there were a number of active cases, all of which have since been consolidated. Whereas Virgin chose a “self-help” scheme by which they chose to offset their overpayments from future ones, T-Mobile chose to make theirs in a timely manner, requesting a refund after the fact. This means that the suits, filed in 2009 and 2015, as well as the tax appeal filed in 2009, are pure refund actions. Citing to the Supreme Court decision in Virgin, T-Mobile is demanding that they receive back the money that they paid to the CMRS Board, along with the interest accrued thereon. According to T-Mobile’s counsel, this demand is for more than \$1,700,000 in total, of which about \$600,000 is the principal. The CMRS Board has defended the action using the well-documented defense in refund cases that the funds were paid to CMRS voluntarily with T-Mobile having a clear understanding of the law, thus they are not entitled to a refund. Both sides have moved for judgment before the Franklin Circuit Court. We are awaiting a decision.

# 911 Services and 911 By The Numbers

## Public Safety Answering Points (PSAP) Data

<b>Primary PSAPs certified by the CMRS Board; includes 16 Kentucky State Police Posts:</b>	<b>116</b>
<b>Secondary non-certified PSAPs, (e.g. universities, local dispatch only PSAPs, airports):</b>	<b>58 (Estimated)</b>
<b>Counties served by the Kentucky State Police for wireless 911 call taking as of June 30th, 2018:</b>	<b>22</b>
<b>Total call-taking positions statewide:</b>	<b>524</b>
<b>Persons employed as call-takers statewide:</b>	<b>1,404</b>
<b>Call-takers trained and certified by Dept. of Criminal Justice Training:</b>	<b>1,217</b>
<b>Total 911 calls in Kentucky FY 2018:</b>	<b>3,120,669</b>
<b>Total 911 calls from wireless devices (cell phones):</b>	<b>2,371,925</b>
<b>Total 911 calls from landline and VOIP devices:</b>	<b>635,455</b>
<b>Number of Kentucky PSAPs with Enhanced 911:</b>	<b>116</b>
<b>Counties with wireless 911 service: (100% of population)</b>	<b>120</b>
<b>Number of PSAPs taking Text-to-911 Calls:</b>	<b>8</b>
<b>Number of PSAPs at least partially NG 911 “Ready”:</b>	<b>103</b>

## Receipts by Year (Wireless)

<b>Number of Wireless Providers remitting 911 fees to the Board:</b>	<b>64</b>
<b>Total CMRS Board receipts in FY 2015:</b>	<b>\$ 26,544,928</b>
<b>Total CMRS Board receipts in FY 2016:</b>	<b>\$ 26,947,561</b>
<b>Total CMRS Board receipts in FY 2017:</b>	<b>\$ 28,572,521</b>
<b>Total CMRS Board Receipts in FY 2018</b>	<b>\$ 29,813,603</b>

# CMRS Board Financial Report

The 911 Services Board collected \$29,813,603 in remittances from wireless carriers doing business in the Commonwealth during Fiscal Year 2018, compared with \$28,572,521 in collections from audit findings for Fiscal Year 2017—an increase of 4%.

The 911 Services Board expended a total of \$34,970,136 during the 2018 fiscal year, compared with \$28,211,789 for Fiscal Year 2017, an increase of 19%. Of the increased expenditures, \$11,923,581 in additional funds went directly to PSAPS through quarterly volume and prorated payments, representing an increase in PSAP funding of 25%.

<b>CMRS Board-FY 2017 Expenditures by Fund</b>	
<b>Administrative:</b>	<b>\$ 547,207</b>
<b>Grants:</b>	<b>\$ 3,439,695</b>
<b>Cost Recovery:</b>	<b>\$ 1,545,312</b>
<b>PSAP Prorated:</b>	<b>\$11,354,575</b>
<b>PSAP Volume:</b>	<b>\$11,325,000</b>
<b>Total:</b>	<b>\$28,211,789</b>

<b>CMRS Board-FY 2018 Expenditures by Fund</b>	
<b>Administrative:</b>	<b>\$ 249,749</b>
<b>Grants:</b>	<b>\$ 3,461,577</b>
<b>Cost Recovery:</b>	<b>\$ 938,544</b>
<b>PSAP Prorated:</b>	<b>\$ 15,610,721</b>
<b>PSAP Volume:</b>	<b>\$ 14,709,545</b>
<b>Total:</b>	<b>\$ 34,970,136</b>



## Audit and Notable Transfers

During FY2018, the Auditor of Public Accounts performed an audit of the Board's administrative fund for fiscal years 2014-17. The audit revealed two significant improper appropriations of funds from fiscal years predating the current administration:

1. An audit finding revealed \$233,149 in technical consultant fees were paid from the grant fund. This amount was repaid by transfer from the administrative fund to the grant fund in May 2018.
2. Another finding showed \$34,216 was expended for administrative salaries from the grant fund. Again, this amount was repaid by transfer from the administrative fund to the grant fund.

A judgement in favor of the Board from the legal case with Virgin Mobile yielded a settlement in the amount of \$473,318. Proceeds from the settlement were held in escrow in the administrative fund awaiting an appeal from Virgin Mobile. When the deadline to appeal expired, settlement proceeds were distributed according to the statutory formula for CMRS funds in May 2018. Also in May 2018, pursuant to KRS 65.7631(4), \$614,486 was moved from the grant fund and equally distributed to the volume and prorated funds to remove funds in excess of \$2 million. This dispersal was included in the May quarterly PSAP payments.

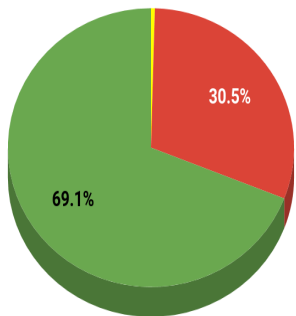
# Appendices

# Appendix A: CMRS Fund

## Collection/Disbursement of the KY 911 Service Charge

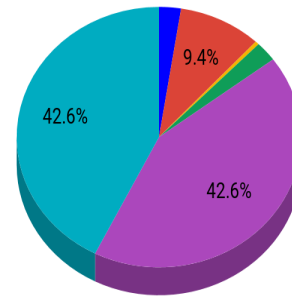
- Providers of postpaid wireless service collect the 911 service charge monthly and remit directly to the Board. The surcharge collected on postpaid devices is \$.70 per phone per month. The surcharge collected on prepaid wireless service of \$.93 per transaction is collected at the point of sale and remitted to the KY Department of Revenue, and is then forwarded to the Board monthly. The chart below shows the breakdown of income for prepaid versus postpaid wireless subscribers.
- All receipts are deposited into the CMRS Fund and apportioned by statute into specific accounts shown in the chart below.
- Fiscal year receipts for the CMRS fund totaled \$29,813,603.
- The chart below shows how receipts are apportioned by fund type.

FY 2018 Income Breakdown



Interest \$130,126.07    Prepaid Carrier Fees \$9,094,241.86  
 Postpaid Carrier Fees (including lifeline) \$20,589,235.06

Apportionment of CMRS Fees



Admin Fund Carrier Fees \$742,417.97    Grant Fund Carrier Fees \$2,805,913.73  
 Interest Income \$130,603.84    Cost Recovery Fund Fees \$740,072.68  
 Pro Rated Receipts Fund Fees \$12,697,536.27    Volume Receipts Fund Fees \$12,697,536.27

# Appendix B: Master Grant Awards Ledger 2017-2018

## 2017

Year	Recipient	County	Total Awarded
2017	Bell County Fiscal Court	Bell	\$99,630.00
2017	Bell County Fiscal Court	Bell	\$70,000.00
2017	Bluegrass 911 Central Communications	(MULTI) Garrard, Lincoln	\$28,280.00
2017	Bluegrass 911 Central Communications	(MULTI) Garrard, Lincoln	\$34,018.00
2017	Bluegrass 911 Central Communications	(MULTI) Garrard, Lincoln	\$12,378.00
2017	Boone County Fiscal Court	Boone	\$30,399.00
2017	Bowling Green, City of	Warren	\$245,000.00
2017	Calloway County Fiscal Court E911	Calloway	\$70,000.00
2017	Carrollton, City of	Carroll	\$131,087.00
2017	Estill County Fiscal Court	Estill	\$112,786.00
2017	Fleming County Fiscal Court	Fleming	\$96,598.00

Year	Recipient	County	Total Awarded
2017	Greensburg, City of	Green	\$92,929.00
2017	Henderson, City of	Henderson	\$165,000.00
2017	Kenton County Fiscal Court	Kenton	\$62,384.00
2017	Kentucky State Police	Franklin	\$525,000.00
2017	Lawrenceburg, City of	Anderson	\$41,677.00
2017	Lee County Fiscal Court	Lee	\$71,500.00
2017	Leslie County Fiscal Court/Leslie County 911 Dispatch Center	Leslie	\$70,000.00
2017	Lewis County Fiscal Court	Lewis	\$84,086.00
2017	Lexington-Fayette Urban Co. Government	Fayette	\$29,921.00
2017	Lexington-Fayette Urban Co. Government	Fayette	\$400,000.00
2017	London-Laurel County 911 Communications Center	Laurel	\$137,568.00
2017	Maysville, City of	Mason	\$126,321.00
2017	Muhlenberg County Fiscal Court	Muhlenberg	\$141,554.00

Year	Recipient	County	Total Awarded
2017	Nelson County Fiscal Court-E-911 Dispatch Center	Nelson	\$2,680.00
2017	Nelson County Fiscal Court-E-911 Dispatch Center	Nelson	\$7,599.00
2017	Oldham County Fiscal Court	Oldham	\$15,988.00
2017	Owensboro, City of	Daviess	\$136,181.00
2017	Paducah, City of	McCracken	\$175,000.00
2017	Paintsville, City of	Johnson	\$98,199.00
2017	Paintsville, City of	Johnson	\$105,000.00
2017	Perry County Fiscal Court	Perry	\$105,000.00
2017	Pulaski County Fiscal Court	Pulaski	\$26,052.00
2017	Rockcastle County Fiscal Court	Rockcastle	\$7,064.00
2017	Todd County Fiscal Court	Todd	\$66,015.00
2017	Trigg County Fiscal Court	Trigg	\$70,000.00
2017	Whitley County Fiscal Court	Whitley	\$115,067.00
2017	Winchester, City of	Clark	\$60,783.00

Year	Recipient	County	Total Awarded
2017	Wolfe County Fiscal Court	Wolfe	\$70,000.00
<b>TOTAL 2017 GRANT AWARD</b>			<b>\$3,938,744.00</b>
<b>2018</b>			
2018	Bath County 911	Bath	\$24,880.16
2018	Montgomery County 911	Montgomery	\$107,219.85
2018	Bluegrass 911 Central Communications	(MULTI) Garrard, Lincoln	\$17,400.00
2018	Grayson County Fiscal Court	Grayson	\$105,000.00
2018	Kentucky State Police	(MULTI) Grant, Rowan, Hopkins	\$280,000.00
2018	Muhlenberg County Fiscal Court	Muhlenberg	\$3,900.00
2018	Meade County Fiscal Court	Meade	\$6,368.76
2018	Union County Fiscal Court	Union	\$61,800.00
2018	City of Owensboro-Daviess County	Daviess	\$27,870.15
2018	City of Carrollton/Carroll County	Carroll	\$78,000.00

Year	Recipient	County	Total Awarded
2018	City of West Liberty	Morgan, Menifee	\$154,824.97
2018	Carter County Fiscal Court	Carter	\$66,500.00
2018	Nelson County E911 Dispatch Board	Nelson	\$4,325.00
2018	Boone County Fiscal Court	(MULTI) Boone, Campbell, Henry, Gallatin, Kenton, Pendleton,	\$461,638.00
2018	Pennyrile Emergency Assistance Board	Caldwell	\$63,000.00
2018	Greenup County Fiscal Court/E911	Greenup	\$21,218.54
2018	Knox County 911 Board	Knox	\$156,016.89
2018	Lexington-Fayette Urban County	Fayette	\$66,079.89
2018	City of Lawrenceburg	Anderson	\$6,470.64
2018	Barren-Metcalfe Emergency Communications Center	(MULTI) Barren, Metcalfe	\$159,407.90
2018	Barren-Metcalfe Emergency Communications Center	(MULTI) Barren, Metcalfe	\$11,714.49
Year	Recipient	County	Total Awarded



Year	Recipient	County	Total Awarded
2018	Barren-Metcalf Emergency Communications Center	(MULTI) Barren, Metcalfe	\$32,334.40
2018	City of Marion	Crittenden	\$63,000.00
2018	Union County Fiscal Court	Union	\$15,099.00
2018	Bluegrass 911 Central Communications	(MULTI) Garrard, Lincoln	\$11,520.00
<b>TOTAL 2018 GRANT AWARD</b>			<b>\$2,005,588.64</b>

## Appendix C: Local Wireline Fees

Adair	\$2.00	Grayson	\$2.70	Metcalf	\$1.00
Allen	\$1.50	Green	\$2.00	Monroe	\$1.50
Anderson	\$1.89	Greenup	\$2.50	Montgomery	\$3.00
Ballard	\$1.00	Hancock	\$0.98	Morgan	\$1.00
Barren	\$1.00	Hardin	\$42.00 (Annual) <sup>1</sup>	Muhlenberg	\$3.00
Bath	\$3.00	Harlan	\$1.25	Nelson	\$24.00 (Annual) <sup>2</sup>
Bell	\$4.29	Harrison	\$4.00	Nicholas	\$2.00 <sup>3</sup>
Boone	\$75.00 (Annual) <sup>4</sup>	Hart	\$1.50	Ohio	\$2.86
Bourbon	\$3.00 / \$4.50 <sup>5</sup>	Henderson	\$2.50	Oldham Bus.	\$3.40
Boyd	See notes <sup>6</sup>	Henry	\$1.00	Oldham Res.	\$2.00
Boyle	\$0.50	Hickman	\$1.00	Owen	\$1.00
Bracken	\$2.50	Hopkins	\$0.32	Owsley	\$1.00
Breathitt	\$1.35	Jackson	\$3.00	Pendleton	\$2.50
Breckinridge	\$1.00	Jefferson	\$0.79	Perry	\$3.75
Bullitt	\$36.00 (Annual) <sup>7</sup>	Jessamine	\$2.25	Pike	\$0.93
Butler	\$2.00	Johnson	\$1.73	Powell	\$4.00
Caldwell	\$1.50	Kenton	See notes <sup>8</sup>	Pulaski	\$0.00
Calloway	\$1.00	Knott	\$1.50	Robertson	\$2.00 <sup>9</sup>
Campbell	\$45.00 (Annual) <sup>10</sup>	Knox	\$1.25	Rockcastle	\$2.00
Carlisle	\$3.00	Larue	\$2.75	Rowan	\$1.25
Carroll	\$1.25	Laurel	\$3.50	Russell	\$0.00
Carter	\$1.74	Lawrence	\$1.95	Scott	\$0.50
Casey	\$1.75	Lee	\$3.00	Shelby	\$2.00
Christian	\$0.75	Leslie	\$1.50	Simpson	\$2.00
Clark	\$3.00	Letcher	\$1.25	Spencer	\$1.84
Clay	\$4.00	Lewis	\$3.50	Taylor	\$1.00
Clinton	\$2.50	Lincoln	\$4.00, See notes <sup>11</sup>	Todd	\$2.50
Crittenden	\$1.00	Livingston	\$0.60	Trigg	\$1.25
Cumberland	\$4.00	Logan	\$2.00	Trimble	\$1.50
Daviess	\$1.25	Lyon	\$1.00	Union	\$0.60
Edmonson	\$2.08	Madison	\$3.50	Warren	\$0.68

<sup>1</sup> \$42.00 Annual Fee Collected on Property Tax

<sup>2</sup> \$24.00 Annual Fee Collected on Property Tax

<sup>3</sup> \$2.00 Fee Collected on Utility Bill (Per Month)

<sup>4</sup> \$75.00 Annual Fee Collected on Property Tax

<sup>5</sup> \$3.00 Landline Fee, \$4.50 Fee Collected on Utility Bill (Per Month)

<sup>6</sup> Until 12/31/18: 17% Base Phone Rate; \$15.00 Annual Fee Collected on Property Tax. Beginning 1/1/19: \$50.00 Annual Fee Collected on Property Tax.

<sup>7</sup> \$36.00 Annual Fee Collected on Property Tax

<sup>8</sup> Commercial Large Retail (Over 25k ft<sup>2</sup>) \$2,630; Commercial Small Retail (Under 25k ft<sup>2</sup>) \$435.00; Commercial Non-Retail \$530.00; Low Density Residential/Agricultural \$75.00; Medium Density Residential (4-39 Units) \$75.00 per unit (max \$500); High Density Residential (40+ Units) \$75.00 per unit (max \$6,765.00); Public Use \$75.00

<sup>9</sup> \$2.00 Fee Collected on Utility Bill (Per Month)

<sup>10</sup> \$45.00 Annual Fee Collected on Property Tax

<sup>11</sup> \$4.00 Landline Fee; \$0.25 Fee Collected on Utility Bill (Per Month)

Elliott	\$4.50	Magoffin	\$4.00	Washington	\$1.00
Estill	\$4.00 <sup>12</sup>	Marion	\$0.00	Wayne	\$0.00
Fayette	\$3.23	Marshall Bus.	\$2.50	Webster	\$2.00
Fleming	\$4.00	Marshall Res.	\$1.50	Whitley	\$3.00 <sup>13</sup>
Floyd/P-burg Business	\$1.99	Martin	\$75.00 (Annual) <sup>14</sup>	Wolfe	See notes <sup>15</sup>
Floyd/P-burg Residential	\$0.99	Mason	\$1.70	Woodford	\$3.50
Franklin	\$1.00	McCracken	\$1.50 / \$2.50 <sup>16</sup>		
Fulton	\$2.00	McCreary	\$2.65		
Gallatin	\$0.00	McLean	\$2.25		
Garrard	\$5.00, See notes <sup>17</sup>	Meade	\$1.00		
Grant	\$36.00 (Annual) <sup>18</sup>	Menifee	\$0.00		
Graves	\$1.00	Mercer	\$0.80		

<sup>12</sup> \$4.00 Fee Collected on Utility (Water) Bill (Per Month)

<sup>13</sup> \$3.00 Fee Collected on Utility (Water) Bill (Per Month)

<sup>14</sup> \$75.00 Annual Fee Collected on Property Tax

<sup>15</sup> Landline Fee is 3% of Landline Bill

<sup>16</sup> \$1.50 Landline Fee (County); \$2.50 Landline Fee (City)

<sup>17</sup> \$5.00 Landline Fee; \$0.25 Fee Collected on Utility Bill (Per Month)

<sup>18</sup> \$36.00 Annual Fee Collected on Property Tax

# Appendix D: Account Activity Summary

FY 2018

Fund	Fund Name	Beginning Balance	Fund	Fund Name	Beginning Balance
1322	Administrative Fund	\$2,251,764.16	630C	CMRS Grants	\$4,724,453.84
	Carrier Deposits	\$742,417.97		Carrier Deposits	\$2,805,913.73
	Disbursements	-\$711,234.52*		Disbursements	-3,143,378.30***
	Adjustments	-\$263,387.10		Adjustments	\$329,429.66
	Ending Cash Balance	\$2,019,560.51		Ending Cash Balances	\$4,716,418.93

Fund	Fund Name	Beginning Balance	Fund	Fund Name	Beginning Balance
6374	Interest Account	\$29,026.52	6375	Prorated	\$3,435,980.33
	Carrier Deposits	\$130,126.07		Carrier Deposits	\$12,697,536.27
	Disbursements	-\$155,173.77		Disbursements	-\$15,346,754.63
	Adjustments	-\$3,978.82		Adjustments	667,053.75
	Ending Cash Balance	\$0.00		Ending Cash Balances	\$1,453,815.72

Fund	Fund Name	Beginning Balance	Fund	Fund Name	Beginning Balance
6376	Cost Recovery	\$588,438.48	6377	Call Volume	\$3,544,201.34
	Carrier Deposits	\$740,072.68		Carrier Deposits	\$12,697,536.27
	Disbursements	-\$1,323,373.35**		Disbursements	-\$15,143,635.28
	Adjustments	15,515.96		Adjustments	\$576,782.46
	Ending Cash Balance	\$20,653.77		Ending Cash Balance	\$1,674,884.79

\*\$711,234.52 in disbursements from Administrative fund include \$461,485.05 Virgin Mobile settlement held in escrow in admin fund that was transferred to Grant, Volume and Prorated funds in May 2018. *Operating expenses were \$249,749.47.*

\*\* \$384,829.76 in disbursements from Cost recovery was due to coding error for KSP Prorated payment 8/2017; error was corrected 9/2018. Disbursements to carriers \$938,543.59.

\*\*\*Disbursements of grant funds to PSAPS \$2,258,892.50; transfer made from grant funds to volume and prorated in excess of \$2 million was \$614,485.80.

# Appendix E: Administrative Fund Revenue/Expense Statement FY2018

<b>KENTUCKY 911 SERVICES BOARD 2018 FISCAL YEAR BUDGET ANALYSIS</b>			
Kentucky Office of Homeland Security	<b>Budgeted</b>	<b>Actual</b>	<b>Difference</b>
CMRS 1322 - Office of the 911 Coordinator			
FY 2018-2020 Operating Budget			
<b>EXPENDITURES</b>			
E111 Regular Salaries	184,141.00	96,851.21	(87,289.79)
Other Salaries & Wages			
E121 FICA	13,810.00	7,732.17	(6,077.83)
E122 Retirement	90,299.00	54,497.49	(35,801.51)
E123 Health Insurance	42,352.00	14,644.90	(27,707.10)
E124 Life Insurance	36.00	19.29	(16.71)
<b>Subtotal Payroll</b>	<b>330,638.00</b>	<b>173,745.06</b>	<b>(156,892.94)</b>
E131 Workman's Comp			
E132 Unemployment			
E133 Employee Training	7,000.00	4,482.00	(2,518.00)
E136 Uniforms			
E184 Personnel Board Assessment			
<b>(130) Other Personnel (E132-E139)</b>	<b>7,000.00</b>	<b>4,482.00</b>	<b>(2,518.00)</b>
E141 Legal Services	50,000.00	8,695.50	(41,304.50)
E142 Auditing	150,000.00	0.00	(150,000.00)
E146 Consulting Services	100,000.00	0.00	(100,000.00)
E170 Professional Services W-2		994.00	994.00
<b>(140) Other Prof Services Contracts</b>	<b>300,000.00</b>	<b>9,689.50</b>	<b>(290,310.50)</b>
E161 Prison Labor	-	250.00	250.00
E162 Security Guard Serv-1099 Reported		8,221.88	8,221.88
<b>Object Class 150</b>		<b>8,471.88</b>	<b>8,471.88</b>
Total Personnel	637,638.00	196,388.44	(441,249.56)
Operating Expenses			
E212 Electricity	-		
E219 Cable Services	-		
<b>E210 Utilities &amp; Heating Fuels</b>			
E222 Rent State Owned	-		
<b>Rental - State Owned Buildings</b>			
E605 Motor Vehicles		22,646.27	22,646.27
E224 Copy Machine Rental	3,000.00	0.00	(3,000.00)
E226 Carpool Rental-St AG	9,000.00	0.00	(9,000.00)
E229 Rentals N-Otherwise Class			
<b>Other Rentals</b>	<b>12,000.00</b>	<b>22,646.27</b>	<b>10,646.27</b>
E241 Postage	100.00	6.70	(93.30)
<b>E240 Postage &amp; Related Services</b>	<b>100.00</b>	<b>6.70</b>	<b>(93.30)</b>
E251 Printing Pd to State		175.00	175.00

E254 Insurance Premium	26,000.00	19,513.11	(6,486.89)
E259 Expenses Rel T/Shows, Fairs	20,000.00		(20,000.00)
E260 Managed Print Services	-	1,505.72	1,505.72
E542 Online Subscrip Srv-1099	800.00	35.00	(765.00)
E823 Business Applications Software		700.00	700.00
E548 Exhibitor Premiums - 1099 Rept			
<b>E250 Miscellaneous Services</b>	<b>46,800.00</b>	<b>21,928.83</b>	<b>(24,871.17)</b>
E248 Licensing Fee		10.25	10.25
E801 COT Telephone Charges	5,400.00	2,837.00	(2,563.00)
E814 Telephone Charges -Wireless/Cell	1,600.00	100.22	(1,499.78)
E815 Telephone Charges -other	100.00		(100.00)
E816 Video Teleconferencing Charges			
<b>E260 Telecommunications</b>	<b>7,100.00</b>	<b>2,947.47</b>	<b>(4,152.53)</b>
E803 COT Pass Through Charges			
E300 MARS Charges/Internal Enterprise IT Charges	4,000.00		(4,000.00)
<b>E270 Computer Services</b>	<b>4,000.00</b>	<b>0.00</b>	<b>(4,000.00)</b>
E833 Networking Hardware		39.05	39.05
E321 Office Supplies	2,200.00	448.40	(1,751.60)
E326 Household & Kitchen Su			
<b>E320 Supplies</b>	<b>2,200.00</b>	<b>487.45</b>	<b>(1,712.55)</b>
E341 Food Product	1,500.00	514.78	(985.22)
E346 Furniture & Office Equip	500.00		(500.00)
<b>E340 Commodities</b>	<b>2,000.00</b>	<b>514.78</b>	<b>(1,485.22)</b>
E361 In State Travel	5,000.00	868.96	(4,131.04)
E362 Out of State Travel	10,000.00	2,552.03	(7,447.97)
E363 Travel for Non-State Emp	12,000.00	215.04	(11,784.96)
<b>E360 Travel</b>	<b>27,000.00</b>	<b>3,636.03</b>	<b>(23,363.97)</b>
E381 Dues & Subscriptions	2,000.00	1,193.50	(806.50)
E399 Other			
<b>E370 Misc. Commodities</b>	<b>2,000.00</b>	<b>1,193.50</b>	<b>(806.50)</b>
Total Operating	103,200.00	53,361.03	(49,838.97)
<b>Total Expenditures</b>	<b>740,838.00</b>	<b>249,749.47</b>	<b>(491,088.53)</b>
<b>Notable Transfers from Administrative Account</b>			
To Grant Fund: Improper Payroll (2014-16)	-	34,216.22	
To Grant Fund: Improper Tech Consultant (2014-16)		233,149.00	
To PSAPs/Grant Fund: Virgin Mobile Settlement	-	461,485.05	
<b>Total Transfers</b>		<b>728,850.97</b>	



# Kentucky Office of Homeland Security

## *Legislative Directive*

KRS 39A.285 Legislative findings.

The General Assembly hereby finds that:

1. No government by itself can guarantee perfect security from acts of war or terrorism.
2. The security and well-being of the public depend not just on government, but rest in large measure upon individual citizens of the Commonwealth and their level of understanding, preparation and vigilance.
3. The safety and security of the Commonwealth cannot be achieved apart from reliance upon Almighty God as set forth in the public speeches and proclamations of American Presidents, including Abraham Lincoln's historic March 30, 1863, Presidential Proclamation urging Americans to pray and fast during one of the most dangerous hours in American history, and the text of President John F. Kennedy's November 22, 1963, national security speech which concluded; "For as was written long ago: 'Except the Lord keep the city, the watchman waketh but in vain.'"



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