Beshear appoints attorney to Eastern KY judge-executive spot ahead of 2026 race

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Kentucky Gov. Andy Beshear has appointed Salyersville attorney Don McFarland to serve as Magoffin County judge-executive for the remainder of 2026.

McFarland replaces former Judge-Executive Matt Wireman, who abruptly retired and vacated the office Dec. 31 to prevent voiding his pension benefits.

Wireman, a Democrat who served nearly two terms as the county's chief executive, is still running to reclaim his seat. He will face one of two Republican opponents in November.

Former Judge-Executive Charles "Doc" Hardin," whose administration was embroiled in controversy over an election vote-buying scandal and alleged fraud, is running against Dewey Thomas Howard.

Magoffin County, about 100 miles east of Lexington in the Kentucky's eastern coalfields region, is one of the state's most impoverished, ranking nearly last according to investment income, property value and median income.

McFarland, 56, who is also a registered Democrat, has been a civil litigation lawyer in the county for more than 30 years. He served two terms as county attorney and has been counsel for Magoffin County Public Schools, as well as the former water works department.

He said he was honored by the governor's appointment, but he sees his role as judge-executive much like that of a substitute teacher. He did not file to run in the coming election.

"I'm filling in until the permanent position can be elected," he told the Herald-Leader Wednesday. "But I don't want it to just be that. If there's anything I can do to help generate jobs, to help grow the county and to improve infrastructure, I'm glad to do it."

Magoffin County is an entryway point to the Bert T. Combs Mountain Parkway that connects the easternmost reaches of the state to Lexington and broader Central Kentucky. The county is primed to serve as a generator for major industries like transportation and supplies, McFarland said. But that hasn't yet happened, and he said he believes it will take creative strategies on the part of county leaders to lobby for change.

The county's coal-mining heritage means many workers are dues-paying union members who travel great distance for trade jobs. McFarland said he wants to generate opportunities for them to work closer to home.

Building on the county's successes in K-12 education, and a $2 million build-ready industrial park will be crucial to turning the tide, McFarland said.

"We have enormous workforce potential here," he said. "There are jobs that in very, very high demand; they're so needed, and hopefully they will come to fruition here."

The governor's office did not immediately respond to a Herald-Leader request for comment Wednesday.

LEGISLATIVE RESEARCH COMMISSION

Sen. Amanda Mays Bledsoe, R-Lexington, speaks on the Senate floor during the 2025 General Assembly.

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opinion. On June 4, Attorney General Russell Coleman issued a formal opinion finding the board's action violated public notice requirements. The vote was later voided, and the tax was never implemented.

"After last year's public debacle, I heard clearly from Fayette County residents who felt blindsided and frustrated. Their concerns were well-founded, and I shared them," Bledsoe said at the Wednesday Senate committee meeting.

Bledsoe said such an increase would have affected 100,000 commuters who work in Fayette County.

Bledsoe said SB 76 will allow time for public trust to be restored while providing stability and confidence for both employees and employers in the years ahead.

District officials did not immediately comment Wednesday.

A Lexington Democrat has filed a similar bill.

LEXINGTON DEMOCRAT'S BILL

Rep. Anne Gay Donworth, D-Lexington, filed House Bill 405 earlier in the General Assembly to clarify how school occupational license taxes are proposed and approved in Kentucky, attempting to strengthen transparency and avoid the confusion that surfaced last year in Fayette County, a news release said.

The legislation updates state laws to detail the process for school boards to take when proposing or increasing a school occupational tax. It requires local boards of education to notify the public of the proposal, including an explanation of why the tax is needed.

The measure also clarifies the sequence of actions needed when a board proposes an increase in counties with 300,000 or more residents, and it reaffirms the role of the fiscal court in approving any higher rate.

"This is about clarity and transparency, while maintaining local control of our school systems." Donworth said in a news release.

"Families deserve advance notice when a tax change is being considered, and school boards deserve statutes that are easy to follow. This bill lays out the steps in a clear order so the public can participate, and local officials can make responsible decisions without legal uncertainty," she said.

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LAWSUIT

tlement. Kentucky's U.S. Attorney declined to comment on pending litigation.

ARC signed an agreement with Angelica Trust Nov. 12 to get credits that allowed the treatment company to remain in operation until a sale of most of ARC's assets was finalized, court records show.

But after that sale fell through in late December, ARC did not return the $8 million it was given in tax credits. Angelica tried repeatedly to recover that money — transcripts of the correspondence are included in the lawsuit — Angelica sued to recoup that money.

Angelica Capital's attorney, Anthony Candido, of New York, did not respond to multiple requests for comment. Vanessa Keeton, ARC's vice president of marketing, declined to comment.

Robinson said in the Jan. 20 filing that the $8 million in tax credits Angelica gave his company was needed to keep ARC open and fulfill "multiple (debt) obligations." Robinson promised to return the money once a second attempt to sell the company is finalized at the end of January. That sale has not yet been made public.

"ARC has a pending financial transaction that is expected to close in or around the end of January 2026 or shortly thereafter that will include the payment of multiple obligations, including any obligations owed to Angelica Capital Trust, including any interest," Robinson said in a Jan. 20 sworn statement.

In the meantime, "it is impossible for ARC to comply" with Angelica's request for immediate reimbursement, Robinson wrote in his filing.

"As of Jan. 13, 2026, there was a total of $3,817,171.03 in all of the bank accounts for ARC and (its) subsidiaries," he said. "ARC ... continues, to pay only those operating expenses absolutely necessary to continue operations. That includes costs for food for patients, medications and lab supplies, and utilities for facilities."

Paying the $8 million "would halt payments for day-to-day operations ... and ARC cannot simply cease operations. Care for hundreds of vulnerable patients would be interrupted and hundreds of employees would lose employment."

ARC OWES $8M TO OVERSEAS TRUST, LAWSUIT SAYS

Angelica claims ARC has stalled paying the DOJ's settlement because the company is trying to raise money by selling most of its assets. Meanwhile, the DOJ has allowed ARC to continue billing Medicaid and Medicare, which make up 82% of ARC's clients.

ARC, based in Louisa, was once the largest for-profit residential addiction treatment in Kentucky. It paid a key role in Kentucky's status of having the most treatment beds per capita of any state in the country.

But in August 2024, the FBI announced it was investigating the company for fraud. Medicaid reimbursement rate cuts followed, significantly curbing ARC's ability to bill at the level it had previously.

Over the past 15 months, ARC has closed all but 16 of its original 40 treatment centers, laid off hundreds of employees and displaced dozens of clients.

The company announced a potential solution to its financial woes in October: Ethema Health Corporation, a Florida-based behavioral health and drug treatment company, would buy most of ARC and keep founder Tim Robinson in a corporate leadership role.

The move was part of a "strategic consolidation" to continue growing the number of addiction treatment beds in Kentucky under Ethema's existing Kentucky brand, ARIA Kentucky. But Ethema backed out of that sale in late December without public explanation.

In the lawsuit, Angelica said ARC sold $8 million "to make a sales transaction more attractive to a potential buyer — Ethema Health Corporation ... but after that deal fell through, ARC told Angelica it was keeping the tax receivables until it was able to close a deal with another buyer."

ARC "just needed the money to get a deal done and to survive," the lawsuit said, adding that the company "said its bank account had little else and it faced operational expenses. ARC threatened that if it was not able to close a new deal, it would declare bankruptcy."

Angelica repeatedly asked ARC for reimbursement via money wire after it became clear the deal with Ethema had fallen through, but ARC refused.

In a Dec. 30 email included in the lawsuit, Jessica Burke, ARC's lead legal counsel, told Angelica that ARC was within 30 days of another acquisition. Until then, ARC would not wire Angelica the $8 million.

"While I acknowledge that Angelica Capital Trust is not a party to the sales transaction, Angelica Capital Trust does have a vested interest in the closing occurring as planned in the next few weeks," Burke wrote. "Let me be clear that if the planned closing does not occur, (ARC) will be forced to seek debtor protection and/or reorganization. Such an action is not in the best interest of ARC, and is not in the best interest of Angelica Capital Trust. "

In the lawsuit, Angelica wrote: "At this point, it was clear that ARC was playing a shell game of some sort."