County Employees Retirement System
Employer Audit Committee - Special Meeting
July 13, 2026 at 2:00 PM ET (1:00 PM CT)
Live Video Conference/Facebook Live

AGENDA

1. Call to Order	**Steven Webb**
2. Legal Public Statement	**Eric Branco**
3. Roll Call	**Sherry Rankin**
4. Public Comment	**Sherry Rankin**
5. Approval of Meeting Minutes – October 13, 2025*	**Steven Webb**
6. Frequency of Committee Meetings*	**Steven Webb**
7. APA Referral Recap	**Ed Owens, III**
8. Chief Auditor Investigation **a. Original APA Review** **b. Subsequent APA Review** **c. Recommended Follow-up**	**Kristen Coffey**
9. Draft Audit of ERCE Employer Audits	**Kristen Coffey**
10. Green County Judge Executive	**Steven Webb**
11. ERCE Preliminary Steps	**Mike Lamb** **D'Juan Surratt**
12. Adjourn	**Steven Webb**

Committee Action May be Taken

MINUTES OF MEETING
COUNTY EMPLOYEES RETIREMENT SYSTEM
BOARD OF TRUSTEES
AD HOC EMPLOYER REPORTING REVIEW COMMITTEE
OCTOBER 13, 2025, AT 3:00 P.M. ET (2:00 P.M. CT)
VIA LIVE VIDEO TELECONFERENCE

At the October 13, 2025, County Employees Retirement System (CERS) Ad Hoc Employer Reporting Review Committee Meeting, the following Committee members were present: Steven Webb (Chair), Dr. Patricia Carver, Jim Tony Fulkerson, Tommy McGraw, and George "Lisle" Cheatham. Staff members present were Ryan Barrow, Erin Surratt, Michael Lamb, Michael Board, D'Juan Surratt, Kristen Coffey, Phillip Cook, Sherry Rankin, and Sandy Hardin. Others present included CERS CEO Ed Owens III, William O'Mara, and Eric Branco of Johnson Bowman Branco LLP.

1. Mr. Webb called the meeting to order.

2. Mr. Branco read the Opening Statement.

3. Ms. Rankin called the roll.

4. Ms. Rankin noted that one ***Public Comment*** was submitted *(Video 00:07:46 to 00:08:31).*

   <u>Tonya Smith:</u>

   "Online training documents are outdated. In-person training for new HR personnel should be done bi-annually. Chat option for customer service. A more searchable resource or quick how-tos for individual subjects. Provide a template for the file submission – make this a process more simple and take out roadblocks."

   Mr. Webb expressed appreciation to Ms. Smith for her comment and affirmed that it would be communicated to the full CERS Board of Trustees for their consideration.

5. Mr. Webb introduced agenda item ***Employer Reporting, Compliance and Education (ERCE)*** *(Video 00:08:31 to 01:20:15).* To support the committee's discussion on

employer reporting and compliance, a video presentation from a previous meeting highlighted KPPA's audit authority, ERCE's evolving role, and the need for strategic resource allocation. Ms. Adkins outlined plans for an annual attestation process, expanded coaching, and centralized audit oversight, noting that many issues are identified through ERCE investigations rather than APA referrals. The committee discussed audit findings, staffing challenges, and the importance of clear communication. Mr. Owens requested a review of legal cases tied to ERCE referrals, and a philosophical debate emerged over whether internal audit or ERCE should lead employer audits—both sides agreed collaboration is essential moving forward.

Ms. Rankin noted that the presentation had ended.

Following the presentation, Mr. Webb acknowledged that Mr. Owens had requested audit documentation on his behalf. He noted that the requested materials had not yet been received. Mr. Webb expressed appreciation for the strong relationships ERCE has built with participating employers and emphasized the importance of maintaining those connections as the committee continues to assess its approach to audit and compliance.

a. **Current Employer Audit Status: Coaching/Audit/Legal** *(Video 00:55:03 to 01:20:15):* Following the video presentation, Mr. Barrow reflected on Ms. Adkins' contributions and outlined several actions already implemented, including a centralized email list to streamline audit referrals. He noted plans to meet with the State Auditor to align priorities and shared updates on two APA-referred cases. A slide from the presentation materials illustrating ERCE's audit funnel showed most efforts focused on coaching, with a small percentage escalating to formal audits. Mr. Owens raised concerns about audit percentages and documentation, citing inconsistencies in APA referrals and noting the importance of transparency. Mr. Barrow clarified the data context and deferred to Mr. Board for further legal details.

b. **Litigation Costs and HR Staffing Update** *(Video 01:02:41 to 01:20:15):* Mr. Board reported that KPPA Office of Legal Services has handled 17 ERCE-referred cases since April 2021—two from audits and 15 related to collections—with 96.6% of funds recovered. Mr. Owens questioned labeling these cases as minor, noting they resulted in over $1 million in collections. Staffing updates followed, including the hiring of three counselors to support audits, with a manager position pending. Mr. Webb emphasized the value of regular audits and the need to meet the five-year audit plan. Mr. Cheatham stressed the importance of documented audit trails. He referenced internal audit findings that revealed reports with confirmed or potential issues and called for a system-driven approach to ensure accurate reporting and contribution collection. Dr. Carver raised concerns about underutilizing KPPA's internal audit staff, prompting Mr. Webb to reaffirm the committee's role in addressing such questions.

6. Mr. Webb introduced agenda item ***APA Referral*** *(Video 01:20:15 to 01:23:05)*. Mr. Owens gave a brief report, reflecting on a prior meeting with Ms. Adkins and her central question, "Where should we put resources to get the biggest return?" He agreed this was key to the committee's mission and suggested audit resources may be best directed through the State Auditor's office, given KPPA's oversight of roughly 1,200 employers.

   Mr. Owens noted that the first APA referral was received on May 14, 2025, and that KPPA leadership responded positively. Although the project began in 2023, staff were not hired until June 2025. After considering alternatives, the Board chose to respond formally to the APA, and the letter is included in the Board Book. He encouraged members to review it.

   Mr. Webb thanked Mr. Owens and opened the floor for comments. He noted that Auditor Ball's referrals warrant further review and that ERCE's additional findings support the need for a stronger process to evaluate employer contributions.

7. Mr. Webb introduced agenda item ***Chief Auditor Investigation*** *(Video 01:23:05 to 01:30:12)*. Ms. Coffey introduced herself to the committee, noting her 21 years of experience as an internal auditor and her background conducting audits of public entities. She emphasized the importance of building strong relationships with employer leadership and shared that KPPA is a member of the Association of Public Pension Fund Auditors. In 2018, KPPA surveyed other systems and found that most housed employer audits within their internal audit departments—a model also used by Kentucky Teachers' Retirement System.

Ms. Coffey proposed a five-year rotating audit plan to review all 1,200 participating employers, with each of four auditors conducting approximately 60 audits annually. She acknowledged the ambitious nature of the plan but affirmed its feasibility with trained staff. She also clarified that while APA audits are thorough, many are conducted by contracted firms, and entities like cities and special districts often receive less scrutiny.

She stressed the importance of coordinated communication with employers and recommended that internal audit lead compliance efforts, while ERCE continue its role in education and training.

Mr. Webb thanked Ms. Coffey and agreed that audits need not be adversarial. He emphasized the importance of payroll controls in pension reporting and noted the limited scope of APA audits, underscoring the need for a cyclical review mechanism for other governmental entities. He expressed appreciation for the proposed plan and its potential to enhance oversight.

8. Mr. Webb introduced agenda item ***Next Steps (****Video 01:30:12 to 01:36:11)*. Mr. Owens highlighted a fraud tip from December 2022 regarding an employer's failure to report full-time employees and noted that it is still under legal review nearly three years later. He emphasized the need for timely resolution and referenced KRS 61.505, subsection 1(c), suggesting the statute be clarified to confirm whether KPPA can decline tasks assigned by the CERS or KRS Boards. He proposed elevating the Chief Auditor's role to lead a new division focused on employer audits, enabling full coverage of all 1,200 CERS employers. Stressing strategic resource allocation, he echoed Ms. Adkins' question: "Where should we put the resources to get the biggest return?"

   Mr. Webb supported the proposed structure, noting its alignment with the State of Indiana's model, where internal audit leads compliance reviews with support from reporting staff. In response to Dr. Carver's request for clarification, Mr. Webb explained that Indiana's internal audit initiates investigations, with employer reporting assisting as needed. He concluded by emphasizing the importance of transparency and cautioned against minimizing Auditor Ball's referral, underscoring the committee's duty to uphold strong internal controls.

9. There being no further business, Mr. Webb ***adjourned*** the meeting.

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CERTIFICATION

I do certify that I was present at this meeting, and I have recorded the above actions of the Trustees on the various items considered by it at this meeting. Further, I certify that all requirements of KRS 61.805-61.850 were met in conjunction with this meeting.

____
Recording Secretary

I, Steven Webb, the Chair of the CERS Employer Audit Committee, do certify that the Minutes of Meeting held on October 13, 2025, were approved on July 13, 2026.

____
Chair of the CERS Employer
Audit Committee

I have reviewed the Minutes of the October 13, 2025, CERS Employer Audit Committee Meeting for content, form, and legality.

____
Executive Director
Office of Legal Services

ALLISON BALL
AUDITOR OF PUBLIC ACCOUNTS

May 14, 2025

CEO Ed Owens III
Kentucky Public Pension Authority
1260 Louisville Road
Frankfort, KY 40601

Sent via email: Ed.Owens@kyret.ky.gov

Re: Referral of Finding in the Audit of the Barren County FC 2024

Dear CEO Owens III:

Enclosed is a copy of the above-referenced audit report. The Auditor of Public Accounts publicly released this report on May 7, 2025. We are referring Finding 2024-012 for your review and determination whether further investigation by your office is warranted.

Please keep the Auditor of Public Accounts advised of any action taken by your office as to these matters. Please contact me if you need more information or require further assistance.

Sincerely,

Alexander Magera

Alexander Magera
General Counsel

209 St. Clair Street
Frankfort, KY 40601-1817
Telephone 502.564.5841
Facsimile 502.564.2912
auditor.ky.gov

ALLISON BALL
AUDITOR OF PUBLIC ACCOUNTS

July 22, 2025

CEO Ed Owens III
Kentucky Public Pension Authority
1260 Louisville Road
Frankfort, KY 40601

Sent via email: Ed.Owens@kyret.ky.gov

Re: Referral of Finding in the Audit of the Clay County FC-SA 2024

Dear CEO Owens III:

Enclosed is a copy of the above-referenced audit report. The Auditor of Public Accounts publicly released this report on July 16, 2025. We are referring Finding 2024-008 for your review and determination whether further investigation by your office is warranted.

Please keep the Auditor of Public Accounts advised of any action taken by your office as to these matters. Please contact me if you need more information or require further assistance.

Sincerely,

Alexander Magera

Alexander Magera
General Counsel

September 18, 2025

Ms. Allison Ball
Auditor of Public Accounts
209 St. Clair Street
Frankfort, KY 40601-1817

RE: Referral of APA Audits

Dear Auditor Ball,

Thank you for the referral of two (2) APA audits to my attention. The Barren County FC-SA 2024 (May 14, 2025), and the Clay County FC-SA 2024 (July 22, 2025). My understanding is this represents the third straight year a referral has been made to KPPA regarding the Clay County Fiscal Court. The prior referral notices were not addressed to me nor was I made aware of them by KPPA staff.

The referral letters noted above, signed by the General Counsel for the APA, indicated I should make your office aware of steps we were taking to address the deficiencies noted in your audits related to pension payments matching the payrolls of the respective organizations. Please allow this letter to serve as the CERS Board response to the legitimate questions raised by your referrals.

The first step we took was to ask the KPPA Chief Auditor to look at every APA audit performed of county governments since 20RS HB 484 established a new governance board for CERS. The APA audits 360 CERS employers which represents one-third of the approximately 1200 CERS employers.

Looking at the APA audits, as there currently is not a formalized mechanism to deal with the other CERS employers, we concluded there were a few dozen employers that needed additional attention from Employer Reporting, Compliance and Education (ERCE), the KPPA entity currently charged with completing employer audits. However, ERCE has just hired three (3) of four (4) persons to form an employer audit team since the first referral letter was sent to me and I inquired about how we intended to address the issue.

The CERS Board understands the critical importance of ensuring that all contributions due the CERS system are collected for the benefit of all our members. Therefore, we are offering an alternative plan to the one ERCE wants to employ. Our Board has taken the further step to create an Ad Hoc Employer Reporting Committee, ratified on September 8, 2025, to oversee the implementation of the strategy we seek to implement for Employer Audits.

Our position, which will need a legislative assist, will be to establish the employer audit team not under ERCE, but under the Chief Auditor. The Chief Auditor has presented a plan where the same number of auditors (4) would touch all 1200 employers of the CERS system on a rotating five-year (5) basis. We believe auditors should perform audits. Our board has further authorized me to seek the needed legislative changes to implement our vision of CERS employer audits.

We are very much a work in progress. It was important that you know we heard the import of your referrals, and we immediately have sought to address the concerns contained therein. If you have questions of me, feel free to contact me anytime. Again, thank you for the referrals.

Sincerely,

Ed Owens, III
CEO, CERS Board of Trustees

Cc: Lisle Cheatham, Chairman, CERS Board of Trustees
Ryan Barrow, Executive Director KPPA
Steve Webb, Chairman, CERS Ad Hoc Employer Reporting Committee

Review of APA Findings

		Retirement Related Finding				
County	**Entity**	**FY 2021**	**FY 2022**	**FY 2023**	**FY 2024**	**FY 2025**
Adair County	Fiscal Court	Potential	Potential	Yes	Not Available	Not Available
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	Unlikely	No Findings	No Findings	Yes	Not Available
Allen County	Fiscal Court	Unlikely	Unlikely	Unlikely	Not Available	Not Available
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	No Findings	No Findings	No Findings	No Findings	Not Available
Anderson County	Fiscal Court	No Findings	Not Available	Potential	Potential	Not Available
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	No Findings	Unlikely	No Findings	No Findings	Not Available
Ballard County	Fiscal Court	Unlikely	Unlikely	Unlikely	Potential	Not Available
	County Clerk	Potential	Potential	Potential	Potential	Not Available
	Sheriff	Potential	Potential	Potential	Not Available	Not Available
Barren County	Fiscal Court	Unlikely	Unlikely	Yes-Retirement	Yes-Retirement	Not Available
	County Clerk	Potential	No Findings	No Findings	Potential	Not Available
	Sheriff	Potential	Unlikely	No Findings	Potential	Not Available
Bath County	Fiscal Court	Potential	Unlikely	No Findings	Not Available	Not Available
	County Clerk	Unlikely	Yes	Yes	Potential	Not Available
	Sheriff	No Findings	No Findings	No Findings	Potential	Not Available
Bell County	Fiscal Court	Potential	Unlikely	Unlikely	Not Available	Not Available
	County Clerk	No Findings	Potential	No Findings	Unlikely	Not Available
	Sheriff	Potential	Potential	No Findings	No Findings	Not Available
Boone County	Fiscal Court	Not Available	Potential	Potential	No Findings	No Findings
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	Potential	No Findings	No Findings	No Findings	Not Available
Bourbon County	Fiscal Court	Potential	Potential	No Findings	Unlikely	Potential
	County Clerk	No Findings	No Findings	Potential	No Findings	Not Available
	Sheriff	No Findings	No Findings	No Findings	Unlikely	Not Available
Boyd County	Fiscal Court	Potential	Potential	Potential	Not Available	Not Available
	County Clerk	Potential	Potential	No Findings	No Findings	Not Available
	Sheriff	Potential	Potential	Potential	Not Available	Not Available
Boyle County	Fiscal Court	Potential	Potential	Potential	Yes	Not Available
	County Clerk	No Findings	No Findings	No Findings	Potential	Not Available
	Sheriff	No Findings	Unlikely	No Findings	Potential	Not Available
Bracken County	Fiscal Court	No Findings	No Findings	No Findings	No Findings	Not Available
	County Clerk	Potential	Potential	No Findings	Unlikely	Not Available
	Sheriff	No Findings	No Findings	No Findings	Not Available	Not Available
Breathitt County	Fiscal Court	Yes	Yes	Yes	Not Available	Not Available
	County Clerk	Potential	Potential	Potential	Potential	Not Available
	Sheriff	Potential	Potential	Yes	Yes	Not Available
Breckinridge County	Fiscal Court	Not Available	Potential	Yes	Yes	Not Available
	County Clerk	Yes	Yes	Yes	Unlikely	Not Available
	Sheriff	Potential	No Findings	Yes	No Findings	Not Available
Bullitt County	Fiscal Court	Yes	Yes	Potential	Not Available	Not Available
	County Clerk	No Findings	Potential	Potential	No Findings	Not Available
	Sheriff	Potential	Potential	No Findings	No Findings	Not Available
Butler County	Fiscal Court	Potential	Potential	Not Available	Not Available	Not Available
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	No Findings	Potential	No Findings	No Findings	Not Available

Retirement Related Finding						
County	**Entity**	**FY 2021**	**FY 2022**	**FY 2023**	**FY 2024**	**FY 2025**
Caldwell County	Fiscal Court	Potential	Yes	Yes	Yes	Not Available
	County Clerk	Potential	Potential	Potential	Yes	Not Available
	Sheriff	No Findings	No Findings	No Findings	No Findings	Not Available
Calloway County	Fiscal Court	Unlikely	No Findings	Not Available	Not Available	Not Available
	County Clerk	Not Available	No Findings	No Findings	No Findings	Not Available
	Sheriff	Potential	No Findings	No Findings	No Findings	Not Available
Campbell County	Fiscal Court	Unlikely	No Findings	No Findings	Potential	Not Available
	County Clerk	Yes	Yes	No Findings	No Findings	Not Available
	Sheriff	No Findings	Potential	Potential	Unlikely	Not Available
Carlisle County	Fiscal Court	Potential	Not Available	Not Available	Not Available	Not Available
	County Clerk	Yes	Yes	No Findings	Yes	Not Available
	Sheriff	Potential	Unlikely	No Findings	Potential	Not Available
Carroll County	Fiscal Court	No Findings	No Findings	Potential	No Findings	Not Available
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	Not Available	No Findings	No Findings	No Findings	Not Available
Carter County	Fiscal Court	Potential	Potential	No Findings	Potential	Not Available
	County Clerk	No Findings	No Findings	Unlikely	Not Available	Not Available
	Sheriff	No Findings	No Findings	No Findings	No Findings	Not Available
Casey County	Fiscal Court	Unlikely	Potential	Not Available	Not Available	Not Available
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	Unlikely	Potential	Unlikely	Yes	Not Available
Christian County	Fiscal Court	No Findings	No Findings	Potential	Yes	Yes
	County Clerk	No Findings	Potential	Potential	Unlikely	Not Available
	Sheriff	Potential	Potential	No Findings	No Findings	Not Available
Clark County	Fiscal Court	Yes	Yes	Yes	Not Available	Not Available
	County Clerk	No Findings	No Findings	Potential	No Findings	Not Available
	Sheriff	No Findings	Unlikely	No Findings	Unlikely	Not Available
Clay County	Fiscal Court	Unlikely	Yes	Yes-Retirement	Yes-Retirement	Not Available
	County Clerk	Potential	Potential	Potential	Potential	Not Available
	Sheriff	Potential	Unlikely	No Findings	No Findings	Not Available
Clinton County	Fiscal Court	No Findings	No Findings	No Findings	Potential	Not Available
	County Clerk	Potential	Potential	Potential	No Findings	Not Available
	Sheriff	No Findings	No Findings	No Findings	No Findings	Not Available
Crittenden County	Fiscal Court	Unlikely	Not Available	Unlikely	Potential	Not Available
	County Clerk	No Findings	Potential	Unlikely	Unlikely	Not Available
	Sheriff	Unlikely	Potential	No Findings	No Findings	Not Available
Cumberland County	Fiscal Court	No Findings	No Findings	Unlikely	Unlikely	Not Available
	County Clerk	Potential	Potential	Potential	Potential	Not Available
	Sheriff	No Findings	No Findings	No Findings	No Findings	Not Available
Daviess County	Fiscal Court	Not Available	No Findings	No Findings	No Findings	Unlikely
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	Potential	No Findings	Unlikely	Potential	Not Available
Edmonson County	Fiscal Court	Unlikely	Unlikely	No Findings	Not Available	Not Available
	County Clerk	Potential	Potential	Potential	Potential	Not Available
	Sheriff	Unlikely	Potential	Potential	Potential	Not Available
Elliott County	Fiscal Court	Unlikely	No Findings	Potential	No Findings	Not Available
	County Clerk	Potential	Potential	Potential	Not Available	Not Available
	Sheriff	Potential	No Findings	No Findings	Unlikely	Not Available

		Retirement Related Finding				
County	**Entity**	**FY 2021**	**FY 2022**	**FY 2023**	**FY 2024**	**FY 2025**
Estill County	Fiscal Court	Yes	Unlikely	No Findings	Potential	Not Available
	County Clerk	Yes	Yes	Yes	Not Available	Not Available
	Sheriff	Potential	Unlikely	No Findings	Unlikely	Not Available
Fayette County	Fiscal Court	Not Available	Not Available	Not Available	Not Available	Not Available
	County Clerk	No Findings	No Findings	Potential	Not Available	Not Available
	Sheriff	No Findings	No Findings	No Findings	Not Available	Not Available
Fleming County	Fiscal Court	No Findings	Not Available	No Findings	No Findings	Not Available
	County Clerk	Potential	Potential	Potential	Potential	Not Available
	Sheriff	Potential	Potential	No Findings	No Findings	Not Available
Floyd County	Fiscal Court	No Findings	Potential	Potential	Not Available	Not Available
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	No Findings	Unlikely	No Findings	No Findings	Not Available
Franklin County	Fiscal Court	No Findings	No Findings	No Findings	No Findings	Not Available
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	No Findings	No Findings	Potential	No Findings	Not Available
Fulton County	Fiscal Court	Yes	Yes	Yes	Yes	Not Available
	County Clerk	Unlikely	Unlikely	No Findings	No Findings	Not Available
	Sheriff	Potential	Potential	No Findings	Potential	Not Available
Gallatin County	Fiscal Court	No Findings	Unlikely	No Findings	Potential	Not Available
	County Clerk	No Findings	No Findings	Potential	No Findings	Not Available
	Sheriff	Potential	Not Available	Potential	Potential	Not Available
Garrard County	Fiscal Court	No Findings	Unlikely	Unlikely	No Findings	No Findings
	County Clerk	Unlikely	No Findings	Unlikely	Unlikely	Not Available
	Sheriff	Yes	Yes	No Findings	Unlikely	Not Available
Grant County	Fiscal Court	Unlikely	Unlikely	No Findings	No Findings	Not Available
	County Clerk	No Findings	No Findings	No Findings	Not Available	Not Available
	Sheriff	Unlikely	Potential	Yes	Yes	Not Available
Graves County	Fiscal Court	Potential	Potential	Potential	Yes	Not Available
	County Clerk	No Findings	Potential	Potential	No Findings	Not Available
	Sheriff	Unlikely	Unlikely	No Findings	Unlikely	Not Available
Grayson County	Fiscal Court	Potential	No Findings	No Findings	No Findings	Not Available
	County Clerk	Yes	Yes	No Findings	No Findings	Not Available
	Sheriff	Yes	Potential	No Findings	Unlikely	Not Available
Green County	Fiscal Court	Not Available	Unlikely	Potential	No Findings	Not Available
	County Clerk	Yes	Yes	Potential	Potential	Not Available
	Sheriff	Yes	Yes	Potential	Yes	Not Available
Greenup County	Fiscal Court	Unlikely	Unlikely	Unlikely	Potential	Not Available
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	Potential	Potential	Potential	Unlikely	Not Available
Hancock County	Fiscal Court	Potential	Potential	Potential	Potential	Not Available
	County Clerk	Potential	No Findings	No Findings	Potential	Not Available
	Sheriff	Potential	Potential	Potential	Potential	Not Available
Hardin County	Fiscal Court	No Findings	No Findings	Unlikely	No Findings	Not Available
	County Clerk	Potential	No Findings	Potential	Not Available	Not Available
	Sheriff	Potential	No Findings	No Findings	Not Available	Not Available
Harlan County	Fiscal Court	Unlikely	Unlikely	Unlikely	Unlikely	Not Available
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	No Findings	No Findings	No Findings	No Findings	Not Available

Retirement Related Finding						
County	**Entity**	**FY 2021**	**FY 2022**	**FY 2023**	**FY 2024**	**FY 2025**
Harrison County	Fiscal Court	No Findings	No Findings	No Findings	No Findings	Not Available
	County Clerk	No Findings	No Findings	No Findings	Not Available	Not Available
	Sheriff	No Findings	Unlikely	No Findings	Potential	Not Available
Hart County	Fiscal Court	Unlikely	No Findings	No Findings	Yes	Yes
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	Unlikely	No Findings	Unlikely	No Findings	Not Available
Henderson County	Fiscal Court	Not Available	Yes	Yes	Unlikely	Potential
	County Clerk	No Findings	No Findings	Unlikely	No Findings	Not Available
	Sheriff	No Findings	No Findings	No Findings	No Findings	Not Available
Henry County	Fiscal Court	Yes	Yes	Yes	Not Available	Not Available
	County Clerk	No Findings	No Findings	Unlikely	Unlikely	Not Available
	Sheriff	Unlikely	Unlikely	Unlikely	No Findings	Not Available
Hickman County	Fiscal Court	Potential	Not Available	Not Available	Not Available	Not Available
	County Clerk	Potential	Potential	Potential	Potential	Not Available
	Sheriff	No Findings	No Findings	No Findings	No Findings	Not Available
Hopkins County	Fiscal Court	Unlikely	Unlikely	Yes	Yes	Not Available
	County Clerk	Unlikely	No Findings	No Findings	No Findings	Not Available
	Sheriff	No Findings	No Findings	Unlikely	Unlikely	Not Available
Jackson County	Fiscal Court	Yes-Retirement	Yes	Yes-Retirement	Not Available	Not Available
	County Clerk	No Findings	No Findings	No Findings	Unlikely	Not Available
	Sheriff	Potential	Potential	Yes	Yes	Not Available
Jefferson County	Fiscal Court	Not Available	Not Available	Not Available	Not Available	Not Available
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	Unlikely	Unlikely	No Findings	No Findings	Not Available
Jessamine County	Fiscal Court	Unlikely	Unlikely	No Findings	No Findings	Potential
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	No Findings	No Findings	No Findings	No Findings	Not Available
Johnson County	Fiscal Court	Not Available	No Findings	No Findings	Unlikely	Potential
	County Clerk	Unlikely	Unlikely	No Findings	No Findings	Not Available
	Sheriff	Potential	Potential	Potential	Not Available	Not Available
Kenton County	Fiscal Court	No Findings	No Findings	No Findings	No Findings	No Findings
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	No Findings	No Findings	No Findings	No Findings	Not Available
Knott County	Fiscal Court	Potential	Unlikely	Unlikely	Not Available	Not Available
	County Clerk	Potential	Potential	Potential	Potential	Not Available
	Sheriff	No Findings	No Findings	No Findings	No Findings	Not Available
Knox County	Fiscal Court	Unlikely	Unlikely	Yes	Unlikely	Not Available
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	Yes	Yes	Yes	Yes	Not Available
LaRue County	Fiscal Court	Unlikely	Unlikely	No Findings	Unlikely	Not Available
	County Clerk	Potential	Potential	Potential	Potential	Not Available
	Sheriff	Unlikely	Unlikely	No Findings	No Findings	Not Available
Laurel County	Fiscal Court	Unlikely	Unlikely	Unlikely	Not Available	Not Available
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	No Findings	No Findings	Unlikely	Unlikely	Not Available
Lawrence County	Fiscal Court	No Findings	Unlikely	Unlikely	Not Available	Not Available
	County Clerk	No Findings	Unlikely	No Findings	Not Available	Not Available
	Sheriff	No Findings	No Findings	No Findings	No Findings	Not Available

Retirement Related Finding						
County	Entity	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Lee County	Fiscal Court	Potential	Unlikely	Unlikely	Potential	Not Available
	County Clerk	Potential	Potential	Potential	Potential	Not Available
	Sheriff	No Findings	Potential	Potential	Potential	Not Available
Leslie County	Fiscal Court	Potential	Not Available	Not Available	Not Available	Not Available
	County Clerk	Potential	Potential	Potential	Potential	Not Available
	Sheriff	Potential	Potential	Potential	Potential	Not Available
Letcher County	Fiscal Court	Unlikely	Potential	Potential	Not Available	Not Available
	County Clerk	No Findings	Unlikely	Unlikely	Unlikely	Not Available
	Sheriff	Potential	Potential	Potential	Potential	Not Available
Lewis County	Fiscal Court	Not Available	Unlikely	Unlikely	Not Available	Not Available
	County Clerk	Potential	Potential	No Findings	Unlikely	Not Available
	Sheriff	Unlikely	No Findings	Unlikely	No Findings	Not Available
Lincoln County	Fiscal Court	Not Available	Potential	Potential	Potential	Not Available
	County Clerk	Potential	No Findings	Yes	Not Available	Not Available
	Sheriff	Potential	Potential	Potential	No Findings	Not Available
Livingston County	Fiscal Court	Potential	Potential	Potential	Not Available	Not Available
	County Clerk	Potential	Potential	Potential	Potential	Not Available
	Sheriff	Yes	Potential	Potential	Potential	Not Available
Logan County	Fiscal Court	No Findings	No Findings	No Findings	Potential	Not Available
	County Clerk	No Findings	No Findings	Yes	No Findings	Not Available
	Sheriff	No Findings	No Findings	Unlikely	No Findings	Not Available
Lyon County	Fiscal Court	Unlikely	Unlikely	No Findings	No Findings	No Findings
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	No Findings	Unlikely	No Findings	No Findings	Not Available
Madison County	Fiscal Court	No Findings	No Findings	No Findings	Not Available	Not Available
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	No Findings	Potential	Potential	Not Available	Not Available
Magoffin County	Fiscal Court	Potential	Potential	Not Available	Not Available	Not Available
	County Clerk	Potential	Yes	Potential	Not Available	Not Available
	Sheriff	Potential	Potential	Potential	Not Available	Not Available
Marion County	Fiscal Court	Not Available	Potential	No Findings	Potential	Not Available
	County Clerk	No Findings	Potential	No Findings	Potential	Not Available
	Sheriff	Potential	Potential	Potential	Potential	Not Available
Marshall County	Fiscal Court	Potential	Yes	Yes	No Findings	Not Available
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	No Findings	Potential	Potential	Potential	Not Available
Martin County	Fiscal Court	Yes	Potential	Yes	No Findings	Not Available
	County Clerk	Potential	Potential	Potential	Not Available	Not Available
	Sheriff	Potential	Potential	Potential	Not Available	Not Available
Mason County	Fiscal Court	Potential	Potential	No Findings	Not Available	Not Available
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	No Findings	No Findings	No Findings	No Findings	Not Available
McCracken County	Fiscal Court	Potential	Potential	Potential	No Findings	Not Available
	County Clerk	No Findings	Potential	Potential	No Findings	Not Available
	Sheriff	No Findings	No Findings	No Findings	No Findings	Not Available
McCreary County	Fiscal Court	Potential	Potential	Potential	Potential	Not Available
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	Potential	Potential	Potential	Potential	Not Available

Retirement Related Finding						
County	Entity	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
McLean County	Fiscal Court	Potential	Potential	Potential	Potential	Not Available
	County Clerk	Potential	Potential	Potential	Potential	Not Available
	Sheriff	No Findings	No Findings	No Findings	No Findings	Not Available
Meade County	Fiscal Court	No Findings	Unlikely	Unlikely	Yes	Not Available
	County Clerk	Potential	Potential	No Findings	No Findings	Not Available
	Sheriff	No Findings	No Findings	No Findings	No Findings	Not Available
Menifee County	Fiscal Court	No Findings	Potential	Potential	Not Available	Not Available
	County Clerk	Potential	Potential	Potential	Potential	Not Available
	Sheriff	Potential	Potential	Potential	Not Available	Not Available
Mercer County	Fiscal Court	No Findings	No Findings	No Findings	No Findings	No Findings
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	No Findings	No Findings	No Findings	No Findings	Not Available
Metcalfe County	Fiscal Court	No Findings	Potential	Potential	Potential	Not Available
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	No Findings	No Findings	No Findings	Yes-Retirement	Not Available
Monroe County	Fiscal Court	Potential	No Findings	No Findings	No Findings	Potential
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	Unlikely	No Findings	No Findings	No Findings	Not Available
Montgomery County	Fiscal Court	Unlikely	No Findings	No Findings	Not Available	Not Available
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	Potential	Potential	No Findings	No Findings	Not Available
Morgan County	Fiscal Court	Yes-Retirement	Yes-Retirement	Potential	Potential	Not Available
	County Clerk	No Findings	No Findings	No Findings	Not Available	Not Available
	Sheriff	No Findings	No Findings	No Findings	No Findings	Not Available
Muhlenberg County	Fiscal Court	Not Available	Yes-Retirement	Potential	Potential	Not Available
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	No Findings	No Findings	No Findings	No Findings	Not Available
Nelson County	Fiscal Court	Unlikely	No Findings	Unlikely	Potential	Not Available
	County Clerk	Potential	No Findings	No Findings	No Findings	Not Available
	Sheriff	No Findings	No Findings	No Findings	Potential	Not Available
Nicholas County	Fiscal Court	Potential	Unlikely	No Findings	Potential	Not Available
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	No Findings	No Findings	No Findings	No Findings	Not Available
Ohio County	Fiscal Court	Potential	Unlikely	Unlikely	Potential	Not Available
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	Potential	Potential	Potential	No Findings	Not Available
Oldham County	Fiscal Court	No Findings	No Findings	No Findings	Not Available	Not Available
	County Clerk	No Findings	No Findings	Potential	No Findings	Not Available
	Sheriff	Potential	No Findings	No Findings	No Findings	Not Available
Owen County	Fiscal Court	No Findings	No Findings	No Findings	Potential	Not Available
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	No Findings	Yes	Potential	No Findings	Not Available
Owsley County	Fiscal Court	No Findings	Yes-Retirement	Yes	Yes-Retirement	Not Available
	County Clerk	Potential	Yes	Yes	Potential	Not Available
	Sheriff	Potential	Potential	Potential	Potential	Not Available
Pendleton County	Fiscal Court	No Findings	No Findings	No Findings	No Findings	Not Available
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	Potential	Potential	Potential	Not Available	Not Available

Retirement Related Finding						
County	**Entity**	**FY 2021**	**FY 2022**	**FY 2023**	**FY 2024**	**FY 2025**
Perry County	Fiscal Court	Yes	Yes	Yes	Not Available	Not Available
	County Clerk	No Findings	Unlikely	No Findings	Potential	Not Available
	Sheriff	No Findings	No Findings	No Findings	No Findings	Not Available
Pike County	Fiscal Court	No Findings	No Findings	No Findings	No Findings	No Findings
	County Clerk	No Findings	No Findings	No Findings	Not Available	Not Available
	Sheriff	No Findings	Potential	No Findings	No Findings	Not Available
Powell County	Fiscal Court	Unlikely	Unlikely	Potential	Not Available	Not Available
	County Clerk	Potential	Potential	Potential	Not Available	Not Available
	Sheriff	Potential	Potential	Potential	Not Available	Not Available
Pulaski County	Fiscal Court	Potential	Potential	Potential	Potential	Not Available
	County Clerk	Potential	Potential	No Findings	No Findings	Not Available
	Sheriff	No Findings	No Findings	No Findings	No Findings	Not Available
Robertson County	Fiscal Court	Not Available	Potential	Yes	Yes	Not Available
	County Clerk	Potential	Potential	Potential	Not Available	Not Available
	Sheriff	Potential	Potential	Potential	Not Available	Not Available
Rockcastle County	Fiscal Court	No Findings	Unlikely	No Findings	Not Available	Not Available
	County Clerk	Potential	Potential	Potential	Potential	Not Available
	Sheriff	Potential	Potential	Potential	Potential	Not Available
Rowan County	Fiscal Court	Not Available	Potential	Unlikely	Potential	No Findings
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	No Findings	No Findings	No Findings	Potential	Not Available
Russell County	Fiscal Court	Not Available	Not Available	No Findings	No Findings	Not Available
	County Clerk	No Findings	No Findings	No Findings	Not Available	Not Available
	Sheriff	No Findings	No Findings	No Findings	No Findings	Not Available
Scott County	Fiscal Court	No Findings	No Findings	No Findings	No Findings	Not Available
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	Potential	Potential	Potential	Not Available	Not Available
Shelby County	Fiscal Court	No Findings	Not Available	No Findings	No Findings	No Findings
	County Clerk	Yes	Yes	Yes	No Findings	Not Available
	Sheriff	No Findings	No Findings	No Findings	Potential	Not Available
Simpson County	Fiscal Court	Potential	No Findings	No Findings	No Findings	Not Available
	County Clerk	Potential	No Findings	Yes	No Findings	Not Available
	Sheriff	No Findings	No Findings	No Findings	Potential	Not Available
Spencer County	Fiscal Court	No Findings	No Findings	No Findings	Not Available	Not Available
	County Clerk	No Findings	No Findings	No Findings	Potential	Not Available
	Sheriff	No Findings	No Findings	No Findings	Potential	Not Available
Taylor County	Fiscal Court	Potential	Potential	Potential	Yes	Potential
	County Clerk	Yes	Yes	Potential	Yes	Not Available
	Sheriff	No Findings	No Findings	No Findings	No Findings	Not Available
Todd County	Fiscal Court	Potential	Yes	Yes	Not Available	Not Available
	County Clerk	Potential	Potential	Potential	Potential	Not Available
	Sheriff	Unlikely	Unlikely	Unlikely	No Findings	Not Available
Trigg County	Fiscal Court	Yes	Yes	Yes	Yes	Yes-Retirement
	County Clerk	No Findings	No Findings	No Findings	Yes	Not Available
	Sheriff	No Findings	No Findings	No Findings	No Findings	Not Available
Trimble County	Fiscal Court	Potential	Unlikely	Unlikely	Potential	Not Available
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	Potential	No Findings	No Findings	No Findings	Not Available

Retirement Related Finding						
County	**Entity**	**FY 2021**	**FY 2022**	**FY 2023**	**FY 2024**	**FY 2025**
Union County	Fiscal Court	Not Available	Potential	Potential	Potential	Not Available
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	No Findings	No Findings	No Findings	No Findings	Not Available
Warren County	Fiscal Court	Unlikely	Yes	Yes	Unlikely	No Findings
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	No Findings	No Findings	No Findings	No Findings	Not Available
Washington County	Fiscal Court	Yes-Retirement	No Findings	No Findings	No Findings	Yes-Retirement
	County Clerk	Potential	Potential	No Findings	No Findings	Not Available
	Sheriff	No Findings	No Findings	Unlikely	No Findings	Not Available
Wayne County	Fiscal Court	Potential	No Findings	No Findings	No Findings	No Findings
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	No Findings	No Findings	No Findings	No Findings	Not Available
Webster County	Fiscal Court	Not Available	Unlikely	Potential	Not Available	Not Available
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	No Findings	Potential	No Findings	No Findings	Not Available
Whitley County	Fiscal Court	No Findings	No Findings	Potential	Not Available	Not Available
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	Potential	Potential	Potential	Potential	Not Available
Wolfe County	Fiscal Court	Yes	Yes	Yes	Potential	Not Available
	County Clerk	No Findings	No Findings	No Findings	No Findings	Not Available
	Sheriff	Potential	Potential	No Findings	Potential	Not Available
Woodford County	Fiscal Court	No Findings	No Findings	No Findings	No Findings	Not Available
	County Clerk	No Findings	No Findings	No Findings	Potential	Not Available
	Sheriff	No Findings	No Findings	No Findings	No Findings	Not Available

Summary of APA Findings

CURRENT RESULTS

	FY 2021	FY2022	FY2023	FY2024	FY2025	Total
Yes-Retirement	3	3	3	4	2	**15**
Yes	23	30	32	23	2	**110**
Potential	112	107	94	80	6	**399**
Unlikely	43	50	35	29	1	**158**
No Findings	160	159	187	155	10	**671**
Report Not Available	19	11	9	69	339	**447**
Total	**360**	**360**	**360**	**360**	**360**	

PRIOR RESULTS

	FY 2021	FY2022	FY2023	FY2024	FY2025	Total
Yes	2	2	3	2	0	**9**
Potential	24	28	17	4	0	**73**
None	313	311	312	51	0	**987**
Not Available	21	19	28	303	0	**371**
Total	**360**	**360**	**360**	**360**	**0**	

Kentucky Public Pensions Authority

Internal Audit Administration

Kentucky Public Pensions Authority

To: Members of the CERS Employer Audit Committee

From: Kristen N. Coffey, CICA
Chief Auditor

Date: July 13, 2026

Subject: Departments Conducting Employer Audits

The Division of Internal Audit reached out to 53 pension systems across the country and asked for responses to two questions:

1. Are employer audits performed?
2. If so, who performs these audits?

We have received responses from 24 of the pension systems. Two of the systems indicated they only oversee investments, so no employer audits are conducted. Of the remaining 22 agencies:

1. 16 of these agencies (73%) have their internal audit team conduct the employer audits.
    - Kentucky Teacher's Retirement System
    - School Employees Retirement System of Ohio
    - Missouri State Employee Retirement System
    - Louisiana State Employees Retirement System
    - Kansas Public Employees Retirement System
    - Nebraska Public Employees Retirement System
    - Minnesota Teacher's Retirement System
    - Colorado Public Employees Retirement Association
    - New York State and Teacher's Retirement System
    - Arizona Public Safety Personnel Retirement System
    - Contra Costa Employee's Retirement Association
    - Orange County Employee Retirement System
    - San Diego County Employee Retirement Association
    - San Diego City Employee's Retirement System

- Iowa Public Employees Retirement System – this system has established an Employer Audit Division that conducts these audits. This team reports to the agency's Chief Risk and Compliance Officer, who serves as the agency auditor.
- North Dakota Retirement Investment Office – Employer audits are not conducted, but the internal auditor performs salary verification audits.

2. Four (18%) have the state auditor (similar to our APA) conduct the employer audits.
    - Virginia Retirement System
    - Employee Retirement System of Texas
    - State of Michigan Office of Retirement Services
    - Pennsylvania State Employees Retirement System

3. Two had a non-audit internal agency division conducting the audits.
    - Kentucky Public Pensions Authority - Employer Reporting, Compliance, and Education division conducts these audits.
    - West Virginia Consolidated Public Retirement Board - Employer Reporting division currently conducts these audits because there is only one agency auditor. It was determined that having her undertake these audits at this time would be a strain on internal audit resources.

John H. Frank

Green County Judge-Executive
203 West Court Street
Greensburg, KY 42743
Phone: (270) 932-4024 • Fax: (270) 932-3635
johnfrank.cje@hotmail.com

June 30, 2026

Kentucky Public Pensions Authority:

Green County Fiscal Court recently received an invoice for omitted service for a former employee in the amount of $6,395.63. Additionally, the invoice states we owe $1,442.50 in interest bringing the total owed to $7,838.13. The omitted contribution rate is for the period from 2020 – 2026. We were unaware that this employee was paying into state retirement at another job while employed with Green County Fiscal Court. Had someone at KPPA made us aware of this early on, we certainly would have started paying the contribution rate for said employee. Waiting several years to invoice the County puts a strain on a tight budget. For the sake of all counties, we urge you to put a plan in place that will prevent this from happening in the future.

Sincerely,

John H. Frank
Green County Judge-Executive

Sharon J. Abell

Sharon J. Abell
Green County Treasurer

Kentucky Public Pensions Authority

1260 Louisville Rd. | Frankfort KY 40601-6124
Phone: (502) 696-8800 | Fax: (502) 696-8822 | kyret.ky.gov

7108/V044

Omitted Billing Invoice

Employer Information

Employer Name: GREEN COUNTY FISCAL COURT			Employer Code: V044
Address: 203 W COURT ST	City: GREENSBURG	State: KY	Zip Code: 42743

Invoice Details

Invoice Number: 511473 — Amount Due: $7,838.13
Due Date: 7/31/2026
Last 4 Digits SSN: [redacted]
Member ID: [redacted]
Member Name: [redacted]

Payment Instructions

Pursuant to KRS 16.543, KRS 61.543, and KRS 78.615, employers are required to withhold and remit contributions for all eligible regular full-time employees. Employer contributions are required to be paid for such employees pursuant to KRS 61.565 and KRS 78.635. If an employer does not properly report and submit contributions for such an employee, that person is entitled to purchase omitted service for those time periods when they should have been reported as regular full-time, pursuant to KRS 61.552. Employer contributions for omitted service are considered delinquent from the date the employee should have been reported. Consequently, you are required to pay the employer contributions as well as applicable interest or penalties on these delinquent contributions by the due date set out above. The member has been contacted separately regarding this service. Employer contributions and interest and employee contributions must be paid in order for the member to obtain service credit.

If you submit a monthly summary, payment for this invoice can be included with your next monthly contribution report by selecting this invoice during the summary submission process. You may alternatively remit payment via check or money order. To remit by check or money order, please include your employer code and the invoice number listed above on the check or money order made payable to the Kentucky State Treasurer. Mail your payment and this voucher to our office at 1260 Louisville Road, Frankfort, Kentucky 40601.

For employers reported by the Personnel Cabinet, you may also remit payment for this invoice via eMars. To remit by eMars please notify FinanceGroup@kyret.ky.gov of the document number and amount once the transaction has been created and approved.

Please contact our office at (502) 696-8800 or 1-800-928-4646 if you have any questions.

Our Contact Person

Baily Hudson
baily.hudson@kyret.ky.gov

Kentucky Public Pensions Authority

7108/V044

1260 Louisville Rd. | Frankfort KY 40601-6124
Phone: (502) 696-8800 | Fax: (502) 696-8822 | kyret.ky.gov

Employer Information

Employer Name: GREEN COUNTY FISCAL COURT			Employer Code: V044
Address: 203 W COURT ST	City: GREENSBURG	State: KY	Zip Code: 42743

Invoice Details

Invoice Number: 511473
Due Date: 7/31/2026
Last 4 Digits SSN: [redacted]
Member ID: [redacted]
Member Name: [redacted]

Omitted Service Period

Period of Service	Months of Service	Salary	Contribution Rate	Employer Contribution
10/1/2020 - 6/30/2021	0	$3,382.78	24.06	$934.20
7/1/2021 - 6/30/2022	0	$4,299.04	26.95	$1,158.59
7/1/2022 - 6/30/2023	0	$5,575.08	26.79	$1,493.56
7/1/2023 - 6/30/2024	0	$8,847.75	23.34	$2,065.06
7/1/2024 - 4/30/2025	0	$3,775.86	19.71	$744.22
			Total Contribution Cost:	$6,395.63

Employer Interest **Interest rate: 7.5%**

Fiscal Year	Interest Amount
2022	$70.06
2023	$162.21
2024	$286.40
2025	$462.76
2026	$461.07
	Total Employer Interest Cost: $1,442.50

Kentucky Public Pensions Authority

1260 Louisville Rd. I Frankfort KY 40601-6124
Phone: (502) 696-8800 I Fax: (502) 696-8822 I kyret.ky.gov

7108/V044

Omitted Billing Voucher

Employer Information			
Employer Name: GREEN COUNTY FISCAL COURT			Employer Code: V044
Address: 203 W COURT ST	City: GREENSBURG	State: KY	Zip Code: 42743

Payment Details

Invoice Number: 511473

Due Date: 7/31/2026

Last 4 Digits SS [redacted]

Member ID: [redacted]

Member Name: [redacted]

Amount Due: $7,838.13

For KPPA Use Only

CERSNHZ	*OMITERCON*	*$6,395.63*
CERSNHZ	*OMITERINT*	*$1,442.50*

KPPA
Kentucky Public Pensions Authority

Employer Reporting Compliance and Education

July 13, 2026

CERS County Employees Retirement System
KERS Kentucky Employees Retirement System
SPRS State Police Retirement System

Mike Lamb, Executive Director of Operations
D'Juan Surratt, Division Director, ERCE

EMPLOYER REPORTING COMPLIANCE AND EDUCATION - COMPLIANCE AND EDUCATION BRANCH

- A NEW branch was created in the fall of 2025 within the ERCE Division of KPPA, with staffing completed in January 2026.

- The branch is dedicated to:
  - Performing reviews of employer payroll records and the related reporting (for CERS and KRS employers)
  - Providing coaching and education to reporting officials.

- Staffing
  - 1 Manager (Retirement Program Manager)
  - 2 Staff (Retirement System counselors IV)

CERS EMPLOYER FOCUS

Fiscal year 2026: (amounts are approximate, not audited nor finalized):

- 1100+ employers, reported nearly 117,000 employees/members, and submitted nearly $1 billion in employer Contributions…

    - 250 of these employers reported 12,500 of these employees/members as Hazardous duty and the employer contributions related to those positions were over $300 million.

Completed (CERS)

Major reviews completed by ERCE/Legal Staff, prior to the formation of the new ERCE branch:

1. Elliot County Ambulance Service (K032)
   -With KPPA Legal
2. City of Elkhorn City (V398)
   -With KPPA Legal
3. City of Taylor Mill (K559)

Since January of 2026

4. Anderson County Fiscal Court (V003)
5. City of Carlisle (K091)
6. City of Henderson (N051)
7. Clay County Fiscal Court (V026)

In Progress (CERS)

1. Barren County Fiscal Court (V005)
2. Shelby County Library (J106)
3. Jackson County Fiscal Court (V055)
4. Little River Watershed Conservation (P052)
5. Morgan County Fiscal Court (V088)
6. Owsley County Board of Education (J095)
7. Powell County Fiscal Court (V099)
8. Robertson County Board of Education (J101)
9. Shelby County Fiscal Court (V106)
10. Wayne County Fiscal Court (V116)

ERCE COMPLIANCE AND AUDIT TEAM

Agency	Status	Periods	Employees Reviewed	Findings	Contributions due as a result of the review	Contributions Received	
Elliott County Ambulance Center	With Legal	FY18-FY23	37	37	$ 1,032,502.70	-	
City of Taylor Mill	Completed	FY16-FY24	7	7	$ 40,971.13	$ 40,971.13	
Anderson County Fiscal Court	Completed	FY24	249	68	$ 660,420.55	-	
City of Carlisle	Completed	FY25	70	49	$ 448,509.35	-	
City of Henderson	Completed	FY16-25	35	35	$ 70,211.66	$ 70,211.66	
City of Elkhorn City	With Legal	FY21-24	10+	10+	$ 225,464.51	-	
Clay County Fiscal Court	Completed	FY2023-25	270	200	$ 817,652.09	$ 817,652.09	
Barren County Fiscal Court	In Progress	FY24-FY25	339	236	$ 275,385.19	$ 92,621.19	*
Shelby County Library	In Progress	FY25	22	12	$ 9,917.84	$ 9,917.84	*
Jackson County Fiscal Court	In Progress	FY24-FY25	204	170	$ 3,357.34		*
Little KY River Watershed Conservation	In Progress	FY97-Present					
Morgan County Fiscal Court	In Progress	FY24-25					
Owsley County Board of Education	In Progress	FY25					
Powell County Fiscal Court	In Progress	FY25					
Robertson County Board of Education	In Progress	FY25					
Shelby County Fiscal Court	In Progress	FY25					
Wayne County Fiscal Court	In Progress	FY24-25					
TOTAL			**1189**	**770**	**2,510,918.53**	**990,402.78**	

* Invoice total will likely increase as review continues.

Which Employers to review in FY 2027

Team has created an employer risk assessment tool to "assist" in identifying which employers to review in FY 2027. (Rating 1-5)

- Position Type (Hazardous or Nonhazardous)
- Member Count
- Past Due Employer Invoices
- Quantity of reporting errors in prior quarter
- Tips line referrals & APA referrals received
- External audit results (APA, DOE, DLG, etc.)
- Last fiscal year reviewed by ERCE
- Annual Attestation Survey
- Averaging Batch results
- Internally identified Red Flags
- Other

Which Employers to review in FY 2027 Continued...

AGENCY CODE	AGENCY NAME	CLASSIFICATION	AVERAGE RISK SCORE	MEMBER COUNT
Planned Agencies to perform a comprehensive Review on in FY 2027				
V447	CITY OF ELIZABETHTOWN	Cities	3.5	382
V330	CITY OF OWENSBORO	Cities	3.375	468
N054	CITY OF MADISONVILLE	Cities	3.25	372
J059	KENTON COUNTY AIRPORT BOARD	Airport Boards	3.25	522
J856	LOUISVILLE WATER COMPANY	Utility Boards	3.25	446
L073	CITY OF PADUCAH	Cities	3.25	361
L009	CITY OF PARIS	Cities	3.25	136
M076	CITY OF RICHMOND	Cities	3.125	323
W082	MEADE COUNTY ATTORNEY	County Attorneys	3.125	4
P047	CITY OF WEST POINT	Cities	3.125	1
W029	CUMBERLAND COUNTY ATTORNEY	County Attorneys	3.125	4
K010	CITY OF ASHLAND	Cities	3	333
B100	CITY OF SCIENCE HILL	Cities	3	6
B856	JEFFERSON COUNTY SOIL CONSERVATION DISTRICT	Conservation Districts	3	3
Additional Agencies to perform a comprehensive Review on in FY 2027 (as Time Permits)				
V505	CITY OF PARK CITY	Cities	2.875	2
N094	CITY OF OWENTON	Cities	2.875	6
P043	CITY OF CLARKSON	Cities	2.875	7
B054	CITY OF NORTONVILLE	Cities	2.875	10
M091	NICHOLAS COUNTY WATER DISTRICT	Utility Boards	2.875	5
AB87	MT STERLING-MONTGOMERY COUNTY INDUSTRIAL AUTHORITY	Development Authorities	2.875	2
P113	HOUSING AUTHORITY OF STURGIS	Housing Authorities	2.875	4
K095	OWSLEY COUNTY PUBLIC LIBRARY	Libraries	2.875	1
K104	RUSSELL COUNTY CONSERVATION DISTRICT	Conservation Districts	2.875	1
K082	CITY OF MULDRAUGH	Cities	2.875	9
L090	CITY OF NEW HAVEN	Cities	2.875	2
N057	NICHOLASVILLE HOUSING AUTHORITY	Housing Authorities	2.875	2
M003	LAWRENCEBURG ANDERSON COUNTY PLANNING COMMISSION	Planning Commissions	2.875	2
V044	GREEN COUNTY FISCAL COURT	Fiscal Courts	2.25	34

- ERCE Team reviewed Risk Results using data as of 6/30/2026.
- 5 CERS agencies, with an average risk score of 3+, were not considered for this fiscal year for various reasons.
- 5 of the 14 planned CERS agencies listed have 10 or less employees.
- In addition, we have identified 14 additional CERS agencies, most with 10 or less employees, to review as time permits.

Completed (KRS)

Since January of 2026

1. Cumberland River Behavioral Health Inc. (8208)
2. Springhaven Inc. (1452)
3. Todd County Health Department (3076)
4. Comprehend Inc. (8216)
5. Sanctuary Inc. (1437)

In Progress (KRS)

1. Comprehend Inc. (8216)

To do in FY 2027

TBD

Compliance Review Initial Request

KENTUCKY PUBLIC PENSIONS AUTHORITY
Ryan Barrow, Executive Director
1260 Louisville Road • Frankfort, Kentucky 40601
kyret.ky.gov • Phone: 502-696-8800 • Fax: 502-696-8822

Kentucky Public Pensions Authority

February 2, 2026

Mayor Ronnie Clark
City of Carlisle
107 E. Chestnut Street
Carlisle, KY 40311

RE: **Employer Compliance Review**

Dear Mayor Clark,

The Kentucky Public Pensions Authority will be conducting a compliance review of your Employer Reporting process. We would like to thank you in advance for your cooperation and assistance during this review.

KPPA will review and evaluate the accuracy of the information reported to the Kentucky Public Pensions Authority monthly. Some portions of the Employer Reporting review may be conducted on-site. In order to expedite the review process, please provide the following information by the close of business on February 20, 2026.

1. Listing of **all** employees and their social security numbers for the reporting months of July 1, 2024 through June 30, 2025.
   a. This list should include any full-time, part-time, interim, seasonal, temporary, probationary, and emergency employees, as well as volunteer employees who are paid a per diem, regardless of whether the employees are reported to KRS for retirement purposes.
   b. This list should also include all contract employees, independent contractors, and leased employees, whether they are paid by your agency or by a contracted employment agency (e.g. Adecco or Pomeroy).
2. Copy of payroll records for each month from July 1, 2024 through June 30, 2025. The payroll records must include the following for all employees, regardless of whether the position held by an employee is full-time, part-time, seasonal, emergency, temporary or probationary:
   - Full name of each employee;
   - Full Social Security Number or KPPA Six-Digit Member ID for each employee;
   - Compensation paid to each employee that is reportable on an IRS W-2 form;
   - Hours worked by each employee;
   - Hourly rate of pay (regular and overtime), if applicable: and
   - Leave balances
3. Copy of the most recent audit that was conducted by Kevin Fisher, CPA.
4. Listing of Police Officers who have been employed or still employed with the City of Carlisle from July 2021 through January 2026.
5. Copy of Form 941 submitted to the Internal Revenue Service (IRS) for calendar years 2025
6. Copy of the most current sick leave, annual leave and probationary policies for your agency. If your agency pays bonuses to some or all employees, please provide a copy of that policy as well.

Per Kentucky Revised Statutes (KRS) 61.675 (2), "The system [Kentucky Public Pensions Authority] may at any time conduct an audit of the employer in order to determine if the employer is complying with the provisions of KRS 16.505 to 16.652, 61.610 to 61.705, or 78.510 to 78.852. The system shall have access to and may examine all books, accounts, reports, correspondence files, and records of any employer. Every employer, employee, or agency reporting official of a department or county as defined in KRS 78.510 (3) having records in his possession or under his control shall permit access to and examination of the records upon the request of the system."

If you are submitting documentation via email, please ensure to send it as an encrypted message through the KRS secure email portal to protect confidentiality of our membership. If you have any questions or concerns, please contact me directly at (502)696-8682.

Sincerely,

/s/ D'Juan Surratt

D'Juan Surratt
Division Director
Employer Reporting, Compliance and Education

Review Process

- Notification of review and request for information
  - List of ALL employees
  - Copy of payroll records
  - Copy of Form 941 submitted to IRS
  - Copy of sick leave, annual leave and probationary policies.

Compliance Review Results-Internal

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City Of Carlisle K091

Employer Compliance Review Summary

Fiscal Year: 2024–2025

Scope of Review

A full comprehensive employer compliance review was conducted for **70 employees** for Fiscal Year 2024–2025. The purpose of this review was to ensure compliance with applicable federal laws, state laws and regulations.

The review included, but was not limited to, the following:

- Examination of payroll records for retirement reporting accuracy to ensure all credible compensation is being reported and applicable retirement withheld.
- Review of non-participating reporting to ensure all required positions and position statuses, *(intermittent, seasonal, temporary, ect.)* are being reported.
- Ran averaging on all employees to ensure correct contribution group reporting.
- Verification of employee position status *(full-time, part-time, volunteer, etc.)*
- Review of pay outside of regular wages to ensure compliance with the statutory definition of credible compensation and bonus.
- Review of hazardous duty positions and reporting to ensure compliance with state statutes and regulations.

Current Status: Complete

- **Number of Employees Reviewed: 70**
- **Number of Employees Corrected: 49**

Summary of Findings

The compliance review identified the following areas requiring correction:

- **Failure to report retired reemployed members who have returned to work (reemployed retirees)** in accordance with reporting requirements
- **Non-reporting of non-participating positions**.
  - Positions that were not reported included but were not limited to, city council, mayor, dispatch, volunteer fire, and retired reemployed employees.
- **Incorrect classification of police personnel**, specifically failure to report eligible employees under **hazardous duty**
- **Wage discrepancies**, including failure to report all credible compensation for six employees (e.g., KLEFPF-related pay where applicable)

Financial Impact / Adjustments

- Omitted wages added/corrected: **$1,036,850.66** *(three pending omitted billings request currently with MSVC)*
- Employer omitted contributions invoiced: **$301,452.75**
- Employee omitted contributions invoiced: **$25,354.29**
- Employer omitted Interest Billed: **$0.00**
- Health insurance Invoice: **$147,056.60**

Conclusion / Next Steps

The Employer Compliance team will continue to work collaboratively with the employer to provide guidance and education in support of ongoing compliance with applicable statutes, regulations, and reporting requirements. Follow-up efforts will focus on ensuring the employer:

- Reports the Police Chief and all eligible police officers under the appropriate hazardous duty classification.
- Reports all required non-participating positions.
- Reports all reemployed retirees in accordance with applicable reporting requirements.
- Reports all creditable compensation paid to members accurately and completely.
- Maintains compliance with all identified corrective actions.

A follow-up compliance review will be conducted within 3–6 months to verify that the identified issues have been corrected and that the employer remains in compliance with applicable reporting requirements.

Compliance Review Results-External

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Kentucky Public Pensions Authority

May 29, 2026

Ronnie Clark
City of Carlisle
107 E Chestnut St
Carlisle Ky, 40311

RE: Compliance Review Final Results

Dear Ronnie Clark:

The compliance review of your agency's payroll and reporting records has been completed for the review period listed below. Please review the summary of findings, corrections completed and required actions moving forward.

Review Summary

- **Employer Name:** City of Carlisle (K091)
- **Review Period:** Fiscal Year 2024/2025
- **Number of Employees Reviewed:** 70
- **Number of Employees Corrected:** 49
- **Date of Review Completion:** 04/21/2026
- **Total Invoiced to Employer:** $301,452.75 in omitted wages and $147,056.60 in health insurance

Compliance Issues Identified

During the review, the following issues were identified:

1. **Wage Reporting Discrepancies**
   - The review identified wage discrepancies affecting six employees.
     1. All salary, wages, tips, and overtime paid to the employee as a result of services performed for the employer, reportable on the member's W2 federal form under heading of wages, tips, and other compensation must be reported to KPPA pursuant to Kentucky Revised Statute 61.510(13)
2. **Nonparticipating Employee Review**
   - The review identified numerous non-participating and participating employees who were not reported to KPPA.
     1. Pursuant to 105 Kentucky Administrative Regulations 1:140, with limited statutory exceptions, all agency employees are required to be reported to KPPA regardless of employment status. Failure to report eligible employees may result in compliance and participation issues that require corrective action.
     2. Positions that were not reported included, city council, mayor, dispatch, volunteer fire, and retired reemployed employees.
3. **Hazardous duty**
   - Pursuant to KRS 78.5220, all positions approved for Hazardous Duty coverage are required to be reported to KPPA as Hazardous Duty positions. Failure to properly classify and report approved Hazardous Duty positions may result in inaccurate member records, contribution reporting discrepancies, and employer and employee invoices.

Completed Corrections

The following corrections were completed during the review:

1. Wage discrepancies for FY 2024/2025 were corrected.
   - Total unreported wages added, both non-participating and participating: $747,828.13
   - Total wage discrepancies for the six employees: $8,132.10
2. Total omitted wages identified (this includes the corrected police wages from non-hazardous to hazardous, non-participating wages that averaged, wage corrections, and missing wages that averaged): **$1,036,850.66**
3. Total invoices billed to the agency: **$301,452.75** (please note that there are four invoices that have yet to be billed. This amount also takes into consideration the difference between what was refunded and then rebilled on the inactive police members)

Required Actions / Guidance Moving Forward

To ensure accurate reporting and continued compliance, please implement the following procedures:

1. Report all credible compensation
   - Please note vacation cash-out payments, and meal reimbursements, are exempt from reporting.
2. Report all police officers and police chief as hazardous (except those approved as City Employment of Retired Police Officer)
   - If the agency hires a retired police officer and wants to get them approved as a City Employment of Retired Police Officer, make sure to submit all required documentations prior to them starting to avoid owing employer contributions.
3. Report all qualified volunteers.
   - All volunteers with a participation date prior to August 1, 2016 should be reported. Volunteers with a participation date on or after August 1, 2016 or who have never participated in one of the state administered retirement plans should ONLY be reported if their monthly volunteer pay exceeds the nominal fee.
   - The agency has been sent a list of all those affected that need to be reported to KPPA on a regular basis

Outstanding Requests

The following items are still required and must be corrected by the agency:

1) The following volunteers have a part-date prior to 8/1/2016 and their missing reports must be added in through the agency's monthly reports. (Please note the volunteer wages need to be reported as volunteer fire non-haz nonparticipating)

   [redacted]

2) The following nonparticipating employees missing reports must be added by the agency as they have no account with KPPA

   [redacted]

Thank you for your cooperation throughout this compliance review process. If you have any questions regarding the findings, required actions moving forward or additional training/education please let me know.

Sincerely,
/s/ Daniel Peters

Daniel Peters, Retirement Systems Counselor
Employer Reporting, Compliance and Education
Kentucky Public Pensions Authority