

**MINUTES OF MEETING  
KENTUCKY RETIREMENT SYSTEMS  
BOARD OF TRUSTEES AUDIT COMMITTEE  
FEBRUARY 4, 2021, 10:00 A.M., E.T.  
VIA LIVE VIDEO TELECONFERENCE DUE TO SB 150,  
SIGNED INTO LAW BY THE GOVERNOR ON MARCH 30, 2020,  
AND EXECUTIVE ORDER 2020-215 DECLARING A STATE OF  
EMERGENCY EFFECTIVE MARCH 6, 2020 DUE TO COVID-19**

At the February 4, 2021 meeting of the Audit Committee of the Board of Trustees, the following Committee members were present: John Chilton (Chair), Joe Brothers, Campbell Connell, JT Fulkerson, Betty Pendergrass, and David Rich. Staff members present were D’Juan Surratt, Jared Crawford, Kristen Coffey, Ann Case, Connie Davis, Elizabeth Smith, Alane Foley, Rebecca Adkins, Kathy Rupinen, Jerry Yang, Vicki Hale and Carrie Bass. John Cheshire III, Jerry Powell and Gerina Whethers were also present.

Mr. Chilton called the meeting to order.

Ms. Alane Foley called roll.

Being no Public Comment, Mr. Chilton introduced the agenda item *Approval of Committee Minutes – December 2, 2020*. Mr. Rich made a motion and was seconded by Mr. Brothers to approve the minutes of the December 2, 2020 meeting. The motion passed unanimously.

Mr. Chilton introduced agenda item Audit Committee Approval Requests and introduced a representative from Dean Dorton Allen Ford, who presented the *Draft GASB 68 and GASB 75 Proportionate Share Audits*. Ms. Pendergrass expressed appreciation to Dean Dorton Allen Ford for getting the report out early. Connie Davis indicated that she will update the tables accordingly. Ms. Pendergrass made a motion and was seconded by Mr. Fulkerson to approve the draft with the updated tables. The motion passed unanimously.

D’Juan Surratt presented the *Hazardous Duty Position Requests*. Mr. Surratt provided details and answered questions regarding agencies requesting hazardous duty coverage. Mr. Rich made a motion and was seconded by Mr. Fulkerson to approve the hazardous duty coverage requests for the following:

<u>Agency</u>	<u>Position</u>	<u>Effective Date</u>
Shelby County Fiscal Court	Captain/EMT/Training Coordinator	03/01/2021
City of Bowling Green	Senior Fire Investigator	08/01/2020
Woodford Co. Fire Protection Dist.	Captain (Fire)	03/01/2021

The motion passed unanimously.

Kristen Coffey introduced agenda item *Application for Trustee Elections*. Ms. Pendergrass questioned the Conflict of Interest Section and discussions ensued with input from Ms. Pendergrass, Campbell Connell, Kristen Coffey and Jerry Powell. Agreement that modifications would be needed. Mr. Rich made a motion and Mr. Fulkerson seconded to accept the application with the modifications.

Mr. Chilton introduced the agenda item *KRS Division Reports*. Ms. Carrie Bass provided an overview of *Disclosure Incidents, 4<sup>th</sup> Quarter Calendar Year 2020*. Ms. Rebecca Adkins provided an overview of the following reports: *Quarterly Financial Statements as of December 31, 2020, including Contribution Report, Administrative Expenses, Outstanding Invoices, and Employer Penalty Waivers*. Ms. Connie Davis provided details on the *End of Year Audit Requirements for Fiscal Year End June 30, 2020* and *APA Approval Request for External Audit*. These reports were provided for informational purposes.

Mr. Chilton introduced agenda item *Internal Audit Division Reports*. Ms. Kristen Coffey provided details on the following reports: *Internal Audit Budget, 3<sup>rd</sup> Quarter Fiscal Year 2021, Status of Anonymous Tips, Update on CERS Retirement System Board Election 2021 and KERS Retirement Systems Board Election 2022, Status of Current Internal Audit Projects, and Review of Issued Reports*. These reports were presented for informational purposes only.

Ms. Kristen Coffey reviewed the *Professional Articles of Interest* with the Committee.

There being no further business a motion was made by Mr Connell and seconded by Mr. Brothers to adjourn the meeting. The next meeting of the Audit Committee is scheduled for 10:00 a.m. on August 26, 2021. Copies of all documents presented are incorporated as part of the minutes of the Audit Committee meeting as of February 4, 2021.

### CERTIFICATION

I do certify that I was present at this meeting and I have recorded above the action of the Committee 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 connection with this meeting.

  
Recording Secretary

I, as Chair of the Audit Committee of the Board of Trustees of the Kentucky Retirement Systems, do certify that the Minutes of the meeting held on February 4, 2021 were approved by the Joint Audit Committee on August 26, 2021.

  
Committee Chair

I have reviewed the Minutes of the Audit Committee Meeting on February 4 2021 for form, content, and legality.

  
Executive Director  
Office of Legal Services