

The Board of Trustees of the Omaha School Employees' Retirement System held a Regular Meeting on Wednesday, December 5, 2018, at 9:00 a.m. at Teachers' Administrative Center, 3215 Cuming Street, Omaha, Nebraska.

Pursuant to Section 84-1411 of the Nebraska Statutes, notice of this meeting was given November 7, 2018.

- 5130 -

President Erikson announced, pursuant to Section 84-1411 of the Nebraska Statutes, the next regular meeting of the Board of Trustees is scheduled for Wednesday, January 9, 2019 at 9:00 a.m., at the Teachers Administrative Center, 3215 Cuming Street, Board conference room – 2nd floor, Omaha, Nebraska. The agenda will be kept current and available for public inspection in the Retirement Office at the Teacher Administrative Center during regular working hours. He further announced that pursuant to Section 84-1412 of the Nebraska Statutes, the public is hereby informed that a current copy of the Nebraska Open Meetings Act is posted in the Board of Education meeting room on the north wall.

The meeting was called to order at 9:00 a.m. Present at roll call: Erikson - Havlovic – Jones – Logan - Purdy - Rea – Ripa - 7 present.

Staff Present: Cecelia M. Carter, Executive Director, James Ellis, Retirement Specialist.

Others Present: Robert J. Bothe, Esq., McGrath North

- 5131 -

Mr. Erikson opened the meeting introducing Mr. Darren Olsten and Ms. Kelly Mann of Seim Johnson, LLC. Mr. Olsten thanked the Board for the opportunity to continue to serve the members of OSERS by reviewing and auditing the year-end financial statements for the Omaha School Employees' Retirement System. Mr. Olsten reminded the Board he also serves as the partner on the Omaha Public School audit.

Mr. Olsen presented to the Board of Trustees the “Omaha School Employees’ Retirement System Financial Statements and Supplementary Information – August 31, 2018, Together with Independent Auditor’s Report” along with a prepared presentation.

The report indicates for the fiscal year ending August 31, 2018, the OSERS trust fund gained \$60.5 million in the change in fiduciary net position.

- 5132 -

Mr. Purdy made a motion the OSERS’ Board of Trustees go into Closed Session for the protection of public interest and for the prevention of needless injury to the reputation of individuals to discuss with legal counsel, Cecelia Carter, and James Ellis litigation matters and financial matters of retirees and the System. Mr. Ripa seconded and the motion was adopted by the following roll call: Aye: Erikson - Havlovic – Jones – Logan - Purdy - Rea – Ripa - 7. Nay: 0.

Mr. Erikson reminded the public of the need for closed session.

The Board came back into session at 10:02 a.m. Present at roll call were: Erikson - Havlovic – Jones - Logan – Purdy - Rea - Ripa – 7 present.

Mr. Rea made a motion for the Board to ratify December pension payments; ratify December staff payroll; approve new retirements effective December 1, 2018; ratify the termination of retirements due to the death of the retiree and the joint survivor continuation; approve December refunds to former employees; approve OSERS accounts payables for December. The motion was seconded by Mr. Havlovic. The motion was adopted by the following roll call: Aye: Erikson – Havlovic – Jones – Logan – Purdy – Rea – Ripa – 7. Nay: 0.

- Gross Annuitant Pension & Retirement Staff Payroll
 - Ratify December pension payments (paid 12.03.2018) in the amount of \$10,208,945.99 to 4,821 payees.
 - Approve December staff payroll (paid 12.05.2018) in the amount of \$28,113.14
- New Retirements
 - Approve December New Retiree Annuitants (first check January 3, 2019) [4 count]

EE NUMBER	NAME		EMP TYPE	AGE	RET MONTH	YRS of SERVICE	AVERAGE SALARY	OPT	CHOSEN BENEFIT	
	First	Last							OMAHA	STATE
	Janis	Bell	Para		12	12.3				
	Carol Sue	Loyd	OP		12	16.0				
	Pamela	Welch	T		12	6.0				
	Anna	Wolf	Para		12	11.0				
Average				66.8		11.3	32,002.40		5,66.53	37.22
Median				66.5		11.7	29,620.04		4,34.33	35.69
Payroll Addition									\$2,425.00	
Number of New Retirements									4	

Explanation of OPTIONS:

“A” = 5 year certain; “B” = 10 year certain; “C” = 50% J&S; “D” = 75% J&S; “E” = 100% J&S; “F” = Pop-up

Explanation of RET TYPE:

“1” = normal retirement; “2” = early retirement; “3” = disability retirement

- Deaths

- Approve Terminations of Annuitants’ Payments Due to Death (last check was November 3, 2018)

EMPLOYEE NUMBER	NAME	AGE	RET YEAR	DATE OF DEATH	BENEFIT OSERS	Survivor Beneficiary	Survivor's Benefit \$	Overpayment Benefit \$
	Helen Wollen							
	Sophie Riza							
	Josephine Brooker							
	Nancy Ferguson							
	Joanne Baumeister							
	Doris Taylor							
	Rosemarie Schulte							
	Maralyn Kyle							
	Ruth York							
	Marjorie Thurber							
Terminated from Retiree Payroll – December 2018					\$12,804.06			

	Alta	Dakolios					Edward Dakolios		
	John	Jensen					Sandra Jensen		
	Thelma	Greenlee					Wendy Ziegler	*	
							George Reed	*	
Continued Retirement to Beneficiary – December 2018								\$4,636.61	

* Surviving Beneficiaries opted to receive a lump sum distribution of remaining payments.

- Terminated Employees' Refunds
Approve December Refunds [36 count]

Employee ID	First Name	Last	Gross Distribution	Term Date	Accrued Service	Dist Type
	Paula	Griffin		10/16/2018	0.0	Direct
	Sarah	Geier		10/5/2018	0.0	Direct
	Thomas	May		9/26/2018	0.5	Rollover
	Regan	Heaton		9/21/2018	0.5	Direct
	Candice	Foster		10/19/2018	0.7	Direct
	Brian	LeFebvre		7/31/2018	0.8	Direct
	Rosalind	Graham		9/28/2018	0.9	Direct
	Lou Ann	Kinderknecht		7/31/2018	1.0	Rollover
	Janna	Walkowiak		7/31/2018	1.0	Direct
	Rachel	Clemens		7/31/2018	1.0	Rollover
	Melissa	Siefken		9/20/2018	1.2	Direct
	Adam	Miller		9/7/2018	1.9	Direct
	Lorita	Grandberry-Morrow		9/30/2018	2.0	Direct
	Latasha	Ellis		7/31/2018	2.0	Direct
	Amanda	Swanson		7/31/2018	2.0	Direct
	Evan	Hines		8/10/2018	2.1	Rollover
	Carrie	Wilson		1/19/2018	2.7	Rollover
	Michelle	Urban		8/5/2018	3.0	Rollover
	Alexis	Carter		7/31/2018	3.0	Rollover
	Jean	Janssen		8/30/2018	3.0	Direct
	Constance	Knoche		10/15/2018	3.6	Rollover
	David	Moudry		10/19/2018	3.9	Rollover
	Alicia	Delzell		7/31/2018	4.0	Rollover
	Loretta	Johnson		7/31/2018	4.0	Direct
	Erin	Bales		7/31/2018	4.1	Rollover
	Bethany	May		10/5/2018	4.6	Direct

Employee ID	First Name	Last	Gross Distribution	Term Date	Accrued Service	Dist Type
	Corey	Schrack		7/31/2004	5.0	Rollover
	Patrick	Spieler		7/31/2018	5.0	Rollover
	Carla	Novoa		9/10/2018	5.0	Direct
	Edward	Vogel		7/31/2018	6.0	Rollover
	Samantha	Matthews		12/21/2017	6.3	Direct
	Tasha	Paul		9/27/2018	7.1	Direct
	Evelia	Gutierrez		10/26/2018	7.5	Direct
	Erika	Plummer		9/16/2018	8.0	Direct
	Jacob	Gutowski		7/31/2015	9.0	Death
	Josephine	Langbehn		7/31/2018	9.0	Rollover
Count						36
Average			\$13,053.08		3.4	
Median			\$8,583.89		3.0	
Gross Distribution				\$469,910.86		

Bold entry indicates a distribution to a beneficiary due to the death of the active member.

Accounts / Payables for December 2018 = \$14,365.00

Consultant -

- Peetz & Company (1Q 2019) \$ 12,200.00
\$12,200.00

Miscellaneous –

- Educational Meeting (Ripa – 2017 TTEE Wrkshp) \$ 2,165.00
\$2,165.00

- 5133 -

Mr. Erikson announced the minutes would be reviewed and voted on at the January 2019 meeting. He then asked Ms. Carter to recap the November 2018 OSERS Sustainability Study.

- 5134 -

Ms. Carter gave a recap of the meeting held Wednesday, November 28, 2018 where she gave an overview to the Board of Trustees of the OSERS plan by the four tiers and Ms. Beckham of Cavanaugh Macdonald ran through several “what if” scenarios and the fiscal impact to the plan.

Mr. Erikson reminded the Board that at this point all “what if” scenarios are for illustrative purposes only and no changes have been agreed upon as of this date.

The Board further engaged in dialogue reminding each other the overall goal of the sustainability study is to determine what actions are in the best interest towards the sustainability of the system.

The next OSERS Sustainability Study meeting is scheduled for Thursday, January 24, 2019 at 4:00 p.m. at the Teachers’ Administrative Center.

- 5135 -

Mr. Erikson then moved the meeting to the Business Community appointee agenda item. Ms. Carter updated the Board on the status of the appointment by the Board of Education. Ms. Carter informed the Board, Mr. Herchenbach’s name and curriculum vitae are scheduled to go before the Omaha Public School Board of Education at its December 17, 2018 school board meeting.

- 5136 –

Ms. Carter then reviewed the OSERS financial statements as prepared by the OPS accounting department, for the period ending September 30, 2018.

Dr. Logan left the meeting at 10:23 a.m.

Ms. Carter then reviewed for the Board the Nebraska Revised Statutes for application of the annual Cost Of Living Adjustments (COLA). The cost of living adjustment calculation is restricted by date of membership in OSERS. For members of OSERS before July 1, 2013 the topside limit on the COLA is 1.5%. For members of OSERS on or after July 1, 2013 the topside limit on the COLA is 1.0%. Ms. Carter referenced the Nebraska Revised Statutes section 79-9, 103(8) & (9). OSERS now has members who are retired from Tier Two and thus subject to the 1.0% limit on the COLA.

Ms. Carter then gave the Executive Director's report and touched on the following items:

there was discussion on a series of emails circulated throughout Omaha Public Schools from a commercial insurance company soliciting OPS employees to make an appointment to discuss their individual retirement with OSERS;

reminded the Board the Nebraska State Investment Officer and the AON representative will be at the January 2019 retirement board meeting;

a \$50 donation was sent to the OEA Foundation in memory of John Jensen, the funds came from the Board courtesy fund (which is funded through personal donations by OSERS board members);

update on the restructuring of the OSERS audio files on the OSERS web page so they are now accessible via all browser types;

update on the anticipated distribution of the 2018 Annual Statements; and

reminder the 2019 Nebraska Unicameral legislative session will begin on Wednesday, January 9, 2019.

Mr. Erikson began the Trustee report with a statement of appreciation to Mr. Donn Jones for his service to the Board of Trustees of the Omaha School Employees'

Retirement System as the business community representative. The expressed sentiments were echoed by other members of the Board of Trustees.

Mr. Erikson reminded the Board with the advent of the 2019 legislative session, Board members should refrain from representing personal opinions as Board policy and/or opinions when engaging on social media.

Mr. Erikson then addressed the formation and meetings that have taken place with the stakeholders' coalition, facilitated by Prisms Advisors. There was discussion pondering what the objective(s) are for the coalition.

Mr. Erikson called for any new business.

There being no further business to come before the Board, the meeting adjourned at 11:12 a.m.

/s/

Cecelia M. Carter
Executive Director