

The Board of Trustees of the Omaha School Employees' Retirement System held a Regular Meeting on Tuesday, August 6, 2019, at 9:00 a.m. at 3215 Cuming Street, Omaha, Nebraska.

Pursuant to Section 84-1411 of the Nebraska Statutes, notice of this meeting was given June 3, 2019.

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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, September 4, 2019 at 9:00 a.m., at Teachers Administrative Center, 3215 Cuming Street, 2nd floor, Omaha, Nebraska. However, he noted there could be a change to the schedule of meeting pending the outcome of an agenda item. 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.

Mr. Erikson called the meeting to order at 9:03 a.m. Present at roll call: Erikson – Placzek – Purday - Rea – Ray (as superintendent's designee) - 5 present. Not present at roll call: Havlovic – Herchenback – 2.

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

Others Present: Robert Bothe, Esq., McGrath North

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Mr. Erikson opened the meeting with the announcement for public comment. There was no public comment.

Mr. Erikson then called for approval of the minutes from the June 3, 2019 Board of Trustees meeting. Mr. Rea made a motion to approve the minutes to the Board of Trustees meeting held Wednesday, June 3, 2019. Mr. Placzek seconded the motion. Mr. Erikson called for any comment. Mr. Ray expressed his concern regarding the presentation of the actuary model at the June 3, 2019 meeting as not having been fully identified on the agenda. The motion passed with the following roll call: Aye: Erikson – Placzek - Rea – Ray 4. Nay: – 0. Abstain: Purdy – 1.

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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, and Cecelia Carter litigation matters and financial

matters of retirees and the System. Mr. Rea seconded and the motion was adopted by the following roll call: Aye: Erikson – Placzek – Purdy – Rea - Ray - 5. Nay: 0.

Dr. Logan entered the meeting and Mr. Ray left the meeting at 9:23 a.m. during the closed session.

The Board came out of closed session at 9:34. Present at roll call were: Erikson – Logan – Placzek – Purdy – Rea – 5.

Mr. Rea made a motion to ratify July pension payments in the amount of \$10,502,578.18 paid to 4,934 payees; ratify August pension payments in the amount of \$10,532,092.01 paid to 4,937; ratify July staff payroll in the amount of \$30,017.11; ratify August staff payroll in the amount of \$30,017.11; ratify 17 new retirees effective July 1, 2019 – first pension check paid August 3, 2019; ratify 35 new retirees effective August 1, 2019 – first pension check paid September 3, 2019; ratify termination of 11 retirements due to the death of the retiree and ratify 3 joint & survivor annuitants; ratify July 2019 refunds to 28 former members of OSERS in the amount of \$628,832.86; ratify August 2019 refunds to 18 former members of OSERS in the amount of \$383,832.40; approve accounts payables for the month of August in the amount of \$30,567.98.

Dr. Logan seconded the motion. The motion was adopted by the following roll call: Aye: Erikson – Logan – Placzek - Purdy - Rea – 5. Nay: 0

- New Retirements (effective July 1, 2019)

EMPLOYEE NUMBER	NAME	EMP TYPE	AGE	RET MONTH	RET YRS	AVERAGE SALARY	CHOSEN OPT	BENEFIT OMAHA	STATE
	Susan	Aguilera	Prin	7	31.0				
	Nanette	Beller	Prin	7	34.0				
	Robert	Chapman	CMO	7	38.0				
	John	Harris	Secur	7	19.2				
	Talmadge	Mims	Trans	7	25.7				
	Sagrario	Rangel	Other	7	33.0				
	Marjorie	Reed-Schmid	Prin	7	30.0				
	Mark	Rickley	CMO	7	10.8				
	Robert	Rohr	CMO	7	19.0				
	Sandra	Semien Baltimore	Para	7	12.4				
	Susan	Sevener	Intp	7	13.3				
	Grenoda	Shannon	OP	7	17.0				
	Celio	Silva	T	7	23.0				
	Debbie	Thomas	OP	7	10.2				
	Connie	Tippery	T	7	27.5				
	Brenda	Todd	Other	7	31.0				
	Elizabeth	Whitney	T	7	23.0				
Count									17
Average			61		23	\$59,524		\$2,415	\$57
Median			61		23	\$57,531		\$1,776	\$52
Addition to Pension Payroll								\$41,855.74	

- New Retirements (effective August 1, 2019)

EMPLOYEE NUMBER	NAME	EMP TYPE	AGE	RET MONTH	RET YRS	AVERAGE SALARY	OPT	CHOSEN OMAHA	BENEFIT STATE
	Bret	Anderson	Prin	8	31.0				
	Tanya	Avant	Other	8	10.8				
	Lisa	Bower	Para	8	11.0				
	Carl	Bloomer	Other	8	39.0				
	Karen	Braun	OP	8	23.3				
	Deborah	Cline	T	8	33.0				
	Pamela	Cohn	Other	8	5.0				
	Lynn	Cook	OP	8	24.0				
	Diane	Craig	Other	8	29.0				
	Linda	Fox	Nutri	8	17.0				
	Judith	Fuller	T	8	27.0				
	Alice	Gomez	OP	8	23.6				
	James	Harrington	Other	8	36.0				
	Linda	Hulsey	Other	8	12.0				
	Jacqueline	Jaskiewicz	OP	8	33.0				
	Kimberly	Krause	OP	8	29.0				
	Michael	Kunkle	Other	8	18.0				
	Colleen	Kurmel	T	8	40.9				
	Robert	Machacek	CMO	8	28.0				
	Wilson	Perry	Other	8	34.0				
	Susan	Ryan	Other	8	29.0				
	Ruth	Ryberg	Other	8	11.3				
	Gwen	Samuels	Para	8	37.0				
	Donna	Scacchi	OP	8	21.0				
	Francis	Szynskie	Other	8	30.0				
	Cynthia	Stone	OP	8	28.0				
	Felicia	Thielen	OP	8	18.0				
	Antoinette	Turnquist	Other	8	55.0				
	Sharon	Wade	Other	8	31.0				
	Arthell	Walker	CMO	8	25.0				
	Mark	Warneke	Other	8	46.0				
	Daniel	Weidner	Other	8	20.0				
	Edna	Welch	CMO	8	20.5				
	Barbara	Wild	Other	8	26.0				
	Linda	Williams	OP	8	26.5				
Count									35
Average			64		27	\$75,055		\$3,294	\$78
Median			65		27	\$68,492		\$2,544	\$71
Addition to Pension Payroll								\$117,914.89	

- Deaths

EMPLOYEE				RET	DATE OF	BENEFIT	Survivor	Survivor's	Overpayment
NUMBER	NAME		AGE	YEAR	DEATH	OSERS	Beneficiary	Benefit \$	Benefit \$
	Richard	Briley		1988	May-19				
	Robert	Alden		1990	May-19				
	Ruth	Cook		1997	May-19				
	Louis	Matcha		1988	May-19				
	Diane	Derks		2017	May-19				
	Bassie	Johnson		1998	May-19				
	Joann	Summers		2001	May-19				
	Margaret	Burt		1988	Apr-19				
	Josephine	Valasek		1990	Jun-19				
	Jack	Wiechmann		1993	Jun-19				
	Shirley	Boylan		1990	Jun-19				
Terminated from Retiree Payroll – July & August 2019						\$24,458.25			
	Sharon	Parker		2019	Jun-19		Dale Parker		
	Marvin	Alff		2004	Jun-19		Judith Alff		
	Vincent	Rasnick		2002	Jun-19		Eileen Rasnick		
Continued Retirement to Beneficiary – July & August 2019						\$12,216.84		\$10,965.59	
Average Age at Death			84						
Average Years Retired			21.5						

- Terminated Employees' Refunds (July Refunds)

ID	First Name	Last	End Balanc	Term Date	Accrued Service	Dist Type
	Cynthia	Seeba		5/18/2003	0.0	Direct
	Tyriq	Wilson-Miers		5/8/2019	0.3	Direct
	Paula	Stormberg		2/27/2019	0.4	Direct
	Lauren	Marolis		4/15/2019	0.6	Direct
	Ilse	Robles Alvarez		1/14/2019	0.6	Direct
	Cassandra	Eades		4/26/2019	0.7	Direct
	Angelic	Armendariz		4/30/2019	0.8	Direct
	Shane	Clary		2/4/2019	1.6	Direct
	Akila	Allen		7/31/2014	1.7	Direct
	Metoya	Shropshire		11/20/2018	2.3	Direct
	Brooke	Burton		5/2/2019	2.9	Direct

ID	First Name	Last	End Balanc	Term Date	Accrued Service	Dist Type
	Maria	Diaz Avalos		5/3/2019	2.9	Direct
	Jessica	Spittler		4/19/2019	3.0	Direct
	John	Boomer		2/4/2019	3.5	Rollover
	Dana	Fontaine		7/31/2013	4.0	Direct
	Donald	Olsen		5/31/2019	4.1	Rollover
	Lisa	Napp		7/31/2004	5.0	Rollover
	Sofronia	Jackson		5/6/2019	6.7	Direct
	Pamela	Coughlin		5/3/2019	7.0	Direct
	Mark	Utterback		5/6/2019	7.0	Rollover
	Michael	Bailey		7/31/2007	7.5	Rollover
	Lisa	Brandon		7/31/2012	7.7	Rollover
	Domenic	Calabro		4/19/2019	8.0	Rollover
	Trevor	Howard		6/8/2018	9.0	Rollover
	Harmon	Maples		5/10/2019	9.6	Rollover
	Kurtiss	Sutton		4/13/2018	11.2	Rollover
	Barbara	Poe		3/25/2019	17.0	Death
	Ledonna	White Griffin		5/16/2019	24.0	Rollover
Count						28
Average			\$22,458.32		5.3	
Median			\$14,713.43		3.8	
Gross Distributions			\$628,832.86			

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

- Terminated Employees' Refunds (August Refunds)

ID	First Name	Last	End Balanc	Term Date	Accrued Service	Dist Type
	Tamure	Morgan		5/23/2019	1.4	Rollover
	Richard	Isom		4/30/2019	2.0	Direct
	Emilee	Paul		7/31/2017	2.0	Direct
	Joseph	Homan		7/31/2016	3.0	Direct
	Kaylin	Gardner		7/31/2018	3.0	Rollover
	David	Lengyel		6/14/2019	4.0	Direct
	Samantha	Mather		7/31/2018	4.0	Direct
	Kimberly	Goevert		7/31/2017	4.7	Rollover
	Danielle	Dickel		7/31/2018	6.0	Rollover
	Tamara	Loberg		7/31/2018	6.0	Rollover
	Deborah	Waring		7/31/2012	6.0	Rollover
	Marsha	Baker		11/2/2016	6.4	Direct
	Patricia	Glass		5/10/2019	7.0	Rollover
	Jamel	McNair		3/3/2016	7.7	Direct

ID	First Name	Last	End Balanc	Term Date	Accrued Service	Dist Type
	Amy	Evans		7/31/2015	10.0	Rollover
	Michael	Huffman		7/31/2008	10.5	Rollover
	Robin	Jefferson		4/12/2019	11.0	Direct
	Therese	Nelson		7/31/2009	12.0	Rollover
Count						18
Average			\$21,324.02		5.9	
Median			\$19,422.93		6.0	
Gross Distributions			\$383,832.40			

Accounts / Payables for August 2019 = \$30,567.98

• **Consultant**

Cavanaugh Macdonald (administration)	1,440.00	
Cavanaugh Macdonald (sustainability)	10,403.00	
Seim Johnson (1 st of 4 for 2019 Audit)	3,870.00	\$15,713.00

• **Legal Counsel**

McGrath North (Litigation)	1,577.61	
McGrath North (General)	9,974.00	
McGrath North (AGYOF)	0.00	
McGrath North (AAM-Special)	168.00	\$11,719.61

• **Miscellaneous**

NCTR - Trustee Workshop Registration (R. Rea)	1,108.67	
NCTR – Trustee Workshop Airfare Reimburse (R. Rea)	530.00	
NCTR - Trustee Workshop Reimburse (D. Erikson)	1,496.70	\$3,135.37

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The Board then moved onto discussion of the 2019 / 2020 Board of Trustees regular meeting schedule. After deliberation it was decided the Board of Trustees would move its regular scheduled meetings to the first Thursday of the month and change the time to start the meeting to 4:00 p.m. The meeting schedule is to be updated in the office and posted to the OSERS web site. Mr. Purdy expressed his appreciation for the Board's flexibility given the change to a later start time was to accommodate the new provisions of the Omaha Education Association negotiated agreement for the 2019/2020 school year.

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The Board then went onto discuss the actuarial services request for proposal scope of work. Ms. Carter outlined the scope of work before the board was not the entire RFP, but only the scope of work expectation to be bid on. Respondents will be instructed to bid out each item in the scope of work separately. Ms. Carter reminded the Board that at the June meeting the Board approved the timeline for the RFP. Mr. Rea suggested a change to the length of a contract extension from three years to four years to comply with the required experience studies.

Mr. Purdy made a motion to approve the scope of work for the actuarial consulting firm RFP with the suggested change. Dr. Logan seconded the motion. The motion was adopted by the following roll call: Aye: Erikson –Logan – Placzek - Purdy – Rea – 5. Nay: 0

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The Board then went on to discuss the engagement of the actuarial firm to create a funding model based on OSERS assumptions. At the June meeting the board requested a cost for the actuarial firm to create a funding model for OSERS. After discussion with the actuary and a request for two additional funding sources worked into the model, it was determined the cost would be \$7,500.00. Ms. Carter explained that any change to the OSERS funding and actuarial assumptions will render the model obsolete. Ms. Carter also explained the “User Agreement” OSERS would be required to sign in order to use the firm created model. The User Agreement would prohibit the sharing of the model with a third party. After further discussion the Board decided not to engage the actuarial firm to produce a funding model for OSERS.

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Mr. Erikson then moved onto the review of the Board of Trustees 2018 Sustainability Study report examined by Cavanaugh Macdonald dated July 26, 2019. Ms. Carter reviewed the July 31, 2019 Board of Trustees Sustainability Study workshop meeting. Four options were presented to the Board of Trustees, based on the Board’s directions from the May 2019 sustainability study meeting. Each option was to be examined from two perspectives. The first as a straight line approach, the second with the District escalating its contribution on a 2% scale. Ms. Carter was directed to ensure the President of the Omaha Public Schools Board of Education received a copy of the Board of Trustees 2018 Sustainability Study report.

Mr. Havlovic entered the meeting at 10:07 a.m. during the sustainability study discussion.

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Ms. Carter presented the OSERS financial statements and budget variance reports for the months of May and June 2019.

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Ms. Carter then presented the 106th Legislative Session of the Nebraska Unicameral, Retirement Committee report. She reviewed the legislative bills during the 2019 legislative session that pertained to retirement related issues.

Ms. Carter also used this segment of the meeting to discuss LB 31 (2019) which passed and called for a study on the feasibility of transitioning OSERS management to the NPERB. Ms. Carter outlined that the Director of NPERB sent a list of some 86 questions for OSERS and request for documents from OSERS. Ms. Carter is coordinating the request and is in contact with Mr. Gerke (NPERB Director) to ensure information is flowing.

Mr. Rea suggested requesting a copy of the draft report before it is submitted to the clerk of the legislature by June 30, 2020.

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The meeting then moved to the Executive Director's report. Ms. Carter reviewed for the board the following topics:

- The Nebraska Uniform Disposition of Unclaimed Property Act (the "Act")
 - McGrath North was engaged to research and memorialize for OSERS, its obligation under the Act.
 - The information concerning the obligation of a public pension plan was shared with OPS accounting.
- The state of Nebraska deposited the 2% contribution to OSERS on July 3, 2019 in the amount of \$7,420,302
- OSERS filed its Form C for the quarter ended June 30, 2019 with the Nebraska Office of Accountability on July 16th.
- The 2019 audit meeting with Seim Johnson is postponed to the September Board of Trustees meeting due to a conflict with the August meeting date.
- Ms. Carter informed the Board she would be out of the office from Thursday, August 15 – Tuesday, August 27, 2019.

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The Board members then proceeded to the Trustees' report. Mr. Erikson opened with his overview of the 2019 NCTR Trustee Workshop at Berkley held in July 2019 and specifically commented on the segment relating to personalized medicine and its effects on mortality. Mr.

Rea also commented on the workshop and the report presented by CalSTRS on whether employees are better with a defined benefit plan or a defined contribution plan.

Dr. Logan left the meeting at 10:36 a.m.

Mr. Placzek also commented on the Berkley workshop and the amount of information he received on pension plans. He also commented that he was questioned by colleagues on whether it was necessary for him to attend. He also stated he would not be seeking reimbursement for his hotel and food for this workshop.

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Mr. Erikson asked for any new business. Mr. Rea requested and the board agreed to have the Executive Director draft a resolution of appreciation for James Ripa for his years of service to the OSERS Board of Trustees.

Mr. Placzek asked about updating of the OSERS handbook. Ms. Carter stated she was aware and she and the staff are working on updating it.

The meeting adjourned at 10:41 a.m.

/s/

Cecelia M. Carter
Executive Director