

The Board of Trustees of the Omaha School Employees' Retirement System held a meeting on Wednesday, January 6, 2016, at 3:30 p.m. in the Board hearing room at the Teacher Administrative Center, 3215 Cuming Street, Omaha, Nebraska.

Pursuant to Section 84-1411 of the Nebraska Statutes, notice of this meeting was given by announcement of the President of the Board at the Board of Trustees meeting held on Wednesday, December 2, 2015.

Present at roll call: Erikson – Evans – Fey – Havlovic – Jones – Rea – 6. Entered during meeting: Goding – Purdy – 2. Absent: –Ripa – Snow – 2. Staff Present: Retirement Benefits Manager Ellis. Others Present: Charles Wakefield, Omaha Public Schools, Chief Human Resource Officer; Darren Osten of Seim Johnson; Fahd Basir and Shaun Ahmad of 25 Capital Residential Mortgage; and Terry Anderson and Ryan Anderson of Mariner.

- 4807 -

President Erikson announced that, pursuant to Section 84-1411 of the Nebraska Statutes, the next meeting of the Board of Trustees will be held at 3:30 p.m. on Wednesday, February 3, 2016, in the Board Hearing room of the Teacher Administrative Center, 3215 Cuming Street, 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 meeting room on the north wall.

- 4808 -

Mr. Rea moved the minutes of the December 2, 2015 meeting be approved. The motion was seconded by Mr. Havlovic and adopted by the following roll call vote: Aye: Erikson – Evans – Fey – Havlovic – Jones – Rea – 6. Nay: 0.

- 4809 -

Mr. Rea moved approval of the investments made during the month of December 2015. The motion was seconded by Mr. Havlovic and adopted by the following roll call vote: Aye: Erikson – Evans – Fey – Havlovic – Jones – Rea – 6. Nay: 0.

- 4810 -

Mr. Rea moved approval on the expenditure/transfer of twenty-five dollars per trustee in attendance of Mike Smith's recognition dinner transferred from the district funds or former Trustees Courtesy Fund to the Omaha School Foundations - Board of Trustees Courtesy Fund. The motion was seconded by Ms. Fey and adopted by the following roll call vote: Aye: Erikson – Evans – Fey – Goding – Havlovic – Jones – Rea – 7. Nay: 0.

- 4811 -

Ms. Goding entered the meeting during the previous item.

- 4812-

Mr. Erikson asked for update of retirement legislation. Mr. Rea explained it was the first day of the 60 day session and a new chairperson would be selected for the retirement committee today. Ms. Fey provided an explanation of the amendments the Board of Education had approved at the December 7, 2015 for LB447, which she said focused on three items: 1. Modification the ARC, Actuarial Require contributions, by the school district by phasing it in. 2. Limit liability of OPS and its employees acting on directions of OSERS board and staff. 3. Limit OSERS litigation ability against the Board of Education. Mr. Jones raised concerns with the language of amendment regarding current funding policy and this new amendment would be a new funding policy and wanted a reason. Ms. Fey said she would get an explanation to the trustees.

- 4813 -

Mr. Purdy entered the meeting during the previous item.

- 4814 -

Ms. Fey moved that the OSERS Board of Trustees go into Closed Session for the protection of the public interest and for the prevention of needless injury to the reputation of individuals, to discuss with the Trustees and Head of Human Resources; Personnel matters related to the hiring of the new Executive Director. The motion was seconded by Ms. Goding and adopted by the following roll call vote: Aye: Erikson – Evans – Fey – Goding – Havlovic – Jones – Purdy – Rea – 8. Nay: 0. President Erikson stated the Board went into Closed Session at 4:35 p.m.

- 4815 -

Ms. Fey left at this time.

- 4816 -

President Erikson stated the Board came out of Closed Session at 5:01. Present at roll call: Erikson – Evans – Goding – Havlovic – Jones – Purdy – Rea – 7. Absent: – Fey – Ripa – Snow – 3.

- 4817 -

Mr. Havlovic moved that trustees recommend to the Board of Education that Mr. Ellis be considered as the interim executive director for OSERS and that Mr. Ellis still be allowed to be considered as an applicant for the position of the executive director and that the Board of Education and staff to come up with a fair compensation package for Mr. Ellis during this interim period. The motion was seconded by Mr. Purdy and adopted by the following roll call vote: Aye: Erikson – Evans – Goding – Havlovic – Jones – Purdy – Rea – 7. Nay: 0.

- 4818 -

Darren Osten of Seim Johnson presented the Report to the Board of Trustees as of and for the Year Ended August 31, 2015 and the Independent Auditor's Report on the Retirement System's Financial Statements for the year ended August 31, 2015. Mr. Osten discussed the results of the audit and affirmed the Report's conclusion that the financial statements "present fairly, in all material respects, the financial position of OSERS as of August 31, 2015, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America." Discussing other matters, Mr. Osten stated that next year GASB 72 would require more disclosure regarding fair values of assets which would mean more foot notes.

- 4819 -

Shaun Ahmad and Fahd Basir of 25 Capital Residential Mortgage Opportunity Fund discussed with the Trustees the performance of distressed residential mortgage fund their firm manages for the Retirement System.

- 4820 -

Terry Anderson and Ryan Anderson of Mariner Real Estate Partners III & IV discussed with the Trustees the performance of distressed commercial real estate funds their firm manages for the Retirement System.

- 4821 -

President Erikson adjourned the meeting at 6:33 p.m.