

The Board of Trustees of the Omaha School Employees' Retirement System held a meeting on Wednesday, August 5, 2015, at 9:00 a.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 public notice. President Erikson 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.

Present at roll call: Erikson – Evans – Fey – Jones – Purdy – Rea – Ripa – Young – 8. Entered during meeting: Goding – Snow – 2. Staff Present: Executive Director Smith and Retirement Benefits Manager Ellis. Others Present: DeLayne Havlovic; Kristin Finney-Cooke and Richard Harper of New England Pension Consultants; Megan Neiles-Brasch; and Gary Clatterbuck of Baird Holm Law Office.

- 4711 -

Mr. Rea moved the minutes of the May 6, 2015 meeting be approved. The motion was seconded by Mr. Young and adopted by the following roll call vote: Aye: Erikson – Evans – Fey – Jones – Purdy – Rea – Ripa – Young – 8. Nay: 0.

- 4712 -

Mr. Purdy moved approval of the investments made during the months of May, June and July 2015. The motion was seconded by Mr. Rea and adopted by the following roll call vote: Aye: Erikson – Evans – Fey – Jones – Purdy – Rea – Ripa – Snow – Young – 9. Nay: 0.

- 4713 -

Mr. Snow entered the meeting during the previous item.

- 4714 -

The Trustees reviewed the letters of recommendation for Trustee candidates from Omaha Area Retired School Employees and Omaha Education Association – Retired, who both recommended Roger Rea; from SEIU Local 226 and the OPS Craft Committee, who both recommended James Ripa; from the Omaha School Administrators Association who recommended DeLayne Havlovic; and from the Omaha Education Association who recommended Lance Purdy and John Young. The Trustees, other than Mr. Purdy and Mr. Young, engaged in individual interviews of

the three certificated candidates. Following interviews and discussion the Trustees, other than Mr. Purdy and Mr. Young, submitted ballots which indicated the following support: Lance Purdy – 7; DeLayne Havlovic – 6; and John Young – 3. Mr. Purdy and Mr. Young re-entered the meeting at this time. Ms. Goding moved the Trustees recommend the Board of Education appoint Roger Rea to fill the annuitant position, James Ripa the classified staff position, and Lance Purdy and DeLayne Havlovic the certificated staff positions for the 2015-2016 school year. The motion was seconded by Ms. Fey and adopted by the following roll call vote: Aye: Erikson – Evans – Fey – Goding – Jones – Rea – Ripa – Snow – 8. Nay: Purdy – Young – 2.

- 4715 -

Ms. Goding entered the meeting during the previous item.

- 4716 -

Mr. Rea, on behalf of the Trustees and members of the Retirement System, thanked Mr. Young for his 9 years of service as a Trustee. He indicated that the vote was not a reflection on the manner in which Mr. Young had performed his duties, but that all three candidates had very strong credentials.

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Mr. Rea moved that the 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 Executive Director and Legal Counsel legal advice concerning the consequences of specific actions. The motion was seconded by Ms. Goding and adopted by the following roll call vote: Aye: Erikson – Evans – Fey – Goding – Jones – Purdy – Rea – Ripa – Snow – Young – 10. Nay: 0.

President Erikson reminded the Trustees they were going 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 Executive Director and Legal Counsel legal advice concerning the consequences of specific actions. The Trustees entered Closed Session at 10 a.m.

The Trustees exited Closed Session at 11 a.m. Present at roll call: Erikson – Evans – Fey – Goding – Purdy – Rea – Ripa – Young – 9. Entered later during meeting: – Snow – 1.

- 4718 -

Kristin Finney-Cooke and Richard Harper of NEPC discussed with the Trustees the NEPC report on the performance of OSERS' investment managers through March 31, 2015. They explained that, as a result of the prior requests various Trustees had made, a new Investment Summary had been prepared to offer a more streamlined view of the portfolio and individual managers. Mr. Smith distributed a three-page spreadsheet with Trustee requested information on each of the investment managers. He indicated that the information was a collaboration of himself, all investment managers and NEPC. The Trustees discussed the Summary, the spreadsheet and made further suggestions for information they would like included in future Summary's.

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Kristin Finney-Cooke and Richard Harper of NEPC discussed with the Trustees the NEPC report on expanding NEPC's responsibilities from performance review to a full retainer, which would also include manager searches, asset allocation advice and asset/liability analysis. Mr. Smith indicated that the additional fee for this change would be approximately the same as the reduction in fees of discontinuing the asset allocation services provided by Atlantic Asset Management. Mr. Purdy moved to recommend the Board of Education contract with New England Pension Consultants for a full retainer of services at an initial fee of \$325,000 per year. The motion was seconded by Mr. Young and adopted by the following roll call vote: Aye: Erikson – Evans – Fey – Goding – Jones – Purdy – Rea – Ripa – Snow – Young – 10. Nay: 0.

- 4720 -

Mr. Snow entered the meeting during the previous item.

- 4721 -

President Erikson adjourned the meeting at 12:35 p.m.