

The Board of Trustees of the Omaha School Employees' Retirement System held a Regular Meeting on Tuesday, March 6, 2018, at 4:30 p.m. in the Board 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 by the President of the Board at the Board of Trustees' meeting held on February 7, 2018.

Present at roll call: Erikson – Evans - Purdy – Rea - Ripa – Havlovic – Jones - 7 present.

Staff Present: Cecelia M. Carter, Executive Director and James Ellis, Retirement Benefits Manager. Others Present: Peter Langdon, Esq., McGrath North.

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President Erikson announced that, pursuant to Section 84-1411 of the Nebraska Statutes, the next regular meeting of the Board of Trustees will be held Wednesday, April 4, 2018 at 9:00 a.m., at 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 of Education meeting room on the north wall.

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President Erikson entertained a motion to approve the meeting minutes from the Special Meeting on January 31, 2018. Mr. Jones moved and Mr. Ripa seconded the motion and it was adopted by the following roll call: Aye: Havlovic – Purdy – Ripa – Rea – Jones – Evans – Erikson – 7. Nay: 0.

Mr. Rea moved and Mr. Purdy seconded a motion to approve the meeting minutes for February 7, 2018 with corrections to be made on pages 7 and 8. The corrections were to replace the word motioned with the word “moved”. Aye: Havlovic – Purdy – Ripa – Rea – Jones – Evans – Erikson – 7. Nay: 0.

Mr. Rea moved the Board approve the Board Policy for Public Comment and Mr. Jones seconded. The motion was adopted by the following roll call: Aye: Ripa – Havlovic – Purdy – Evans – Rea – Jones – Erikson – 7. Nay: 0.

Executive Director's Report

Ms. Carter updated the Board on the complaint letter filed with the Nebraska Attorney General's office in December 2017 by Matt Ray. At last month's meeting, Ms. Carter stated she responded to the letter and informed the Board she would update them with an opinion. The Attorney General's office sent an opinion which was received in our office on February 28, 2018. The complaint filed by Mr. Matthew Ray alleged there were violations to the Open Meetings Law by this Board. The Assistant Attorney General assigned to the complaint opined the complaint was found to be without merit. The Attorney General did have a suggestion, the notice of board meetings be posted for a period longer than one business day before the meeting. The Retirement Office has made this change.

Trustees' Report

Mr. Rea informed the Board that Pensions and Investments magazine had an interesting editorial talking about fiduciary ignorance. Mr. Rea reminded the Board to keep in mind the role in this position as a fiduciary, there is a substantial amount of education for that role to be carried out properly.

Mr. Purdy informed the Board he has been thinking about topics for the June Retreat. One of them was to have some kind of team building courses for OSERS and the new superintendent and the new school board. The other topic to consider is to get the message out to the public at large and our members about how OSERS is putting money into the community at approximately \$9 million each month. Mr. Erikson stated if anyone has any topics to discuss at the retreat to please inform Ms. Carter.

Mr. Evans informed the Board that at the March 5, 2018 Board of Education meeting, there was in-depth discussion regarding the unfunded liability. The Board of Trustees

engaged in a discussion on the use of pension obligation bonds as a tool to address the unfunded liability of the pension plan.

Mr. Evan also addressed the Board of Trustees travel policy and his desire to engage in a conversation to adopt a formal policy. Through the discussion, it was noted, the Board of Trustees administers travel in accordance with OPS travel policy.

Public Comment

President Erikson informed the Board there are 5 speakers who have submitted requests to speak forms. The Board has adopted OSERS' Public Comment Policy dated March 6, 2018 which provides public comment for a period of one hour. That same policy limits individuals to a maximum of 5 minutes. We ask that you respect the time limit. Ms. Carter will let you know when you have 1 minute remaining and when there is 30 seconds remaining. If the subject of your public comment is related to a particular staff member or Board Trustee, we ask that you not mention the staff member or Board Trustee by name and instead provide that information to Ms. Carter. She will assist the Board and look into those details for you. If you did not get an opportunity to speak and would like to submit any written commentary, please provide it to Ms. Carter. She'll make sure that each member of the Board gets a copy. As a reminder, we ask that you please spell your name and state your address before you begin your public comment.

The President announced there were 5 speakers and the start time was 4:44 p.m.

The following members of the public addressed the Board on matters concerning OSERS:

Matt Ray, 12826 Burt Street, Omaha, Nebraska,

Leanna Doig-Gray, 9837 Hartman Avenue, Omaha, Nebraska,

Tracy Hartman-Bradley, 8021 South 66th Avenue, LaVista, Nebraska

Robert Miller, 7301 North 107th Avenue, Omaha, Nebraska,

Jan Machmuller, 6549 Pacific Street, Omaha, Nebraska.

Public comment concluded.

Mr. Rea moved 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, Executive Director and James Ellis, legal matters and personal financial matters regarding members of OSERS. Mr. Ripa seconded and the motion was adopted by the following roll call: Aye: Erikson – Ripa – Evans – Havlovic – Jones – Purdy – Rea – 7. Nay: 0.

President Erikson reminded the Board the purpose for Closed Session is 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, Executive Director and James Ellis, legal matters and personal financial matters regarding members of OSERS.

Mr. Erikson reconvened the meeting. Present at roll call: Erikson – Evans – Havlovic – Jones – Purdy – Rea – Ripa – 7 present.

Mr. Ripa moved and Mr. Havlovic seconded, the Board ratify the March 2018 pension payroll in the amount of \$9,926,894,056.00 to 4,693 payees, ratify the March staff payroll in the amount of \$33,655.34, approve March 1, 2018 new retirees to 11 annuitants, ratify March 2018 terminations and retirement payments due to death and continuation to beneficiaries, approve March 2018 refunds to former employees in the amount of \$482,093.29, and approve March 2018 Accounts Payables in the amount of \$918.00. The motion was adopted by the following roll call vote: Aye: Erikson – Evans – Havlovic - Purdy – Rea - Ripa – Jones 7. Nay: 0.

- Gross Annuitant Pension & Retirement Staff Payroll
 - March Pension Payments (paid 03.03.2018) = \$9,926,894.56 [4,693 payees]
 - March Staff Payroll (paid 03.05.2018) = \$33,655.34

- New Retirements
 - Approve March New Retirement Annuitants
(first check April 3, 2018) [11 count]

EMPLOYEE NUMBER	NAME		EMP TYPE	AGE	RET MONTH	RET YRS	AVERAGE SALARY	OPT	CHOSEN BENEFIT	
									OMAHA	STATE
	Valerie	Brummond	T		3	8				
	Michael	Campbell	CMO		3	43				
	Karl	Davlin	Trans		3	10.6				
	Clayton	Gross	CMO		3	32				
	Dennis	Hopgood	CMO		3	31.5				
	Juanelle	Jones	Para		3	7				

EMPLOYEE NUMBER	NAME		EMP TYPE	AGE	RET MONTH	RET YRS	AVERAGE SALARY	OPT	CHOSEN BENEFIT	
									OMAHA	STATE
	William	Keenan	CMO		3	25.5				
	Terence	Kresl	CMO		3	36				
	Cindy	Nagle	Trans		3	22.6				
	Robert	Schiermeyer	T		3	7				
	Merle	Stebbins	Other		3	10.3				
Addition to Retiree Payroll – March 1, 2018									\$17,754.73	\$596.13
Average				64		21	\$50,146.37		\$1,614.07	\$59.61
Median				65		23	\$49,446.00		\$1,457.11	\$35.72

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 Termination of Annuitants’ Payments Due to Death (last check was February 3, 2018) [10 count]

EMPLOYEE NUMBER	NAME		AGE	RET YEAR	DATE OF DEATH	BENEFIT OSERS	Survivor Beneficiary	Survivor's Benefit \$	Overpayment Benefit \$
	Della	Tabor		1987	Jan-18				
	Helen	Patterson		1993	Jan-18				
	Erma	Madsen		1997	Jan-18				
	Melba	Fleck		1985	Jan-18				
	Alice	Thompson		1994	Jan-18				
	Patricia	Martinez		1999	Jan-18				
	Karen	Schiff		2000	Jan-18				
	Marjorie	Lynn		2000	Jan-18				
Terminated from Retiree Payroll – March 2018						\$12,962.96			
	Linda	Ostling					G. Milacek*		
							J. Casey*		
							K. Weimer*		
	Barbara	Jennings					E. Jennings		
Continued Retirement to Beneficiary – March 2018						\$977.45		\$427.82	

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

- Terminated Employees' Refunds
 - Approve Refunds [28 count]

EMPLOYEE	NAME		Payment		-
NUMBER	First	Last	Type	Dollar	Yrs of Svc
	Leah	Wright	Direct		0.3
	Tamunica	Williams	Direct		0.4
	Sylvester	Porchia	Direct		0.5
	Stephanie	Walling-Rippy	Direct		0.6
	Kimberly	Boxleiter	Direct		0.7
	Spencer	Brown	Direct		0.7
	Lacreasha	Johnson	Direct		1.2
	Angellica	Rodriguez	Direct		1.2
	Delanna	Fries	Direct		1.3
	Samantha	LeBeau	Direct		1.5
	Trina	Thompson	Direct		1.6
	Geoffrey	Doctoroff	Direct		2.1
	Ashley	Wurth	Direct		2.4
	Angela	Stuhlsatz	Direct		2.6
	Kara	Sakuda	Rollover		2.7
	Gerald	Dewitt	Direct		3
	Jennifer	Wood	Direct		3
	Ashley	Reabe	Rollover		4
	Chantale	Lawrence	Rollover		4.2
	Patricia	Wallington	Rollover		4.6
	Jean	Jackson	Direct		4.7
	Michelle	Jurek	Rollover		5
	Cynthia	Kessler	Direct		6
	Andrew	Smith	Direct		7
	Katherine	Mueller	Rollover		8
	Anthony	Curtis	Direct		11.6
	David	Flatt	Direct		15
	David	Alati	Direct		21
Terminated EE Refunds March 2018				\$ 482,093.29	

Average				\$ 17,217.62	4.2
Median				\$ 7,276.16	2.7
Count				28	

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

Accounts / Payables for March 2018

- Consultant –
 - Pension Benefit Information \$ 918.00.00
- \$918.00

Business Community Trustee Recommendation

Ms. Carter informed the Board the Business Community Trustee serving on the OSERS’ Board was up for selection in 2018 in accordance with Nebraska Revised Statute section 79-980. The term is for 4 years from July 1, 2018 to June 30, 2022. The Business Community Trustee seat for consideration is currently held by Mr. Donn Jones. Mr. Jones indicated he would like to continue serving and be reappointed. Mr. Rea moved to recommend Donn Jones to fill the business community’s position on the Board of Trustees. Mr. Lance Purdy seconded the motion and the motion was adopted by the following roll call vote: Aye: Evans –Purdy – Ripa – Rea – Havlovic – Erikson - 6. Ms. Carter indicated she will bring this recommendation before the Board of Education.

Meeting was adjourned at 5:12 p.m.