

Omaha School Employees' Retirement System

Sustainability Study Workshop – Meeting Snapshot

Wednesday, October 31, 2018

- Six of the seven OSERS Board of Trustees and the Executive Director were present
- The Executive Director and Board of Trustee representatives of the Minnesota Teachers Retirement Association participated via video conference
- The OSERS actuary (Cavanaugh Macdonald) was present
- Member representatives of various stakeholder groups were present in the audience

- ❖ Minnesota TRA walked OSERS through the following overview:
 - Why engage in a sustainability study
 - How long was the process
 - What challenges did they encounter
 - What were the overall successes of the endeavor
- ❖ Like OSERS, MN TRA has served over five generations of educational professional
- ❖ MN TRA attempted pension reform adjustments in both 2016 and 2017 – both years bill vetoed by the Governor
 - This is following an earlier 2010 pension reform adjustment bill
- ❖ 2018 pension reform adjustment won favor with the legislators and governor because all stakeholders played a role in the final bill

- Cavanaugh Macdonald reviewed the OSER plan funding history and results
- A review of the change in OSERS membership from 2017 to 2018 – up 2.4% from '17 – '18
- And then membership was further broken down by the tiers within the OSERS plan

	January 1, 2018	January 1, 2017	% Change
Actives			
- Certificated	4,872	4,808	1.3%
- Classified	<u>2,697</u>	<u>2,654</u>	1.6%
- Total Actives	7,569	7,462	1.4%
Retirees and Disabled Members	4,426	4,295	3.1%
Beneficiaries	252	247	2.0%
Inactive Vested Members	1,043	1,035	0.8%
Inactive Non-Vesteds	<u>413</u>	<u>347</u>	19.0%
Total	13,703	13,386	2.4%

	1/1/2018	1/1/2017
Certificated		
- Tier 1	3,247	3,469
- Tier 2	988	1,023
- Tier 3	<u>637</u>	<u>316</u>
- Total	4,872	4,808
Classified		
- Tier 1	1,589	1,751
- Tier 2	701	736
- Tier 3	<u>407</u>	<u>167</u>
- Total	2,697	2,654
Total Actives	7,569	7,462

Tier 1: became a Member before July 1, 2013.
 Tier 2: became a Member on/after July 1, 2013 and before July 1, 2016
 Tier 3: became a Member on/after July 1, 2016 and before July 1, 2018

- ✓ The OSERS Board of Trustees adopted the four following guiding principles as they move forward with this study:
 - Ensure intergenerational equity
 - Ensure shared responsibility
 - Ensure sustainability
 - Ensure the pension remains an employee retention asset for the employer