

# Omaha School Employees' Retirement System

## Board of Trustees

### Meeting Digest

**Wednesday, November 7, 2018**

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The following is a recap of the retirement board of trustees' meeting held Wednesday, November 7, 2018.

Seven board members were present at roll call.

#### Pension Administration

The Board approved the following administrative matters affecting the OSERS plan:

- ❖ Retiree pension payroll for November 2018 in the amount of \$10,174,399.43 paid to 4,823 payees
- ❖ Staff payroll for November 5, 2018
- ❖ Five new annuitants effective November 1, 2018 (first pension check December 3, 2018)
- ❖ Termination of pension payments to 6 annuitants who died with last pension check issued October 2018 and one joint & survivor continuation
- ❖ Refunds to 84 former OPS employees requesting distribution of their employee contributions (plus interest) in the amount of \$1,177 million
- ❖ Accounts/Payables for October totaling \$24,336.06



#### In Memoriam Resolution Honoring John E. Jensen



2018\_11.07 In  
Memorium for John

The Board of Trustees passed a Resolution in honor of Mr. John E. Jensen. Mr. Jensen had a 36-year career with the Omaha Public Schools and served on the OSERS Board of Trustees from 1979 – 2003. Mr. Jensen also represented OSERS by becoming the first trustee elected to serve as president of the National Council Teachers Retirement for the one year term of 2001-2002.

The resolution will be presented to Mr. Jensen's family and submitted to the National Council Teachers Retirement at the October 2019 Annual Meeting.

A Celebration of Life for John Jensen will be held Saturday, November 17, 2018 from 2:00 – 4:00 p.m. at the Magnolia Hotel, 1615 Howard Street, Omaha, NE 68102

## Minutes

The Board approved the Minutes to the October 3, 2018 OSERS Board of Trustees meeting and the October 31, 2018 OSERS Board Sustainability Study Workshop Meeting.

## OSERS Retirement Sustainability Study



The Board reviewed the meeting held October 31, 2018 where the Executive Director and members of the Board of Trustees of the Minnesota Teachers Retirement System participated in the OSERS workshop meeting via video conference. The OSERS Board of Trustees after viewing the MN TRA presentation engaged in question & answers with the MN TRA.



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At the conclusion of the presentation and Q&A, the OSERS Board of Trustees adopted the following four principles as its guiding foundation for working through its sustainability study.

- ✓ Shared responsibility amongst all stakeholders
- ✓ Intergenerational equity
- ✓ Sustainability of the Plan
- ✓ Ensure the pension plan retains its employee retention value

The next sustainability study workshop meeting will be Wednesday, November 28<sup>th</sup> (3:30 p.m. 5:00 p.m.) at TAC in room 5-151.

Future workshops are scheduled for Wednesday, December 19<sup>th</sup> (3:30 p.m. – 5:00 p.m.); January 23, 2019 (3:30 p.m. – 5:00 p.m.); February 27<sup>th</sup> (3:30 p.m. – 5:00 p.m.); and March 27<sup>th</sup> (3:30 p.m. – 5:00 p.m.).

## Business Community Trustee Appointee

The Board of Trustees voted unanimously to recommend the name of Mr. Scott Herchenbach to the Board of Education for consideration as the Business Community Trustee to serve the remainder of the four year term of July 1, 2018 through June 30, 2022 on the OSERS Board of Trustees. Mr. Herchenbach is an actuary and senior vice president at Mutual of Omaha.



Scott  
Herchenbach.pdf

## Budget Variance Report – August 31, 2018

Ms. Carter presented the August 31, 2018 budget variance report. For the fiscal year ending 08.31.2018, the OSERS expenses were 36.6% below the 2017/2018 revised budget. This was due primarily to a turnover of staff and the significant reduction of “Indirect Allowable Cost” charged by OPS to OSERS for OPS supported services. Overall, staff and discretionary expenses were approximately \$875,000 for fiscal 2018.

## Executive Director’s Report

Highlights and overviews on the following matters affecting OSERS:

- ✚ The IRS has issued the 2019 Contribution Limits –
  - Section 401(a)(17) limit increased from \$275,000 to \$280,000 for calendar year 2019
  - Section 415(b)(1)(A) limit on benefit payments from a pension plan increased from \$220,000 to \$225,000
  - Section 403(b) limit on contributions increased from \$18,500 to \$19,000 ... with the age 50+ catch-up limit remaining unchanged at \$6,000
- ✚ The audit of 2018 financial statements will be completed and presented to the Board of Trustees at the December 5, 2018 regular board meeting

## Trustees’ Report

Members of the board of trustees who attended the 96<sup>th</sup> Annual Meeting of the National Council Teachers Retirement held October 6 – 10 in Washington, DC gave an overview of the meeting and in particular talked about individual sessions. Mr. Rea, Mr. Erikson, and Mr. Ripa all reported on the meeting.

Mr. Rea also took the opportunity to remind the board of Mr. Jensen’s Celebration of Life to be held Saturday, November 7, 2018 from 2 – 4 p.m. at the Magnolia Hotel, Omaha, NE.



The meeting adjourned at 5:07 p.m.

The next OSERS Board of Trustees meeting is scheduled for Wednesday, December 5, 2018 at 9:00 a.m.