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Sixty-Fourth
Annual Actuarial Report

OMAHA SCHOOL EMPLOYEES'
RETIREMENT SYSTEM

as of September 1, 2015





Cavanaugh Macdonald

CONSULTING, LLC

The experience and dedication you deserve

November 23, 2015

Board of Trustees
Omaha School Employees' Retirement System
3215 Cuming
Omaha, Nebraska 68131

Re: Sixty-Fourth Annual Actuarial Report

Members of the Board:

At your request, we have performed the annual actuarial valuation of the Omaha School Employees' Retirement System (OSERS) as of September 1, 2015 for determining the actuarial contribution rate for the year ending August 31, 2016. The major findings of the valuation are contained in this report. There have been no changes to the actuarial methods, assumptions, or benefit structure since last year's valuation.

In preparing this report, we relied, without audit, on information (some oral and some written) supplied by the System's staff. This information includes, but is not limited to, statutory provisions, member data and financial information. While we found this information to be reasonably consistent and comparable with information used for other purposes, we did not audit the data. The valuation results depend on the integrity of this information. If any of this information is inaccurate or incomplete our results may be different and our calculations may need to be revised.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the System's funded status); and changes in plan provisions or applicable law. Due to the limited scope of our assignment, we did not perform an analysis of the potential range of future measurements. The Board of Trustees has the final decision regarding the appropriateness of the assumptions and adopted them as indicated in Appendix C.

3906 Raynor Pkwy, Suite 106, Bellevue, NE 68123

Phone (402) 905-4461 • Fax (402) 905-4464

www.CavMacConsulting.com

Offices in Englewood, CO • Kennesaw, GA • Bellevue, NE



Board of Trustees
November 23, 2015
Page 2

The actuarial computations presented in this report are for purposes of determining the funding amounts for the System as set out in the Nebraska state statutes. The calculations in the enclosed report have been made on a basis consistent with our understanding of the System's funding requirements and goals. Determinations for purposes other than meeting these requirements may be significantly different from the results contained in this report. Accordingly, additional determinations may be needed for other purposes. For example, actuarial computations for purposes of fulfilling financial accounting requirements for the System under Governmental Accounting Standard No. 67 were presented in a report dated October 30, 2015.

This is to certify that the independent consulting actuaries have experience in performing valuations for public retirement systems, that the valuation was prepared in accordance with principles of practice prescribed by the Actuarial Standards Board, and that the actuarial calculations were performed by qualified actuaries in accordance with accepted actuarial procedures, based on the current provisions of the retirement system and on actuarial assumptions that are internally consistent and reasonably based on the actual experience of the System. We, Patrice A. Beckham, FSA and Brent A. Banister, FSA, are members of the American Academy of Actuaries and meet the Qualification Standards to render the actuarial opinion contained herein. We are available to answer any questions on the material contained in this report or to provide explanations or further details as may be appropriate.

We herewith submit the following report and look forward to discussing it with you.

Respectfully Submitted,

Cavanaugh Macdonald Consulting, LLC

A handwritten signature in black ink that reads 'Patrice Beckham' in a cursive script.

Patrice A. Beckham, FSA, EA, FCA, MAAA
Principal and Consulting Actuary

A handwritten signature in black ink that reads 'Brent A. Banister' in a cursive script.

Brent A. Banister, PhD, FSA, EA, FCA, MAAA
Chief Pension Actuary



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EXECUTIVE SUMMARY

This report presents the results of the September 1, 2015 actuarial valuation of the Omaha School Employees' Retirement System (OSERS). The primary purposes of performing the valuation are as follows:

- to certify that School District contributions for the Plan Year beginning September 1, 2015 equal to 101% of members' contributions, in addition to contributions paid by the members and the State, will be sufficient to fund the benefits expected to be paid to members, or to determine the actuarial contribution rate necessary to maintain the solvency of the System, as set in the Board's Funding Policy;
- to evaluate the funded status of the System and disclose various asset and liability measures as of the valuation date;
- to determine the experience of the System since the last valuation; and
- to analyze and report on trends in System contributions, assets, and liabilities over the past several years.

The actuarial valuation results provide a "snapshot" view of the System's financial condition on September 1, 2015 based on the System's membership, benefit structure, and assets on that date. The valuation results reflect net unfavorable experience for the past plan year as demonstrated by an unfunded actuarial accrued liability that was higher than expected based on the results of the prior valuation. The unfavorable experience was mainly due to an actuarial loss on assets of \$33.9 million.

Membership

The table on the next page summarizes the membership in the current and prior valuation. Overall, there was about a 2.0% increase in the System's membership. The active count decreased slightly from 7,415 to 7,393 (0.3%) and the retiree/beneficiary count increased from 4,125 to 4,351 (5.5%). Total covered payroll increased 3.5% from \$314.6 million last year to \$325.7 million in this year's valuation.

The 2013 session of the Nebraska Legislature enacted Legislative Bill 553 (LB 553), which created a new benefit structure for members hired on or after July 1, 2013 (Tier 2). Over time, as current Tier 1 members leave covered employment and are replaced by Tier 2 members, the proportion of active members in Tier 2 will increase. The number of active members in Tier 2 has increased from 1,094 members in the prior valuation (about 15% of active members) to 1,631 members in the current valuation (about 22% of active members).



EXECUTIVE SUMMARY

SYSTEM MEMBERSHIP	Sept. 1, 2015	Sept. 1, 2014	% Chg
1. Active Members			
a. Certificated			
(1) Tier 1	3,721	4,015	(7.3)
(2) Tier 2	<u>1,035</u>	<u>715</u>	44.8
(3) Total	4,756	4,730	0.5
b. Classified			
(1) Tier 1	2,041	2,306	(11.5)
(2) Tier 2	<u>596</u>	<u>379</u>	57.3
(3) Total	2,637	2,685	(1.8)
c. Total			
(1) Tier 1	5,762	6,321	(8.8)
(2) Tier 2	<u>1,631</u>	<u>1,094</u>	49.1
(3) Total	7,393	7,415	(0.3)
2. Retirees	4,082	3,864	5.6
3. Beneficiaries	269	261	3.1
4. Inactive Vested Members	984	937	5.0
5. Total	12,728	12,477	2.0

Assets

As of September 1, 2015, the System had total assets of \$1.211 billion measured on a market value basis. This was a decrease of \$84 million from the prior year and represents a rate of return of -4.1%, net of expenses. The components of this change are shown in the following table:

	Market Value (\$M)
Net Assets, September 1, 2014	\$ 1,295
• District, State and Member Contributions	+ 75
• Benefit Payments and Refunds	- 107
• Administrative Expenses	- 1
• Investment Return	- 51
Net Assets, September 1, 2015	\$ 1,211

The market value of assets is not used directly in the calculation of the unfunded actuarial accrued liability (UAAL) and actuarial contribution rate. An asset valuation method, which smoothes the effect of market fluctuations, is used to determine the value of assets used in the valuation. This amount, called the “actuarial value of assets”, is equal to the expected asset value, based on the actuarial value in the prior valuation and the assumed interest rate of 8.0%, plus 25% of the difference between the actual market value and the expected



EXECUTIVE SUMMARY

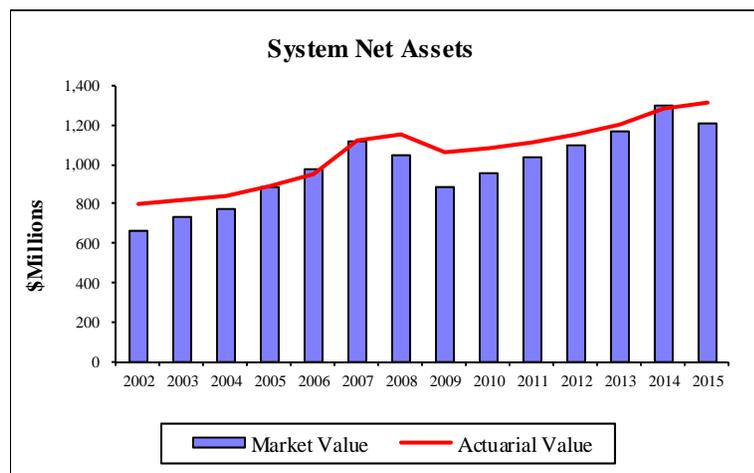
asset value. The resulting value must be no less than 80% of market value and no more than 120% of market value (referred to as a corridor). The corridor did not apply this year as the actuarial value of assets was 108% of market value. The actuarial value of assets as of September 1, 2015 was \$1.313 billion, an increase of \$35 million from the prior year. The components of change in the actuarial value of assets from September 1, 2014 to September 1, 2015 are shown in the following table.

	Actuarial Value (\$M)
Actuarial Assets, September 1, 2014	\$ 1,278
• District, State and Member Contributions	+ 75
• Benefit Payments and Refunds	- 107
• Expected Investment Income (based on 8.0% assumption)	+ 101
• Actuarial Investment Gain/(Loss)	- 34
Preliminary Actuarial Assets, September 1, 2015	\$ 1,313
• Application of Corridor	N/A
Final Actuarial Assets, September 1, 2015	\$ 1,313

The dollar-weighted rate of return, net of investment and administrative expenses, measured on the actuarial value of assets was approximately 5.3%. A comparison of asset values on both the market and actuarial basis is shown below:

	September 1					
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Market Value of Assets	\$ 951	\$ 1,033	\$ 1,096	\$ 1,170	\$ 1,295	\$ 1,211
Actuarial Value of Assets	1,078	1,110	1,155	1,205	1,278	1,313
Actuarial Value/Market Value	113%	107%	105%	103%	99%	108%

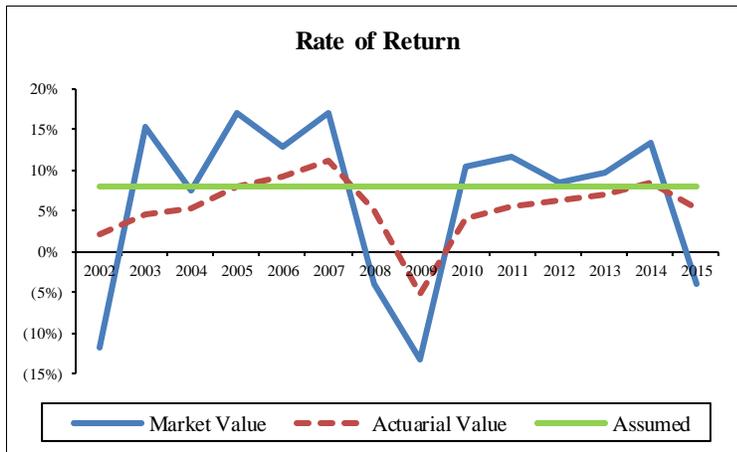
There is currently \$102 million of deferred (unrecognized) investment loss. Absent favorable investment experience in future years to offset the recognition of the deferred loss, it will decrease the System’s funded ratio and increase the actuarial contribution rate as it is reflected through the asset smoothing method.



For most of the last decade, the actuarial value of assets has exceeded the market value of assets. With the use of an asset smoothing method, the actuarial value is expected to be both above and below the market value of assets over a long period of time.



EXECUTIVE SUMMARY



The estimated rate of return on both the actuarial and market value of assets for the last decade is shown here. The asset smoothing method mitigates the volatility of market value returns as shown in the rates of return on the actuarial versus market value of assets.

Liabilities

The actuarial accrued liability is that portion of the present value of future benefits that will not be paid by future employer normal costs or member contributions. The difference between this liability and asset values at the same date is referred to as the unfunded actuarial accrued liability (UAAL). The unfunded actuarial accrued liability will be reduced if the employer's contributions exceed the employer's normal cost for the year, after allowing for interest earned on the previous balance of the unfunded actuarial accrued liability. Benefit improvements, experience gains and losses, and changes in actuarial assumptions and methods will also impact the total actuarial accrued liability (AAL) and the unfunded portion thereof.

The unfunded actuarial accrued liability as of September 1, 2015 is shown below:

Actuarial Accrued Liability	\$ 1,798,706,000
Actuarial Value of Assets	<u>1,312,905,000</u>
Unfunded Actuarial Accrued Liability	\$ 485,801,000

Numerous factors contributed to the change in the System's UAAL between September 1, 2014 and September 1, 2015. The components are examined in the following discussion.

Actuarial gains (or losses) result from actual experience that is more (or less) favorable than anticipated based on the actuarial assumptions. These "experience" (or actuarial) gains or losses are reflected in the UAAL and are measured as the difference between the expected unfunded actuarial accrued liability and the actual unfunded actuarial accrued liability, taking into account any changes due to assumption, method or benefit provision changes. Overall, the System experienced an actuarial loss of \$40.4 million due to a \$33.9 million loss on the actuarial value of assets and a loss of \$6.5 million on the actuarial accrued liability. The largest source of actuarial loss on the liabilities was due to the demographic loss on retirements.



EXECUTIVE SUMMARY

The change in the unfunded actuarial accrued liability between September 1, 2014 and September 1, 2015 is shown in the following table (in millions):

Unfunded Actuarial Accrued Liability, September 1, 2014	\$ 446
• Expected change in UAAL	
- Amortization method	+ 9
- Contributions in excess of actuarial required contribution	- 5
• Investment experience	+ 34
• Liability experience	
- Salary increases	- 3
- New entrants/Rehires	+ 2
- Mortality	+ 2
- Retirement	+ 9
- Termination	- 2
- Other demographic experience	- 2
• Other experience	- 4
Unfunded Actuarial Accrued Liability, September 1, 2015	\$ 486

The most significant changes in the UAAL were: (1) the increase in the UAAL due to unfavorable investment experience, (2) the increase in the UAAL due to the demographic loss on retirements, and (3) the increase in the UAAL due to the amortization method.

Contributions

The actuarial contribution rate for the System consists of:

- a “normal cost” for the portion of projected liabilities allocated by the actuarial cost method to service of members during the year following the valuation date,
- an “unfunded actuarial accrued liability contribution” for the excess of the portion of projected liabilities allocated to service to date over the actuarial value of assets.

The actuarial contribution rate is computed based on the funding policy developed by the Board of Trustees and adopted at the May, 2013 Board of Trustees meeting. On that basis, the actuarial contribution rate is equal to the normal cost rate plus an amortization payment on the UAAL determined as a level percent of pay over a closed 30 year period which began September 1, 2013. The actuarial contribution rate for FYE 2016 is computed based on the September 1, 2015 actuarial valuation. The actual contributions to the System are set by state statute and are shown below in item 4, “Statutory Contribution Rate”, which includes the member, State, and School District contribution rates.



EXECUTIVE SUMMARY

There was an increase of 0.53% in the actuarial contribution rate from the 2014 to the 2015 valuation, which decreased the contribution margin, as shown in the table below:

Contribution Rate	Actuarial Valuation	
	9/1/2015	9/1/2014
1. Normal Cost	11.96%	12.02%
2. UAAL Contribution	8.80%	8.21%
3. Total Actuarial Contribution Rate	20.76%	20.23%
4. Statutory Contribution Rate	21.66%	21.66%
5. Contribution Shortfall/(Margin) (3) – (4)	(0.90%)	(1.43%)

For FYE 2015, the scheduled member, employer, and State contribution rates were more than sufficient to pay the full actuarial contribution rate, i.e. there was a contribution margin of 1.43% of covered payroll. This served to decrease the UAAL. In this valuation, the contribution margin has decreased to 0.90% of pay for FYE 2016. Also, with the weak investment return for FYE 2015, there is now \$102 million of deferred investment loss. Absent favorable investment experience in future years to offset the recognition of the deferred loss, the actuarial contribution rate is expected to increase as the loss is reflected through the asset smoothing method. If this occurs, the contribution margin is expected to decrease. Determining the actuarial contribution rate using the market value of assets rather than the actuarial value of assets provides an indication of the potential impact of the deferred investment loss. On that basis, the actuarial contribution rate would increase from 20.76% to 22.60% and the contribution margin of 0.90% of pay would become a contribution shortfall of 0.94% of pay.

Comments

As of September 1, 2015, the System's actuarial accrued liability is \$1.8 billion and the actuarial value of assets is \$1.3 billion, resulting in a funded ratio of 73.0%, down slightly from last year. However, based on the market value of assets, the funded ratio is 67.3%, significantly lower than last year's funded ratio of 75.1%. The investment return for FYE 2015 on the market value of asset was -4.1%, significantly below the expected return of +8.0%. Due to asset smoothing method, the return on the actuarial value of assets was +5.3%. This resulted in a deferred asset loss of \$102 million which is about 8% of market value. Last year, there was a deferred gain of \$17 million, just over 1% of market value. With the deferred investment loss and the transition to a new tier, we cannot reasonably estimate when the System will reach 100% funded. To estimate this would require developing a projection model which is outside the scope of our services.

Retirement plans use several mechanisms to provide more stability in the contribution levels. These include an asset valuation method, which attempts to smooth out the volatility in investment returns, and amortization of any actuarial gains or losses over a period of years. OSERS utilizes an asset smoothing method that recognizes 25% of the difference between the expected value, based on the actuarial assumed rate of return, and the actual market value. The rate of return on the actuarial value of assets for the plan year ending in 2015 was +5.3% as compared to -4.1% on the pure market value. The 5.3% return on the actuarial value of assets generated an actuarial loss of \$33.9 million. There was also a liability loss of \$6.5 million so the total actuarial loss was \$40.4 million. The increase in the unfunded actuarial accrued liability that resulted from the FYE 2015 actuarial loss is amortized over a 28-year period, which somewhat mitigates the impact of the unfavorable experience. As a result, the actuarial contribution rate increased from 20.23% of pay last year to 20.76% of pay in this year's valuation.



EXECUTIVE SUMMARY

The Nebraska statutes provide that the School District shall contribute the greater of (a) one hundred and one percent of the contributions made by the employees or (b) such amount as may be necessary to maintain the solvency of the System, as determined annually by the Board upon recommendation of the Actuary and the Trustees. The Trustees have adopted a Funding Policy that sets the criteria for determining the contribution amount necessary to maintain the solvency of the System. On this basis, the Actuarial Contribution Rate for FYE 2016 is 20.76% of payroll. The total of contributions made by members, the State, and the School District for FYE 2016 is 21.66% of payroll so the statutory contribution rate exceeds the actuarial contribution rate by 0.90%, so no additional school district contribution is required this year.

We conclude this executive summary by presenting comparative statistics and actuarial information from both the September 1, 2014 and September 1, 2015 valuations.



EXECUTIVE SUMMARY

	Sept. 1, 2015	Sept. 1, 2014	% Chg
SYSTEM MEMBERSHIP			
1. Active Membership			
- Number of Members	7,393	7,415	(0.3)
- Projected Payroll for Upcoming Fiscal Year	\$ 325.7M	\$ 314.6M	3.5
- Average Salary	44,050	42,427	3.8
2. Inactive Membership			
- Number Not in Pay Status	984	937	5.0
- Number of Retirees/Beneficiaries	4,351	4,125	5.5
- Total Annual Benefits in Pay	\$ 109.5M	\$ 101.9M	7.5
ASSETS AND LIABILITIES			
1. Net Assets			
- Market Value	\$ 1,211M	\$ 1,295M	(6.5)
- Actuarial Value	1,313M	1,278M	2.7
2. Projected Liabilities			
- Retired Members	\$ 1,099M	\$ 1,029M	6.8
- Inactive Members	30M	29M	3.4
- Active Members	<u>995M</u>	<u>978M</u>	1.7
- Total Liability	2,124M	2,036M	4.3
3. Actuarial Accrued Liability (AAL)	\$1,799M	\$1,724M	4.4
4. Unfunded Actuarial Accrued Liability	\$ 486M	\$ 446M	9.0
5. Funded Ratio			
a. Actuarial Value Assets/AAL	72.99%	74.10%	(1.5)
b. Market Value Assets/AAL	67.33%	75.10%	(10.3)
SYSTEM CONTRIBUTIONS			
1. Total Actuarial Contribution Rate	20.76%	20.23%	2.6
2. Statutory Contribution Rate			
a. Member Contribution Rate	9.78%	9.78%	0.0
b. Employer Contribution Rate	9.88%	9.88%	0.0
c. State Contribution Rate	<u>2.00%</u>	<u>2.00%</u>	0.0
d. Total	21.66%	21.66%	0.0
3. Contribution Shortfall/(Margin)	(0.90%)	(1.43%)	(37.1)
(1) - (2.d.)			

M = (\$)Millions

Note: Numbers may not add due to rounding



EXECUTIVE SUMMARY

HISTORICAL CHANGES IN THE OSERS UNFUNDED ACTUARIAL ACCRUED LIABILITY

(dollars in millions)

	Valuation Date													Total
	9/1/03	9/1/04	9/1/05	9/1/06	9/1/07	9/1/08	9/1/09	9/1/10	9/1/11	9/1/12	9/1/13	9/1/14	9/1/15	
Prior Year UAAL	163	191	223	240	246	138	198	349	390	406	437	455	446	
Amortization Method	4	5	6	7	5	3	4	6	2	8	9	10	9	78
Actual Contributions														
Less than ARC	0	0	2	0	3	0	0	2	4	0	2	0	0	13
More than ARC	0	0	0	(2)	0	(7)	(2)	0	0	(4)	0	(4)	(5)	(24)
Actual vs Expected Experience														
Investment	27	23	1	(10)	(29)	33	151	42	26	20	12	(6)	34	324
Salary	(5)	(6)	(1)	4	1	1	0	(13)	(15)	(12)	(6)	(8)	(3)	(63)
Retirement	3	0	3	2	2	3	(2)	(4)	(1)	4	4	6	9	19
Mortality	2	5	4	3	3	1	(2)	0	(2)	2	(2)	(1)	2	15
Termination of Employment	(4)	(1)	2	3	1	7	2	3	2	0	1	(1)	(2)	10
Other	1	3	0	(1)	(3)	(1)	0	0	0	13	(8)	(5)	(4)	(8)
Benefit Changes	0	0	0	0	(3) ²	0	0	0	0	0	(4)	0	0	(7)
Assumption Changes	0	0	0	0	0	20	0	0	0	0	10	0	0	30
Change to Actuarial Methods	0	3 ¹	0	0	(88) ³	0	0	5	0	0	0	0	0	(80)
Total Change for Year End	28	32	17	6	(108)	60	151	41	16	31	18	(9)	40	323
UAAL on Valuation Date	191	223	240	246	138	198	349	390	406	437	455	446	486	

¹Included part-time members who are vested

²Increase in member contribution rate

³Actuarial asset value reset to market value



**SUMMARY OF FUND ACTIVITY
(Market Value Basis)**

For the Year Ended August 31, 2015

NET ASSETS ON SEPTEMBER 1, 2014 **\$ 1,294,722,000**

ADDITIONS

Salary deductions	\$ 32,584,000
School District contributions	33,109,000
Repayment of withdrawals	799,000
State service annuity receipts	2,120,000
Sec. 79-916 deposits	6,453,000
Income from investments, including realized and unrealized gains	(51,132,000)
Total additions	<u>\$ 23,933,000</u>

DEDUCTIONS

Retirement benefits	\$ 102,330,000
Refunds to employees	4,405,000
Professional fees	407,000
Other	(19,000)
Personnel costs	425,000
Total deductions	<u>\$ 107,548,000</u>

NET ASSETS ON SEPTEMBER 1, 2015 **\$ 1,211,107,000**



EXHIBIT 2 – ACTUARIAL VALUE OF NET ASSETS

ACTUARIAL VALUE OF NET ASSETS

As of September 1, 2015

1. Actuarial Value of Assets as of September 1, 2014	\$	1,277,546,000
2. Actual Contributions/Disbursements		
a. Contributions		75,065,000
b. Benefit payments		106,735,000
c. Net change		<u>(31,670,000)</u>
3. Expected Value of Assets as of September 1, 2015 [(1) x 1.08] + [(2c) x (1.08) ^{1/2}]		1,346,837,000
4. Market Value of Assets as of September 1, 2015		1,211,107,000
5. Difference between Market and Expected Values (4) – (3)		(135,730,000)
6. Initial Actuarial Value of Assets as of September 1, 2015 (3) + [(5) x 25%]		1,312,905,000
7. Corridor as of September 1, 2015		
a. 120% of Market Value of Assets as of September 1, 2015		1,453,328,000
b. 80% of Market Value of Assets as of September 1, 2015		968,886,000
8. Final Actuarial Value of Assets as of September 1, 2015* (6), but not greater than (7a), nor less than (7b)		1,312,905,000
Actuarial value divided by market value (8) / (4)		108.4%
Market value less actuarial value	\$	(101,798,000)

* The estimated rate of return on the actuarial value of assets for fiscal year ended August 31, 2015 is about 5.3%



ACTUARIAL BALANCE SHEET

As of September 1, 2015

ASSETS

Actuarial Value of Assets	\$	1,312,905,000
Present Value of Contributions for Unfunded Actuarial Accrued Liability		485,801,000
Present Value of Future Normal Costs		<u>325,694,000</u>
Total Assets	\$	2,124,400,000

LIABILITIES

<u>Present Value of Future Benefits</u>		
Retirees, Beneficiaries, and Disableds	\$	1,099,161,000
Inactive Vesteds		28,916,000
Nonvested Terminations		1,322,000
Active Members		
Retirement benefits	\$	940,032,000
Termination benefits		44,852,000
Death benefits		<u>10,117,000</u>
		<u>995,001,000</u>
Total Liabilities	\$	2,124,400,000



EXHIBIT 4 – UNFUNDED ACTUARIAL ACCRUED LIABILITY

UNFUNDED ACTUARIAL ACCRUED LIABILITY

As of September 1, 2015

1. Present Value of Future Benefits	\$ 2,124,400,000
2. Present Value of Future Normal Costs	<u>325,694,000</u>
3. Actuarial Accrued Liability (1) – (2)	1,798,706,000
4. Actuarial Value of Assets	\$ <u>1,312,905,000</u>
5. Unfunded Actuarial Accrued Liability (3) – (4)	485,801,000



ANALYSIS OF CONTRIBUTION RATE

The actuarial cost method used to determine the required level of annual contributions to support the expected benefits is the Entry Age Normal Cost Method. Under this method, the total cost is comprised of the normal cost rate and the unfunded actuarial accrued liability payment. The System is financed by contributions from the members, the School District and the State. Effective September 1, 2013, the members contribute 9.78% of pay. The District is obligated to pay the greater of (a) one hundred and one percent of the member contributions or (b) such amount as may be necessary to maintain the solvency of the System. Under the funding policy adopted by the Board in May 2013, the Actuarial Recommended Contribution rate (ARC) is the normal cost rate plus the contribution necessary to amortize the UAAL over a closed 30-year period beginning September 1, 2013. The State contributes 2.0% of pay, effective July 1, 2014.

1. Normal Cost	\$ 36,528,965
2. a. Expected Payroll for Current Actives for FYE August 31, 2016	305,384,094
b. Total Expected Payroll for FYE August 31, 2016	325,660,640
3. Normal Cost Rate (1)/(2a)	11.96%
4. Unfunded Actuarial Accrued Liability at Valuation Date	485,801,000
5. 28 Year Amortization Factor - Level Percent of Pay	17.61505
6. UAAL Contribution at Mid-Year [(4)/(5)] * (1.08) ^{1/2}	28,660,674
7. UAAL Contribution Rate (6)/(2b)	8.80%
8. Actuarial Recommended Contribution Rate (3) + (7)	20.76%
9. Statutory Contribution Rate:	
(a) Member	9.78%
(b) District	9.88%
(c) State	<u>2.00%</u>
(d) Total	21.66%



EXHIBIT 6 – CALCULATION OF ACTUARIAL GAIN/(LOSS)

CALCULATION OF ACTUARIAL GAIN/(LOSS)

The overall actuarial gain/(loss) is comprised of both a liability gain/(loss) and an actuarial asset gain/(loss). Each of these represents the difference between the expected and actual values as of September 1, 2015.

1.	Expected Actuarial Accrued Liability	
	a. Actuarial Accrued Liability as of September 1, 2014	\$ 1,723,970,000
	b. Normal cost for FYE 15	35,409,000
	c. Benefit payments for plan year ending August 31, 2015	106,735,000
	d. Additional liability for state service annuities and service purchases	2,919,000
	e. Interest on a., b., c., and d. to end of year	136,678,000
	f. Expected Actuarial Accrued Liability (a) + (b) – (c) + (d) + (e)	\$ 1,792,241,000
2.	Actuarial Accrued Liability as of September 1, 2015	\$ 1,798,706,000
3.	Liability Gain/(Loss) (1.f.) – (2)	\$ (6,465,000)
4.	Liability Gain/(Loss) as a Percent of Actuarial Accrued Liability	(0.36%)
5.	Expected Actuarial Value of Assets	
	a. Actuarial value of assets as of September 1, 2014	\$ 1,277,546,000
	b. Contributions for plan year ending August 31, 2015 (including state service annuities and service purchases)	75,065,000
	c. Benefit payments for plan year ending August 31, 2015	106,735,000
	d. Interest on a., b., and c. to end of year	100,961,000
	e. Expected actuarial value of assets (a) + (b) – (c) + (d)	\$ 1,346,837,000
6.	Actuarial Value of Assets as of September 1, 2015	\$ 1,312,905,000
7.	Asset Gain/(Loss) (6) – (5.e.)	\$ (33,932,000)
8.	Asset Gain/(Loss) as a Percent of Actuarial Value of Assets	(2.58%)
9.	Overall Actuarial Gain/(Loss) (3) + (7)	\$ (40,397,000)



EXHIBIT 6 – CALCULATION OF ACTUARIAL GAIN/(LOSS)

Gain/(Loss) By Source

The System experienced a net actuarial loss on liabilities of about \$6.5 million during the plan year ended August 31, 2015. The major components of this overall loss are shown below:

Liability Sources	<u>\$Millions</u>
Salary Increases	\$ 3.3
Mortality	(2.4)
Terminations	1.5
Retirements	(9.1)
Disability	0.0
New Entrants/Rehires	(1.7)
Miscellaneous	<u>1.9</u>
Total Liability Gain/(Loss)	\$ (6.5)
Asset Gain/(Loss)	\$ (33.9)
Net Actuarial Gain/(Loss)	\$ (40.4)

Comments

The purpose of conducting an actuarial valuation of a retirement system is to determine the costs and liabilities for the benefits under the system, to determine the annual level of contribution required to support these benefits and, finally, to analyze the system's overall experience as it compares with the actuarial assumptions used in the valuation. The costs and liabilities of a retirement system reported in the valuation depend not only upon the level of benefits provided, but also upon factors such as investment return on invested funds, mortality rates for active and retired members, withdrawal rates among active members, rates at which salaries increase, and rates of retirement for ages at which members retire. The actuarial assumptions employed as to these and other contingencies in the current valuation are set forth in Appendix C of this report.

Net demographic actuarial experience for the year was a loss of \$6.5 million, about 0.36% of actuarial accrued liability. There was an \$9.1 million loss from retirement experience. This loss was partially offset by other demographic experience including a \$3.3 million experience gain from salary increases that were lower than expected.

Another significant component of the experience for the year ending August 31, 2015 was the investment experience. The return on the market value of assets was -4.1%, which eliminated the deferred investment gain from the prior valuation and created a deferred investment loss of \$101.8 million. Absent favorable investment experience, the deferred loss will flow through the valuation over the next few years and increase both the UAAL and the contribution rate. The return on the actuarial value of assets in this valuation was 5.3%, which translated to an actuarial loss of \$33.9 million.



**SCHEDULE OF CONTRIBUTIONS FROM THE EMPLOYER
AND OTHER CONTRIBUTING ENTITIES**

HISTORICAL FUNDING INFORMATION

<u>Fiscal Year Ending</u>	<u>Annual Required Contribution (a)</u>	<u>Total Employer Contribution*</u> (b)	<u>Percentage of ARC Contribution (b/a)</u>
8/31/2005	\$22,459,221	\$20,210,403	89.99%
8/31/2006	24,311,628	26,766,000	110.10%
8/31/2007	28,143,388	24,981,000	88.76%
8/31/2008	19,491,557	26,162,000	134.22%
8/31/2009	24,103,114	25,918,000	107.53%
8/31/2010	30,900,224	29,182,000	94.44%
8/31/2011	34,180,566	30,255,000	88.52%
8/31/2012	32,957,547	37,109,000	112.60%
8/31/2013	35,032,074	33,623,000	95.98%
8/31/2014	34,225,147	38,198,000	111.61%
8/31/2015	34,614,093	39,562,000	114.29%

* Includes State and School District contributions.

Note: The Total Employer Contribution for fiscal year ending 8/31/2014 was changed because during our work on the GASB reports, we discovered the Service Annuity contribution was different from what was initially reported to us. This figure now matches the number found in the GASB reports.



EXHIBIT 8– SCHEDULE OF FUNDING PROGRESS

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b - a)/c]
9/1/2005	\$ 887,165,000	\$ 1,126,967,000	\$ 239,802,000	78.72%	\$ 231,708,783	103.49%
9/1/2006	948,938,000	1,195,354,000	246,416,000	79.39%	248,759,070	99.06%
9/1/2007	1,117,628,000 *	1,255,527,000	137,899,000	89.02%	272,844,149	50.54%
9/1/2008	1,149,289,000	1,346,999,000	197,710,000	85.32%	272,720,007	72.50%
9/1/2009	1,061,326,000	1,410,318,000	348,992,000	75.25%	287,770,291	121.27%
9/1/2010	1,078,269,000	1,467,850,000	389,581,000	73.46%	302,229,282	128.90%
9/1/2011	1,110,033,000	1,516,284,000	406,251,000	73.21%	310,228,916	130.95%
9/1/2012	1,155,495,000	1,592,738,000	437,243,000	72.55%	307,258,065	142.30%
9/1/2013	1,205,265,000	1,660,287,000	455,022,000	72.59%	313,946,237	144.94%
9/1/2014	1,277,546,000	1,723,970,000	446,424,000	74.10%	323,077,710	138.18%
9/1/2015	1,312,905,000	1,798,706,000	485,801,000	72.99%	333,166,135	145.81%

* The actuarial value of assets was reset to market value as of 9/1/07.



EXHIBIT 9 – ESTIMATED BENEFIT PAYMENTS

ESTIMATED BENEFIT PAYMENTS*

Year End	Current Retirees	Current Actives	Total
2016	\$106,772,000	\$ 6,762,000	\$113,534,000
2017	106,743,000	11,592,000	118,335,000
2018	106,230,000	16,209,000	122,439,000
2019	105,839,000	20,939,000	126,778,000
2020	105,238,000	25,644,000	130,882,000
2021	104,331,000	30,353,000	134,684,000
2022	103,491,000	35,786,000	139,277,000
2023	102,576,000	41,211,000	143,787,000
2024	101,554,000	46,917,000	148,471,000
2025	100,453,000	53,044,000	153,497,000
2026	98,939,000	59,760,000	158,699,000
2027	97,139,000	66,903,000	164,042,000
2028	95,140,000	74,366,000	169,506,000
2029	92,949,000	82,141,000	175,090,000
2030	90,550,000	90,158,000	180,708,000

*Amounts shown are the cash flows for current members only, based on the current benefit structure and assuming that all actuarial assumptions are met in each future year. To the extent that actual experience deviates from that expected, results will vary. Amounts are shown in future nominal dollars and have not been discounted to the valuation date.



APPENDIX A

HISTORICAL BACKGROUND



APPENDIX A – HISTORICAL BACKGROUND

Historical Background

Since 1909, the Omaha School District has maintained a retirement system for its teachers. Since then, systems covering other employees were added. In 1951, the Nebraska Legislature consolidated the existing systems into one new System. Amendments of significance in the Nebraska statutes and federal Social Security Act have occurred from time to time. These changes in order of their occurrence are outlined briefly below:

1951 - New System

Prior to 1951, three separate retirement systems existed. In 1951 the Nebraska Legislature repealed these three separate systems and created the present single System covering all employees. This act provided, however, that a member of a pre-existing system might elect to retain his benefit and contribution rights under one of the former systems in lieu of the new System benefits and contributions. The members who so elected then became known by the following titles for retirement purposes:

- (1) Employees covered by the former Omaha Teachers Retirement System were known as "Teachers,"
- (2) Employees covered by the former Non-Teaching Employee Retirement System were known as "Non-Teachers,"
- (3) Employees covered by the former Cafeteria Employee Retirement System were known as "Cafeteria."

All other employees became members of the new System and received credit for membership service starting September 1, 1951. Benefits as well as contributions under the new System became directly related to a member's compensation by formula. The maximum covered annual compensation under the new System became \$5,000, but the maximum for Teachers, Non-Teachers and Cafeteria remained \$3,000.

1955 Amendments

On September 24, 1955, Omaha School employees voted to become participants in the federal Social Security program. All Social Security benefits are payable in addition to the System benefits. As a result of Social Security coverage, changes were made in the benefit and contribution formulas of the System effective August 31, 1955. In general, the changes reduced contributions and benefits to 60% of the rates formerly in effect. In addition, the maximum covered compensation was increased from \$5,000 to \$6,000 except for Teachers, Non-Teachers and Cafeteria which remained at \$3,000.

The amount contributed by the School District was also reduced to 60% of the rates in effect prior to the change and the School District's contributions, matching the refunds paid upon the withdrawal or death of employees, were retained in the retirement fund rather than being returned to the School District.

1963 Amendments

Effective September 1, 1963, several changes were made in the new System. The limit on covered compensation for contributions and benefits of members was removed.



APPENDIX A – HISTORICAL BACKGROUND

The service retirement annuity credit was increased in order to integrate with the modifications in federal Social Security between 1955 and 1963. The disability annuity for members was increased to 100% of the service retirement annuity accrued to date of disability and the restriction as to the number of years for which it was payable was removed. The offset in the benefit formula for the Nebraska State Service Annuity credit was placed on a year-to-year basis for all members, increasing the annuity credit for service after September 1, 1951 for active and retired alike.

The employees who were participating as Teachers, Non-Teachers and Cafeteria began to make contributions and receive benefit credits at the same rates as other members of the System. It should be noted that any employee who retained rights under a pre-existing system still receives credit in accordance with the provisions of the former system if this is more than the credit, after the State service annuity offset, would be under the 1963 amendments.

The contribution rate for employees was changed to integrate with the modifications in Social Security and was no longer subject to revision depending upon the degree of actuarial soundness of the System as had been provided in 1962. The School District became solely responsible for maintaining the solvency of the System on the basis of annual actuarial valuations. The School District again became entitled to refunds equal to the refunds paid upon withdrawal or death of employees.

The restriction prohibiting the crediting of interest on refunds to employees who withdraw from employment during the first ten years of service was removed. Thus, all employees who withdraw after one year or more of service receive interest on their contributions made since September 1, 1951.

1965 Amendments

Effective September 1, 1965, a pre-retirement survivor's annuity was added to the System for long-service employees. This change gave an employee with 25 or more years of service protection at death approximately equivalent in value to the vesting which already existed at termination of employment for an employee with the same period of service.

Effective January 1, 1966, the Social Security tax base was increased from \$4,800 to \$6,600 per year. This change became effective in the System's contribution and benefit formulas as of September 1, 1966.

1967 Amendments

The 77th Session of the Nebraska Legislature enacted LB 494 which amended the Nebraska School Retirement System, effective October 23, 1967. A major change was the increase in the State service annuity credit from \$1.50 to \$3.00 per month for each year of credited service after July 1, 1968 and the removal of the 35 year limitation on credited State service. For the purpose of determining the new State service annuity offset in calculating the net Omaha annuity, the additional \$1.50 per month for each year of service after July 1, 1968 is not applicable, but removal of the 35 year limitation does apply. This means that the State service annuity offset is still determined on the basis of \$1.50 per month for each year of service. The increase in the State service annuity offset by virtue of eliminating the 35 year limitation represents a lower cost to the Omaha System for those members having more than 35 years of State service by age 65.



APPENDIX A – HISTORICAL BACKGROUND

Another change with regard to the State service annuity was the manner in which the funds are transferred from the State to the Omaha System to pay these annuities. For retirements occurring after the effective date of the amendments (October 23, 1967), the State transfers the commuted value (equivalent single sum) of the individual State service annuity to the Omaha System and then the payment of the monthly annuity to the retired member is the School District's responsibility.

In 1967 the eligibility provisions for the pre-retirement survivors' annuity and the vested retirement rights were changed, reducing the service required from 25 years to 20 years and thereby granting these options to a larger number of employees.

Effective January 1, 1968, the federal Social Security taxable wage base was increased from \$6,600 to \$7,800 per year. This change became effective in the System's contribution and benefit formulas as of September 1, 1968.

1969 Amendments

The 80th Session of the Nebraska Legislature enacted LB 530 which amended the System effective August 11, 1969. The provisions of this bill improved the benefit structure of the System in two ways. The membership annuity credits (credits after 9/1/51) were increased approximately 10% and the Social Security wage base was "frozen" at the \$7,800 level for purposes of calculating benefit credits and employee contributions.

By freezing the Social Security base, benefit credits and employee contributions for service after September 1, 1969 will not be reduced by virtue of future increases in the Social Security wage base. The System benefits will remain integrated with the Social Security program at the level provided by the \$7,800 base.

1972 Amendments

During 1972, the Nebraska Legislature enacted LB 1116 which amended the System. These amendments were to become effective for retirements occurring on or after September 1, 1972. The provisions of this bill improved the benefit structure of the System and liberalized the eligibility condition for qualification upon termination for the deferred vested retirement benefit.

The benefits of the System were improved by increasing the membership annuity credits (credits after 9/1/51) by approximately 20% over those in existence on September 1, 1971.

In order to be eligible upon resignation to elect a deferred vested service annuity, the years of creditable service was reduced from 20 years to 15 years.

1973 Amendments

The 1973 Session of the Nebraska Legislature enacted LB 445 which created increases in the State service annuity of the Nebraska School Retirement System. LB 445 provides for (a) a State service annuity credit of \$3.00 per month for each year of creditable service for all emeritus members and for all full time school employees who retire on or after July 1, 1973 and (b) for increases in the State service annuity for members who retired prior to July 1, 1973 based upon the difference between the Consumers Price Index on the date of retirement and July 1, 1973.



APPENDIX A – HISTORICAL BACKGROUND

1976 Amendments

The 1976 Session of the Nebraska Legislature enacted LB 994 which increased the membership annuity credits (credits after 9/1/51) by 20%.

The members' contributions were increased to 2.90% of compensation up to \$7,800 per year plus 5.25% of salary in excess of that amount.

1979 Amendments

The 1979 Session of the Nebraska Legislature changed the mandatory retirement date from age 65 to age 70. Late retirement benefits are actuarially increased from what would have been payable at the normal retirement date.

1982 Amendments

The 1982 Session of the Nebraska Legislature enacted LB 131 which made considerable changes to the System. LB 131 was approved by the Governor on February 19, 1982.

The most major revision in the System was to change the previous primary benefit formula from the step rate formula based on each year of salary to a final average compensation formula. The primary benefit formula became 1.5% of final average compensation for each year of creditable service not in excess of 30. Final average compensation was then defined to be 1/36 of the total compensation received during the three fiscal years of highest compensation. Also, the creditable service not in excess of 30 years was allowed to continue to accrue after the fiscal year in which the employee attains age 65. In addition, the State service annuity offset of \$1.50 per year of creditable service was removed with respect to the final average compensation formula. The prior provisions of the System were retained as a minimum benefit, recognizing creditable service for those provisions through the earlier of the date of retirement or August 31, 1983.

Another major revision in the System was to change the step rate formula for employee contributions to a level 4.90% of compensation. In addition, the provision entitling the School District to receive refunds of its own contributions equal to the contributions refunded to employees was removed.

The early retirement date was liberalized. Previously an employee needed to have either 35 years of creditable service or to have attained age 60 with 25 years of creditable service. Now an employee can retire early if he has at least 10 years of creditable service and has attained age 55.

The actuarial equivalent of the annuity payable at the end of the fiscal year in which the employee attains age 65 was changed in the following two ways:

1. for employees retiring before age 62, the monthly formula retirement annuity is a reduced amount based on the actuarial equivalent of the annuity deferred to the employee's 62nd birthday. If retirement is at age 62 or later, there is no actuarial reduction. Previously there was an actuarial reduction, based on the benefit deferred to age 65, for any retirement before age 65.
2. For employees retiring on or after age 65, the monthly formula retirement annuity is to be based on total years of creditable service (not in excess of 30) and the employee's entire compensation history at date of retirement. Consequently, for retirements after the fiscal year in which the employee attains age 65 there is no longer an actuarial increase from the benefit available at the normal retirement date.



APPENDIX A – HISTORICAL BACKGROUND

The eligibility provision to elect a deferred vested service annuity upon resignation was changed from 15 years of creditable service to 10 years.

1983 Amendments

The 1983 Session of the Nebraska Legislature enacted LB 488 which created benefit increases effective September 1, 1983 for members having retired before February 21, 1982. The amount of benefit increase was limited to the smaller of:

1. The percentage increase in the Consumer Price Index for all Urban consumers from the effective date of retirement to June 30, 1983 applied to benefits being paid and
2. The sum of \$1.50 per month for each year of creditable service and \$1.00 per month for each completed year of retirement from the effective date of retirement to June 30, 1983, actuarially adjusted for joint and survivor elections.

1985 Amendments

The 1985 Session of the Nebraska Legislature enacted LB 215 which removed the 30 year limit on years of service used in the benefit formula, provided for vesting after five years of service rather than ten years, and reduced the eligibility period for disability from ten years of service to five years of service.

LP215 also provided for the employer “pick up” of employee contribution under IRC 414(h), thereby allowing employee contributions to be made on a pre-tax basis.

Unisex factors are now being used for determining early retirement reductions and actuarial equivalents for joint and survivor optional benefits.

1986 Amendments

The 1985 Session of the Nebraska Legislature enacted LB 1048 which granted increases in benefits for most retirees to reflect cost-of-living increases over the last several years. The increases ranged up to a maximum of 10.5%.

1987 Amendments

A "window of opportunity" was created for the buy-in or buy-back of service credits for participants qualifying for that right.

1989 Amendments

LB 237 was enacted by the 1989 Session of the Nebraska Legislature and provided: annual benefit accruals of 1.65% of final average compensation (up from 1.50%), unreduced benefits if a member retires with 35 or more years of service, a five year certain and life thereafter annuity as the normal form of benefit (instead of just a life annuity), employee contributions of 5.8% of pay (up from 4.9%), and increased benefits to retirees (the increases ranged up to 9.0%). There were some other changes as a result of this bill, but none that had a direct actuarial cost impact.



APPENDIX A – HISTORICAL BACKGROUND

1992 Amendments

The 1992 Session of the Nebraska Legislature enacted LB 1001 which increased annual benefit accruals from 1.65% of final average compensation to 1.70%, and increased benefits to retirees (3% increase per year of retirement, not exceeding 9% total increase), a change in the preretirement joint and survivor option to allow it to become effective automatically after 20 years of service, and allowed employees to “buy-in” their time with other public school systems by means of a tax-deferred rollover of their refund from that System.

1995 Amendments

The 1995 Session of the Nebraska Legislature enacted LB 505 which increased annual benefit accruals from 1.70% to 1.80% of final average compensation. It also provided for unreduced retirement benefits when the sum of age and service equals or exceeds 85 (still maintaining the age 55 minimum), and reduced early retirement reductions to .25% per month prior to age 62. Early retirement at 84, 83, or 82 points is also allowed with a maximum reduction of 3%, 6% and 9% respectively. Employee contributions were increased to 6.3% of pay. The bill also provided for a one time increase to current retirees of 3% per year since retirement (not to exceed 9%), or if larger, 90% restoration of the purchasing power of their original pension. There are other changes resulting from this bill, which are not included since they did not have a direct actuarial impact. One change with no actuarial impact but worth noting is the provision for employer “pick up” of employee contributions to the System used to buy in outside service, pursuant to Section 414(h) of the Internal Revenue Code.

1998 Amendments

The 1998 Session of the Nebraska Legislature enacted LB 497 which increased annual benefit accruals from 1.80% to 1.85% of final average compensation. The bill also provided for a one time increase to current retirees of 3% per year since retirement (not to exceed 9%) and provides an annual automatic cost of living adjustment, not greater than 1.5%, beginning January 1, 2000.

2000 Amendments and Cost of Living Adjustment

The 2000 session of the Nebraska Legislature enacted LB 155 which increased accruals from 1.85% to 2.00% of final average compensation.

Pursuant to LB 497, the OSERS Board and the Omaha School District Board authorized a 1.5% discretionary COLA beginning January 1, 2000 in addition to the automatic COLA.

2001 Amendments and Cost of Living Adjustment

The 2001 session of the Nebraska Legislature enacted LB 711 which provided that certain members who previously left employment due to pregnancy could purchase their “lost” service. It also provided a post-retirement supplemental benefit to assist with medical costs. The supplement commences 10 years after retirement, beginning at \$10 per month for each year retired and increasing by \$10 each year to a maximum of \$250 per month. For retirees with less than twenty years of service, the benefit is reduced proportionately.

Additionally, the OSERS Board and the Omaha School Board authorized a discretionary COLA to restore full purchasing power, beginning January 1, 2001, in addition to the automatic COLA.



APPENDIX A – HISTORICAL BACKGROUND

2002 Cost of Living Adjustment

The automatic 1.5% COLA was granted beginning January 1, 2002.

2003 Cost of Living Adjustment

The automatic 1.5% COLA was granted beginning January 1, 2003.

2004 Cost of Living Adjustment

The automatic 1.5% COLA was granted beginning January 1, 2004.

2005 Cost of Living Adjustment

The automatic 1.5% COLA was granted beginning January 1, 2005.

2006 Cost of Living Adjustment

The automatic 1.5% COLA was granted beginning January 1, 2006.

2007 Amendment and Cost of Living Adjustment

The 2007 session of the Nebraska Legislature enacted Section 79-9, 113 which changed the employee contribution rate from 6.30% of compensation to 7.30% and provided for an employer contribution equal to 101% of the employee contribution rate.

The automatic 1.5% COLA was granted beginning January 1, 2007.

2008 Cost of Living Adjustment

The automatic 1.5% COLA was granted beginning January 1, 2008.

2009 Amendment and Cost of Living Adjustment

The 2009 session of the Nebraska Legislature enacted Legislative Bill 187 (LB 187), which increased the State's contribution from 0.7% to 1.0% of covered pay from July 1, 2009 to July 1, 2014. On July 1, 2014 the State's contribution returns to 0.7%. LB 187 also increased the employee contribution rate from 7.30% of compensation to 8.30%. The School District's contribution is equal to 101% of the employee contribution rate so the District's contribution rate increased from 7.373% of compensation to 8.383% as a result of the increase in the member contribution rate.

The automatic 1.5% COLA was granted beginning January 1, 2009.

2010 Amendment and Cost of Living Adjustment

The automatic 1.5% COLA was granted beginning January 1, 2010.



APPENDIX A – HISTORICAL BACKGROUND

2011 Amendment and Cost of Living Adjustment

The 2011 session of the Nebraska Legislature enacted Legislative Bill 382 (LB 382), which increased the Member's contribution from 8.30% of compensation to 9.30%. The School District's contribution is equal to 101% of the employee contribution rate so the District's contribution rate increased from 8.383% of compensation to 9.393% as a result of the increase in the member contribution rate. LB 382 also extended the 1% of payroll contribution by the State from July 1, 2014 to July 1, 2017.

The automatic 1.5% COLA was granted beginning January 1, 2011.

2012 Cost of Living Adjustment

The automatic 1.5% COLA was granted beginning January 1, 2012.

2013 Amendments and Cost of Living Adjustment

The 2013 session of the Nebraska Legislature enacted Legislative Bill 553 (LB 553), which increased the Member contribution rate from 9.30% of pay to 9.78% of pay. The School District's contribution is equal to 101% of the employee contribution rate so the District's contribution rate increased from 9.393% of pay to 9.878% of pay as a result of the increase in the member contribution rate. LB 553 also ended the scheduled decrease in the State contribution rate and instead increased the State contribution from 1.0% of pay to 2.0% of pay, effective July 1, 2014. LB 553 also created a new benefit structure for members hired on or after July 1, 2013. For these members, annual cost of living adjustments will be the lesser of 1.0% or CPI, and the final average compensation is defined as 1/60 of the total compensation received during the five fiscal years of highest compensation.

The automatic 1.5% COLA was granted beginning January 1, 2013.

2014 Cost of Living Adjustment

The automatic 1.5% COLA was granted beginning January 1, 2014.

2015 Cost of Living Adjustment

The automatic 1.5% COLA was granted beginning January 1, 2015.



APPENDIX B

SUMMARY OF PLAN PROVISIONS



APPENDIX B – SUMMARY OF PLAN PROVISIONS

Contributions

Employee Contributions: Employees contribute 9.78% of compensation, effective September 1, 2013. Such contributions are payable each year while employed. Contributions accumulated with interest are refundable at resignation unless the vested retirement benefit has been elected and at death unless the pre-retirement survivor's benefit has been elected.

State Contribution: The State contributes annually an amount equal to 2.0% of the members' compensation, effective July 1, 2014.

School District Contribution: The School District contributes the greater of (a) one hundred and one percent of the contributions by the employees or (b) such amount as may be necessary to maintain the solvency of the system, as determined annually by the board upon recommendation of the actuary and the trustees.

Interest Credited on Refunds: Contributions made prior to September 1, 1951 and refunded at withdrawal or death are not credited with interest. Contributions after September 1, 1951 are credited with interest at the rate declared annually by the Board of Education upon the recommendation of the Board of Trustees.

Benefits

General: The System provides annuities upon retirement from service or disability and upon death to designated survivors.

The service annuity formula is 2.0% per year of creditable service times the final average compensation.

Final average compensation is defined as 1/36 of the total compensation received during the three fiscal years of highest compensation for members hired before July 1, 2013. For members hired on or after July 1, 2013, final average compensation is defined as 1/60 of the total compensation received during the five fiscal years of highest compensation.

Annuities are paid for life, with 5 years guaranteed. Optional forms of payment are available.

The disability annuity, the pre-retirement survivor annuity and the vested retirement right are summarized in the following sections.

Benefits in pay status are subject to an annual cost of living adjustment of the lesser of 1.5% or CPI for members hired before July 1, 2013. For members hired on or after July 1, 2013, the annual cost of living adjustment is capped at 1.0%. There is an additional COLA if surplus assets exist beginning January 1, 2000. Effective October 3, 2001, a medical cost of living adjustment is payable to retired members. Such amount will commence 10 years after retirement and shall be an amount equal to \$10 per month for each year retired (subject to a maximum of \$250 per month), prorated for years of service less than 20.



APPENDIX B – SUMMARY OF PLAN PROVISIONS

Retirement Annuities: To begin receiving a retirement annuity the employee must have left the employment of the School district, selected a retirement date and

- (a) remained employed until his or her 65th birthday and completed at least five years of creditable Omaha service,

or

- (b) have 10 years of creditable service (with at least five of those years being creditable Omaha service) and attained age 55.

If an employee begins receiving an annuity after age 62 or when age and service equals or exceeds 85, there is no adjustment for the retirement annuity. If, however, an employee begins receiving an annuity before age 62, such annuity shall be reduced by .25% for each month prior to age 62, provided that if 84 points have been achieved the reduction is limited to 3%, if 83 points, 6%, and 82 points, 9%.

Disability Retirement Annuities: Each employee who becomes totally disabled and who has completed five or more years of creditable Omaha service is entitled to a disability retirement annuity equal to the amount of service annuity earned to date of disability. Alternatively, the employee may defer the disability retirement and accrue service and compensation increases in the interim. The disability retirement annuity is payable each month until disability ceases, if before unreduced retirement, or death.

Pre-Retirement Survivor Annuities: Upon the death of a member who has completed 20 or more years of creditable service and who has not retired, a pre-retirement survivor annuity shall be paid to the member's primary beneficiary. The survivor must be a spouse or one other person whose attained age in the calendar year of the member's death is no more than 10 years less than the attained age of the member in such calendar year. The survivor annuity is the actuarial equivalent of the member's annuity accrued to the date of death, determined on the basis of the member's and beneficiary's attained ages on said date. The survivor annuity is payable in lieu of a refund of the member's accumulated contributions. However, a member may elect out of the survivor annuity and specify that such a refund be paid in lieu of the annuity. An election out of the pre-retirement survivor annuity is entirely independent of the election of a joint and survivor option at retirement. Within 60 days after the member's death, the beneficiary may request a refund of the member's accumulated contributions instead of the annuity; provided, however, that the member may direct the System to pay only an annuity.

If the member (not retired) has less than 20 years of creditable service, or the beneficiary does not meet the requirements stated above, a refund of the member's accumulated contributions shall be paid.

Vested Retirement Right: Each employee who has completed five or more years of creditable Omaha service is eligible upon resignation to elect a deferred vested service annuity, first payable as an unreduced amount at age 65, in lieu of a refund of his accumulated contributions. With ten or more years of total creditable service (including at least five years of creditable Omaha service), the deferred vested service annuity could commence, unreduced, at age 62. If benefits start before age 62 (but not earlier than attained age 55), the benefit shall then be reduced as described above.



APPENDIX C

ACTUARIAL ASSUMPTIONS AND METHODS



APPENDIX C – ACTUARIAL ASSUMPTIONS AND METHODS

The valuation assumptions and methods used in conducting the current actuarial valuation are as follows:

Actuarial Assumptions

Investment Return Assumption: 8.0% per annum, compounded annually, net of expenses.

Mortality Rates: RP-2000 Combined Mortality Table for males.
RP-2000 Combined Mortality Table for females, set back one year.

Future mortality rates are projected on a generational basis using Scale AA, which reflects the expectation that mortality rates will decline over time.

Disabled retirees use the same assumptions as healthy retirees with ages set forward ten years.

Disability: None assumed.

Termination of Employment: Illustrative rates of termination are as follows:
(prior to retirement eligibility)

Certificated:

Percent Terminating (First 5 Years)		
<u>Age</u>	<u>Male</u>	<u>Female</u>
20	10.0%	13.0%
25	10.0	13.0
30	10.0	13.0
35	9.8	10.5
40	9.0	9.0
45	9.0	6.0
50	9.0	5.0

Percent Terminating (Over 5 Years)		
<u>Age</u>	<u>Male</u>	<u>Female</u>
25	8.0%	9.0%
30	7.0	9.0
35	3.5	6.0
40	2.3	2.5
45	1.0	2.5
50	1.0	1.0



APPENDIX C – ACTUARIAL ASSUMPTIONS AND METHODS

Classified:

Percent Terminating
(First 5 Years)

<u>Age</u>	<u>Male</u>	<u>Female</u>
20	25.0%	30.0%
25	20.0	27.0
30	14.0	20.0
35	5.0	15.0
40	5.0	10.0
45	5.0	9.0
50	4.0	9.0

Percent Terminating
(Over 5 Years)

<u>Age</u>	<u>Male</u>	<u>Female</u>
25	8.0%	18.0%
30	8.0	13.0
35	4.4	6.0
40	2.2	3.8
45	1.4	3.8
50	1.0	3.0

Retirement Rates:

Early retirement rates are assumed to occur according to the schedule illustrated below:

Certificated:

<u>Age</u>	<u>Early</u>	<u>84 Points</u>	<u>83 Points</u>	<u>82 Points</u>
55	10%	55%	40%	30%
56	5	55	40	30
57	5	40	40	30
58	5	40	20	10
59	10	40	20	10
60	10	40	40	30
61	20	20	10	30

Classified:

<u>Age</u>	<u>Early</u>
55	3%
56	3
57	3
58	3
59	3
60	3
61	20



APPENDIX C – ACTUARIAL ASSUMPTIONS AND METHODS

Unreduced (age 62 or 85 points) retirement rates are assumed to occur according to the schedule illustrated below:

Certificated:

<u>Age</u>	<u>1st Year Eligible</u>	<u>Ultimate</u>
55	50%	
56	50	30%
57	50	30
58	45	30
59	45	30
60	45	20
61	45	30
62	30	30
63	60	30
64	35	35
65	35	35
66	35	25
67	35	20
68	35	20
69	100	40
70	100	100

Classified:

<u>Age</u>	<u>1st Year Eligible</u>	<u>Ultimate</u>
55	20%	
56	10	15%
57	10	15
58	10	15
59	15	15
60	35	15
61	20	20
62	20	30
63	50	20
64	30	20
65	30	35
66	20	30
67	20	20
68	20	20
69	20	20
70	100	100

Deferred vested members are assumed to retire at first unreduced retirement age.



APPENDIX C – ACTUARIAL ASSUMPTIONS AND METHODS

Salary Scale: Salaries are assumed to increase according to the schedule illustrated below:

<u>Age</u>	<u>Annual Salary Increase</u>	
	<u>Certificated</u>	<u>Classified</u>
20	5.6%	4.7%
25	5.6	4.7
30	5.6	4.7
35	5.6	4.7
40	5.6	4.7
45	5.0	4.7
50	4.6	4.5
55	4.3	4.3
60	4.1	4.1
65	4.0	4.0
70	4.0	4.0

Pre-Retirement Survivor Annuity: It is assumed that females are three years younger than males, and that all members are married.

Probability of Electing a Refund: The proportion of terminating vested members electing a refund of member contributions:

20% for Certificated members
50% for Classified members

Assumed Interest Rate Credited on Employee Contributions: 3.00% compounded annually.

Inflation (CPI): 3.00% compounded annually.

Total Payroll Growth: 4.00% compounded annually.

Decrement Timing: Middle of year

Cost of Living Adjustments: 1.5% for members hired before 7/1/2013
1.0% for members hired on or after 7/1/2013



Actuarial Cost Method

The actuarial cost method is a procedure for allocating the actuarial present value of pension plan benefits and expenses to time periods. The method used for the valuation is known as the individual entry-age actuarial cost method, and has the following characteristics.

- (i) The annual normal costs for individual active member are sufficient to accumulate the value of the member's pension at time of retirement.
- (ii) Each annual normal cost is a constant percentage of the member's year-by-year projected pensionable compensation.

The entry-age actuarial cost method allocates the actuarial present value of each member's projected benefits on a level basis over the member's pensionable compensation between the entry-age of the member and the assumed exit-ages.

The portion of the actuarial present value allocated to the valuation year is called the normal cost. The portion of the actuarial present value not provided for by the actuarial present value of future normal costs is called the actuarial accrued liability. Deducting accrued assets from the actuarial accrued liability determines the unfunded actuarial accrued liability.

Asset Valuation Method

Assets are valued at expected value at the valuation date plus 25% of the difference between the market value and expected value. As a starting point for implementation of this asset valuation method, the actuarial value of assets as of September 1, 1996 was set equal to the market value. As of September 1, 2007, the actuarial value was reset to market value. The smoothing method was again implemented in the 2008 valuations. Effective September 1, 2008, the actuarial value must fall within a corridor of 80% to 120% of market value.



APPENDIX D
MEMBERSHIP DATA



SUMMARY OF MEMBERSHIP DATA

	Active	Deferred Vested	Retired and Beneficiaries	Total
Members on 9/1/14	7,415	937	4,125	12,477
Terminated - vested	(182)	182	0	0
Terminated - nonvested	(222)	0	0	(222)
Terminated - elected refund	(84)	(76)	0	(160)
Retired	(270)	(37)	307	0
Disability retirement	(1)	(1)	2	0
Death/payments end	(5)	(1)	(115)	(121)
New beneficiaries	0	0	30	30
New members/rehires	742	(22)	0	720
Corrections/adjustments	0	2	2	4
Members on 9/1/15	7,393	984	4,351	12,728

Approximately 1,800 active members are part of bargaining groups that did not have a settled contract as of the date we received the data. These groups included maintenance employees, nutrition services employees, paraprofessionals, office personnel, security employees, and interpreters. At the direction of OSERS staff, we assumed that these groups will receive a 2.5% increase effective September 1, 2015 (September 1, 2014 for interpreters).



APPENDIX D– MEMBERSHIP DATA

HISTORICAL SUMMARY OF MEMBERS

The following table displays selected historical data that was used in the actuarial valuation for the System.

Valuation Date September 1	Total Count	Active Members						Number		Act/Ret Ratio
		Number	Average			Annual Pay (\$)	Pay Increase	Inactive Vested	Retired	
			Age	Entry Age	Service					
1998	8,204	5,680	44.2	33.7	10.5	28,912		330	2,194	2.59
1999	8,564	5,864	43.9	34.0	9.9	29,493	2.01%	386	2,314	2.53
2000	8,885	6,057	43.8	34.1	9.7	30,544	3.56%	380	2,448	2.47
2001	9,156	6,259	44.0	34.4	9.6	32,091	5.06%	368	2,529	2.47
2002	9,409	6,383	43.9	34.5	9.4	33,406	4.10%	384	2,642	2.42
2003	9,425	6,279	44.0	34.5	9.5	33,877	1.41%	385	2,761	2.27
2004	9,711	6,399	44.2	34.6	9.6	34,698	2.42%	473	2,839	2.25
2005	10,124	6,623	44.1	34.8	9.3	35,234	1.54%	485	3,016	2.20
2006	10,522	6,972	44.1	34.9	9.2	35,732	1.41%	442	3,108	2.24
2007	10,769	7,041	44.2	35.1	9.1	36,720	2.77%	483	3,245	2.17
2008	11,228	7,313	44.2	35.2	9.0	37,725	2.74%	515	3,400	2.15
2009	11,480	7,438	44.5	35.5	9.0	38,686	2.55%	553	3,489	2.13
2010	11,644	7,491	44.7	35.4	9.3	39,152	1.20%	566	3,587	2.09
2011	11,602	7,215	45.1	35.2	9.9	40,394	3.17%	680	3,707	1.95
2012	11,881	7,315	44.9	35.0	9.9	40,793	0.99%	723	3,843	1.90
2013	12,152	7,372	44.9	34.9	10.0	41,731	2.30%	813	3,967	1.86
2014	12,477	7,415	44.7	34.8	9.9	42,427	1.67%	937	4,125	1.80
2015	12,728	7,393	44.5	34.7	9.8	44,050	3.83%	984	4,351	1.70

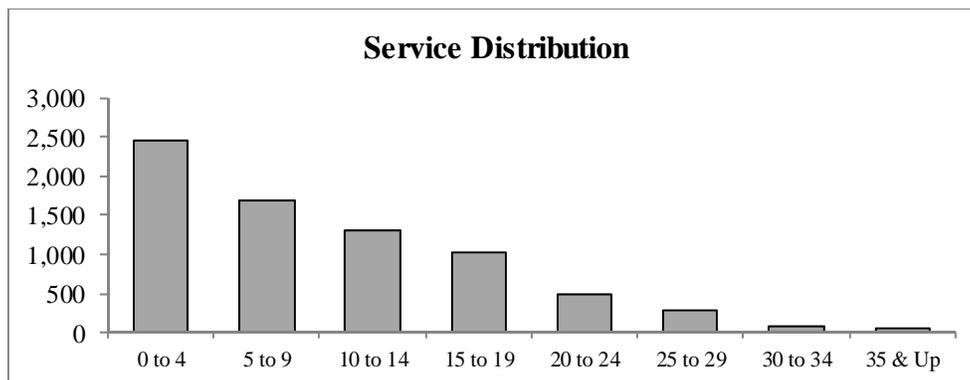
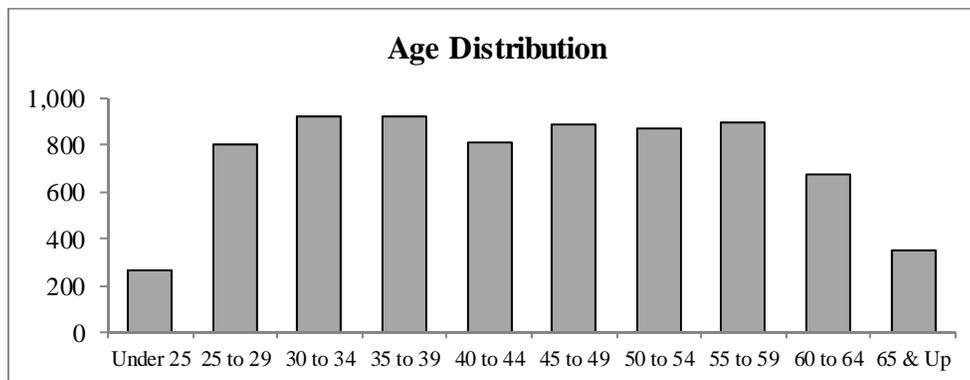


OMAHA SCHOOL EMPLOYEES' RETIREMENT SYSTEM DISTRIBUTION OF ACTIVE MEMBERS

as of September 1, 2015

Total

Age	Service								Total
	0 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 & Up	
Under 25	266	1	0	0	0	0	0	0	267
25 to 29	688	109	0	0	0	0	0	0	797
30 to 34	376	453	95	0	0	0	0	0	924
35 to 39	247	250	354	73	0	0	0	0	924
40 to 44	186	165	178	254	25	0	0	0	808
45 to 49	205	177	168	171	133	29	0	0	883
50 to 54	148	166	161	141	84	135	32	1	868
55 to 59	176	163	152	194	113	61	31	7	897
60 to 64	111	130	118	129	96	41	22	24	671
65 & Up	48	84	77	52	42	26	8	17	354
Total	2,451	1,698	1,303	1014	493	292	93	49	7,393



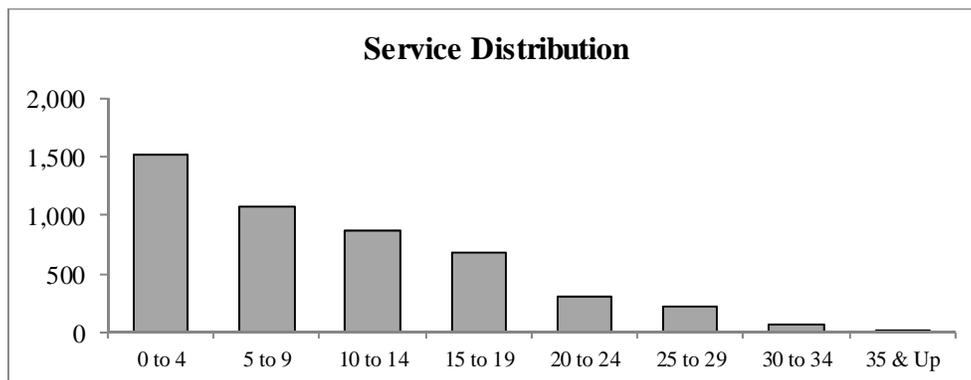
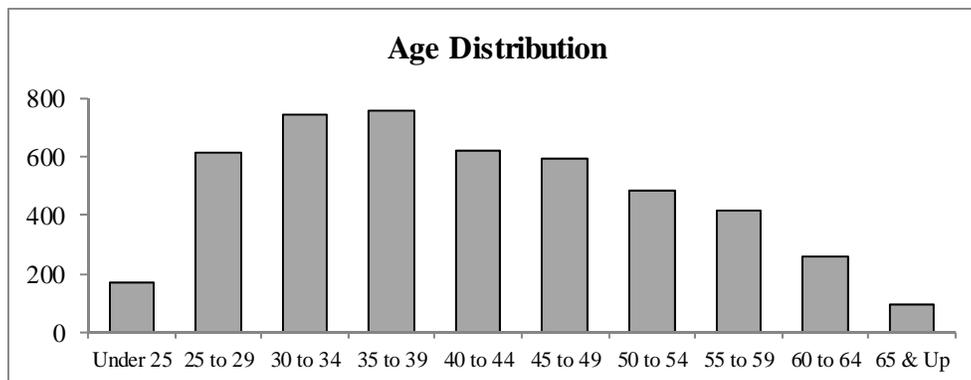


**OMAHA SCHOOL EMPLOYEES' RETIREMENT SYSTEM
DISTRIBUTION OF ACTIVE MEMBERS**

as of September 1, 2015

Certificated - Total

Age	Service								Total
	0 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 & Up	
Under 25	174	0	0	0	0	0	0	0	174
25 to 29	537	74	0	0	0	0	0	0	611
30 to 34	272	386	86	0	0	0	0	0	744
35 to 39	166	204	327	61	0	0	0	0	758
40 to 44	111	120	136	232	19	0	0	0	618
45 to 49	96	108	97	138	126	27	0	0	592
50 to 54	52	66	84	77	59	120	25	0	483
55 to 59	58	53	73	92	64	47	24	4	415
60 to 64	37	38	46	58	37	21	11	14	262
65 & Up	6	21	18	19	8	14	3	10	99
Total	1,509	1,070	867	677	313	229	63	28	4,756



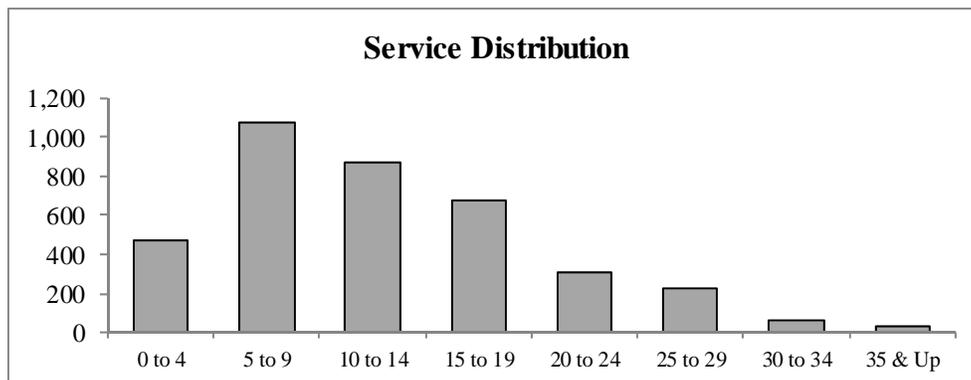
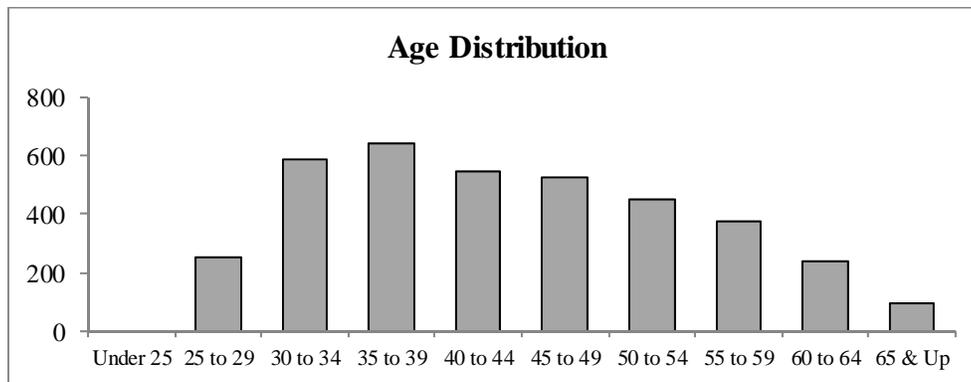


OMAHA SCHOOL EMPLOYEES' RETIREMENT SYSTEM DISTRIBUTION OF ACTIVE MEMBERS

as of September 1, 2015

Certificated - Tier 1

Age	Service								Total
	0 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 & Up	
Under 25	0	0	0	0	0	0	0	0	0
25 to 29	182	74	0	0	0	0	0	0	256
30 to 34	115	386	86	0	0	0	0	0	587
35 to 39	52	204	327	61	0	0	0	0	644
40 to 44	39	120	136	232	19	0	0	0	546
45 to 49	32	108	97	138	126	27	0	0	528
50 to 54	17	66	84	77	59	120	25	0	448
55 to 59	20	53	73	92	64	47	24	4	377
60 to 64	16	38	46	58	37	21	11	14	241
65 & Up	1	21	18	19	8	14	3	10	94
Total	474	1,070	867	677	313	229	63	28	3,721



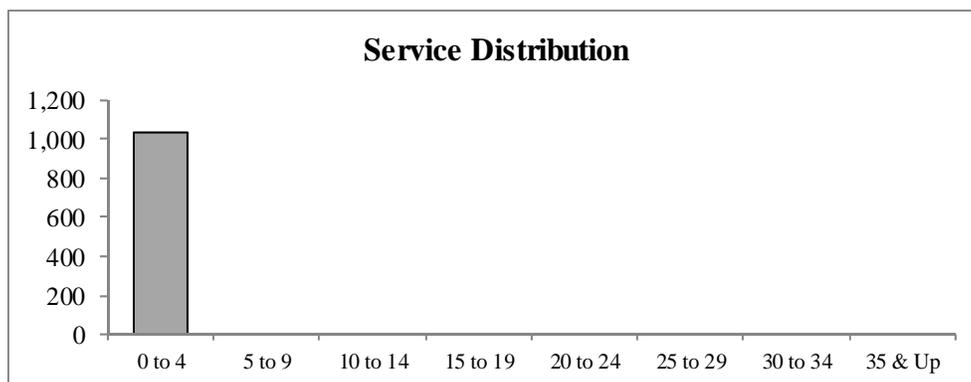
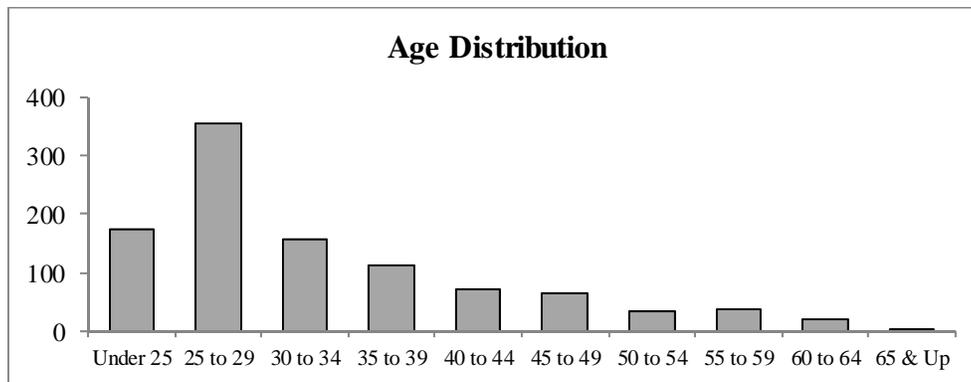


**OMAHA SCHOOL EMPLOYEES' RETIREMENT SYSTEM
DISTRIBUTION OF ACTIVE MEMBERS**

as of September 1, 2015

Certificated - Tier 2

Age	Service								Total
	0 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 & Up	
Under 25	174	0	0	0	0	0	0	0	174
25 to 29	355	0	0	0	0	0	0	0	355
30 to 34	157	0	0	0	0	0	0	0	157
35 to 39	114	0	0	0	0	0	0	0	114
40 to 44	72	0	0	0	0	0	0	0	72
45 to 49	64	0	0	0	0	0	0	0	64
50 to 54	35	0	0	0	0	0	0	0	35
55 to 59	38	0	0	0	0	0	0	0	38
60 to 64	21	0	0	0	0	0	0	0	21
65 & Up	5	0	0	0	0	0	0	0	5
Total	1,035	0	1,035						



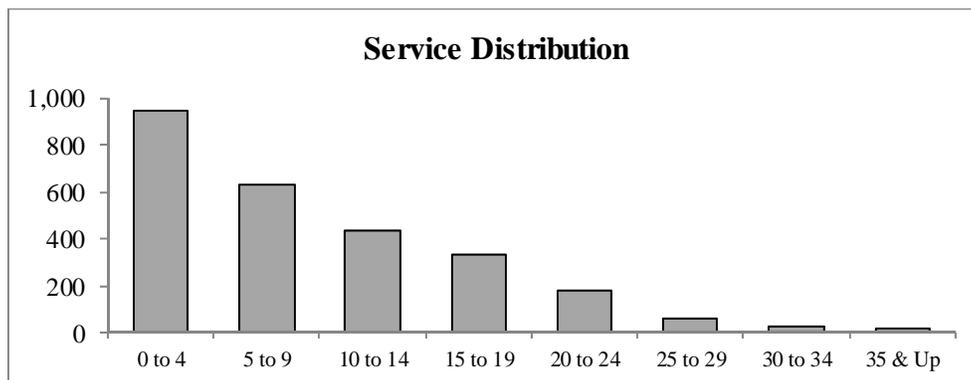
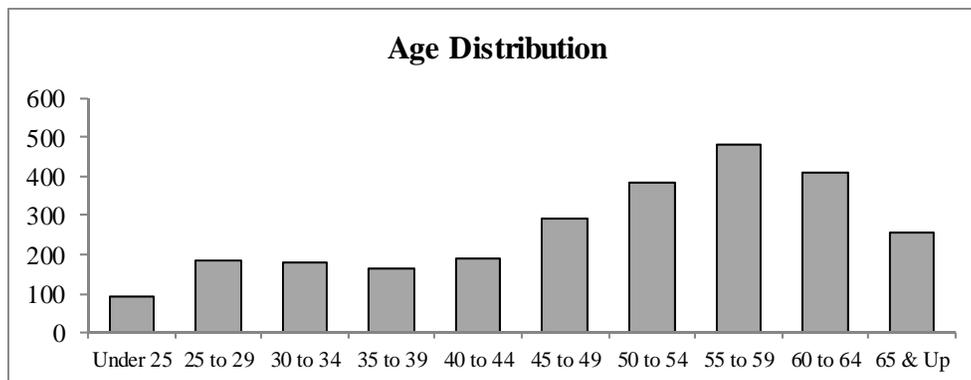


OMAHA SCHOOL EMPLOYEES' RETIREMENT SYSTEM DISTRIBUTION OF ACTIVE MEMBERS

as of September 1, 2015

Classified - Total

Age	Service								Total
	0 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 & Up	
Under 25	92	1	0	0	0	0	0	0	93
25 to 29	151	35	0	0	0	0	0	0	186
30 to 34	104	67	9	0	0	0	0	0	180
35 to 39	81	46	27	12	0	0	0	0	166
40 to 44	75	45	42	22	6	0	0	0	190
45 to 49	109	69	71	33	7	2	0	0	291
50 to 54	96	100	77	64	25	15	7	1	385
55 to 59	118	110	79	102	49	14	7	3	482
60 to 64	74	92	72	71	59	20	11	10	409
65 & Up	42	63	59	33	34	12	5	7	255
Total	942	628	436	337	180	63	30	21	2,637



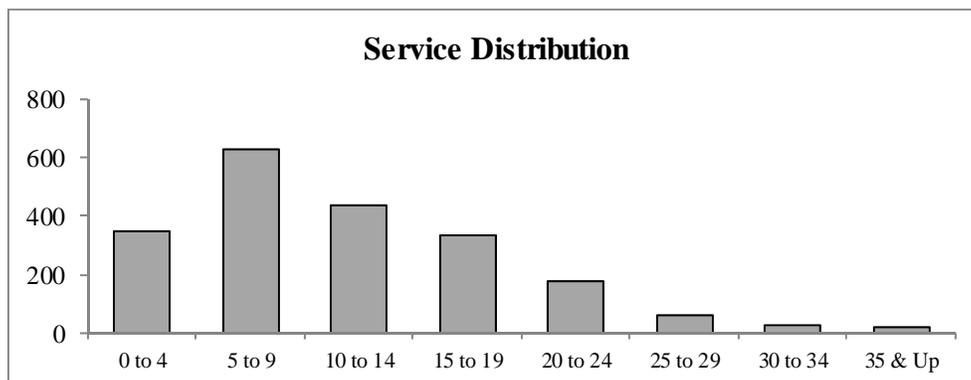
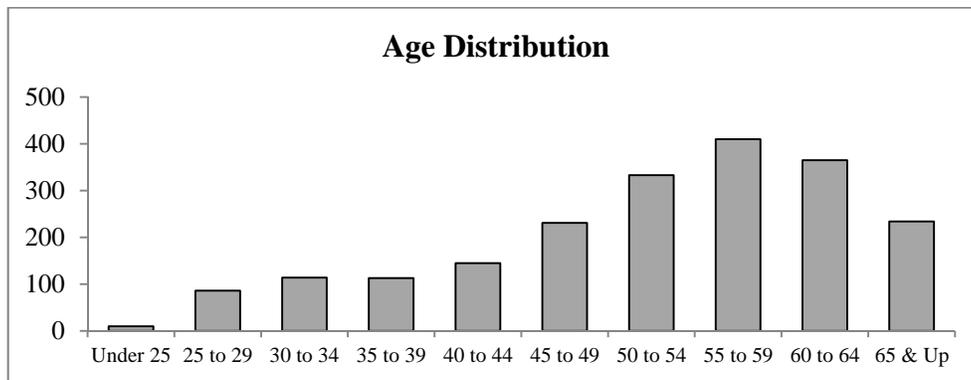


OMAHA SCHOOL EMPLOYEES' RETIREMENT SYSTEM DISTRIBUTION OF ACTIVE MEMBERS

as of September 1, 2015

Classified - Tier 1

Age	Service								Total
	0 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 & Up	
Under 25	9	1	0	0	0	0	0	0	10
25 to 29	51	35	0	0	0	0	0	0	86
30 to 34	38	67	9	0	0	0	0	0	114
35 to 39	28	46	27	12	0	0	0	0	113
40 to 44	30	45	42	22	6	0	0	0	145
45 to 49	49	69	71	33	7	2	0	0	231
50 to 54	44	100	77	64	25	15	7	1	333
55 to 59	46	110	79	102	49	14	7	3	410
60 to 64	30	92	72	71	59	20	11	10	365
65 & Up	21	63	59	33	34	12	5	7	234
Total	346	628	436	337	180	63	30	21	2,041



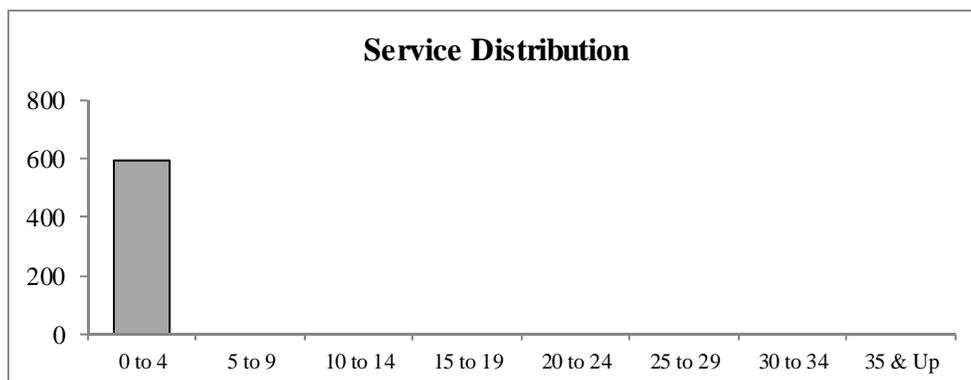
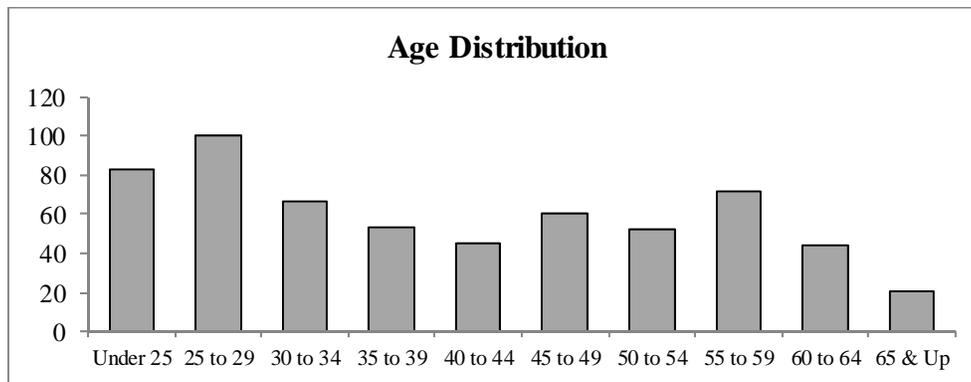


OMAHA SCHOOL EMPLOYEES' RETIREMENT SYSTEM DISTRIBUTION OF ACTIVE MEMBERS

as of September 1, 2015

Classified - Tier 2

Age	Service								Total
	0 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 & Up	
Under 25	83	0	0	0	0	0	0	0	83
25 to 29	100	0	0	0	0	0	0	0	100
30 to 34	66	0	0	0	0	0	0	0	66
35 to 39	53	0	0	0	0	0	0	0	53
40 to 44	45	0	0	0	0	0	0	0	45
45 to 49	60	0	0	0	0	0	0	0	60
50 to 54	52	0	0	0	0	0	0	0	52
55 to 59	72	0	0	0	0	0	0	0	72
60 to 64	44	0	0	0	0	0	0	0	44
65 & Up	21	0	0	0	0	0	0	0	21
Total	596	0	596						





OMAHA SCHOOL EMPLOYEES' RETIREMENT SYSTEM SUMMARY OF ACTIVE MEMBERS

as of September 1, 2015

Age	Number			Salaries		
	Males	Females	Total	Males	Females	Total
Under 25	45	222	267	\$ 1,506,776	\$ 7,218,186	\$ 8,724,962
25 to 29	177	620	797	6,669,946	23,160,722	29,830,668
30 to 34	247	677	924	10,698,041	28,738,996	39,437,037
35 to 39	231	693	924	11,813,023	32,725,169	44,538,192
40 to 44	212	596	808	11,561,458	28,485,789	40,047,247
45 to 49	209	674	883	11,477,267	31,345,087	42,822,354
50 to 54	220	648	868	11,230,113	29,403,086	40,633,199
55 to 59	233	664	897	11,423,706	27,559,700	38,983,406
60 to 64	201	470	671	9,349,369	18,644,788	27,994,157
65 & Up	118	236	354	4,397,742	8,251,676	12,649,418
Total	1,893	5,500	7,393	\$ 90,127,441	\$ 235,533,199	\$ 325,660,640

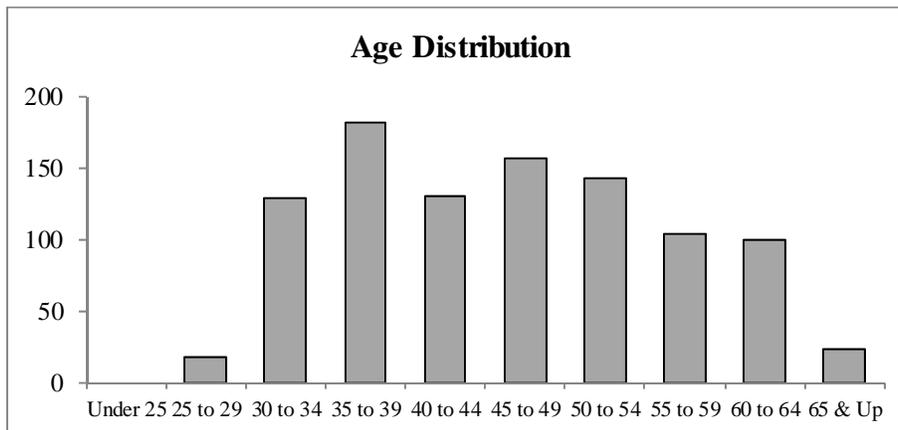




**OMAHA SCHOOL EMPLOYEES' RETIREMENT SYSTEM
SUMMARY OF DEFERRED VESTED MEMBERS**

as of September 1, 2015

Age	Number			Monthly Benefit at Unreduced Retirement		
	Males	Females	Total	Males	Females	Total
Under 25	0	0	0	\$ 0	\$ 0	\$ 0
25 to 29	2	16	18	525	4,614	5,139
30 to 34	22	106	128	9,291	45,547	54,838
35 to 39	33	148	181	17,304	86,355	103,659
40 to 44	32	98	130	23,134	56,996	80,130
45 to 49	32	125	157	30,884	76,028	106,912
50 to 54	31	112	143	34,164	80,136	114,300
55 to 59	16	88	104	13,425	51,896	65,321
60 to 64	15	85	100	8,929	33,908	42,837
65 & Up	6	17	23	2,970	5,739	8,709
Total	189	795	984	\$ 140,626	\$ 441,219	\$ 581,845





OMAHA SCHOOL EMPLOYEES' RETIREMENT SYSTEM SUMMARY OF RETIRED MEMBERS AND BENEFICIARIES

as of September 1, 2015

Age	Number			Total Monthly Benefit		
	Males	Females	Total	Males	Females	Total
Under 55	5	17	22	\$ 3,509	\$ 22,169	\$ 25,678
55 to 59	45	187	232	108,847	511,919	620,766
60 to 64	162	461	623	453,710	1,172,750	1,626,460
65 to 69	324	843	1,167	802,245	1,842,742	2,644,987
70 to 74	292	582	874	677,140	1,091,484	1,768,624
75 to 79	197	439	636	424,787	739,873	1,164,660
80 to 84	99	323	422	211,703	470,993	682,696
85 to 89	59	168	227	127,330	233,560	360,890
90 to 94	26	86	112	54,480	119,816	174,296
95 & Up	4	32	36	6,217	45,828	52,045
Total	1,213	3,138	4,351	\$ 2,869,968	\$ 6,251,134	\$ 9,121,102

