

The Board of Trustees of the Omaha School Employees' Retirement System held a Regular Meeting on Wednesday, March 6, 2019, at 9:00 a.m. at Teachers' Administrative Center, 3215 Cuming Street, Omaha, Nebraska.

Pursuant to Section 84-1411 of the Nebraska Statutes, notice of this meeting was given February 6, 2019.

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President Erikson announced, pursuant to Section 84-1411 of the Nebraska Statutes, the next regular meeting of the Board of Trustees is scheduled for Wednesday, April 3, 2019 at 9:00 a.m., at the Teachers Administrative Center, 3215 Cuming Street, Board conference room – 2nd floor, 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.

The meeting was called to order at 9:00 p.m. Present at roll call: Erikson – Herchenbach - Purdy - Rea – Ripa - 5 present. Absent at roll call: Havlovic – Logan -2.

Staff Present: Cecelia M. Carter, Executive Director, James Ellis, Retirement Specialist.

Others Present: Peter Langdon, Esq., James Fitzpatrick, Esq., McGrath North

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Mr. Erikson opened the meeting welcoming those in attendance.

Mr. Purdy made a motion 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, and Cecelia Carter litigation matters and financial matters of retirees and the System. Mr. Ripa seconded and

the motion was adopted by the following roll call: Aye: Erikson - Herchenbach – Purdy - Rea – Ripa - 5. Nay: 0.

Mr. Erikson reminded the public of the need for closed session.

Dr. Logan entered the meeting during the closed session at 9:11 a.m.

Mr. Havlovic entered the meeting during the closed session at 9:11 a.m.

Mr. Purdy left the meeting at 10:26 a.m.

The Board came back into session at 10:27 a.m. Present at roll call were: Erikson - Havlovic – Herchenbach - Logan – Rea - Ripa – 6 present.

Mr. Rea made a motion that the Board of Trustees enter into a special legal engagement with the firm of McGrath North. Dr. Logan seconded the motion. The motion was adopted by the following roll call: Aye: Erikson – Havlovic – Herchenbach – Logan – Rea – Ripa – 6. Nay: 0.

Mr. Rea made a motion to ratify the March pension payments in the amount of \$10,303,511.60 paid to 4814 payees; ratify the March staff payroll in the amount of \$30,017.11; approve 11 new retirements effective March 1, 2019; approve March refunds to 36 former members of OSERS in the aggregate of \$531,348.51; and approve OSERS accounts payables for the month of March in the aggregate of \$23,643.82. Mr. Havlovic seconded the motion. The motion was adopted by the following roll call: Aye: Erikson – Havlovic – Herchenbach – Logan – Rea – Ripa – 6. Nay: 0

New Retirements

EMPLOYEE NUMBER	NAME	EMP TYPE	RET AGE	SERV MONTH	AVERAGE YRS	SALARY	OPT	CHOSEN BENEFIT OMAHA	STATE
	Tamara Aldrich	Nutri		3	17.0				
	Robert Burt	CMO		3	21.0				
	Gary Bussard	Other		3	13.0				
	Robert Cole	CMO		3	23.0				
	Janet Leighton	Other		3	31.0				
	Belinda McCoy	T		3	6.4				
	John McDonald	CMO		3	28.5				
	Margaret Schoville	Nutri		3	14.5				
	Robert Swahn	CMO		3	21.0				
	Vivan Vo	CMO		3	15.5				
	Jeanne Zamiska	T		3	14.8				
Count									11

Average	62	18.7	\$56,696.96	\$1,637.72	\$55.30
Median	65	17	\$45,036.21	\$1,463.00	\$46.69
Addition to Pension Payroll				\$18,457.37	

Refunds to Former Members

ID	First Name	Last	End Balanc	Death Date	Term Date	Accrued Service	Dist Type
	Alex	Melcher			11/27/2018	0.1	Direct
	Anna	Degner			11/14/2018	0.2	Direct
	Thurman	Windham			11/29/2018	0.3	Direct
	Samuel	Garrett			12/21/2018	0.4	Rollover
	Christine	Denker			12/21/2018	0.6	Direct
	Kortney	Adams			7/31/2018	1.0	Rollover
	Betty	Hansen			7/31/2010	1.0	Direct
	Natasha	Mosley			7/31/2018	1.0	Direct
	Nolan	Pribnow			7/31/2018	1.0	Rollover
	Shawn	Harstad			12/14/2018	1.1	Direct
	Kaylene	Schutz			12/12/2018	1.2	Direct
	Chelse	O'Neill			10/26/2018	1.5	Direct
	Michael	Reed			12/21/2018	1.5	Direct
	Gerald	McGuire			8/6/2018	2.0	Rollover
	Kimberly	Volk			7/31/2015	2.0	Direct
	Retha	Jackson			11/30/2018	2.5	Direct
	Carin	Philmon			11/23/2018	3.0	Direct
	Brittany	Telecky			7/31/2018	3.0	Direct
	Alisha	Carlson			12/23/2018	3.6	Direct
	Gregory	Sedlacek			12/17/2018	3.7	Direct
	Courtney	Williams			12/21/2018	3.7	Rollover
	Monica	Orozco			1/25/2019	4.4	Direct
	Christine	Aranda			12/21/2018	4.7	Direct
	Michael	Neugebauer			6/17/2015	5.0	Rollover
	Jonathan	Banks			12/18/2018	5.6	Direct
	Elizabeth	McFadden			7/31/2018	6.0	Rollover
	Anthony	Rodgers			1/14/2019	6.1	Rollover
	Dixie	Linnertz			12/31/2018	6.6	Direct
	David	LeMunyon			1/25/2019	7.0	Direct
	Connie	Kenny			1/8/2018	8.7	Rollover
	Ann	Schmitz			1/7/2019	8.9	Direct
	Jessica	Flores			12/28/2018	9.7	Direct
	Kelly	Jashinske			7/31/2016	10.0	Rollover
	Brian	Swanigan			7/31/2016	10.0	Rollover
	Barbara	Lee			1/28/2019	10.2	Direct

	Amanda Friskopp	7/31/2016	14.0	Rollover
Count				36
Average	\$14,759.68		4.2	
Median	\$8,679.55		3.3	
Gross Distribution	\$531,348.51			

Accounts / Payables for March 2019 = \$23,643.82

• Consultant				
• Cavanaugh Macdonald (administration)		\$	1,442.50	
• Cavanaugh Macdonald (sustainability)		\$	<u>7,635.50</u>	
				\$9,077.00
• Legal Counsel				
▪ McGrath North (Litigation)		\$	2,066.92	
▪ McGrath North (General)		\$	9,867.00	
▪ McGrath North (AGYOF)		\$	<u>196.90</u>	
				\$12,130.82
• Miscellaneous				
• PBI (death audit service)		\$	1,836.00	
• Nat'l Pension Education Association		\$	<u>600.00</u>	
				\$2,436.00

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The next item on the agenda was a review of the 106th legislative session of the Nebraska Unicameral. Mr. Carter gave the Board an update on the following legislative bills: LB 33, LB 31, LB 565 (AM 453), LB 683, and LB 706.

LB 33 was voted on and passed on February 28, 2019 and was presented to the Governor on March 1, 2019.

LB 31, LB 683, and LB 706 have a hearing scheduled for Tuesday, March 19, 2019 at 5:00 p.m. in room 1507 of the Nebraska state capitol.

LB 565 was amended into LB 34 by legislative vote on Amendment 453.

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The meeting then moved onto a report about the Stakeholders Coalition. Ms. Carter reviewed the revised funding policy that was drafted to accommodate the Better Together Coalition's request back in February. The Board reviewed the

funding policy. Mr. Herchenbach raised some questions. After discussion, members of the Board proposed approving the concept of implementing the 30-year layered amortization commencing January 1, 2019 and reviewing the technical questions raised by Mr. Herchenbach.

Mr. Herchenbach made a motion to approve the concept of the 30-year layered amortization effective January 1, 2019, pending a review of technical questions. Mr. Rea seconded the motion. The motion was adopted with the following roll call: Aye: Erikson – Havlovic – Herchenbach – Logan – Rea – Ripa – 6. Nay: - 0.

Dr. Logan left the meeting at 10:57 a.m.

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Mr. Erikson noted the next item on the agenda was a recap of the February retirement sustainability study workshop. Ms. Carter reviewed for the Board and audience the February 27, 2019 OSERS Board Sustainability Study workshop meeting.

The review covered the fiscal impact of offering either a DROP or a PLSO option to future retiring members. At the workshop meeting was an opportunity for the audience to participate in brainstorming on other possible cost saving measures.

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Ms. Carter presented the financial statements and budget variance report for OSERS as prepared by the OPS accounting department for the period ending December 31, 2018.

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Ms. Carter presented the proposed 2019 / 2020 budget for OSERS. The Board discussed and reviewed each line item. This was the first reading of the proposed budget. The Board will review the proposed budget again at the April meeting.

Mr. Herchenbach left during the budget discussion at 11:32 a.m.

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Next item on the agenda was the 2019 Trustee election. Ms. Carter updated the Board on the 2019 election process to date. She reminded the board the 2019 election calendar was approved at the January 2019 meeting. The Election Notice was distributed to OPS employees beginning January 14, 2019 for five weeks through web sites and OPS's weekly district communications. The nomination period opened February 7th through February 15th. There were two nominated candidates:

- Matthew G. Placzek (classified)
- James Ripa (classified)

Both candidates are vested in OSERS, both candidates are active members and classified staff with OPS, and both candidates received the election package on February 15, 2019.

The deadline to submit candidate statement and photo is Thursday, March 7, 2019.

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There was no report from the Executive Director for the March board meeting.

The Trustees made the following report:

- Mr. Rea reported on the NCTR Legislative meeting and the NIRS Legislative meeting both held in Washington, DC and which overlapped by one day. There was no cost to OSERS for Mr. Rea's attendance to each meeting as Mr. Rea serves as an officer on both of these national organizations.
- Mr. Ripa reported on the upcoming retirement workshop for classified staff on March 13th.
- Mr. Ripa also reported that he has arranged for Ms. Carter to present to the custodial staff on March 12th and to the service craft personnel on March 13th.

There being no further business to come before the Board, the meeting was adjourned by common consent at 11:45 a.m.

/s/

Cecelia M. Carter
Executive Director