

The Board of Trustees of the Omaha School Employees' Retirement System held a Regular Meeting on Thursday, November 7, 2019, at 4:00 p.m. at 3215 Cuming Street, Omaha, Nebraska.

Pursuant to Section 84-1411 of the Nebraska Statutes, notice of this meeting was given on October 3, 2019.

- 5253-

President Erikson announced, pursuant to Section 84-1411 of the Nebraska Statutes, the next regular meeting of the Board of Trustees is scheduled for Thursday, December 5, 2019 at 4:00 p.m., at Teachers Administrative Center, 3215 Cuming Street, 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.

Mr. Erikson called the meeting to order at 4:00 p.m.

Present at roll call: Erikson – Havlovic – Logan – Placzek - Purdy - 5 present. Absent at roll call: Herchenbach – Rea (excused) – 2.

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

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

- 5254 -

Mr. Erikson called for public comment. There being none, the meeting continued.

Mr. Erikson then called for approval of the minutes from the October 3, 2019 Board of Trustees meeting. Mr. Purdy made a motion to approve the minutes to the Board of Trustees meeting held Thursday, October 3, 2019. Dr. Logan seconded the motion. The motion passed with the following roll call: Aye: Erikson – Havlovic – Logan – Placzek - Purdy - 5. Nay: – 0.

- 5255 -

Mr. Placzek 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. Dr. Logan seconded and the motion was adopted by the following roll call: Aye: Erikson – Havlovic – Logan – Placzek - Purdy - 5. Nay: – 0.

The Board entered into closed session at 4:03 p.m.

The Board resumed open session at 4:14 p.m. Present at roll call were: Erikson – Havlovic – Logan – Placzek – Purdy - 5.

Mr. Purdy made a motion to ratify November pension payments in the amount of \$10,711,358.88 paid to 4,988 payees; ratify November staff payroll in the amount of \$30,358.95; approve four new retirees effective November 1, 2019 – first pension check paid December 3, 2019; ratify termination of seven retirements and the continuation of three joint & survivor annuity retirements due to the death of the retiree; approve November 2019 refunds to 53 former OSERS members in the sum of \$1,017,857.64; approve accounts payables for the month of November in the amount of \$27,347.87. Mr. Havlovic seconded the motion. The motion was adopted by the following roll call: Aye: Erikson – Havlovic – Logan – Placzek - Purdy - 5. Nay: – 0.

- New Retirements (effective November 1, 2019)

EMPLOYEE NUMBER	NAME		EMP TYPE	RET AGE	YRS SERVICE	AVERAGE SALARY	CHOSEN BENEFIT		
	First	Last					OPT	OMAHA STATE	
	Margaret	Gleason	T	11.0	8.0				
	Teresa	Lefler	Para	11.0	17				
	Francine	Lockard	T	11.0	13				
	Roger	Tschampl-Diesing	CMO	11.0	17.5				
Count								4	
Average				63		\$40,411.78	\$771.25	\$36.74	
Median				64		\$41,558.16	\$828.55	\$42.73	
Addition to Pension Payroll								\$3,195.20	

- Deaths

EMPLOYEE NUMBER	NAME		AGE	RET YEAR	DATE OF DEATH	BENEFIT OSERS	Survivor Beneficiary	Survivor's Benefit \$	Overpayment Benefit \$
	Larry	Jacobsen		1995	Sep-19				
	Barbara	Osmera		1996	Sep-19				
	Mary	Stewart		1991	Sep-19				
	Galylord	Moller		1995	Sep-19				
	Dorothy	Brown		1992	Sep-19				
	Stanley	Lockwood		2003	Sep-19				

	Joyce	Brosnan		2017	Sep-19			
Terminated from Retiree Payroll – November 2019						\$19,257.05		
	James	Burn		2013	Sep-19		Marilou Burn	
	Laurence	McCabe		2001	Sep-19		Janice McCabe	
	Muriel	Dalley		2010	19-Aug		Arthur Dalley	
Continued Retirement to Beneficiary – November 2019						\$2,726.38		\$2,316.44
Average Age at Death			80					
Average Years Retired			18					

- Terminated Employees' Refunds

ID	First Name	Last Name	End Balanc	Death Date	Term Date	Accrued Service	Dist Type
	Sheila	Cruse			8/13/2019	0	Rollover
	Leah	Harrison			8/20/2019	0	Direct
	Harold	Anding			7/31/2019	0.8	Direct
	Kelly	Farrell			8/30/2019	0.8	Direct
	Samantha	Delts			7/31/2019	1	Direct
	Annamarie	Wellendorf			8/1/2019	1	Direct
	Phyllis	Robinson			8/14/2019	1.6	Direct
	Judy	Short			7/31/2019	1.6	Direct
	Katherine	Arkfeld			7/31/2019	1.7	Rollover
	Amanda	Ashburn			8/13/2019	1.7	Direct
	Erin	Moses			7/31/2019	1.7	Direct
	Faith	DeGoey			7/31/2019	2	Rollover
	Chad	Elliott			7/31/2019	2	Rollover
	Shannon	Herrick			7/31/2019	2	Direct

ID	First Name	Last Name	End Balanc	Death Date	Term Date	Accrued Service	Dist Type
	Claudia	Moreno			8/6/2019	2	Rollover
	Leigh	Turner			8/30/2019	2	Direct
	Brandon	Draeger			7/31/2019	2.5	Direct
	Kristina	Key			8/23/2019	2.6	Direct
	Elizabeth	Newman			7/31/2019	2.7	Direct
	Paula	Limbach			7/31/2019	2.8	Rollover
	Jeraldine	Rodriguez Ordonez			8/23/2019	2.9	Direct
	Holly	Blazek			7/31/2019	3	Rollover
	Matthew	Picchietti			7/31/2019	3	Direct
	Tanesha	Wise-Dokun			7/31/2019	3	Direct
	Jasmine	Stanfield			9/20/2019	3.1	Direct
	Linda	Allen			9/26/2019	3.2	Direct
	Sarah	Wenberg			9/26/2004	3.5	Rollover
	Michelle	Maher			5/31/2019	3.8	Rollover
	Karlus	Cozart			7/31/2019	4	Rollover
	Kerri	Mader			7/31/2019	4	Rollover
	Kathleen	Vacek			7/31/2016	4	Rollover
	Monique	Farmer			8/30/2019	4.1	Direct
	Po	Toe			8/22/2019	4.7	Direct
	Austin	Arndt			7/31/2019	5	Rollover
	Nicholas	Noerrlinger			6/21/2019	5	Rollover
	Allyson	Siwa			7/31/2019	5	Direct
	Mary	Brannen			7/31/2013	5.7	Rollover
	Sarah	Heberly			7/31/2019	6	Rollover
	Melissa	Pena			7/31/2014	6	Direct
	Sascha	Quartey			7/31/2019	6	Direct

ID	First Name	Last Name	End Balanc	Death Date	Term Date	Accrued Service	Dist Type
	Kenyetta	Dexter			4/7/2019	7.4	Rollover
	Nicole	Baker			7/31/2019	8.6	Direct
	Travis	Kehr			7/31/2019	10	Rollover
	Willie	Parks			7/31/2019	10	Direct
	Gretchen	Zeimet			7/31/2019	10	Rollover
	Lori	Barnes			8/28/2019	10.6	Direct
	Ashley	Lyles			7/31/2019	11	Rollover
	Amanda	Klapperich			5/22/2019	11.8	Rollover
	Debra	Suing			7/31/2019	13	Rollover
	Kimberly	Armendariz			7/31/2016	14	Rollover
	Amy	Batten			7/31/2019	17	Rollover
	Angela	Brown			8/30/2019	18	Direct
	Mindy	Olson			7/31/2019	18.5	Direct
COUNT							53
TOTAL Refunds			\$1,017,857.64				
AVERAGE			\$19,204.86			5.2	
MEDIAN			\$12,996.38			3.5	

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

Accounts / Payables for November 2019 = \$27, 347.87

• **Legal Counsel**

McGrath North (Litigation)	9,942.00	
McGrath North (General)	7,403.00	\$17,345.00

• **Consultants**

Cavanaugh Macdonald (A.T. benefit review)	937.00
Cavanaugh Macdonald (meeting attendance)	824.00
Seim Johnson (2 nd billing [Sept] – 2019 Audit)	3,870.00

Seim Johnson (3 rd billing [Oct] – 2019 Audit)	3,870.00	\$9,501.00
• Miscellaneous		
Donald Erikson (reimbursement)	166.54	
Roger Rea (reimbursement)	166.38	
Lance Purdy (reimbursement)	168.95	\$501.87

- 5256 -

Mr. Erikson moved the meeting to the next agenda item, a review and discussion on the OSERS membership demographics. Dr. Logan opened with her acknowledgement that she asked that the Board take a moment to review the demographics of the OSERS membership and asked Ms. Carter to review the data. Ms. Carter led the Board through a discussion reviewing pages 54 through 78 of the January 1, 2019 Actuarial Valuation Report. The pages demonstrated the number of OSERS members (OPS employees) eligible to make application for retirement. Ms. Carter expressed the numbers are monitored to anticipate workload and a shift in the incoming employee and employer contribution dollars. As seasoned members of OSERS retire and are replaced by newer members, the contribution dollars shift lower. The Board reviewed the differences between certified staff and classified staff and the length of service each group acquires before retirement. The review lead to a discussion on what the future workforce will look like and their expectations for a career.

- 5257 -

Ms. Carter reviewed with the Board of Trustees the Nebraska Revised Statutes concerning the cost of living adjustments permitted under NE Rev Stat, sec. 79-103 (8) which reads in part, “The cost-of-living adjustment for any such annuity shall be the lesser of (a) one and one-half percent or (b) the increase in the consumer price index from the date such annuity first became payable through august 31 preceding the January 1 adjustment date as reduced by the aggregate cost-of-living adjustments previously made to the annuity pursuant to this section.” Ms. Carter noted the cost-of-living adjustments for retirees in Tier II are capped at 1%. The Consumer Price Index rose 1.7% for the 12 months preceding September 1, 2019, therefore most retirees will see a 1.5% (or 1% for Tier II) increase. Ms. Carter reviewed with the Board of Trustees a handout which demonstrated the economic impact of the annual cost-of-living increases.

- 5258 -

Ms. Carter gave the Board a recap of the Better Together Coalition meeting held Monday, October 28, 2019. At the meeting were: Don Erikson, Lance Purdy, and Cecelia Carter – representing OSERS. Dr. Logan, Scott Roberts, and Megan Neiles-Brauch – representing OPS. Mark Snow and LouAnn Goding – representing OPS School Board. The purpose of the meeting was to review work previously conducted by the OSERS Board and the Better Together

Coalition. The result was a selection of benefit options to be reviewed and analysis performed by Cavanaugh Macdonald. The results will be brought back to the Better Together Coalition for discussion. Ms. Carter indicated she also provided the Board with copies of the minutes from the October 21st and October 28th, 2019 Better Together Coalition meetings.

- 5259 -

Ms. Carter next reviewed the financial statements for the OSERS plan for the period ending September 30, 2019. For the period ending September 30, 2019 the OSERS portfolio was valued at \$1.295 billion.

- 5260 -

Ms. Carter then gave the Executive Director's report which covered the following topics:

- a. The retirement of Ms. Maureen Westgard as Executive Director of the National Council Teachers' Retirement (NCTR). Mr. Rob Whyllie will serve as Interim Executive Director effective January 2020 following his retirement from South Dakota Public Employees' Retirement System in December 2019.
- b. The actuarial services RFP resulted in three proposals. The proposals are being reviewed.
- c. There has been an additional date added to the retirement workshops, December 4, 2019. The February 2020 date was changed and updated on the workshop flyer; and the workshop title has been changed to "OSERS Members' Retirement Workshops" to attract more than new employees.
- d. A series of emails have been sent to staff at OPS offering one-on-one retirement consultations to review OPS employees' retirements. Some OPS staff believed these emails were being sent from OSER staff. A response email will be sent to all OPS staff explaining that the unsolicited emails are not being sent by OSERS staff.
- e. OEA Master Agreement provides that staff covered by the Agreement are to be paid out for unused Personal Days. There was a belief among some members of OSERS that the pay outs in lieu of unused personal days are pension eligible funds and effect their annual salary. It was noted the payout of these days are not eligible as compensation for pension contributions.

- 5261 -

Mr. Lance Purdy gave a recap of his assessment of the 2019 National Council Teachers' Retirement annual meeting. Mr. Purdy provided the Board of Trustees with a written handout of his comments.

There being no new business, the meeting adjourned at 5:02 p.m.

/s/

Cecelia M. Carter, Executive Director