

The Board of Trustees of the Omaha School Employees' Retirement System held a Regular Meeting on Thursday, May 6, 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 April 1, 2021.

- 5411 -

Mr. Bourne announced, pursuant to Section 84-1411 of the Nebraska Statutes, the next regular meeting of the Board of Trustees is scheduled for Thursday, June 3, 2021 at 4:00 p.m., at the 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. Bourne called the meeting to order at 4:03 p.m.

Present at roll call: Bourne – Herchenbach - Johnson – Logan - Placzek - Rea – 6 present.

Absent: Havlovic - 1.

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

Others Present: Robert J. Bothe, Esq. and Peter Langdon, Esq. McGrath North

- 5412 -

Mr. Bourne next requested approval of the minutes to the April 1, 2021 OSERS Board of Trustees meeting. Dr. Logan made a motion to approve the minutes to the April 1, 2021 OSERS Board of Trustees meeting. Mr. Placzek seconded the motion. The motion passed with the following roll call: Aye: Bourne – Herchenbach - Johnson – Logan – Placzek – Rea – 6. Nay: - 0.

- 5413 -

Ms. Carter gave an update on the OSERS financial statements as of March 31, 2021. The OSERS trust fund had a value of \$1.422 billion with cash on hand of \$14.35 million. Note, this is approximately an 11% increase in fund value from same time last year.

Mr. Havlovic arrived at 4:08 p.m.

Ms. Patrice Beckham and Mr. Bryan Hoge of Cavanaugh Macdonald presented the draft Sixty-Ninth Annual Actuarial Report for the Omaha School Employees' Retirement System as of January 1, 2021. As of January 1, 2021, the OSERS trust fund experienced a 6.0% actuarial rate of return (9.4% market value rate of return). This resulted in an increase to the unfunded actuarial accrued liability of \$66 million and a funded ratio of 63%. The funded status of the OSERS plan is as follows:

FUNDED STATUS		
(\$ in millions)		
	January 1, 2021	January 1, 2020
Actuarial Accrued Liability (AAL)	\$ 2,381	\$ 2,266
Actuarial Value of Assets (AVA)	<u>1,468</u>	<u>1,418</u>
Unfunded Actuarial Accrued Liability	\$ 914	\$ 848
Funded Ratio: Actuarial Assets / AAL	62%	63%
Funded Ratio: Market Value / AAL	59%	58%

Note: Numbers may not add due to rounding

Mr. Rea made a motion to accept the draft Sixty-Ninth Annual Actuarial Report for the Omaha School Employees' Retirement System as of January 1, 2021 as final and instruct the Executive Director to file such report with the OPS Board of Education President. Mr. Herchenbach seconded the motion. The motion passed with the following roll call: Aye: Bourne – Havlovic – Herchenbach – Johnson – Logan – Placzek – Rea – 7. Nay: - 0.

Mr. Bourne gave the Board a brief update on legislative bill 147. The bill was on general file today, May 6, 2021 and during the meeting was passed to select file.

Ms. Carter gave an overview of the compliance audit RFP process noting the compliance audit RFP was issued on March 8, 2021 with a deadline to submit bids of April 9, 2021. As of Friday, April 9, 2021 OSERS received three proposals for services. A review of the proposals resulted in the Board choosing to interview two of the firms that submitted proposals. Ms. Carter was instructed to arrange for a video conferencing connection at the June 3, 2021 Board of Trustees meeting. The two firms are (in alpha order): Groom Law Group, and Ice Miller.

- 5417 -

The Board reviewed the OSERS Board Policies & Procedures Manual. Mr. Langdon gave an overview of the process and changes. After discussion, Mr. Herchenbach made a motion to adopt the OSERS Board Policies and Procedures Manual as presented. Ms. Johnson seconded the motion. The motion passed with the following roll call: Bourne – Havlovic – Herchenbach – Johnson – Logan – Placzek – Rea – 7. Nay: - 0.

- 5418 -

Ms. Carter gave the Executive Director's report which included the following information. The Nebraska Investment Council will hold its July retreat meeting on Thursday, July 8, 2021 at the Quarry Oaks Golf Club (Ashland, NE). The June Board of Trustee meeting will be another educational session by Cavanaugh Macdonald on the impact of the discount rate and the calculation of smoothing. This is in preparation to the upcoming presentation of the Experience Study.

- 5419 -

Mr. Rea gave a trustee report from a webinar he participated on regarding COVID-19 and the experiences other pension plans were undergoing with having fraudulent unemployment claims filed in the names of retirement staff members during the pandemic.

- 5420 -

Ms. Carter reviewed for the Board the analysis of the April pension payments and new retirements and refunds.

Ms. Johnson made a motion the Board ratify the May pension payroll in the amount of \$11,209,845.27 to 5,089 payees; approve staff payroll in the amount of \$32,303.18; approve 6 new retirements effective May 1, 2021 – first pension check paid June 3, 2021; ratify the termination of 7 retirements due to the death of the retiree, and the continuation of 3 retirements to the surviving joint annuitant; approve refunds of \$499,243.84 to 43 former employees and members of OSERS; and approve accounts payables in the amount of \$18,069.17. Mr. Havlovic seconded the motion. The motion passed with the following roll call: Aye: Bourne – Havlovic – Herchenbach – Johnson – Logan – Placzek – Rea – 0. Nay: - 0.

- May New Retirement Annuitants (first check June 3, 2021) [6 count]

EMPLOYEE	NAME		EMP	RET	YRS	AVERAGE		CHOSEN		
NUMBER	First	Last	TYPE	AGE	MONTH	SERVICE	SALARY	OPT	OMAHA	STATE
	Kimberley	Bates	T		5	9				
	Mark	Champion	CMO		5	16				
	Barbara	Hartmann	T		5	12				
	Karin	Menghini	Para		5	6				
	Susan	Richards	T		5	7				
	Randy	Warner	CMO		5	20.4				
Count					6					
Average				62			\$47,795.67		\$858.43	\$26.41
Median				64			\$52,729.00		\$871.26	\$26.38
Addition to Pension Payroll - May 2021										\$5,282.63

- Terminations of Annuitants' Payments Due to Death – May 2021 [10 count]

EMPLOYEE			RET	DATE OF	OSERS	Survivor	Survivor's	Overpayment
NUMBER	NAME	AGE	YEAR	DEATH	BENEFIT	Beneficiary	Benefit \$	Benefit \$
	Joy Lindquist		1994	Mar-21				
	Zella Crandell		1996	Mar-21				
	Ida McNeail		2011	Mar-21				
	Jacqueline Ira		2006	Mar-21				
	Randy Flanagan		2012	Mar-21				
	Linda Pecoraro		2015	Mar-21				
	Sharon Lee		2017	Mar-21				
Terminated from Retiree Payroll -					\$9,569.49			
	Larry Hausman		1995	Mar-21		Jo Ann Hausman		
	Hudson Shonkwiler		2001	Mar-21		Linda Shonkwiler		
	Robert Wiechelman		1997	Mar-21		Irlene Wiechelman		
Continued Benefit Under Joint					\$8,430.80		\$7,266.97	
Term Certain Payments Ended -					\$0.00		\$0.00	
Elected Lump Sum Distribution -					\$0.00		\$0.00	
Total Removed / Continued on Pension					\$18,000.29		\$7,266.97	
Average Age at Death		80						
Average Years Retired				17				

- May Refunds [43 count]

ID	First Name	Last	End Balanc	Death Date	Term Date	Accrued Service	Dist Type
	Amairani	Beasley			12/11/2020	0.2	Rollover
	Lori	Shimizu			12/18/2009	0.4	Rollover
	Jackie	Josjor			3/1/2021	0.6	Direct
	Markita	Clark			3/5/2021	0.7	Direct
	Folly	Edoh			1/29/2021	0.7	Rollover
	Brandon	Barboza			3/5/2021	0.8	Direct
	LaKesha	Williams			3/12/2021	0.8	Direct
	Jayden	Minton			2/19/2021	0.9	Direct
	Miriam	Pedersen			10/26/2020	0.9	Direct
	William	Mallett			8/4/2020	1.0	Direct
	Jeane	Pearson			3/22/2021	1.0	Rollover
	Ruth	Stirewalt			7/31/2018	1.0	Direct
	Michelle	Tsatsos			7/31/2020	1.0	Rollover
	Kennisha	English			3/16/2021	1.1	Direct
	Luz	Schmitt			1/29/2021	1.2	Direct
	Chloe	Hiatt			3/4/2020	1.3	Rollover
	Kari	Green			3/1/2021	1.4	Direct
	Jackie	Marion			3/21/2021	1.8	Direct
	Julia	Carlson			2/1/2021	1.9	Rollover
	Eleanor	Kirby			8/4/2020	1.9	Direct
	Madison	Noren			7/31/2020	2.0	Direct
	Dorthena	Wallace			2/17/2021	2.0	Rollover
	Kelly	Burkhalter			3/19/2021	2.4	Direct
	Robert	Turner			2/1/2021	2.6	Direct
	Luke	Schlueter			2/26/2021	2.9	Rollover
	Morgan	Johnson			7/31/2020	3.0	Rollover
	Lauren	Keenan			7/31/2020	3.0	Rollover
	Dorothea	Green			2/17/2021	3.1	Direct
	Ashli	Underwood			10/16/2020	3.1	Direct
	Teresa	Mendoza			11/27/2020	3.5	Rollover
	Rashad	Kelly			3/12/2021	3.8	Direct
	Pawtha	Clay			8/21/2020	4.2	Direct
	Sharon	Jackman			3/19/2021	4.9	Direct
	Jamie	Hugelman			7/31/2020	5.0	Rollover
	Yulai	Yang			11/26/2018	5.5	Direct
	Marquita	Lambert			1/15/2021	5.8	Rollover
	Jasmine	McDaniel			3/1/2021	7.6	Direct
	Jackie	Stubbs			3/30/2021	9.0	Rollover
	Amber	Tomasek			7/31/2020	10.0	Rollover
	Catherine	McIntyre			2/8/2021	10.7	Rollover

ID	First Name	Last	End Balanc	Death Date	Term Date	Accrued Service	Dist Type
	Kathleen	Timmerman			7/31/2014	12.0	Rollover
	Estate of Steven	Shepard			8/20/2019	13.0	Death
	Jodi	Gilliam			3/31/2016	13.7	Rollover
COUNT			43				
TOTAL Refunds			\$499,243.84				
AVERAGE			\$11,610.32			3.6	
MEDIAN			\$4,886.99			2.0	

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

Accounts / Payables for May 2021 = \$18,069.17

Legal

McGrath North (March 2021)

\$10,122.00

McGrath North (April 2021)

7,698.00 **\$17,820.00**

Contracted Services

Pension Benefits Information

\$249.17 **\$249.17**

There being no further business to come before the Board, the meeting was adjourned at 5:26 p.m.

_____/s/_____
Cecelia M. Carter, Executive Director