

The Board of Trustees of the Omaha School Employees' Retirement System held a Regular Meeting on Thursday, June 4, 2020, at 10:12 a.m. at 3215 Cuming Street, Omaha, Nebraska.

Pursuant to Section 84-1411 of the Nebraska Statutes, notice of this meeting was given on May 7, 2020.

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Before the meeting began, Mr. Erikson advised the Board members and listening public of the protocols for this telephonic meeting. [Pursuant to the governor's executive order #20-03]

President Erikson then announced, pursuant to Section 84-1411 of the Nebraska Statutes, the next regular meeting of the Board of Trustees is scheduled for Thursday, August 6, 2020 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. Erikson called the telephonic meeting to order at 10:13 p.m.

Present at roll call: Erikson –Herchenbach – Logan - Placzek – Purdy – Rea – 6 present.

Absent: Havlovic

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

Others Present: Robert J. Bothe, Esq. McGrath North.

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Mr. Erikson called for approval of the minutes. Mr. Purdy moved the board of trustees approve the minutes to the May 7, 2020 board of trustees meeting. Mr. Placzek seconded the motion. The motion passed by the following roll call: Aye: Erikson – Herchenbach – Logan - Placzek – Purdy - Rea -6. Nay: – 0.

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Mr. Erikson asked Mr. Bothe to provide the Board with an overview of litigation matters. Mr. Bothe gave the Board updated information in the matter of *The Water Works Board of the City of Birmingham, et al v. U. S. Bank (D.S.D. 2018)*.

The meeting next moved to approval of administrative actions. Mr. Purdy made a motion to ratify June pension payments in the amount of \$10,752,055.97 paid to 4,959 payees; ratify June staff payroll in the amount of \$31,441.44; approve 109 new retirees effective June 1, 2020 – first pension check paid July 2, 2020; ratify termination of nine retirements and the continuation of three joint & survivor annuity retirements due to the death of the retiree; approve June 2020 refunds to 21 former OSERS members in the sum of \$199,367.84 ; ratify accounts payables for the month of June in the amount of \$46,611.00 Mr. Placzek seconded the motion. The motion was adopted by the following roll call: Aye: Erikson - Herchenbach – Logan - Placzek - Purdy – Rea - 6. Nay: – 0.

• June New Retirement Annuitants [109 count]

EMPLOYEE			EMP		RET	RET	AVERAGE		CHOSEN BENEFIT	
NUMBER	NAME		TYPE	AGE	MONTH	YRS	SALARY	OPT	OMAHA	STATE
	Douglas	Albers	CMO		6.0	29.0				
	Vicki	Anderson	OP		6.0	10.0				
	Julie	Anderson-Harr	T		6.0	26.0				
	Karen	Bertelsen	T		6.0	20.0				
	Kathleen	Bilek	T		6.0	33.0				
	Mary Ann	Boscardin	T		6.0	26.5				
	Barbara	Brewer	T		6.0	32.0				
	Charlene	Brown	T		6.0	17.0				
	Jesse	Busse	T		6.0	32.0				
	Kathleen	Bye	T		6.0	21.0				
	Danny	Carruthers	T		6.0	10.0				
	Elizabeth	Champion	T		6.0	30.0				
	Ellen	Chuda	T		6.0	33.0				
	Susan	Cloyed	Prin		6.0	36.0				
	Janet	Cobb	Para		6.0	16.0				
	Jennifer	Conahan	T		6.0	24.5				
	Barbara	Craig	T		6.0	15.0				
	Victoria	Deniston-Reed	T		6.0	30.5				
	Kim	DesJarlais	Para		6.0	10.1				
	Bruce	Draney	T		6.0	16.0				
	Colene	Dworshak	OP		6.0	24.0				
	Diane	Eubanks	T		6.0	31.5				
	Jayne	Frederickson	T		6.0	24.0				
	Ingrid	Furby	Para		6.0	19.0				
	Johnny	Galloway	Other		6.0	16.0				
	Harry	Gaylor	T		6.0	51.0				
	Joyce	Geibert	T		6.0	36.0				

EMPLOYEE			EMP		RET	RET	AVERAGE		CHOSEN BENEFIT	
NUMBER	NAME		TYPE	AGE	MONTH	YRS	SALARY	OPT	OMAHA	STATE
	Christina	Gomez	T		6.0	32.0				
	Gary	Groff	T		6.0	11.0				
	Joseph	Gregory	T		6.0	33.5				
	Wesley	Green	Para		6.0	11.0				
	Luana Sue	Hamilton	T		6.0	13.0				
	Diana	Hawthorne	T		6.0	23.0				
	Janice	Henninger	T		6.0	12.0				
	Marie	Hernandez	T		6.0	10.0				
	Nina	Hewitt	T		6.0	14.0				
	Kathleen	Hinman	T		6.0	12.0				
	Mary Alice	Howick	T		6.0	39.0				
	Karen	Humphrey	T		6.0	20.0				
	Sue	Jared Bauerly	T		6.0	21.0				
	Elizabeth	Jasnowski	Para		6.0	12.0				
	Coleen	Jensen	T		6.0	10.0				
	Robin	Jensen	Adm		6.0	21.0				
	Nancy	Jorgensen	Para		6.0	15.0				
	Charles	Kelly	Secur		6.0	21.0				
	Robert	Ketterer	T		6.0	20.0				
	Kenneth	Kielniarz	T		6.0	35.0				
	William	Kingston	T		6.0	14.0				
	Shelley	Knutson	T		6.0	16.0				
	Krystal	Kolb	T		6.0	32.0				
	Paula	Lathrop	T		6.0	17.0				
	Katie	Lessley	OP		6.0	25.0				
	James	Mally	CMO		6.0	15.3				
	John	Martin	Trans		6.0	6.0				
	Stephanie	McGhee	Para		6.0	9.0				
	Frances	Merica	T		6.0	24.0				
	Colette	Burkhalter Michael	T		6.0	31.0				
	Melinda	Morath	T		6.0	16.0				
	Cindy	Morgan	Para		6.0	20.4				
	Joyce	Mruz	Nutri		6.0	12.7				
	Sharla	Mruz	Para		6.0	16.0				
	Ratna	Mukherjee	T		6.0	29.0				
	Joan	Mulry	T		6.0	22.0				
	Wanda	Myers	Para		6.0	12.0				
	Catherine	Neneman	T		6.0	7.0				

EMPLOYEE			EMP		RET	RET	AVERAGE		CHOSEN BENEFIT	
NUMBER	NAME		TYPE	AGE	MONTH	YRS	SALARY	OPT	OMAHA	STATE
	Denise	Niemann	T		6.0	24.0				
	Joseph	Nuss	T		6.0	24.0				
	Lisa	Pane	T		6.0	30.0				
	Tena	Perry	T		6.0	21.0				
	Diane	Pfeiffer	T		6.0	32.0				
	Mary	Pitts	T		6.0	14.0				
	Margaret	Phalen	OP		6.0	27.0				
	Graciela	Ponce	OP		6.0	22.5				
	Kathleen	Poore	T		6.0	12.8				
	K. Marlies	Poppy	OP		6.0	25.0				
	Steven	Pulverenti	T		6.0	31.0				
	Janet	Puncochar Carper	T		6.0	6.0				
	Robert	Rail	T		6.0	10.7				
	Sheryl	Rich	T		6.0	23.0				
	Lisa	Robinson	T		6.0	25.5				
	Beth	Rosenquist	T		6.0	23.0				
	Raymond	Rowan	T		6.0	27.0				
	Linda	Seaberg	T		6.0	33.0				
	Beth	Sittig	T		6.0	28.0				
	Sue	Smolik	T		6.0	18.0				
	Katherine	Solomon	Other		6.0	36.0				
	Devra	Spiegel	T		6.0	32.0				
	Debra	Stevens	Para		6.0	16.0				
	Suelyn	Stewart	Para		6.0	14.7				
	Larry	St Hilaire	T		6.0	22.0				
	Diana	Styles	T		6.0	40.0				
	Liv	Suter	Para		6.0	20.0				
	Lisa	Thompson	T		6.0	31.0				
	Patrick	Thompson	T		6.0	31.0				
	Nina	Tisinger	T		6.0	20.0				
	Lucila	Tavizon	Para		6.0	15.0				
	Judy	Treat	Nutri		6.0	26.0				
	Rita	Trouba	T		6.0	26.0				
	Tegwin	Turner	T		6.0	23.0				
	Mary	Twohey	T		6.0	22.0				
	Walt	Valentine	T		6.0	18.0				
	LeeAnn	Vaughan	T		6.0	20.0				
	Jacqueline	Wagner	T		6.0	24.0				

EMPLOYEE			EMP		RET	RET	AVERAGE		CHOSEN BENEFIT	
NUMBER	NAME		TYPE	AGE	MONTH	YRS	SALARY	OPT	OMAHA	STATE
	Ann	Wees	T		6.0	24.5				
	Kevin	Williams	T		6.0	8.0				
	Dixie	Will	Para		6.0	13.0				
	Annette	Willett	T		6.0	14.0				
	Linda	Wood	T		6.0	29.0				
	Janel	Zagurski	T		6.0	30.0				
Count			109							
Average			63							
Median			64							
Addition to Pension Payroll			\$241,250.72							

○ June Terminations of Annuitants' Payments Due to Death

EMPLOYEE				RET	DATE OF	OSERS	Survivor	Survivor's	Overpayment
NUMBER	NAME		AGE	YEAR	DEATH	BENEFIT	Beneficiary	Benefit \$	Benefit \$
	Darrell	Foster		1985	Apr-20				
	Marilyn	Young		1994	Apr-20				
	Phyllis	Kucks		1993	Apr-20				
	John	Crookham		1990	Apr-20				
	Gary	Livingston		1998	Apr-20				
	Mary	Givehand		1987	Apr-20				
	Joyce	Harris		1998	Apr-20				
	Bonnie	Nelson		1999	Apr-20				
	Calvin	Jackson			Mar-20				
Terminated from Retiree Payroll – June 2020						\$47,912.00			
	Carol	Jackson		2003	Apr-20		Henry Jackson		
	Paul	Semrad		2005	Apr-20		Jean Semrad		
	Margaret	Turner		2004	Apr-20		Jimmy Turner		
Continued Retirement to Beneficiary – June 2020						\$8,762.30		\$8,266.58	
Average Age at Death			83						
Average Years Retired			24						

* Lump sum payment to beneficiary

June Refunds [21 count]

ID	First Name	Last	End Balanc	Term Date	Accrued Service	Dist Type
	E'Moni	Curtis		2/3/2020	0.0	Direct
	Valerie	Lester		2/4/2020	0.0	Direct
	JaLaya	Haynes		2/28/2020	0.1	Direct
	Kali	Ignace		3/20/2020	0.2	Direct
	Zachary	Thies		3/2/2020	0.9	Direct
	Kimberly	Scott		1/30/2020	1.1	Direct
	Kenneth	Gude		2/27/2020	1.5	Direct
	Lyric	Johnson		2/28/2020	1.7	Direct
	Roberta	Ruud		3/26/2020	1.8	Rollover
	Rachel	Burgess		7/31/2011	2.0	Rollover
	Bobbi	Harders		3/4/2020	2.7	Direct
	Joshua	Grzebielski		3/31/2020	3.0	Direct
	Leland	Johnson		7/31/2019	3.0	Direct
	Angelica	Spreen		7/31/2019	3.0	Direct
	Amy	Fountain		2/27/2020	3.6	Direct
	Abdi	Hussein		1/10/2020	3.7	Direct
	Randall	Schultz		7/31/2016	4.0	Rollover
	Elizabeth	Hofmeister		7/31/2019	5.0	Rollover
	Kimberly	Lodes		7/31/2006	6.0	Rollover
	Janelle	Nissen		12/20/2019	6.4	Rollover
	Tracy	Borden		7/31/2010	7.5	Direct
Count						21
Total Refunds			\$199,367.84			
Average			\$9,493.71	2.7		
Median			\$6,107.30	2.7		

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

Accounts / Payables for June 2020 = \$46,611.00

Consultants

Cavanaugh Macdonald \$32,500.00 **\$32,500.00**

Legal Services

McGrath North – Litigation \$480.00

McGrath North - General \$9,631.00 **\$10,111.00**

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Mr. Havlovic joined the meeting at 10:23 a.m.

Ms. Carter reviewed the results of the 2020 Trustee Election for the annuitant seat. She reminded the board this is the first round of election for this seat after the legislative bill in 2016 that moved trustee appointments to elections. The term of this seat is for July 1, 2020 through June 30, 2024. Ms. Carter presented the results of the election as conducted through the independent service company, Election Services Company.

Omaha School Employees' Retirement System
2020 Board Election
Final Vote Summary - May 12, 2020

Annuitant Representative Seat

Gregory Gruber	689	32.65%
Roger Rea	1,409	66.78%
Under Vote	11	0.52%
Over Vote	1	0.05%
	<hr/> 2,110	

Mr. Erikson asked for the cost of the election. Ms. Carter indicated the fund has not received the final invoice at this time. To date, OSERS has spent approximately \$6,000.00 on the cost associated with the election for 2020.

Board members congratulated Mr. Rea.

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The meeting then moved to the appointment by the Board of Trustees of a member of the certificated members of OSERS. Mr. Erikson asked Ms. Carter to review the process. Ms. Carter indicated that following the last board of trustees meeting an application for the seat was posted and the board appointed ad hoc committee interviewed the candidates. The board ad hoc committee consisted of Mr. Rea (chair), Mr. Herchenbach, and Mr. Purdy. The board ad hoc committee recommends Ms. Faith Johnson to serve out the remaining term of the certificated trustee seat.

Mr. Erikson called for a roll call vote on the recommendation of the board of trustees ad hoc committee on the appointment of Ms. Faith Johnson to serve out the remainder of the certificated trustee seat for July 1, 2018 through June 20, 2022.

The vote was as follows: Aye: Erikson – Havlovic – Herchenbach – Logan – Placzek – Purdy – Rea – 7. Nay: - 0.

Mr. Havlovic left the meeting at 10:35 a.m.

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Ms. Carter presented the proposed 2020 / 2021 OSERS Board of Trustees meeting schedule. Ms. Carter indicated she proposed the schedule with the meetings to take place the first Thursday of the month at 4:00 p.m. She reminded the Board the schedule can change pending the outcome of the COVID-19 District closure.

Mr. Rea made a motion to approve the proposed 2020 / 2021 as presented. Mr. Purdy seconded the motion. The motion was approved with the following roll call. Aye: Erikson – Herchenbach – Logan – Placzek – Purdy – Rea – 6. Nay – 0.

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Ms. Carter presented the OSERS financial statements for the period ending April 30, 2020. For the month of April 2020, the trust fund closed with a value of \$1.277 billion. At the end of April, the fund had \$12.8 million on hand to pay administrative expenses for May.

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Mr. Erikson asked Ms. Carter for the Executive Director's report. Ms. Carter informed the Board of the following:

- Generally, the Nebraska State Investment Officer presents the 1Q portfolio report to the Board at the June meeting. Given the pandemic and the cancellation of the June Nebraska Investment Council meeting, the State Investment Officer will not be giving a report to the Board of Trustees at this time. However, a request for preliminary performance returns was honored and Ms. Carter reported, for the period ending March 31, 2020 the OSERS portfolio returned approximately -10.3% (using the 4thQ valuation on alternative investments).
- A reminder of the Nebraska Investment Council July 2020 retreat at Quarry Oaks scheduled for July 9, 2020. Ms. Carter encouraged the trustees to consider attending the NIC retreat.
- Ms. Carter reviewed with the Board of Trustees the delay in sending out the June 3rd pension payment statements. The Board engaged in a discussion on the need for monthly pension statements to retirees.

Mr. Erikson asked for a Trustee report. Mr. Rea gave the following report

I recently participated in a zoom meeting of pension trustees. The focus of the meeting was to see the various resources that are available from the National Public Pension Coalition, NPPC. The website for NPPC is: ***protectpensions.org***. I recommend it highly to all OSERS trustees and staff.

I'd like to call our attention to a significant change that will be coming to OSERS in the next month. Two of our long-term trustees will be retiring from the Board. Our Board President, Don Erikson, and long-term certificated staff trustee, Lance Purdy, will be leaving the board at the end of the month.

Both Don and Lance have provided excellent leadership for OSERS for many years. We have seen many changes occur during their watch, and they have helped shepherd us through those changes. We selected a new Executive Director; transitioned the investments to the Nebraska Investment Council; renewed contracts with our actuary and independent auditor; and made the transition to electing trustees to represent the various classes of OSERS members. In addition, we formed a pension sustainability committee that worked with our actuary to investigate the impact of various changes in how OSERS does business as well as how various tweaks in benefits might impact the unfunded liability for OSERS. All of those changes are complex and require specialized knowledge to study and implement properly.

Both Don and Lance have learned the ropes of being a fiduciary trustee by attending various education activities. They have also provided leadership for other trustees through their involvement in the National Council on Teacher Retirement, NCTR. Both have served on and/or chaired various NCTR committees over the years.

Serving as an OSERS trustee can sometimes be a bit thankless. It is useful to note that the position of pension trustee is not only entirely a volunteer activity; it also takes expertise and a substantial commitment of time to do well.

Both Don and Lance have gone above and beyond the normal duties of a trustee. I want to be sure that we thank them for their expertise and for their commitment to OSERS. I think I can speak for the entire board in saying that both will be missed.

Both Don and Lance will now have more time to devote to their other interests and activities. I know that they will continue to make a difference in whatever organizations or causes with which they choose to become involved. I'd like to wish them well as they move to this new phase of their lives. In that regard, I'll paraphrase the words that NASA Mission Control said to John Glenn as he rocketed to his first orbit around the earth so many years ago. *Godspeed Don Erikson and Lance Purdy! Godspeed!*

The meeting was adjourned by common consent at 10:48 a.m.

/s/

Cecelia M. Carter, Executive Director