

Voices of Experience

Newsletter for OEA-Retired

Omaha Education Association–Retired is an affiliate of NSEA-Retired and NEA-Retired
Roger Rea, Editor – email: rrea68154@yahoo.com www.OEAretired.org October 2021

Oct. 21 meeting to be via Zoom – topics include OSERS update

The Delta variant of COVID-19 is now the prevalent strain of the virus. In an abundance of caution, OEA-Retired will hold its first meeting on Thursday, October 21 via Zoom. The Zoom link can be found on the OEA-Retired website, www.OEAretired.org. When you open the Zoom meeting link, you will be placed in a virtual “waiting room” until the meeting is ready to begin.

The main speaker at the Oct. 21 meeting will be Cecelia Carter, OSERS Executive Secretary. Cecelia will give an update on the status of OSERS. LB 147, which passed the Legislature last year, transferred the management of OSERS to the OPS School Board while the retirement system prepares to transfer complete operation to the Nebraska Public Employee Retirement Systems (NPERS) for

management. Additional details on the transfer can be found elsewhere in this newsletter.

There are several items that will need to be addressed as the transition to management of the retirement system by the state is completed. Among them: *When will retirement checks be sent to retirees?* Currently OSERS pays benefits on the 3rd of the month for the prior month; NPERS pays benefits on the last working day of the month for that month. *How will the COLA adjustments be handled?* Currently OSERS pays the general COLA on a different schedule and using a different calculation method than does NPERS. *How will the Medical COLA be addressed?* NPERS does not have a Medical COLA benefit.

Mark Oct. 21 at 10 a.m. on your calendar now, and join the Zoom meeting!

President’s Message

By: Walta Sue Dodd, OEA-Retired President

As we begin a new year, our first meeting will be virtual in an abundance of caution. Our Vice President, Scott McGinty resigned from the Board and as our webmaster. The Board appointed Cheryl Richardson to complete his remaining one-year term as Vice President. Since Cheryl’s seat on the Board is now vacant, we will be appointing an OEA-Retired member to complete her remaining one-year term on the Board as Director at Large. If you are interested in applying for the Director at Large vacancy, please contact me at WSDodd@aol.com or call me at 402-659-1564. The Board has asked Susan Kalina and Doreen Jankovich to investigate getting a new webmaster.

The 2021 Nebraska Legislature passed LB147, which transfers management of the Omaha School Employees’ Retirement System (OSERS) back to the OPS Board for the next three years to prepare

the transition of management of OSERS to Nebraska Public Employees Retirement Systems (NPERS). Cecelia Carter will be at our October meeting to give an update on the transition.

We no longer elect our representative on the OSERS Board of Trustees. The OPS Board has appointed Jane Erdenberger to represent the OPS Board of Education on the OSERS Board. Jane is also a retired OSERS member. OSERS has authorized these individuals to sign legal contracts on behalf of OSERS: Patrick Bourne, Esq., Board of Trustees Chairperson; Jane Erdenberger, Esq., Board of Trustees Vice Chairperson; Cecelia M. Carter, Board of Trustees Secretary; James A. Ellis, Retirement Benefits Manager

Our guest speaker on October 21 will be Cecelia M. Carter to talk about and answer your questions about OSERS. Please plan to attend virtually.

OEA Foundation Request for Scholarship Contributions

By Liz Rea: OEA Foundation President

The OEA Foundation was established in 1964 as the educational and charitable arm of the Omaha Education Association. Over the years, the

Foundation has funded 100 different scholarships annually each valued from \$1,000 to \$15,000. This year the Foundation granted 89 scholarships to 78

Omaha Metro Area high school graduates (some honorees received more than one scholarship). A grand total of \$379,800 was awarded in 2021.

The scholarships are supported by contributions to the OEA Foundation from members of OEA-Retired like you as well as from members of the public. The OEA Foundation is governed by a seven-member Board of Trustees made up of past OEA presidents and vice presidents. Current Foundation Trustees are Walta Sue Dodd, Doreen Jankovich, Sue Kalina, Carol Krejci, Bob McCune, Mary Moberg and Liz Rea. Our Administrator is Linda Richter.

A complete listing of the Foundation scholarships can be found on the OEA website,

www.omahaoea.org. Click on the "OEA Foundation Scholarship" link in the far right corner of the page. Scroll down the page to find details about the various scholarships awarded each year. Generally students can begin to apply for scholarships in November or December.

You are encouraged to make a tax-deductible contribution to the OEA Foundation by sending a check (payable to the OEA Foundation) to OEA Foundation, 4202 South 57th Street, Omaha, NE 68117. For additional information, please contact Linda Richter, Administrator, at oeafoundation@gmail.com. All contributions are greatly appreciated.

OEA-Retired meeting calendar set

OEA-Retired will have four general meetings this year. The meetings will be held either via Zoom or in-person at the OEA office, 4202 South 57th Street, from 10:00 – 11:30 a.m. The type of meeting (Zoom or in-person) will be announced in *Voices of Experience* prior to each meeting. The meeting dates and tentative programs as well as NSEA-Retired meetings of note are:

Oct. 21, Thurs. – OSERS update and Transfer of OSERS to NPERS

Oct. 26, Tues. NSEA-Retired Fall Conference in Grand Island

Dec. 2, Thurs. – Tax Tips and Tips on Wills and Estate Planning (Bridget O'Malley),

Feb. 15, Tues. – NSEA-Retired Lobby Day in Lincoln, 9 a.m. – 2 p.m.

March 10, Thurs. – Labor relations and critical thinking of labor leaders, UNO Brennan Institute

April 21, Thurs. – NSEA-Retired Spring Conference

April 22-23, Fri. and Sat. – NSEA Delegate Assembly (Lincoln)

May 12, Thurs. – Member recruitment activity – what do you want from OEA-Retired?; OEA-Retired elections

If OPS schools are closed or delayed due to inclement weather on the date of our meeting, the OEA-Retired in-person meeting will be canceled. OEA-Retired will not meet in person if OPS schools are closed

for health reasons. Notice will be sent out if the session is re-scheduled for a later date.

Candidate needed for OEA-Retired Board!

OEA-Retired officers serve for three-year terms, with a maximum of two consecutive terms in any one position. There is currently a vacancy on the Board for one of the At-large Directors for a one-year term. If you are interested in being a candidate for that position, please submit your letter of interest to Walta Sue Dodd, OEA-Retired president, at WSDodd@aol.com, or call her at 402-659-1564. The OEA-Retired Board will appoint a director to complete the unexpired term in accordance with OEA-Retired Bylaws.

The OEA-Retired officers for 2021-2022, and their terms of office, are:

President = Walta Sue Dodd (2019-2022)

Vice President = Cheryl Richardson (2019-2022)

Secretary = Ruby M. Davis (2020-2023)

At-large Directors = Sue Kalina (2020-2023); Doreen Jankovich (2020-2023); Deborah Pauley (2019-2022); *Vacant* (2019-2022)

Bookkeeper and Newsletter = Roger Rea

General elections will be held in May 2022 for the officers whose terms expire in 2022.

LB 147 brings changes to Retirement System

By: Roger Rea

The Omaha School Employees' Retirement System, OSERS, is changing quickly, thanks to the passage of LB 147 in 2021. LB 147 established a new governance system for OSERS with all of the trustees appointed by the OPS Board of Education.

The law created an interim Transition Board of Trustees consisting of two business persons who are not members of the retirement system; two OPS Board of Education members; two members of OSERS, one

of whom will be a teacher; and the OPS Superintendent. The Transition Trustees took office on July 1, 2021. The Transition Trustees are: Business Persons: Patrick Bourne and Scott Herschenbach; OPS Board members: Jane Erdenberger and Spencer Head; OSERS members: Faith Johnson (teacher) and Sharon Block; and OPS Superintendent Cheryl Logan. The OPS Board of Education trustees and member representative trustees serve one-year terms, with the

ability to be reappointed. The Transition Board will be dissolved when OSERS management and governance are transferred to the Nebraska State Retirement Systems on September 1, 2024.

LB 147 also mandated an IRS Compliance Audit to be completed by November 1, 2021. At the June 2021 OSERS Board meeting, Ice Miller, LLP was engaged to complete the Compliance Audit. A Compliance Audit is performed to assure that the retirement system is adhering to recordkeeping and information reporting requirements of the Internal Revenue Service. Ice Miller, LLP is a nationally known law firm with headquarters in Indianapolis, IN. It was selected to do the work after reviewing competitive bids

from three national law firms.

Once the Compliance Audit is complete, the Nebraska State Auditor will perform an audit of OSERS before OSERS management is transferred to the Nebraska State Retirement Systems. The State Auditor does all of the audits of the state retirement plans. OSERS currently uses the same auditor that is employed to audit the OPS accounts.

A number of details need to be finalized before the transition to the State Retirement Systems is complete. OPS has agreed to pay for any costs associated with the transition. LB 147 did not affect any of the current benefits that OSERS provides for retirees.

Social Security tax relief bill passed into law!

By: Roger Rea, NSEA-Retired Vice President

Nebraska is one of just 13 states that taxes Social Security benefits, and has the highest tax on the Social Security benefit of any state in the seven-state region (NE, KS, MO, IA, SD, WY and CO). On May 20, 2021, LB 64, introduced by Omaha Senator Brett Lindstrom, was passed into law on a vote of 41 aye, 0 nay, and 8 excused and not voting. In fact, there was not a single “no” vote on any of the three readings of the bill! The bill will phase out the Nebraska state income tax on Social Security benefits over a ten-year time horizon.

Starting in the tax year that began January 1, 2021, taxpayers may claim a reduction in their federal adjusted gross income (AGI) for a percentage of their Social Security benefit. The exclusion begins at 5% of the Social Security benefit in 2021, and increases each year until 100% of the benefit is excluded in 2030. The table shows the actual percent exclusion for each year.

A coalition of retiree groups in Nebraska has worked for 20 years to reduce or eliminate the Nebraska income tax on Social Security benefits. The coalition

often cited a statement made by the Governor of Missouri when that state stopped taxing Social Security: “*Social Security was intended to keep our elderly and disabled citizens out of poverty – it was never intended to be a source of revenue for the states.*”

Senator Lindstrom stated that when LB 64 is fully implemented, retirees on Social Security will pay approximately \$1,000 less in state income tax. Slightly more than 300,000 retirees in the state receive Social Security benefits. The money that is not paid in taxes will be available to spend, and will have a huge economic impact on the state’s economy. He noted that retirees spend their money locally, and that the removal

% of Social Security benefit to be excluded from AGI			
2021	5%	2026	60%
2022	20%	2027	70%
2023	30%	2028	80%
2024	40%	2029	90%
2025	50%	2030	100%

of the state tax on Social Security will provide an immediate economic boost for every county in the state.

Medicare information sessions scheduled – Omaha seminar is Oct. 20

To protect the health of members, the annual Medicare information seminars will be held with in-person seminars in Omaha, Lincoln and Kearney for limited audiences and six virtual sessions. The Omaha in-person seminars, which will last about 90 minutes, will be held at the OPS TAC Building, 3215 Cuming Street, on Wednesday, October 20 at 9:30 a.m. with a repeat at 1:00 p.m. On-site registration will begin 30 minutes prior to the start of the session.

Six virtual seminars will be held on: Nov. 1 (4pm); Nov. 3 (9am); Nov. 8 (9am); Nov. 9 (2pm); Nov. 15 (2pm); and Nov. 16 (9am). The virtual seminars will last about an hour. To help facilitate questions, the virtual seminars will be limited to 30 participants per session.

The seminars will cover Medicare eligibility

and coverage as well as details on Educators’ Medicare Supplement, the Medicare supplement endorsed by NSEA-Retired and underwritten by Blue Cross Blue Shield of Nebraska. Educators’ Medicare Supplement has both Plan F and Plan G supplements. It is only available to EHA subscribers and/or NSEA-Retired members and their spouses when they turn 65. Educators’ Medicare supplement pays for medical costs that Medicare does not cover, and it has an optional dental plan that is superior to any individual dental plan offered to Medicare subscribers.

Registration for the seminars is required. To register for any of the seminars, visit nebraskablue.com/nseaseminars. You will need a valid email address to register, and you will get a confirmation email when you register. You need to

register one week prior to the beginning of the seminar you choose. You may call Blue Cross at 877-721-2583 for assistance.

OEA-Retired

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Pay your OEA-Retired dues now!

NSEA now handles the billing process for annual OEA-Retired memberships. OEA-Retired annual memberships are billed in August. The annual dues for the combined retired organizations (NEA-Retired, NSEA-Retired, and OEA-Retired) will be \$70 for the 2021-22 association year. Annual members for OEA-Retired should have received the billing notice for 2021-22. Be sure to return the dues notice along with your annual dues

payment in order to keep your member benefits intact! Annual members from last year are receiving a complimentary copy of this issue of *Voices of Experience* pending the processing of the 2021-2022 annual memberships. Your name will be dropped from

the mailing list if you do not pay your dues! If you retired in May of 2021 and misplaced the membership application, please call NSEA at 1-800-742-0047 and ask for the membership department to receive a replacement.

OPS Phase 2 Bond Update

By: Cheryl Richardson, OEA-Retired Vice President

Omaha Public School's Bond Program updates are positive. Phase 1 is now complete. Phase 2 has six completed projects; four are in closeout; 14 are in construction; and one out for bid/award.

Phase 1's total budget was \$424.3 million. The cost details are: Construction = \$334.7 million; Site Acquisition = \$32.97 million; Design = \$28.1 million; Misc. = \$20.1 million; FF&E = \$6.9 million; Contingency = \$871,000.

The Phase 2 budget is \$409.9 million. As of August 2021, 60.21% of the budget has been spent. The middle school at 42nd and Y now has a name: Bluestem Middle School. This name was selected because:

- Bluestems are deeply rooted, anchored and enriched plants.
- Bluestems reflect who we are as a South Omaha community.

The school colors will be Navy Blue, Hunter Green, and Silver:

- Navy Blue represents strength, reliability, bravery and honor.
- Hunter Green represents safety, calmness, relaxation. Green is the color of life, growth, health and nature.
- Silver represents accomplishments, value, and a vision of a successful future. It symbolizes innovation and communication with confidence.

The Bluestem School mascot will be the Mighty Meadowlark, which is Nebraska's state bird.

To learn more about the bonds go to www.district.ops.org. Scroll down to the rectangles on the right side of the page and click on *Bond Information*. There are some great drone videos to view there.

NSEA-Retired website has helpful information

The NSEA-Retired website, www.nsea.org/retired, has useful information. Registration for the Oct. 26 fall conference in Grand Island can be found under the *Calendar, Events, and Registration tab*. Information about the Medicare seminars can be found under the *Blue Cross Blue Shield Medicare Webinars tab*. Information about insurance after you retire (including Medicare information) can be found under the *Retirement and Insurance tab*.