

Voices of Experience

Newsletter for OEA-Retired

Omaha Education Association–Retired is an affiliate of NSEA-Retired and NEA-Retired

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www.oearthretired.org

March 2017

Caregiver support to be explored at March 16 OEA-Retired meeting

Most senior citizens want to live in their own homes for as long as possible. The Eastern Nebraska Office on Aging (ENOA) provides services and supports that help older Nebraskans do just that. Through their nutrition programs, care management services, volunteer opportunities, and community services, ENOA strives to enhance the lives of older Nebraskans as well as relieve the stress of caregiving on family members. The goal of ENOA is to help older Nebraskans live more independently, with dignity, and to remain for as long as possible in their own homes. Mary Ann Eusebio, the Aging and Disability Resource Project Coordinator for ENOA, will be the featured speaker at the Thursday, March 16 meeting of OEA-Retired. She will talk about the various supports that ENOA provides to allow older Nebraskans to remain

independent for as long as possible.

Also on tap at the March 16 meeting will be a discussion about LB 548, which would merge the Omaha School Employees' Retirement System (OSERS) with the state retirement system. More detail on LB 548 is found elsewhere in this newsletter. Cecelia Carter, OSERS Director, will be at the meeting to answer your questions about the future of OSERS.

The Thursday, March 16 meeting will be held at the OEA Office, 4202 S. 57th Street, from 10:00 a.m. to 11:30 a.m. If you need driving directions, please call the OEA office at 402-346-0400. Put the date on your calendar now. Come and learn about how ENOA may be of assistance to you or someone you know!

LB 548 draws opposition at the public hearing

Senator Brett Lindstrom of Omaha introduced LB 548 at the request of the Omaha Public School Board. LB 548 would consolidate the Omaha School Employees' Retirement System (OSERS) with the Nebraska School Employees Retirement Systems beginning July 1, 2020. The bill had a public hearing before the Nebraska Legislative Retirement Committee on February 23, 2017.

Senator Lindstrom stated in his opening remarks that he introduced the bill to begin a discussion about merging the two retirement systems, and that he did not intend to ask that the bill be advanced this year.

The only individual who testified in support of the bill was Lou Ann Goding, a member of the OPS Board of Education. Goding stated that OPS is the only school district in the state that operates its own retirement system, and that the school board would like to have all teachers in the state have the same retirement benefits. The OPS Board of Education supports harmonizing the structure for the two retirement systems.

Opponents of the bill who testified at the hearing included John Jensen, a retired OPS teacher and former OSERS trustee; Bridget Donovan, President of OEA; Suzy Anderson,

President of Local 226 (which represents the OPS classified employees); Walta Sue Dodd, Vice President of OEA-Retired; Jason Hayes, chief lobbyist for NSEA; and Phyllis Chambers, director of the state retirement systems. A number of letters in opposition were received from individuals or groups who were unable to attend the hearing itself. Those letters were made part of the permanent record for the hearing on LB 548.

Cecelia Carter, OSERS Director, testified in a neutral capacity. It is standard practice for the head of an agency that has not asked that a bill be drafted to testify in a "neutral" capacity regarding the potential impact of any bill. She noted that OSERS began in 1909, and is the second oldest, continuously operating retirement system for school employees in the nation. Because of time limitations at the hearing, she gave a written list of concerns raised by LB 548 to the Committee for their review and consideration.

The opponents all raised the issue of how LB 548 came to be introduced. In the past, any changes in our retirement system have begun with the OSERS trustees. The OPS school board members as well as representatives of the various employee groups are asked for input on the

changes. No bill was drafted until all of the constituents were in agreement on the proposed change. This collaborative approach has worked well for more than 100 years. That collaborative approach was not followed this time, nor has any study been done on how the bill would impact the members of OSERS. Senators raised similar concerns about the bill.

Although LB 548 has a potential impact on current and future employees for OPS, it would not affect the retirement benefits for any current retiree.

OPS conducts “communications audit”

The Omaha Public Schools began the process of conducting a communications audit in December 2016. OPS is committed to improving and expanding its ongoing communication with parents, staff, and the community so district personnel can work collaboratively to provide the best possible education for the students in the Omaha Public Schools.

In order to reach this goal, OPS hired the National School Public Relations Association to conduct a district-wide audit of the current efforts in communication to determine what they can do to improve their efforts. Twenty focus groups were created to gather information for the audit. The groups consisted of current employees of the school district as well as parents and citizens of Omaha.

The audit will be completed in 2017. When it is completed, the information that was gathered will be shared with the School District. The goal of the audit is to improve and enhance OPS communications with its various constituencies.

OPS Employees pack School Board meetings

More than 100 OEA members dressed in red T-shirts attended the January 9 and January 23, 2017, meetings of the OPS School Board. The

Retirement benefits are a form of deferred compensation, and as such are protected by the courts as “contractual rights.” Once retirement benefits have been earned, those benefits cannot be reduced.

Senator Lindstrom stated in his closing remarks that his intent was merely to start a conversation about OSERS, and that he has no intention of asking that the bill be advanced this year.

audience also contained members of Local 226 of the Service Employees International Union (which represents the classified employees for OPS) as well as a number of retired OPS employees.

Several members spoke at the meetings about the need for better communication and better working relationships between the school board and the district employees during the public comment portion of the agenda. To accommodate all of the speakers, the public comment period was extended to two hours.

OEA-Retired meeting calendar

OEA-Retired will have two more general meetings this year. Unless otherwise noted, the meetings will be held at the OEA office, 4202 South 57th Street, from 10:00 – 11:30 a.m. The meeting dates and tentative programs as well as NSEA-Retired meetings of note are:

March 16, Thurs. – Caregiver Support

April 20, Thurs. – NSEA-Retired Spring

Conference, Wilderness Ridge Country Club, Lincoln

May 18, Thurs. – Omaha History, Travel, and OEA-Retired Elections

If OPS schools are closed due to inclement weather on the date of our meeting, the OEA-Retired meeting will be canceled. Notice will be sent out if the session is re-scheduled for a later date.

Search for new OPS Superintendent underway

Mark Evans, the current OPS Superintendent, announced his retirement earlier this year. The OPS School Board formed a search committee to find a new superintendent, and hired McPherson and Jacobson, LLC, an Executive Recruitment and Development organization, to conduct the search.

In December 2016, the search firm met with school board members to set the calendar, determine the selection criteria and to advertise the

position. Forty-five focus groups were interviewed in January of 2017 to gather their input regarding the characteristics they would want in a new superintendent. One thing that was revealed by the focus groups is the perception that the current School Board is divided. The contentious atmosphere amongst school board members may have an impact on whether or not potential candidates would apply for the position. The focus groups identified the hardworking and dedicated

OPS educators as one of the greatest assets the district has.

Applications for superintendent were closed on February 8, 2017. The calendar calls for semi-finalists to be selected by February 25, 2017, with

interviews to be conducted on February 27, 2017. The goal is to have the final interviews completed and have a new superintendent selected by March 6, 2017.



Mary Freel, OEA Staff Associate—Accounting, is retiring after 33 years of employment with OEA.

Mary first worked for OEA from November 1974 to August 1986 as Executive Secretary to then Executive Director, John Thies. Mary departed OEA to move to Kansas where her husband was enrolled in the Kansas State University College of Veterinary Medicine. After being away from Omaha for six years, Mary returned and worked part time for OEA for one year while she oversaw and implemented the transition of OEA's membership department to NEA's first wide-area-network system. After completing her Bachelor's Degree at UNO, she returned to OEA in June 1997 as a full time employee in the position of Bookkeeper and Administrative Assistant to then Executive Director Tom Scates, with whom she worked until his retirement in 2007. Dennis Gehringer followed Tom as Executive Director for two years. Then, in 2009, the OEA eliminated the position of Executive Director and from that time on, Mary performed similar duties of support to OEA's Presidents.

In Mary's 33 years with OEA, she has seen many changes and provided invaluable assistance to the Association—contributing to projects of considerable magnitude while at the same time,

performing her every-day duties with excellence.

As OEA Board Secretary, Mary has provided support to countless leaders of OEA. As Administrative Assistant to Executive Directors and Presidents, she has been an invaluable "right hand" staffer who remains peerless in anticipating the needs of the Association and following through on every detail. As Bookkeeper, Mary kept meticulous financial records making sure that the Association adhered to financial accounting standards. She performed her duties with sterling care and attention to the financial health of the Association.

Some milestones in OEA's history during which Mary provided invaluable assistance include: a requirement in the 1970s to re-enroll every member in the Association; creating OEA's very first website writing HTML code; the dissolution of the OEA Senior Citizens organization; the sale of the OEA Manor; the construction of a new OEA building; the relocation to the new office; the transition from a 100% Local Option NEA affiliate to a split local and state option affiliate; the elimination of the position of Executive Director and downsizing associate staff from four to two employees; and the recent Court of Industrial Relations (CIR) certification project.

OEA-Retired offers Mary our heartfelt gratitude for her many years of exceptional service. We wish her good health and every happiness in her well-deserved retirement.

NSEA-Retired Spring Conference to be held in Lincoln

The annual Spring Conference for NSEA-Retired will be held Thursday, April 20 at the Wilderness Ridge Country Club, 1800 Wilderness Woods Place, Lincoln, NE. Conference registration begins at 8:30 a.m. Robert Kay, a Lincoln businessman, will be the keynote speaker. Robert's talk, *I Conquered Mt. Everest*, chronicles his three attempts to climb Mt. Everest, including his successful effort in 2016.

The "Spotlight on Nebraska" speaker will be Shannon Fickes. A native of Grand Island, Shannon has spent the last six months in Antarctica working as a firefighter at McMurdo Station, the United States Antarctic research center. She will share her experiences working at the coldest research center

in the world.

Likely table talk topics include: Antiques – Trash or Treasure (*be sure to bring an antique to be appraised*); Herb Gardening; the Great American Solar Eclipse of 2017; the Transformative Power of Music; *"It's never too late for fitness!"*; and EHA and Medicare insurance options. Lunch will be provided for conference participants. The conference will conclude with dessert and the drawing for door prizes at 3:15 p.m.

Conference registration will be open on the NSEA-Retired web page, www.nsea.org/retired, in early March. There is no charge for members to attend; guests pay \$10 at the door.

NSEA-Retired elections are underway now!

Ballots for the spring elections for NSEA-Retired were mailed to members on February 10. All ballots must be postmarked no later than Friday, March 10 in order to be counted. OEA-Retired members can vote for candidates for NSEA-Retired President and Vice President as well as delegates to the spring NSEA Delegate Assembly (to be held in Lincoln April 21-22) and NEA Representative Assembly (to be held in Boston June 27 – July 5).

OEA-Retired

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Two bills offer tax relief for retirement incomes

By: Roger Rea, NSEA-Retired President

Two bills were introduced this legislative session that would provide for lower state income tax on retirement incomes. LB 169, introduced by Senator Justin Wayne of Omaha, would eliminate all state income tax on Social Security benefits, military and federal retirement, public pensions paid by one of the Nebraska retirement systems (including the Omaha School Employees' Retirement System), and private pensions qualified under section 401(a) or 403(a) of the IRS tax code. The fiscal office of the state legislature estimates that LB 169 would reduce state income tax revenue by \$261 million by FY2018-19.

LB 453, introduced by Senator Brett Lindstrom of Omaha, has a more narrow focus. LB 453 would raise the threshold income below which Social Security benefits are not taxed to approximately the amount the threshold would be if an inflation adjustment had been applied to the threshold income that existed in the 1980s. The new threshold income would be automatically adjusted for inflation going forward. In addition, a provision to phase the state income tax in over a range of incomes would eliminate the "cliff effect" that exists now. The "cliff effect" refers to the fact that if your income exceeds the threshold by just \$1, all of your Social Security benefit is subject to state income tax. Under LB 453 there would be no exemption of Social Security benefits for filers making more than \$80,000 (single) or \$95,000 (married). Finally, LB 453 phases the new threshold income in over a five-year time period to reduce the loss of state revenue in any one year. The fiscal office of the state legislature estimates that LB 453 would reduce state income tax revenue by \$3.2 million in FY2018-19, and would

reduce state income tax revenue by \$35 million when the phase-in period is over for FY2022-23.

An analysis of the Nebraska Department of Revenue statistics for taxpayers over the age of 65 shows that 41% of current Social Security beneficiaries are exempt from Nebraska state income tax on their benefits. If LB 453 were in place now, 68% of current Social Security beneficiaries would be exempt from Nebraska income tax.

Both bills had a public hearing on February 10, 2017 before the Revenue Committee. The practice for the Revenue Committee is to not advance any bills that affect state revenue until all have had a public hearing. This year the Legislature has a 90-day session in which to debate and take action on bills. The final day for consideration of bills this year is June 2, 2017.

NSEA-Retired is part of a state-wide coalition of groups that have been working to make Nebraska more retiree friendly. Nebraska is just one of five states that taxes Social Security benefits to the full extent allowed by federal law. The coalition was successful in raising the income below which Social Security benefits are not taxed at the state level from \$25,000 to \$43,000 (for single tax filers), and from \$32,000 to \$58,000 (for married couples filing jointly) beginning January 1, 2015. A survey of our members done in December 2016 shows that 58% of our members support complete elimination of the state income tax on Social Security.

We will continue to work with senators to find an equitable and fair way to tax retirement incomes in order to make Nebraska a more attractive place for retirees.