

Transcript Prepared by Clerk of the Legislature Transcribers Office
Retirement Committee September 14, 2021

KOLTERMAN: [RECORDER MALFUNCTION] System Committee hearing. My name is Senator Mark Kolterman and I'm from Seward and I represent the 24th Legislative District as it stands today. I serve as Chair of this committee. To better facilitate today's proceedings and for the safety of our committee members, staff, pages and the public, we ask those attending our hearings to abide by the following. If you're wearing a face covering while in the hearing room, that's-- that's up to you completely. You can remove it when you're talking. We appreciate that. And pages will sanitize between the-- the speakers. So I don't know, it's-- it's kind of an informal hearing this morning. So, Randy, if you plan to testify in support-- OK, so we'll just have one so we won't have to sanitize. Please turn off your cell phones, move to the front. Mr. Clausen, here in a minute. We're going to have you just come and speak about your position. You have to fill out a form, sign in. Spell your name for the record when you come up, be concise, and then we'll ask you questions. Talk clearly into the microphone. Our page is Lorenzo, and today the only thing on our agenda is a meeting to hold a confirmation hearing for Gerald Clausen, an appointee to the Nebraska Public Employees Retirement Board by Governor Ricketts. You have the information in front of you. So with that, I would ask Mr. Clausen to come forward and let's start the hearing.

GERALD CLAUSEN: I won't quite be in compliance as--

KOLTERMAN: That's all right. That's all right.

SLAMA: There's so many testifiers waiting behind you. I just don't know [LAUGHTER].

GERALD CLAUSEN: Good morning.

KOLTERMAN: Good morning, Gerald. So we-- we got your appointment information from the Governor.

GERALD CLAUSEN: You want me to go through the name thing?

KOLTERMAN: Yes, I'm sorry.

GERALD CLAUSEN: Gerald Clausen, G-e-r-a-l-d C-l-a-u-s-e-n, 7855 South 25th Street, Lincoln.

KOLTERMAN: Thank you. And we got your information from the Governor, he appointed you, and tell us a little bit about your background and why you want to serve on the PERB Board, if you would.

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GERALD CLAUSEN: I have an interest in retirement personally as well as professionally and in the interests of the state of Nebraska and the people who are involved in this Retirement System. I served on a board that-- and while I was serving as a city manager in Iowa that dealt with Worker Comp and that was interesting. We did our own investing, which we do not do here. That's done by the state investment office. But I have a great interest in managing people's money, which we do somewhat, but not a lot of at the PERB Board. But I'm more interested in dealing with what's important to the people of the state of Nebraska, whether they fully understand the value of a retirement system or not. I'd assume you probably have a better understanding than even what I do. But I do know that in retirement systems are important because they make a difference between what your lifestyle is after you stop working for pay.

KOLTERMAN: Thank you. So tell us a little bit about-- you lived in Nebraska, then you moved to Iowa and now you moved back to Nebraska. Tell us about your background and your previous employment history just so we can get that on the record.

GERALD CLAUSEN: I was born and raised on a farm at Bloomfield, Nebraska, Knox County. Our farm is located 4 miles on Lewis and Clark Lake. My wife and I still own that. I pursued production agriculture. I have a history of working in the Knox County Treasurer's Office, also in the Farmers and Merchants State Bank, which you will know the owner who is now deceased, but at that time was John Wertz and it's down through the family now. Huge banking system in the state of Nebraska. In 1988, I started work at the City of Bloomfield in their first position as a city administrator and then progressed from there to Sheldon, Iowa and then to Carroll, Iowa, for 22 years. And then by choice, when we talked to our tax preparer, he said, Nebraska has some of the highest taxes, but we chose to come back to Nebraska because that's where we wanted to be. I didn't want to go to Iowa, but I couldn't make things work the way I wanted to financially and, you know, position seeking.

KOLTERMAN: Thank you. That's-- that's very helpful and we're glad you came back.

GERALD CLAUSEN: So am I.

KOLTERMAN: Any-- do we have any questions for Mr. Clausen? Yes, John.

STINNER: I'm John Stinner. I represent the 48th District. That's all of Scotts Bluff County.

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KOLTERMAN: I should-- I didn't introduce everybody, I'm sorry.

STINNER: I just introduced myself, I'm sorry. How long you been on the NPERS Board?

GERALD CLAUSEN: How long? I've been to one meeting.

STINNER: You've been to one meeting?

GERALD CLAUSEN: But they won't pay me until you approve me.

STINNER: OK, so you're--

GERALD CLAUSEN: Which is the very reason I'm here.

STINNER: OK, OK, very good. I was just trying to figure out--

GERALD CLAUSEN: No, this is not a reappointment.

STINNER: This is your maiden voyage then, right?

GERALD CLAUSEN: Yes, it is.

STINNER: OK, very good.

GERALD CLAUSEN: And I serve in the capacity of public. There are two public. There's one other and myself.

STINNER: OK, thank you.

GERALD CLAUSEN: And I'll give you a little history about how this came about. I watch the Legislature. I know all of you by faces, don't know you personally. I've been around some of you. In fact, I had a conversation with Senator McDonnell and I know who you are, young lady. Oops, I'm sorry. I shouldn't use that kind of language. That's going around at the national level and it's not pleasant. That wasn't the-- the inference at all. But you were working on the approval of appointment to some very controversial appointments that the Governor had made that were relative to the Omaha area. And Senator Kolterman said, let's not be too hard on people because we've had an opening on the PERB Board for over a year. And I thought, well, if you've had an opening, let me check into that. So I checked with the senator, made the application, picked out the people I wanted to serve as my references and was successful with that.

STINNER: Good.

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KOLTERMAN: And I apologize. We have Senator Clements from the 2nd District, we have Senator McDonnell and we have Senator Slama.

GERALD CLAUSEN: Other than Senator Stinner, they're all fairly close.

KOLTERMAN: Correct.

GERALD CLAUSEN: My grandmother and-- and her family lived in Scottsbluff at one time.

STINNER: Oh, is that right?

GERALD CLAUSEN: Gering, actually, but that's your--

STINNER: That's where I live.

GERALD CLAUSEN: --younger stepchild, right?

STINNER: Yeah.

KOLTERMAN: Well, anyway, so any other-- Senator Clements or Senator McDonnell?

SLAMA: Just thank you very much for being willing to serve.

GERALD CLAUSEN: I have an ingrown desire to serve on-- I'm a graduate of the Nebraska LEAD Program. For those of you who are familiar with that, I serve on their board as well as I serve on the alumni board. And leadership-- leadership is something that many people don't understand because everyone's in a leadership capacity, they just don't know which direction they're going. I'm not saying they're-- they're uneducated and undesired, but they're leading. They just don't know what they're leading and they don't recognize what they're doing. It's either good or bad. Many times leadership is not always, as we have noted lately, is not always good. And we have to try and work on making sure that we do the best we can and the interests of the public and all, not just a few.

KOLTERMAN: So-- go ahead, did you have a question?

CLEMENTS: Thank you, Mr. Chairman. Thank you, Mr. Clausen. I just curious as to whether you're currently in a business or occupation full time or not.

GERALD CLAUSEN: No. I am retired from the-- from the perspective of receiving a paycheck. I'm active in a lot of different things. And my daughter and I do manage our farm operation, which is a crop share.

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And we have a lot of interests and we have some CRP as well as other government programs, which we could get into all kinds of discussion about that, but that's not relative to this.

CLEMENTS: And you feel that you have time-- then do you feel you have enough time to devote to this position?

GERALD CLAUSEN: Well, if you can give me an idea of how much time. What I've been told, yes. If you think it's more than that, then maybe I would be incorrect.

CLEMENTS: Um, I'm not that familiar, but I just kind-- I wanted to-- I was curious to see whether you had full-time commitments or not, but.

GERALD CLAUSEN: No.

CLEMENTS: All right. Thank you.

KOLTERMAN: I will tell you that with Mr. Clausen's appointment, we will have a full PERB Board, which we have not had for many years, actually. There's been an open position. At the present time, one from each of the plans is represented on the board. And then we have two at-large members, one business people. James Schulz, Jim Schulz, an insurance guy from Nebraska-- from Lincoln is-- is the other person and so Mr. Clausen would fill that second vacancy. So with that, do I hear any more questions? Thank you for coming. We will have an Executive Session here in a few minutes after we clear the room and then we'll let you know the outcome.

GERALD CLAUSEN: Thank you very much. And I appreciate the opportunity to be able to serve the people of the state of Nebraska as well as the people who are involved in the program.

KOLTERMAN: Thank you for coming.

GERALD CLAUSEN: I suppose I need to fill this out now. Can I sit here and finish this?

KOLTERMAN: Yeah, absolutely. Do you have time for Exec?

SLAMA: Oh, yeah.

KOLTERMAN: Everybody.

MCDONNELL: Yes.

KOLTERMAN: No STAR WARS or anything to go to?

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MCDONNELL: 1:30. 1:30 STAR WARS will take off. They brought the rocket ship-- are working.

STINNER: They're going to beam up there to--

KOLTERMAN: Is that at Mahoney Park today, did I hear?

MCDONNELL: It's at Mahoney.

CLEMENTS: They've got a new facility, which I--