

MINUTES OF THE DOUGLAS PENSION COMMITTEE
OCTOBER MEETING
October 27, 2011

The following members were present:

Ken Lant	Kathy Allen	Lee Behrens	Jennifer Beisheim
Roger Goeser	Mark Foxall	Joe Lorenz	Kathy Kelley
Brad Alexander	Lee Lazure	PJ Morgan	

Absent members:

Glenn Gahan with SilverStone Group, and Kathy Goodman were also present.

At 9:00 a.m. Lee Lazure called the meeting to order. The minutes from the September 29, 2011 pension meeting were held over for approval until the November meeting.

John Maschoff and Mike Palmer from Winslow Capital were present to give a brief on the Winslow account and the investment performance.

Haley Rives with Asset Consulting presented the quarterly investment review for the third quarter.

Haley also went over the managers for consideration for the International investment to replace Alliance Bernstein. After review of the manager selection list, Haley recommended that two managers be chosen for the international investment piece. One manager focused on the growth side and another focused on the value side. After review Joe Lorenz made a motion to select Harding Loevner for the growth side and Sanderson International for the value side investments. PJ Morgan seconded the motion to approve both Harding Loevner and Sanderson International for the replacement of Alliance Bernstein International. Motion carried.

Haley presented information on the finalist list for the new Fixed Income manager. This manager will be investing funds from the Mutual of Omaha excess reserve and some liquid cash in the operating account. After the committee reviewed the finalists Kathy Kelley made a motion to approve PIMCO Core Plus as the new fixed income manager which was seconded by Kathy Allen. Motion carried.

Lastly, Haley gave an update on the Securities Lending Program. She indicated nothing new to report and is still waiting for a response from US Bank. At this point there is an unrealized loss of \$184,000 and there is a class action suit. She will report back any new developments.

Joe Lorenz made a suggestion to review replacing the Large Cap manager, Alliance Bernstein due to poor returns over a long period. After discussion by the committee members Joe Lorenz made a motion to move forward on replacement of the large cap manager which was seconded by Brad Alexander. Haley Rives with Asset Consulting will bring a finalist list of large cap managers to the committee for review and recommendation.

The Committee was updated on the Disability Report and Summary of Activities report for the month.

In Other business, Lee Lazure informed the committee members that Patrick Bloomingdale would be present at the November pension meeting to discuss the new pension plan for new hire employees and the status on each union's approval.

A motion to adjourn by Kathy Kelley and seconded by Brad Alexander. The next regular monthly meeting is scheduled for November 17, 2011 at 9:00a.m. in Room 903.

Respectfully submitted,

Brad Alexander, Secretary