

**SPECIAL MEETING OF THE PENSION COMMITTEE  
MINUTES  
OCTOBER 8, 2001**

A special meeting of the West Goshen Township Pension Committee was held on Monday, October 8, 2001, at 8:00 a.m. at the West Goshen Township Administration Building. Present at the meeting were Peter C. Anderson, Jacob Bowman, Joseph E. Burt, Jeanne M. Denham, Gary S. Hess, William R. Keenan, Sharon Lynn, John M. Scott and Richard Weinstein. Dr. Robert S. White was absent. John Spagnola and Michael Cosack, of Spagnola-Cosack, Inc. were in attendance via telephone.

Due to the tragic events which occurred on September 11, 2001, Spagnola-Cosack, Inc. sent a letter to Sharon Lynn which was forwarded to the Pension Committee members regarding current market conditions and a recommendation to temporarily modify our asset allocation ranges. Based on this correspondence the Pension Committee called a Special Meeting on the above date.

Mr. Weinstein called the meeting to order at 8:00 a.m. He advised the committee that to change our process now in order to avoid criticism, as suggested by Spagnola-Cosack, is wrong and he is against altering the parameters at this time. He commented that the committee has a process, a procedure and an investment policy in place and one which should be adhered to as the market conditions should not determine a change in the investment policy statement.

Mr. Hess added that the committee took the time to formulate the investment policy statement and they should be looking at these economic times as a buying opportunity.

Mr. Keenan stated that we are presently below the standards outlined in the investment policy because of the events of September 11 and he felt that a temporary change in this policy is prudent.

Mr. Bowman appreciated the option given by Spagnola-Cosack, and stated he was undecided at this time regarding any change in asset allocation ranges.

Mr. Weinstein again advised that he would not suggest doing anything for the short term. The committee has a long-term commitment and the rules should not be changed at this time.

Mr. Anderson agreed with Mr. Weinstein and added that if the committee wishes to move to another strategy it should be completed in small increments.

Mr. Burt added that there should indeed be flexibility if we're out of compliance.

Mr. Spagnola advised the committee that given the present unknown situation in the economy perhaps it would be wise to hold off until there was a better indication of how consumer demand will change and possibly drive the economy to a better state.

Mr. Cosack advised that the police plan is on the high side with fixed income but close to the bottom on the equity side while the two non-uniformed plans are more in compliance. He suggested that an addendum be made to the investment policy to temporarily alter it for a period of two quarters or less time. Mr. Weinstein again questioned the committee on whether they really wanted to change based on uncertain times we are currently experiencing? He believed the wiser decision would be to dollar cost average back into compliance if we are indeed out-of-compliance.

Mr. Anderson did not believe that being out of compliance was a great issue at the present time. He stated that the committee should wait for more information. Mr. Scott agreed with this recommendation.

The committee decided to wait until the next regularly scheduled meeting date on November 13, 2001, to decide any changes to be made and Mr. Spagnola advised he would obtain preliminary market values for the 3<sup>rd</sup> quarter and forward these to Sharon Lynn.

The meeting adjourned at 9:10 a.m.