

**PENSION COMMITTEE MEETING
MINUTES
NOVEMBER 13, 2001**

The regular meeting of the West Goshen Township Pension Committee was held on Tuesday, November 13, 2001, at 8:00 a.m. at the West Goshen Township Administration Building. Present at the meeting were Joseph E. Burt, Jeanne M. Denham, Sharon Lynn, John M. Scott, and Richard Weinstein. John Spagnola, of Spagnola-Cosack, Inc. was also in attendance. Peter C. Anderson, Jacob Bowman, Gary S. Hess, William R. Keenan and Dr. Robert S. White were absent. Mr. Weinstein called the meeting to order at 8:00 a.m.

Mr. Spagnola summarized the capital market as of the end of the 3rd quarter emphasizing that the economy continued a big slow down indicating recession levels. Unemployment spiked up while inflation increased just slightly. The GDP showed a negative number at -0.4% representing the largest drop in one month's time.

Mr. Spagnola reviewed the performance of the three pension plans and distributed an addendum to the 3rd quarter figures indicating performance as of November 9, 2001.

The Police Pension Plan is meeting the benchmark on a whole although the fund lost -6.27% for the quarter.

The Non-Uniformed Pension Plan spiked up in value by \$200,000.00 since September 30, 2001, and everything is currently within target range. This plan showed a better overall performance than the Police Plan due to lower equity distributions. The Non-Uniformed Plan is at its benchmark.

The Sewer Pension Plan showed a small gain since September 30, 2001, and all managers are within target ranges. The plan is currently ahead of its benchmark and there are no recommendations or changes needed for the plan.

Mr. Spagnola provided data in the appendices indicating small value stocks were positive for the year and he emphasized a rotation out of growth into value stocks overall. Due to shaken consumer confidence, the tragic events of September 11, and the most recent plane crash in New York, a longer recovery period is ahead.

Mr. Weinstein recommended that the committee look at each plan and rebalance funds accordingly. He indicated that the performance of all three plans should be similar with the exception of the Aetna funds, which vary within each plan. It was decided that cash amounts in each plan would be utilized to rebalance and to gain allocation compliance. Mr. Spagnola will prepare the necessary paperwork and forward these to Sharon Lynn.

Mr. Burt stated he thought the Police Pension Plan looked better, overall, than he had anticipated.

The meeting was adjourned at 9:15 a.m. Next meeting is scheduled for February 12, 2002.