

**PALM TRAN ATU LOCAL 1577 PENSION PLAN  
MINUTES OF QUARTERLY MEETING HELD September 4, 2025**

Chairman Dwight Mattingly called the meeting to order at 8:30 AM at 100 N Congress Avenue, Delray Beach, FL. The meeting was available by communications media technology (CMT) using the following information:

<https://pbc.gov.webex.com/pbc-gov/j.php?MTID=m28c0225b854551b91be4bca1199df73d>

Phone: 1 (844) 621-3956  
Meeting number (access code): 2305 615 2045  
Meeting password: YdEvSajv438

Those persons present included:

TRUSTEES

Dwight Mattingly, Chair  
Lisa Master  
Valerie Alleyne

OTHERS PRESENT

Joey Acevedo, ATU Local 1577  
Frank Wan, Burgess Chambers & Associates  
Thomas Hoerner, GQG  
Geoff Gerber & Sam Gerber, TWIN Capital  
Chris Greco & Evan Ferreby, Waycross  
Paula Freiman & Jeff Amrose, Gabriel, Roeder, Smith & Company (GRS)  
Bonni Jensen, Klausner, Kaufman, Jensen & Levinson  
Bob Sugarman & Madison Levine, Sugarman Susskind  
Braswell & Herrera  
Joe Rossello & William Geddish, Robbins Geller  
Mary Shah & Randy Whitty, Strategic Benefits Advisors  
Magdala St. Fleur, Palm Tran HR

The meeting was called to order, and a roll call confirmed the presence of Chairman Mattingly, Ms. Master, and Ms. Alleyne. Trustee Marcos Rodriguez was absent, but a quorum was confirmed.

APPROVAL OF THE AGENDA

Ms. Master made a motion to approve the Agenda. The Agenda was amended, moving Item 7a (committee nomination) to the beginning for efficiency. The motion was seconded by Ms. Alleyne and approved by the Trustees 3-0.

PENSION FUND ADVISORY COMMITTEE NOMINATION

The Board discussed Fredlyne Johnson's inability to attend meetings this year, despite being appointed to the advisory committee. It was clarified that the Board is not required to fill the position immediately and can act with only one member if needed, per guidelines. Discussion included whether to postpone the appointment or allow the nominating party to select a new nominee. No formal motion was required, as consensus was reached to postpone the appointment.

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APPROVAL OF THE MINUTES

The minutes from the June 5, 2025 meeting were reviewed. Ms. Jensen noted minor corrections and other grammatical edits, clarifying these were not substantive changes.

**Ms. Master made a motion to approve the Minutes from the Quarterly Meeting held June 5, 2025, which were reviewed in advance by Counsel. The motion was seconded by Ms. Alleyne and approved by the Trustees 3-0.**

PUBLIC COMMENT

There were no public comments.

As discussed at the last meeting, Mr. Wan recommended bringing 3 investment managers to the December meeting for the Board to consider.

GQG: THOMAS HOERNER

Mr. Hoerner discussed GQG is led by founder Rajiv Jain and is known for its value-oriented, benchmark-agnostic approach. The firm's primary goal is to compound client capital while preserving it, especially during market downturns. The U.S. strategy is concentrated (40-60 stocks), with a dynamic allocation that can shift between sectors and styles. Recently, GQG reduced exposure to high-valuation technology stocks and increased holdings in defensive sectors like telecom and utilities.

Mr. Hoerner noted GQG's team includes both traditional analysts and former investigative journalists, providing unique insights into companies. The firm has a strong long-term record, particularly in protecting capital during down markets. However, they may underperform in speculative, growth-driven markets.

Chairman Mattingly asked about the U.S. versus international allocation and the rationale for avoiding the "Magnificent Seven" tech stocks. Mr. Hoerner clarified while the firm manages a lot of international assets, the U.S. equity strategy is strictly U.S.-domiciled large caps.

TWIN CAPITAL: GEOFF GERBER & SAM GERBER

Mr. Gerber noted TWIN Capital specializes in "enhanced indexing," aiming to closely track the benchmark (Russell 1000/S&P 500) while delivering steady, incremental outperformance. The firm is 100% employee-owned and has a 35-year history.

Mr. Gerber discussed TWIN's Prime Strategy is broadly diversified (about 150 stocks), with sector weights closely matching the benchmark. The process combines quantitative stock selection with fundamental tilts. TWIN's focus is on controlling tracking error (currently about 1%), which limits the risk of significant underperformance. The strategy is designed to provide downside protection and participate in market upswings. Over 21 years, the strategy has outperformed the benchmark by nearly 1% annualized, with lower risk, and beaten the benchmark in most rolling three-year periods.

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Chairman Mattingly asked about the difference between enhanced indexing and passive index funds. Mr. Gerber explained that their approach aims to deliver better returns than passive indexing with only slightly more risk. Chairman Mattingly discussed the importance of downside protection and the desire to avoid large swings in performance.

**WAYCROSS: CHRIS GRECO & EVAN FERREBY**

Mr. Greco discussed Waycross's approach is "core" but with a growth tilt, and a focus on concentrated, high-conviction stock selection. Mr. Greco noted the portfolio holds about 30 stocks, selected through a bottom-up process. The team structure is unique: all investment ideas originate with the lead PM, not the analysts, to avoid "sales mode" and emotional bias. The process includes identifying "key drivers" for each stock, focusing on the variables most likely to influence performance over 3-5 years.

Mr. Greco noted Waycross has a strong record of outperformance versus the S&P 500 (about 2.5% per year over 10 years), attributed to individual stock selection rather than sector bets. The portfolio's higher beta (1.22) reflects a willingness to take more risk for higher returns. The team is quick to sell positions if fundamentals change and does not "hug" the index.

Chairman Mattingly asked about trading costs and the risk of higher turnover. Mr. Greco explained their process for minimizing costs and only trading when conviction is high. He noted Waycross's higher risk profile and strong performance in growth-driven markets, but also the potential for greater volatility. Chairman Mattingly discussed the importance of complementing a higher-beta manager with a more stable, core manager to balance risk.

In summary, Mr. Wan noted GQG offers a defensive, value-driven dynamic approach; TWIN Capital provides a stable, index-like core strategy with steady value-add; and Waycross delivers a concentrated, higher-risk, growth-tilted portfolio with a strong record of outperformance. Mr. Wan recommended an allocation of \$5 million, split between two managers, to avoid large portfolio shifts and allow for evaluation. Fees for GQG, TWIN, and Waycross are set at 50, 45, and 50 basis points respectively.

**Ms. Master made a motion to hire TWIN Capital and Waycross with a starting allocation of \$2.5 million (each). The motion was seconded by Ms. Alleyne and approved by the Trustees 3-0.**

**INVESTMENT CONSULTANT: FRANK WAN (BURGESS CHAMBERS & ASSOC. (BCA))**

Mr. Wan provided a market update, noting recent volatility, the impact of private equity valuations, and the plan's improved ranking among peers. He further noted the performance of new fixed income managers (Integrity and PIMCO), both of whom have outperformed benchmarks since being hired. Real estate manager TA Realty has also performed well, but Barings has underperformed and lost a key manager. Mr. Wan recommended interviewing Cohen & Steers as a potential replacement, noting their innovative approach to liquidity and portfolio absorption. No motion was required, as consensus was reached to bring Cohen & Steers to present at the next meeting.



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Mr. Wan later reported on the plan's strong recent investment performance (up 12% for the year, \$17 million gain), ranking in the top 20<sup>th</sup> percentile among peers. The Board discussed cash flow management, noting that \$500,000 to \$1 million is withdrawn monthly to meet benefit payments, often from large cap growth holdings. Chairman Mattingly requested Mr. Wan provide a report on dividend income at the next meeting.

CUSTODIAN REPORT: (PACKET ONLY)

The Quarterly Class Action Q2 2025 was provided in the packet. There were no checks paid. Salem Trust contracts with Chicago Clearing Corporation to gather class action filings. In the last quarter, there were 0 claims filed, and 0 claims are pending.

ACTUARY REPORT: PAULA FREIMAN & JEFF AMROSE

Following the passing of Chad Little, Ms. Freiman (long-term actuary) has joined GRS, a firm specializing in public pension plans. Ms. Freiman and Mr. Amrose described the transition process, emphasized continuity, no change in fees, and the support of GRS's larger team. The Board discussed whether to issue an RFP or continue with GRS, with Ms. Freiman as lead actuary pending a new contract to be drafted by counsel.

**Ms. Master made a motion to retain GRS as plan actuary. The motion was seconded by Ms. Alleyne and approved by the Trustees 3-0.**

ATTORNEY REPORT: BONNI JENSEN & MADISON LEVINE

Ms. Jensen presented a draft policy requiring an actuarial experience study at least every five years, with flexibility for extensions in extenuating circumstances. The policy outlines the process for setting demographic and economic assumptions, referencing Florida Statutes for mortality tables and requiring input from consultants and actuaries. The Board discussed the language around timing and flexibility, and tabled final approval until the next meeting to allow for minor revisions and formatting.

Attorneys from Robbins Geller presented an update on a securities fraud class action involving DXC Technologies, alleging misleading disclosures and age discrimination in workforce reductions. The case involved years of litigation, extensive discovery (over 20 million pages of documents, 20 depositions), and mediation with a federal judge as mediator. A proposed settlement of \$47.5 million was reached, with the law firm requesting a 33% fee (subject to court approval) and a \$10,000 service award for the pension plan. Mr. Rossello explained the risks of continued litigation, the rationale for accepting the settlement, and the process for court approval and distribution. Mr. Rossello clarified that the plan's share of the recovery would be modest and would be distributed pro rata among class members.

**Ms. Master made a motion to accept the settlement. The motion was seconded by Ms. Alleyne and approved by the Trustees 3-0.**

The Board discussed the need for better education for plan participants, especially regarding benefit tiers, retirement eligibility, and the impact of plan changes. It was noted that many

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employees do not read the Summary Plan Description and may not understand their benefits. The Board recommended creating educational videos (or a series of videos) explaining the pension plan, vesting, retirement options, and related topics, with the assistance from the actuary and administrator. The videos may be distributed via email, text, or posted online for accessibility.

**Ms. Master made a motion to create educational videos for employees. The motion was seconded by Ms. Alleyne and approved by the Trustees 3-0.**

Ms. Jensen discussed the criminal case against former employee Dario Zurito who was convicted of grand theft. Ms. Jensen will bring additional information to the next meeting to determine whether a forfeiture of Mr. Zurito's pension benefit under Florida Statutes applies.

ADMINISTRATOR REPORT: MARY SHAH & RANDY WHITTY

Mr. Whitty presented retirements in progress.

Mr. Whitty addressed the plan administrator's failure to pay Print America for services performed related to a mass mailing on behalf of the plan conducted earlier in the year, despite multiple attempts to reach the vendor. Mr. Acevedo recently communicated with Stan from Print America and will share his contact information and the plan administrator will attempt to reach Stan.

PLAN FINANCIALS

Approval of the Interim Financials was not necessary.

**Ms. Alleyne made a motion to ratify the Warrants dated September 4, 2025. The motion was seconded by Ms. Master and approved by the Trustees 3-0.**

**Ms. Alleyne made a motion to approve the Benefit Approvals dated September 4, 2025. The motion was seconded by Ms. Master and approved by the Trustees 3-0.**

OTHER BUSINESS

There was no other business discussed.

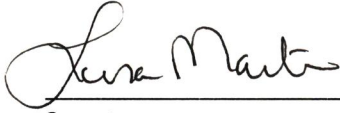
BOARD MEMBER COMMENTS

Chairman Mattingly thanked the Board members and those present for their service.

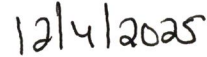
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ADJOURNMENT

There being no further business and the next Quarterly Meeting being scheduled for Thursday, December 4, 2025. Ms. Alleyne made a motion to adjourn the Meeting at 1:38. The motion was seconded by Ms. Master and approved by the Trustees 3-0.



Secretary



Date