

Fort Lauderdale General Employees' Retirement System  
Emergency Board of Trustees Meeting  
316 NE Fourth Street, Suite 2, Fort Lauderdale, FL 33301  
Friday August 28, 2015

The Chairman convened the meeting at 10:40 AM. In attendance were:

Mark Darmanin, Chairman  
Jonathan Stahl, Vice Chairman  
Pat Long, Trustee / Real Estate Chairman  
Julie Cameron, Trustee  
Paul Tanner, Trustee  
Charley Ladd, The Feldman Group  
Alan Vordermeier, VMC Realty  
Lynn Solomon, Assistant City Attorney  
Cole Copertino, Assistant City Attorney  
David Desmond, Pension Administrator

The Chairman began the meeting saying the contract to purchase of the 300 Assemblage expires today and asked Mr. Ladd to explain his request. Mr. Ladd said he is requesting an additional 30-day extension for the property purchase. He detailed the reasons for the request, primarily due to a last minute change in funding sources. He apologized for the turn of events, and to secure the Board's good faith, he would be willing to pay a \$50,000 fee plus an additional 30 days of interest calculated at the Fund's actuarial rate of return.

A discussion ensued regarding various payment schedules, the new closing date, property taxes, and the status of the funds held in escrow. Mr. Ladd stated he would absorb the property taxes and non-ad valorem taxes retroactive to July 28, 2015, the original closing date. Additionally, he agreed to pay a 7.55% for the prior 31-day extension and current 33-day extension; the funds will be paid to the Fund today.

Ms. Solomon noted that the funds in escrow were to be released today if the Board did not agree on the extension. She suggested amending the contract so that the escrow funds would be released automatically to the Fund upon the new closing date regardless if the transaction closes.

After reviewing the contract documents, it was determined that the payment made today to the Fund would be an amount of \$162,658.56. This amount would secure a new closing date of September 30, 2015. The amendments to the various taxes would be calculated in the new Settlement Statement Forms.

A discussion began concerning the effects of the postponements. Mr. Copertino replied that each event has been thoroughly vetted and that a disruption in a contract process does not diminish the Board's fiduciary responsibilities. Mr. Copertino pointed out the additional payments have resulted in an additional \$250,000 in proceeds to the Fund.

Chairman Darmanin reviewed the details of the extension discussion to insure that everyone understood the changes agreed to in granting a new extension.

- **A \$50,000 fee would be paid to the Seller today**
- **\$54,568.99 in interest for the first 31 day extension would be paid to the Seller today**
- **\$58,089.57 in interest for the second 33 day extension would be paid to the Seller today**
- **All pro-rata expenses would revert back to the original closing date of 7/28/15 for an estimated saving to the Seller of \$11,000**
- **The Buyer agreed to release all funds to the Seller on 9/30/15 regardless of the outcome of the transaction and the Seller forfeit the right their rights to litigate.**
- **The Buyer agreed to use the current tax certification**
- **The Buyer agreed the title is clear and accepted it.**

**Mr. Tanner motioned to grant the extension based on the described conditions and Mr. Long seconded. The motion passed unanimously.**

Mr. Ladd thanked the Board for their patience and understanding saying he would immediately contact his attorney with the information so that Ms. Solomon could complete the revisions of the sales contract. Chairman Darmanin commented that he is pleased that the assemblage and sale will earn far in excess of the assumed actuarial rate of return for the Fund. He also noted the Board has shown extreme diligence and flexibility throughout the process.

Mr. Desmond asked if the Chairman would need to be granted authority to make any potential minor adjustments on the Board's behalf concerning the new extension. Mr. Copertino commented that the only adjustments would be made to the Settlement Statement Forms and that could be handled by the attorneys office. Ms. Cameron asked the Chair if he felt he needed any additional authority, and he declined.

The idea of changing the next meeting date was discussed and abandoned.

With no further business, Mr. Long motioned to adjourn. Mr. Tanner seconded and the meeting concluded at 11:20 AM.