

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS
OF
MOVING KING COUNTY RESIDENTS FORWARD**

MAY 19, 2014

I. CALL TO ORDER

The Meeting of the Board of Directors of Moving King County Residents Forward (MKCRF) was called to order by Richard Mitchell, Director at 10:15 a.m. at the King County Housing Authority's Administrative Offices, Snoqualmie Conference Room, located at 700 Andover Park West, Tukwila, Washington.

II. ROLL CALL

Present: Michael Brown, Richard Mitchell, Susan Palmer, TerryLynn Stewart, Directors, Stephen Norman, Secretary of the Corporation.

Members of the Public: Lillie Clinton

KCHA Staff: Connie Davis, Craig Violante, Mike Reilly, Sean Heron, Marianne Everett, Tim Walter Dan Watson and Beth Pearson.

III. Public Comments:

No Public Comments.

IV. APPROVAL OF THE MINUTES:

Minutes from the April 21, 2014 Board Meeting were presented for approval. Director Palmer moved for approval of the minutes, with Director Stewart seconding the motion and Director Brown abstaining. The minutes were unanimously approved.

V. FINANCIAL REPORT

Unaudited financial statements as of March 31, 2014 for both the operations of the MKCRF properties and for the MKCRF entity itself were presented by Connie Davis. The properties experienced \$120 thousand in net losses in the first quarter after required debt service totaling \$387 thousand, unit upgrades totaling \$249 thousand and replacement reserve deposits of \$31.8 thousand. KCHA in its position as operator of the property is advancing the cash flow deficit. Approximately 50% of the 2014 unit upgrade budget was spent in the first quarter, and most likely will require a budget revision to reflect this higher than anticipated number of tenant moves.

The MKCRF entity itself had a \$133.5 thousand loss, due entirely to a depreciation charge of \$255.6 thousand. Of the \$18 million in borrowings, \$10.4 million remains available for future capital expenditures. Current projections assume these restricted funds will be entirely used before the end of Calendar Year 2015. MKCRF will therefore meet its HUD imposed obligation to conduct \$18 million in capital work within 60 months of the close of the transaction in November 2012.

At the conclusion of the presentation there was no further discussion.

VI. NEW BUSINESS:

No new business was introduced.

VI. DIRECTOR COMMENTS:

No comments were presented.

VII. ADJOURNMENT

There being no further business, the meeting was officially adjourned at 10:25 a.m. by a motion from Director Brown, seconded by Director Palmer and unanimously passed.

MOVING KING COUNTY RESIDENTS FORWARD

Douglas J. Barnes
President

Stephen J. Norman
Secretary of the Corporation