



2026 Annual General Meeting Voter Pamphlet

NOVEMBER 7, 2026

Semiahmoo Resort

9565 Semiahmoo Pkwy, Blaine, WA 98230



2026 Annual General Meeting Voter Pamphlet

October 1, 2026

Dear Association Member,

The Board of Directors is pleased to announce the date of the Annual General Meeting (AGM) of the Semiahmoo Resort Association, doing business as the Semiahmoo Residents Association (SRA). Please note the date and time as:

Saturday, November 7, 2026 from 10:00 a.m. to 1:00 p.m. at the Semiahmoo Resort
supplemented by Zoom for those who are unable to attend in person.

The SRA introduced electronic voting because of its ease of use and cost effectiveness.
PLEASE OPEN THE EMAIL, CAREFULLY REVIEW THE BALLOT MEASURES AND VOTE BY THE DEADLINE.
YOUR VOTE IS CRITICAL IN MEETING THE REQUIRED QUORUM. See page 2 for 2026 Voting Instructions.

The main topics to be discussed at the AGM are:

- The Board's Review of 2026
- The 2027 Budget
- Election Results
- Questions and Answers

In addition, the Board will introduce your fellow members who will serve on the 2027-2028 Board.

If you have any questions, issues or concerns once you have reviewed the voting process, please forward them in writing or by email to Lori Thorne lori@srahoa.com at the SRA Center by Noon, Thursday, November 5, 2026, at 5787 Semiahmoo Drive, Blaine, WA 98230.

Your vote is very important. If we do not obtain the number of votes required for a quorum, valid results cannot be achieved.

The Board of Directors looks forward to receiving your electronic vote prior to **Noon, November 5, 2026, and to seeing you at the AGM in person or via Zoom.**

Sincerely,

Delia Alberstein, SRA President

Ciaran Brennan SRA Secretary

All votes must be received no later than Noon, Thursday, November 5, 2026**ELECTRONIC VOTING INSTRUCTIONS*****Preferred Method***

- Electronic voting is hosted by @electionrunner.com.
- You will receive an email from noreply@electionrunner.com with a link to the ballot. **This will go to the first email on your account with the SRA.**
 - ◊ If you do not receive the Election Runner email by **Friday, October 2nd, 2026** please check your spam folder and add the domain @electionrunner.com to your safe senders list.
- Your electronic vote must be received no later than **Noon, Thursday, November 5, 2026**, to be counted.
- Those who have not provided their consent to receive AGM materials via email, and electronic voting, and would like to do so, please contact Lori Thorne at lori@srahoa.com or (360) 371-7796, option 2.

MAIL IN/ DROP OFF VOTING INSTRUCTIONS

- Your drop-off, mail-in ballot must be **received** no later than **Noon, Thursday, November 5, 2026** to be counted.
- Proxies must be dropped off by **Noon, Wednesday, November 4, 2026**.
- Please be advised the ballot or proxy must be returned to the office by the qualified voter.

Semiahmoo Residents Association
5787 Semiahmoo Drive
Blaine, WA 98230

- Electronic voting is the preferred method. If you have not consented to participate in electronic voting, please visit the SRA office to pick up your paper ballot.
 - ◊ To vote electronically please
 - * Step 1 - Email or call lori@srahoa.com or (360) 371-7796, option 2 asking to be added to electronic voting.
 - * Step 2 - You will receive an email from noreply@electionrunner.com.
 - * Step 3 - Follow Electronic Voting Instructions above.

Voting Information

- Please open the email and vote by the deadline.
- Your vote is critical in meeting the required quorum.
- If you are out of the country, to ensure your vote is counted, vote electronically.

For assistance, please contact Lori Thorne by email lori@srahoa.com or phone (360) 371-7796, option 2

Annual General Meeting Invitation

Semiahmoo Residents Association is inviting you to the Annual General Meeting.

Time: Saturday, November 7, 2026 at 10:00 a.m. Pacific Time (US and Canada)

Location: Semiahmoo Resort, 9565 Semiahmoo Pkwy, Blaine, WA 98230

For those unable to attend in person, we have arranged a Zoom option so you can participate.

Please see the Zoom link below:

<https://us06web.zoom.us/j/86223520996?pwd=2CtOeQWr4esrz3iJUF3Ybqe73dKA0t.1>

Meeting ID: 862 2352 0996

Passcode: 240102

How to Access the Zoom Meeting:

- This announcement is also on the SRA website.

<https://www.semiahmooresortassociation.com/>

There are 2 options to join the scheduled meeting:

1. Click/Copy & Paste the **URL via personal computer.**
 - ♦ Use computer audio.
 - ♦ Allows for member question via chat during Member Comments.
2. **Download the App** on your Smartphone and type in the **Meeting ID.**
 - ♦ Allows for member questions via chat during Member Comments.



Notice of Annual General Meeting
November 7, 2026 - 10:00 a.m. Pacific Time
Semiahmoo Resort
9565 Semiahmoo Parkway, Blaine, WA 98230

AGENDA

- I. Call to Order
- II. Introduction of Board of Directors and Presenters
- III. Certificate of Quorum
- IV. Proof of Notice of Annual General Meeting
- V. Reports
 - a. President's Report
 - b. Treasurer's Report
 - c. Auditor's Letter for 2025 Audit and Balance Sheet
 - d. SRA Status Update
 - e. Committee Reports
- VI. Board Resolution 2026-07-22-01: A Resolution to Ratify the 2027 Budget
- VII. Election Results
 - a. Board of Directors Candidates
 - i. Introduction of the Newly Elected Candidates
- VIII. Semiahmoo Residents Association Member Comments
 - a. Questions and Answers from members present and those attending via Zoom (Zoom attendees will submit questions via Public Chat)
- IX. Adjournment

CIRA FINANCIAL SERVICES

Certified Public Accountant

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Members
Semiahmoo Resort Association

We have audited the accompanying financial statements of Semiahmoo Resort Association, which comprise the balance sheet as of December 31, 2025, and the related statements of revenues, expenses, and changes in fund balance and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Semiahmoo Resort Association as of December 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibility under those standards are further described in the auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Semiahmoo Resort Association and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Semiahmoo Resort Association's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

INDEPENDENT AUDITOR'S REPORT--Continued**Auditor's Responsibilities for the Audit of the Financial Statements - Continued**

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Semiahmoo Resort Association's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Semiahmoo Resort Association's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Disclaimer of Opinion on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the information on future major repairs and replacements on common property on pages 12-17 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, who considers it to be an essential part of financial reporting for placing basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Lauren J. Lackey, CPA

Lauren J. Lackey, CPA
CIRA Financial Services
Renton, Washington

July 21, 2026

**SEMAIHMUO RESORT ASSOCIATION
BALANCE SHEET
December 31, 2025**

	<u>OPERATING FUND</u>	<u>REPLACEMENT RESERVE FUND</u>	<u>TOTAL</u>
<u>ASSETS</u>			
Cash-Checking	\$ 284,881	\$ -	\$ 284,881
Cash-Replacement Reserve	-	926,959	926,959
Assessments Receivable	35,794	-	35,794
Allowance for Doubtful			
Accounts	(17,541)	-	(17,541)
Prepaid Insurance	8,690	-	8,690
Fixed Assets -			
Land	421,235	-	421,235
Equipment & Capital Improvement:	261,487	-	261,487
SRA Center - Building	652,321	-	652,321
Accumulated Depreciation	<u>(366,548)</u>	<u>-</u>	<u>(366,548)</u>
Total Assets	<u>\$ 1,280,319</u>	<u>\$ 926,959</u>	<u>\$ 2,207,278</u>
<u>LIABILITIES AND FUND BALANCE</u>			
Accounts Payable	\$ 28,857	\$ -	\$ 28,857
Payroll Liability	29,664	-	29,664
Deposit Liability	35,014	-	35,014
Sales Tax Liability	369	-	369
Notes Payable	-	527,399	527,399
Prepaid Assessments	<u>9,140</u>	<u>-</u>	<u>9,140</u>
Total Liabilities	103,044	527,399	630,443
Fund Balance	<u>1,177,275</u>	<u>399,560</u>	<u>1,576,835</u>
Total Liabilities & Fund Balance	<u>\$ 1,280,319</u>	<u>\$ 926,959</u>	<u>\$ 2,207,278</u>

See Independent Auditor's Report and Notes to Financial Statements
Page 3

Approve
Reject

BOARD RESOLUTION NO. 2026-07-22-01
A Resolution to Ratify the 2027 Budget

WHEREAS, according to the Amended and Restated Protected Covenants of the Semiahmoo Resort Association, the Board of Directors is responsible for enforcement of same; and,

WHEREAS Article X – Assessments, Section 9.03 requires the Board of Directors prepare a budget for the following fiscal year and to call a meeting of the membership to ratify the proposed budget; and

WHEREAS, the Board of Directors has designated November 7, 2026, as the date of the Owners meeting (Annual General Meeting) to consider ratification of the 2027 Budget; and,

WHEREAS, as per the Revised Code of Washington (RCW) 64.90.525, the budget is ratified unless at that meeting the unit owners of units to which a majority of the votes in the association are allocated or any larger percentage specified in the declaration reject the budget, whether or not a quorum is present.

THEREFORE, BE IT RESOLVED THAT the Board adopted the 2027 Budget to be ratified by the membership.

SEMI ANNUAL ASSESSMENT

Year	<u>Oper</u>	<u>Chg%</u>	<u>Resv</u>	<u>Chg%</u>	<u>Total</u>	<u>Chg%</u>	<u>Total year</u>	<u>Chg%</u>	
2027	\$175.00	2%	\$43.50	-7%	\$218.50	0.0%	\$ 437.00	0.0%	
2026	\$171.50	4%	\$47.00	4%	\$218.50	4%	\$ 437.00	4%	
2025	\$164.50	0%	\$45.00	0%	\$209.50	0%	\$ 419.00	0%	
					Semi Annual Dues			Annual Dues (000)	
	<u>Wtd</u>	<u>Lots</u>	<u>Adj</u>	<u>Total Wtd</u>	<u>Operating</u>	<u>Reserve</u>	<u>Total Dues</u>	<u>Operating</u>	<u>Reserve</u>
Lot w/ Home	4.0	543	5	2,192	\$700.00	\$174.00	\$874.00	\$ 767	\$ 191
Mult Unit Lots	3.5	191	0	669	\$612.50	\$152.25	\$764.75	234	58
Mult Unit Lots	3.0	25	0	75	\$525.00	\$130.50	\$655.50	26	7
Mult Unit Lots	2.5	34	0	85	\$437.50	\$108.75	\$546.25	30	7
Vac Lots	2.0	89	(5)	168	\$350.00	\$87.00	\$437.00	59	15
Mult Unit Lots	1.5	6	0	9	\$262.50	\$65.25	\$327.75	3	1
Vac Lots Sea Smk	0.0	2	0	0	\$0.00	\$0.00	\$0.00	-	-
Resort	203.5	1	0	204	\$35,612.50	\$8,852.25	\$44,464.75	71	18
0									
Total		891	0	3,401				\$ 1,190	\$ 296

**Semiahmoo Residents Association
Proposed 2027 Budget - General Operating Fund**

	2027 Budget	2026 Budget
Income		
HOA Assessments	1,190,000	1,164,000
Other Income	67,200	67,200
Interest Income	400	400
Total Income	1,257,600	1,231,600
Expenses		
<u>Maintenance</u>		
Salary and Benefits	330,900	316,800
General Repairs and Maintenance	26,800	24,800
Street Sweeping, Vehicle Repairs and Maintenance	31,400	22,900
Office Maintenance/ Facilities	8,800	8,800
Landscape & Irrigation	41,500	41,500
Tree Maintenance & Wildfire Mitigation	25,000	55,000
Roads, Paths & Parks	28,800	21,800
Utilities	97,000	85,000
Gates and Other Maintenance	37,500	32,400
Total Maintenance	627,700	609,000
		-
<u>Administration</u>		-
Salary and Benefits	354,760	384,000
Architectural Standards Committee	41,100	41,100
Insurance	120,000	116,000
Meetings	2,500	2,500
Legal	60,000	31,000
Audit & Tax	12,800	11,400
Bookkeeping & Reserve Study	7,700	7,700
IT Services	7,000	6,700
Office Supplies and Other	22,450	21,700
Total Administration	628,310	622,100
Total Expenses	1,256,010	1,231,100

2027 Budget Highlights

Dues

There is no proposed dues increase.

Operations Revenue

Projected revenue from interest income is higher by approximately \$19,000 (67.8%) from 2026 budgeted levels. This is due to utilizing operating funds for capital expenditures, therefore, increasing investment returns that allows us to not increase dues.

Operations Spending

Spending on operations is proposed to increase by \$25,000 (2%) from the 2026 budget.

Maintenance spending increased by 3% compared with 2026 Budget. There are higher amounts budgeted for rate increases in utilities. The City of Blaine increased the cost of water by 17.5%. These additional costs are partially offset by lower landscape, auto, equipment and irrigation repair and maintenance costs achieved by keeping these services in-house. For example, the Director of Maintenance is skilled at maintaining the streetsweeper along with other equipment resulting in significant cost savings.

Administration spending increased by 2% compared with the 2026 Budget due primarily to increases in legal fees due to initiating the review of our governing documents necessary to ensure compliance with new Washington State laws taking effect in January 2028. The additional costs were offset by a decrease in salaries for 2026 due to the board member who was temporarily the interim General Manager at no cost.

Restricted Reserves

Projected capital asset maintenance and improvement spending in 2027 is defined by the reserve study with input updated in 2026. In 2026, a reserve study financial update was completed in accordance with Washington State law. Reserve spending remains the same. Reserve expenditures will be allocated for entrance gate electronic upgrades. This year we anticipate to have a reserve surplus due to saving on the cost of a new street sweeper. The total cost of the street sweeper being under \$25,000 versus the budgeted amount of \$100,000.

**Semiahmoo Residents Association
Proposed 2027 Budget - Restricted Reserve Fund**

	2027 Budget	2026 Budget
Revenues		-
Reserve Assessments	296,000	319,000
Interest	47,000	28,000
Total Revenues	343,000	347,000
		-
Expenditures		-
Grounds	96,000	71,000
Roads & Gates	139,000	140,000
Renovation - Equipment	40,000	83,000
Debt	71,000	52,000
Total Reserve Expenditures	346,000	346,000

Footnotes to Proposed 2026 Restricted Reserve Fund Budget**2026 Budget****Revenues**

- Plus \$29,000 in grant funding from DNR for Wildfire Mitigation
- Plus \$4,000 reimbursement for common area damages

Expenditures

- ** SRA Center Upgrades: Security, parking lot lighting, conference room, and audio system
- ** Street Sweeper Replacement
- ** Gate openers purchased for first responders

2027 Budget**Common Areas**

Ponds, lighting, park amenities

Entrance Gates

Repairs and replacement of physical gates, upgrade electronic gate controllers

Facilities

SRA Center: SRA building & furniture improvements

Roadways

Road Repairs: Road and curb repairs required to be outsourced

Signage

Sign replacement as needed

Stormwater

Bioswale maintenance

Pacific Crest Reserves, LLC
5116 Heather Drive
Anacortes, WA 98221
Phone: 360-588-9956

July 17, 2026

5787 Semiahmoo Drive
Blaine, WA 98230

Introduction

First, we would like to thank you for utilizing our services. Our approach is to provide the members, the board and management with understandable information to make informed decisions needed to best manage your reserve fund and annual contributions. We strive to understand the association's needs and design a funding strategy for meeting those needs based on a realistic approach to finances available and real-world workings of most associations. We live and work in the local area and work hard to keep up to date with costs in your association's neighborhood.

Included within the following pages you will find:

- Three funding models which detail how your association finances will look during the 30-year forecast window
 - Current Level of Contributions
 - Baseline Funded
 - Fully Funded (per the State of Washington RCW 64.90)
- A list of the community components that the association is responsible for maintaining
 - Estimated current cost of replacement of each component
 - Timeline of estimated remaining life and estimated cost at replacement date per component
- Annual expenditure detail
- Expenses by item and by calendar year
- Average deficit or surplus from a Fully Funded Balance for the association and per member in dollar amount and percentage (based on equal percentage ownership for all units). This amount is calculated by subtracting the association's reserve account balance as of the date of the study (January 01, 2026) from the Fully Funded Balance. Also included is the same calculated amounts as projected at the end of the each study year (December 31, 2026).

What is our Recommended Funding Goal?

Maintaining the Reserve Fund at a level equal to the value of deterioration is called "Full Funding" (100% Funded). As each asset ages and becomes "used up", the Reserve Fund grows proportionally. This is simple, responsible, and our recommendation.

Evidence shows that associations in the:

- 0 - 30% range are considered in **Poor** condition and at a high risk of special assessments or deferred maintenance
- 30 - 80% range are considered in **Good** condition and should strive to gradually increase reserves
- over 80% range are considered in **Excellent** condition and enjoy a low risk of special assessments or deferred maintenance.

The attached funding study is limited in scope to those expense items listed in the attached Expense Detail Report. Expense items which have an expected life of more than 30 Years are not included in this reserve study unless payment for these long-lived items overlaps the 30 Years reserve study envelope.

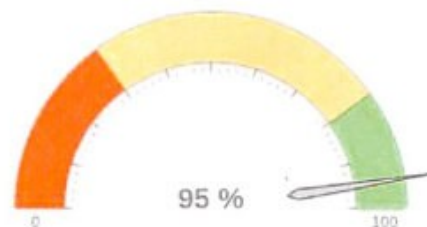
Executive Summary

Name	Semiahmoo
Location	5787 Semiahmoo Drive Blaine, WA 98230
Contributing Members (units)	3300
Fiscal Year Start	January 01, 2026
Fiscal Year End	December 31, 2026
Depth of Study	Level III Report: Reserve Study Update without Site Inspection
Date of Study	July 17, 2026
Last On-Site Inspection Date	March 20, 2025
Inflation Rate for Projections	3.00 % (Years 2026-2056)

Reserve Fund Status and Funding Plan Recommendation

Based on our findings, the reserves are insufficient to fund capital projects through the 30 year scope of the study. The board should look at increasing funding. We recommend the association gradually adopt a reserve funding plan based on the Fully Funding Model in order to ensure that adequate funding is available throughout the 30-year study period.

Reported Current Annual Reserve Contribution	\$346,110 per year
Estimated Fiscal Year Starting Balance	\$890,787
Fiscal Year Beginning Balance if Fully Funded	\$623,194 (<i>ideal amount in reserves</i>)
Average Deficit/Surplus per Member (as of January 01, 2026)	\$81



Note:

At least one year in the projection falls below 20% funded.

Figure 1: Reserve Account Percentage Funded Over 30 Year Study Window (Average Value)

Table 1: 5 Year Summary: Current vs. Baseline vs. Fully Funded Models (As of Budget Year Ending Date)

	Current		Baseline		Fully Funded Recommended	
2026	\$962,714	143%	\$907,285	143%	\$962,714	143%
2027	\$892,353	114%	\$785,277	107%	\$876,798	114%
2028	\$800,692	109%	\$645,950	96%	\$754,773	108%
2029	\$883,566	115%	\$685,342	93%	\$794,897	108%
2030	\$921,154	118%	\$683,844	91%	\$777,685	106%
	Contribution amount supplied by Client		Reserve account above \$0 within the study timeline		Achieve 100% funded within the study timeframe	

The percentage figures above represent the percentage each model is above or below fully funded for the noted time period.

Fully Funded Model – This is a straight-line funding model. It distributes the cash reserves to individual reserve components and then calculates what the reserve assessment and interest contribution (minus taxes) should be, again by each reserve component. The current annual assessment is then determined by summing all the individual component assessments. This is the most conservative funding model. It leads to or maintains a fully funded reserve position. (Please note that the Fully Funded Model incorporates funding parameters that seek to reach 100% funded at year 30 reserve study limit. The recommended contribution amount may be unusually high or low for the first few years depending on the current reserve account balance and upcoming expenses).

Recommended Total Annual Reserve Contribution – \$346,110

Initial Reserves

Initial reserves for this reserve study are estimated to be \$890,787 as of December 31, 2025. We have relied upon the client to provide the current (or projected) reserve balance, the estimated net-after-tax current rate of interest earnings, and to indicate if those earnings accrue to the reserve fund.

Keeping Your Reserve Study Current

We recommend that your reserve analysis study be updated on an annual basis due to fluctuating interest rates, inflationary changes, and the unpredictable nature of the lives of many of the assets under consideration. All of the information collected during our inspection of the facilities site and computations made subsequently in preparing this reserve analysis study are retained in our computer files.

Conflict of Interest

As the preparer of this reserve study, Pacific Crest Reserves certifies that we do not have any vested interests, financial interests, or other interests that would cause a conflict of interest in the preparation of this reserve study.

Date of Physical Inspection

The property was physically inspected by Pacific Crest Reserves on March 20, 2025.

Pacific Crest Reserves would like to thank the members and management for the opportunity to be of service in the preparation of the attached funding study. Again, please feel free to contact us if you have any questions.

Prepared by:

Charlie Barefield

Charlie Barefield, Reserve Analyst

Project Description

Semiahmoo Resort Association is the master association that includes several housing developments within its borders. Located in the Blaine area of Washington State the community includes approximately 14 miles of roads, numerous entrance gate structures, beach access structures, various erosion control systems and a large maintenance and office facility. Maintenance equipment includes various major pieces of equipment along with trucks, tractor, snow removal equipment and landscaping materials.

Depth of Study

This year's report is a *Level 3* Reserve financial update and does not include a site inspection or revision to the community's assets. For this report we have relied on current information provided by management, previous reserve studies and field notes from our last site visit. RCW requirements are two years of Level 3 updates followed by a full Level 2 report that includes a site visit and in-depth review of community assets, current status of the various reserve study components and financial information.

Report Notes:

In 2028, RCW 64.90 will be amended to address major exterior renovations. This means stricter regulations, increased oversight, and potentially higher costs for construction projects.

Key Implications for your reserve study:

- Independent Over site: Major projects will have to hire independent engineers to oversee the project. Increased use of independent inspectors will ensure higher quality construction standards and reduce the risk of defects. We will need to factor these costs into the project.
- Expanded Warranty Coverage: Longer warranty periods may protect your community from costly repairs and replacements. Contractor most likely will pass that cost on to their customers.
- Potential Cost Increases: To account for increased liability and stricter oversight these future project costs will increase by 20% to 30%.

In this Reserve Study the following components are excluded:

Power Lines – Generally utility companies.

Utility Main Lines – Generally utility companies or City.

Interior Plumbing – The remaining useful life of the plumbing exceeds the 30-year scope of the study.

Siding – The remaining useful life exceeds the 30-year scope of the study.

Material and labor costs appear to be continuing to increase in all construction categories. Many associations have reported dramatic cost differences in recent contractor bids on the same projects. We highly recommend associations request contractor bids on upcoming projects early in the process. Until such time as cost increases moderate an inflation factor of 3.00 % will be used in all funding models).

Current Assessment Projection – The initial reserve assessment is the association's reported current fiscal year funding level and projected out 30 years to illustrate the adequacy of the current funding over time.

Current Total Reported Annual Reserve Contribution – \$346,110

Baseline Funded Model – The goal of this funding method is to keep the reserve cash balance above zero. This means that while each individual component may not be fully funded, the reserve balance overall does not drop below zero during the projected period. A facility using this funding method must understand that even a minor reduction in a component's remaining useful life or **unplanned expenses** can result in a deficit in the reserve cash balance and **may require additional funding**.

Recommended Total Annual Reserve Contribution – \$291,423

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Semiahmoo Resort Association is the master association that includes several housing developments within its borders. Located in the Blaine area of Washington State the community includes approximately 14 miles of roads, numerous entrance gate structures, beach access structures, various erosion control systems and a large maintenance and office facility. Maintenance equipment includes various major pieces of equipment along with trucks, tractor, snow removal equipment and landscaping materials.

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Power Lines – Generally utility companies.

Utility Main Lines – Generally utility companies or City.

Interior Plumbing – The remaining useful life of the plumbing exceeds the 30-year scope of the study.

Siding – The remaining useful life exceeds the 30-year scope of the study.

Material and labor costs appear to be continuing to increase in all construction categories. Many associations have reported dramatic cost differences in recent contractor bids on the same projects. We highly recommend associations request contractor bids on upcoming projects early in the process. Until such time as cost increases moderate an inflation factor of 3.00 % will be used in all funding models).

Current Assessment Projection – The initial reserve assessment is the association's reported current fiscal year funding level and projected out 30 years to illustrate the adequacy of the current funding over time.

Current Total Reported Annual Reserve Contribution – \$346,110

Baseline Funded Model – The goal of this funding method is to keep the reserve cash balance above zero. This means that while each individual component may not be fully funded, the reserve balance overall does not drop below zero during the projected period. A facility using this funding method must understand that even a minor reduction in a component's remaining useful life or **unplanned expenses** can result in a deficit in the reserve cash balance and **may require additional funding**.

Recommended Total Annual Reserve Contribution – \$291,423

Current Assessment Projection Summary

Report Parameters	
Report Date	July 17, 2026
Budget Year Beginning	January 01, 2026
Budget Year Ending	December 31, 2026
Total Units	3300
Inflation	3.00 %
Interest Rate on Reserve Balance	3.83 %
Tax Rate on Interest	30.00 %
2026 Beginning Balance	\$890,787

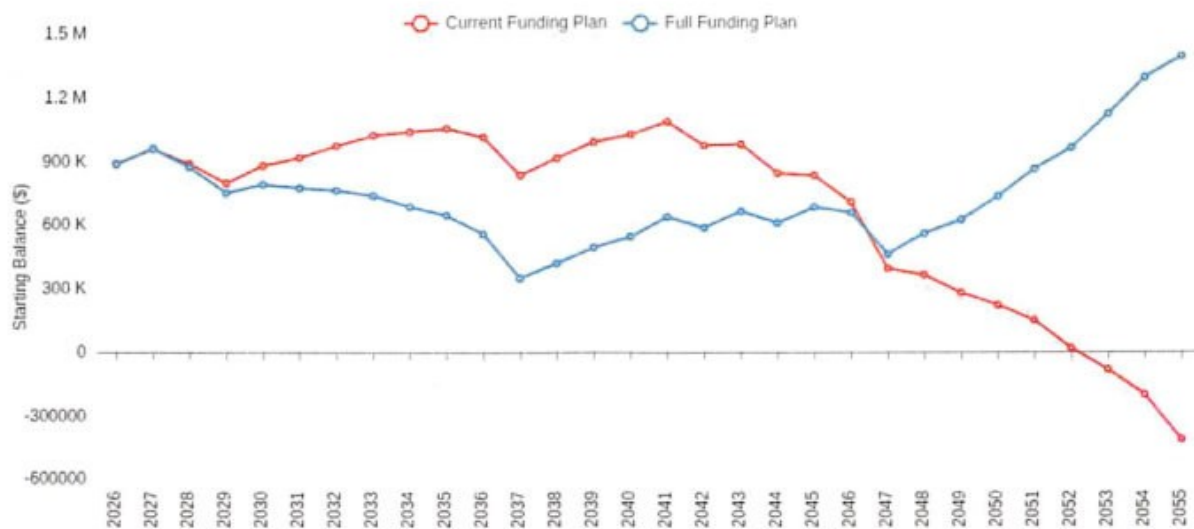


Figure 2: Current Assessment Funding Model vs Fully Funded Model

The **Current Assessment Funding Model** is based on the current annual assessment, parameters, and reserve fund balance. Because it is calculated using the current annual assessment, it will give the accurate projection of how well the association is funded for the next 30 years of planned reserve expenditures.

Current Assessment Funding Model Summary of Calculations

Required Annual Contribution	\$346,110
Average \$105 per unit annually	
Average Net Annual Interest Earned	\$24,817
Total Annual Allocation to Reserves	\$370,927
\$112 per unit annually	

BOARD OF DIRECTORS CANDIDATES

Brian Berg

I am running for re-election on the SRA Board. My value to the Board is my experience with architectural design, design review boards, construction, and the review process. In my last 2 years on the ASC I have worked on the simplification and the clarification of the revised Design and Construction Standard Rules. The new rules are designed to streamline the design and review process and improve the experience of getting a permit from the ASC.

In the near future, there will be two new Planned Unit Development Projects scheduled to start in Semiahmoo. My goal is to ensure that the new projects: To ensure housing design is based on architecture that is aesthetically consistent and compatible with other homes in the Semiahmoo neighborhood, to ensure that new homes are designed with sensitivity to their site, the streetscape, and surrounding development in Semiahmoo, and to ensure that the design of new homes maintains

the scale, context, and texture of existing Semiahmoo neighborhoods.

In addition to the upcoming development projects, I look forward to participating with all issues facing the Board in the coming years. And I support better communication between the SRA and the Homeowners. Summary: Brian Berg has been a Semiahmoo homeowner for 7 years, an SRA Board member for 1 year, SRA ASC member for 3 years, President of Gleneagle Villas HOA for 4 years, USA Firewise for Gleneagle Village for 2 years, etc. He is a retired architect of 45 years designing hospitals, surgery centers, and other medical centers and also served on the Design Review Board for the City of Kirkland for 10 years.

BOARD OF DIRECTORS CANDIDATES

Gregory Books

I'm **Gregory Books**, 71, and I seek a position on the board in order to apply my skills toward enhancing life within the Semiahmoo community. After a full career teaching high school science (chemistry, biology, et al.), I settled here along with my amazing wife, Maryse. We're quite content here. What a fine place to land for our "Golden Years."

Education: K-12 Teaching Certification (WSU), Principal and School Administration Certification (UW), Master of Science degree (WSU, 1984) in Environmental Science, Thesis on Avian Ecology along the Columbia River. Bachelor of Science degree (CSU, 1977) Department of Forestry and Natural Resource Management.

Award: Excellence in Education Teaching Award (1990).

Leadership Experience: Teaching teens chemistry and biology 31 years (whew), Teachers' Union President, Contract Negotiator, Grievance Officer, Student Teacher Supervisor, Board member for Orcas Island Funhouse Family Center

Other Job Experience: recycling and waste technician, park naturalist, forest mensuration technician, wetland habitat analyst, forest fire-fighter, wilderness ranger, and once long ago even a bartender

Local Community Involvement: classroom volunteer and part-time substitute teacher, Blaine SD.

Mindset: Apply science to problem solving. Gather and analyze data prior to a conclusion, not after.

Goal: to help maintain Semiahmoo infrastructure, and enhance the quality of life by working in harmony with the natural environment.

Pet Peeves: roadside litter, loud machine noise.

Hobbies: biking, birding, gardening and home maintenance/enhancement projects, saxophone.

Utilizing this experience and knowledge, I look forward to serving on the board. Safety and Environmental Committee is probably a good application.

BOARD OF DIRECTORS CANDIDATES

David Moon

I was born in Hamilton, Ontario Canada and am now a dual citizen — as are many in Semiahmoo. I served 36 years in the Canadian Army, initially as a soldier in the Militia (US Reserve equivalent) and then as an officer in the Regular Army. I retired in Washington, D.C. serving in the Canadian Embassy as the Assistant Military Attache as a Lieutenant Colonel. I then spent the following 25 years in the U.S. working for a Canadian company, initially in sales and then in upper management starting up companies in South Africa, Australia and the U.S., ending my civilian career as Managing Director of the U.S. subsidiary in Bellingham. During this time, we became U.S. citizens. We moved to Semiahmoo in 2002 because of work, but we loved the area, sailing the Salish Sea and have every intention of remaining here. I retired two years ago and now spend my time on hobbies (cooking, stamps and painting) and yard work. Previous employment did not allow time for duties with the SRA; however, now that I am retired, I wish to pay back the time I was unable to participate. I believe that my experience as listed can be valuable in

assisting in decision making as part of the SRA Board. I have a wife Diane and one son who lives in San Diego with his family.

BOARD OF DIRECTORS CANDIDATES

Rod Nibbe

My wife and I recently relocated to Blaine from Anchorage, AK, where we lived and worked for over thirty years. Already I can tell we chose wisely purchasing a home in Semiahmoo. The setting of this community is truly unique. As a Board member of the SRA, I will leverage the best practices of project management and teamwork I have learned from working in professional organizations — both large and small. My focus will be to strengthen existing policies and goals of the Association, and where it makes sense, help establish new ones to benefit all members of the Association. My attitude when working with others, especially when disagreement arises, is that often these situations are opportunities for aligning different points of view around what is really a shared goal by all. Respect, patience, and a lifelong desire to learn will be the hallmarks of my participation on the board. For over twenty years, I worked in the oil and gas industry as a professional geoscientist, where my expertise was around IT systems and software technologies. At age 45, I left that industry and returned to school where at

age 50 I earned a PhD in pharmacology, then subsequently conducted cancer research for a small biotech startup where I was as a principal scientist and later promoted to Vice President. I can't showcase a ton of hands-on experience in this application, though I do have a good head for numbers, and if the past 40 years of my academic and professional life is any guide, I am a quick study. Combined with an open-minded interest in maintaining and improving the quality of life in our community, I pledge to work productively and cooperatively on the SRA board for the benefit of all members in the association.

BOARD OF DIRECTORS CANDIDATES

Jennifer Plombon

I wish to apply for one of the permanent Board positions to be filled by election in October.

I have lived in Semiahmoo since 2010 and have served on:

- The ASC
- The Board
- The Environmental Committee
- The Communications Committee
- The Safety & Security Committee

I currently serve on the Safety & Environmental Committee. I am also a member of the City of Blaine Planning Commission and thus have communications ties to the City.

I am a member of CERT (Citizen Emergency Response Team) and co-chair of “Map Your Neighborhood” for the Drayton Hillside I, II and III neighborhood.

2026 OFFICIAL BALLOT

Semiahmoo Residents Association (SRA)

2026 Annual Meeting – Saturday, November 7, 2026

URGENT REPLY REQUESTED – Ballot Due by Noon, Thursday, November 5, 2026

This ballot must be returned to the SRA Office by the qualified voter by NOON, THURSDAY, November 5, 2026.

IF YOU PREFER TO SCAN AND EMAIL, THE DOCUMENT MUST ORIGINATE FROM THE EMAIL ADDRESS OF
RECORD TO: lori@srahoa.com

2027 Budget Resolution Board Resolution (2026-07-22-01)

The budget is ratified unless a majority of the total votes in the association reject the budget whether or not a quorum is present.

Please vote marking the appropriate box next to the measure once either voting to Approve or Reject.

Measures	Approve	Reject
Board Resolution (2026-07-22-01): A Resolution to Ratify the 2027 Budget		

Board of Directors Candidates:

The presence of members or proxies entitled to cast over thirty-four percent (34%) of all the votes of the Association entitled to vote shall constitute a quorum.(4.11)

Please vote for up to four(4) candidates of your choice marking the appropriate box Those elected will serve a two (2) year term on the SRA Board of Directors. Candidates are listed in alphabetical order (by last name).

Board of Directors Candidates	Vote
Brian Berg	
Gregory Books	
David Moon	
Rod Nibbe	
Jennifer Plombon	

Dated this ____ day of _____, 2026.

Property Owner Signature

Property Owner Signature

Print name

Print name

Neighborhood (s): _____

Lot/Unit Number (s): _____

2026 Official Proxy

URGENT REPLY REQUESTED:

The Board of Directors requests that the proxy be submitted as soon as possible, but no later than
12:00 p.m. Wednesday, November 4, 2026 by the qualified voter.

**PLEASE SUBMIT THIS PROXY TO ANOTHER MEMBER IF YOU DO NOT PLAN TO VOTE
SO THAT A QUORUM MAY BE ESTABLISHED. DO NOT FILL THIS OUT IF YOU ARE
VOTING YOUR BALLOT**

Use this Proxy if you wish to give someone else authority to vote and be counted in your absence. By completing this Proxy, you grant the person you name below to vote on your behalf. You may revoke this Proxy at any time prior to 10:30 a.m., November 4, 2026, by written notice delivered to the Secretary of SRA.

Thank you. Your Board of Directors.

I hereby appoint _____, or the Board member selected below, as my attorney in fact to vote as my proxy by 12:00 p.m., November 5, 2026, for the meeting held on November 7, 2026 or any adjournment thereof.

Unless another proxy is named above, the undersigned hereby assigns as proxy (select one):

Delia Alberstein _____ Luc Clement _____ David Moon _____ Ciaran Brennan _____

If acting as attorney, executor or in other representative capacity, please state title.

Dated this _____ day of _____, 2026.

Property Owner Signature

Property Owner Signature

Print name

Print name

Neighborhood (s): _____

Lot/Unit Number (s): _____