



# 2024 Annual General Meeting Voter Pamphlet

## October 26, 2024

Blaine Senior Center

763 G Street, Blaine, WA 98230



# SRA

## 2024 Annual General Meeting Voter Pamphlet

September 26, 2024

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, October 26, 2024, from 10:00 a.m. to 1:00 p.m. at the Blaine Senior Center  
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 2024 Voting Instructions.

The main topics to be discussed at the AGM are:

- The Board's review of 2024.
- The 2025 Budget.
- Election Results.
- Questions and Answers.

In addition, the Board will introduce your fellow members who will serve on the 2025-2026 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](mailto:lori@srahoa.com) at the SRA Center by Noon, October 24, 2024, 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, October 24, 2024, and to seeing you at the AGM in person or via Zoom.**

Sincerely,

April Hashimoto, SRA President

Tom McDaniel, SRA Secretary

**All votes must be received no later than Noon, October 24, 2024**

## ELECTRONIC VOTING INSTRUCTIONS

### *Preferred Method*

- Electronic voting is hosted by @electionrunner.com
- You will receive an email from [noreply@electionrunner.com](mailto: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 **Tuesday, October 1, 2024**, please check your spam folder and add the domain [@electionrunner.com](mailto:@electionrunner.com) to your safe senders list.
- Your electronic vote must be received no later than **Noon, October 24, 2024**, 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](mailto: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, October 24, 2024**, to be counted.
- Proxies must be dropped off by **Noon, October 23, 2024**.
- 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](mailto: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](mailto: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](mailto:lori@srahoa.com) or phone (360) 371-7796, option 2 or come to the SRA Office.

## Annual General Meeting Invitation

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

Time: Saturday, October 26th at 10:00 a.m. Pacific Time (US and Canada)

Location: Blaine Senior Center - 763 G St, 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/86558454608?pwd=CUkm9Knbsa3PXgjTvLa1pHnM1jiKVX.1>

Meeting ID: 865 5845 4608

Passcode: 120454

### **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**  
**October 26, 2024 - 10:00 a.m. Pacific Time**  
**Blaine Senior Center**  
**763 G Street, 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 2023 Audit and Balance Sheet
  - d. SRA Status Update
  - e. Committee Reports
- VI. Board Resolution 2024-08-21-01: A Resolution to Ratify the 2025 Budget  
Board Resolution 2024-08-21-02: A Resolution to Adopt a Special Assessment in 2025
- VII. Election Results
  - a. Board of Directors Candidates
    - i. Introduction of the Newly Elected Candidates
  - b. CC&R Member Resolutions
    - i. Member Resolution 2024-01: A Proposal to Rescind Amendment 43
    - ii. Member Resolution 2024-02: A Resolution Regarding a New Sub-Category of SRA Membership
    - iii. Member Resolution 2024-03: A Resolution on Due Process
    - iv. Member Resolution 2024-04: A Resolution Regarding Qualifications for Election to the Board of Directors
    - v. Member Resolution 2024-05: A Resolution Regarding Amendments by Association
    - vi. Member Resolution 2024-06: A Resolution Regarding Removal of Members-Only Webpage
- 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

**Joseph H. Vandal, CPA, PS**

Member of American Institute of CPAs, Washington Society of CPAs  
A Professional Service Corporation

**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, 2023, 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, 2023, 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 12-20 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.

Joseph H. Vandal, CPA PS  
Redmond, Washington

May 2, 2024

**SEMAIHMUO RESORT ASSOCIATION**  
**BALANCE SHEET**  
**December 31, 2023**

	<u>OPERATING FUND</u>	<u>REPLACEMENT RESERVE FUND</u>	<u>TOTAL</u>
<u>ASSETS</u>			
Cash-Checking	\$ 179,417	\$ -	\$ 179,417
Cash-Replacement Reserve	-	671,357	671,357
Assessments Receivable	11,464	-	11,464
Allowance for Doubtful Accounts	(6,760)	-	(6,760)
Prepaid Insurance	1,712	-	1,712
Fixed Assets -			
Land	421,235	-	421,235
Equipment & Capital Improvement:	261,487	-	261,487
SRA Center - Building	652,321	-	652,321
Accumulated Depreciation	<u>(312,969)</u>	<u>-</u>	<u>(312,969)</u>
 Total Assets	 <u>\$ 1,207,907</u>	 <u>\$ 671,357</u>	 <u>\$ 1,879,264</u>
 <u>LIABILITIES AND FUND BALANCE</u>			
Accounts Payable	\$ 12,450	\$ 21,481	\$ 33,931
Payroll Liability	26,911	-	26,911
Notes Payable	-	612,371	612,371
Prepaid Assessments	<u>4,544</u>	<u>-</u>	<u>4,544</u>
 Total Liabilities	 43,905	 633,852	 677,757
 Fund Balance	 <u>1,164,002</u>	 <u>37,505</u>	 <u>1,201,507</u>
 Total Liabilities & Fund Balance	 <u>\$ 1,207,907</u>	 <u>\$ 671,357</u>	 <u>\$ 1,879,264</u>

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



Approve  
Reject

**BOARD RESOLUTION NO. 2024-08-21-01**  
**A Resolution to Ratify the 2025 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 October 26, 2024, as the date of the Owners meeting (Annual General Meeting) to consider ratification of the 2025 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 2025 Budget to be ratified by the membership.

The Board adopted the following 2025 Budget on August 21, 2024. If this resolution does not pass, then the budget and assessments noted therein ratified at the October 28, 2023 Annual Meeting, will control.

2025 Consolidated Budget - Assessment Revenues									
	General Operational Fund Assessment		\$	1,116,555					
	Restricted Reserve Fund Assessment			301,132					
		Total	\$	1,417,687					
		# of Lots	Units per Type	Total Assessable Units		Operations Fund Assessment	Reserve Fund Assessment	Total Fund Assessment	
						330	89	419	
<b>Proposed 2025 Annual Assessment Per Unit</b>									
<b>Assessable Lot Types</b>									
	Residential vacant lot	89	89	2	178	178	\$660	\$178	\$838
	Residential lot with home	534	534	4	2136	2136	\$1,320	\$356	\$1,676
	<b>Subtotal Lots &amp; Lots with homes</b>	<b>623</b>	<b>623</b>		<b>2314</b>	<b>2314</b>	<b>\$1,980.00</b>	<b>\$534.00</b>	<b>\$969,566.00</b>
	Villa (501 - 700 sq ft)	6	6	1.5	9	9	\$495	\$134	\$629
	Villa (701 - 960 sq ft)	4	4	2	8	8	\$660	\$178	\$838
	Special lots (Carnoustie/Prestwick Green	5	5	2	10	10	\$660	\$178	\$838
	Condo (Flat 1,210 - 1.400 sq ft)	34	34	2.5	85	85	\$825	\$223	\$1,048
	Townhouse (up to 1,249 sq ft)	25	25	3	75	75	\$990	\$267	\$1,257
	Townhouse (1,249 sq ft & Semiahmoo Shores)	194	194	3.5	679	679	\$1,155	\$312	\$1,467
	<b>Subtotal multifamily residential lots</b>	<b>268</b>	<b>268</b>		<b>866</b>	<b>866</b>	<b>\$285,780.00</b>	<b>\$1,290.50</b>	<b>\$362,854.00</b>
	Semiahmoo Resort	1	1	203.5	203.5	203.5	\$67,155.00	\$18,111.50	\$85,266.50
<b>Grand Totals</b>		<b>892</b>	<b>892</b>		<b>3,384</b>	<b>3,384</b>	<b>\$1,116,555.00</b>	<b>\$301,131.50</b>	<b>\$1,417,686.50</b>

Semiahmoo Residents Association					
Proposed 2025 Budget - General Operating Fund					
Thousands of Dollars					
	2024 Budget	2024 Forecast	2025 Budget	% change 24 Budget	% change 24 Fcst
<b>Revenues</b>					
HOA Assessments	1,042	1,038	1,116		
ASC Income	68	79	50		
Other	7.45	17	9		
<b>Total Revenues</b>	<b>1,117</b>	<b>1,134</b>	<b>1,175</b>	<b>5%</b>	<b>4%</b>
<b>Expenses</b>					
<b>Maintenance</b>					
Salaries and benefits	258	242	276		
Utilities	79	78	89		
Vehicles	40	33	50		
Landscape/Grounds	115	96	129		
Roads	62	30	30		
SRA Center	11	7	11		
Other	7	5	5		
<b>Total Maintenance</b>	<b>572</b>	<b>491</b>	<b>590</b>	<b>3%</b>	<b>20%</b>
<b>Administration</b>					
Salaries and benefits	357	344	369		
Insurance	25	98	120		
Legal	25	16	21		
Audit & Tax	14	13	14		
Land Use Consultants	20	10	5		
Professional Services	59	58	36		
General administration	18	17	20		
<b>Total Administration</b>	<b>518</b>	<b>556</b>	<b>585</b>	<b>13%</b>	<b>5%</b>
<b>Total Expenses</b>	<b>1,090</b>	<b>1,047</b>	<b>1,175</b>	<b>8%</b>	<b>12%</b>
<b>Total Projected Surplus/(Deficit)</b>	<b>27</b>	<b>87</b>	<b>0</b>	<b>-</b>	<b>-</b>

## 2025 Budget Highlights

### **Dues**

Total Dues are proposed to increase by 3% from 2024. The Operating budget has increased by \$24/unit while the Reserve budget has decreased by \$10/unit for a total increase of \$14/unit or 3%. The decrease of the Reserve budget compared with 2024 reflects that an additional \$18/unit over and above the required contribution for 2024 was contributed to the Reserve budget by the membership. This was done because the membership had the opportunity to keep membership dues unchanged from 2023 to 2024 while contributing an extra \$18/unit to the reserve fund in 2024.

The increase in the Operating budget reflects increased personnel cost due to higher medical insurance rates and budgeted salary increases as well as higher insurance costs, partially offset by lower professional fees required in 2025.

The dues for the Restricted Reserve Fund are budgeted to be \$86/unit compared with \$96/unit in the 2024 Budget. The 2024 Reserve Budget included a one-time \$220,000 cost of repairing a retaining wall on Goldfinch Way.

### **SRA Operations Revenue**

Projected revenue from ASC fees, transfer fees, and other source is lower by approximately \$27,000 (57%) from 2023 budgeted levels. ASC fees are forecast to decline with reduced construction activity relative to 2024 and be lower than the 2024 forecast which includes the recovery of deposits that were not budgeted.

### **Operations Spending**

Spending on operations is proposed to increase by \$85,000 (8%) from the 2024 budget and increase by \$128,000 (12%) from the current forecast for 2024.

Administration spending increased by 13% compared with 2024 Budget primarily due to higher insurance premiums than budgeted in 2024 which are forecast to continue to rise in 2025. Salaries and benefits increase to reflect increases in compensation as well as higher medical insurance costs.

Maintenance spending increases by 3% compared with 2024 Budget and by 20% compared with the 2024 Forecast. There are higher amounts budgeted for work on SRA ponds and tree removal that are partially offset by lower snow removal costs and lower street sweeping costs achieved by moving these services to in-house.

### **Restricted Reserves**

Projected capital asset maintenance and improvement spending in 2025 is defined by the reserve study with inputs updated in 2024. In 2025 a full reserve study will be completed in accordance with WA state law.

Semiahmoo Residents Association 2025 Budget - Restricted Reserve Fund Thousands of Dollars			
	2024 Budget	2025 Budget	% Change
<b>Revenues</b>			
Reserve Assessments	340	287	
Interest	25	30	
<b>Total Revenues</b>	<b>365</b>	<b>317</b>	<b>-13.2%</b>
<b>Expenditures</b>			
Common Areas	8	50	
Entrance Gates	14	14	
Facilities	4	0	
Roadways	117	140	
Signage	38	17	
Stormwater	75	40	
Goldfinch Retaining Way	220	0	
<b>Total Expenditures</b>	<b>476</b>	<b>261 *</b>	<b>-45.2%</b>
<b>Projected Surplus (Deficit)</b>	<b>-111</b>	<b>56</b>	<b>-150.5%</b>

\* plus \$33,443 in interest and \$37,667 in principle payments for SRA building

**Common Areas**

Ponds, lighting, park amenities

**Entrance Gates**

Gate Operator Replacements: 1 gate replacement plus repairs. All gates refurbished in 2022 and 2023.

**Roadways**

Road Repairs: Road and curb repairs required to be outsourced.

**Signage**

New Entry Signs: Final year for staged replacement of entry signs

**Stormwater**

Bioswale maintenance

Approve  
Reject

**BOARD RESOLUTION NO. 2024-08-21-02**  
**A Resolution to Adopt a Special Assessment in 2025**

Resolution to Adopt Special Assessment in 2025

For Repairs To SRA Stairs At Boundary Ridge (the “Stairs”)

Under Section 9.04 of the SRA Covenants, Conditions and Restrictions (CC&Rs), the Board of Directors may levy a special assessment for Common Expenses subject to approval by a majority of the Owners who are voting in person or by proxy at meeting called for this purpose. The Board submits the following proposed Special Assessment in fiscal year 2025 to fund repairs to the SRA Stairs:

- A. Under Section 5.02 of the SRA CC&Rs, the Association shall maintain and keep in good repair all portions of the Common Areas for which SRA is responsible.
- B. The Plat for Boundary Ridge Division 2 conveyed to SRA the Tract containing the Stairs.
- C. Under Condition 1 to the Plat, SRA owns and is responsible for maintaining the Stairs.
- D. Although SRA has maintained the Stairs, erosion of the bluff combined with exposure to the elements has damaged the Stairs to the point they have been designated as a hazard.
- E. In 2023, SRA closed the Stairs after an engineer concluded they were a safety risk.
- F. Repairing the Stairs will require an estimated capital expense of \$150,000.

THEREFORE, BE IT RESOLVED THAT, under section 9.04 of the SRA CC&Rs, the Owners authorize the Board of Directors to levy a Special Assessment included in the first invoice for 2025 membership dues of \$45 per Unit, which shall be allocated as follows:

Lot with a home	\$179
Vacant Lot	\$ 90
Multifamily/Condo	
501-700 SF	\$ 67
701-960 SF	\$ 90
961 - 1,400 SF	\$112
1,201 - 1,400 SF	\$134
over 1,400 SF	\$157
Semiahmoo Resort	\$9,115



5116 Heather Drive  
Anacortes, WA 9822  
360.588.9956

June 10, 2024

Mr. Aaron Hasson  
Board of Directors  
5787 Semiahmoo Drive  
Blaine WA 98230

Dear Mr. Aaron Hasson,

#### 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 64.34.380)

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 (*Budget Year Beginning Date*) from the Fully Funded Balance. Also included is the same calculated amounts as projected at the end of the each study year (*Budget Year Ending Date*).

**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:

- 0-50% range are considered in **Poor** condition and at a high risk of special assessments or deferred maintenance.
- 60-80% range are considered in **Good** condition and should strive to gradually increase reserves.
- 90-130% 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.

Semiahmoo Resort Association Level 3b Study 2024

Executive Summary

Name	Semiahmoo Resort Association Level 3b Study 2024
Location	Blaine, WA
Contributing Members	3300
Year Built	1985
Fiscal Year Ends	2024
Depth of Study	Level 3b Study ( <i>Without Site Visit</i> )
Date of Study	June 10, 2024
Last On-Site Inspection Date	June 21, 2022
Inflation Rate for Projections	5%

Reserve Account Summary

Reported Current Annual Reserve Contribution	\$323,126 per year
Estimated Fiscal Year Starting Balance	\$671,359
Fiscal Year Beginning Balance If Fully Funded	\$824,388 ( <i>ideal amount in reserves</i> )
Average Deficit/Surplus Per Member ( <i>As of Budget Year Beginning Date</i> )	-\$46 Percent Funded 81%



5 - Year Summary - Current vs. Baseline vs. Fully Funded (*As of Budget Year Ending Date*)

	Current Funding Model <i>Contribution amount supplied by Client</i>		Baseline Funded Model <i>Reserve account above \$0 within study timeframe</i>		Fully Funded Model Recommended <i>Achieve 100% funded within the 30 year study timeframe</i>	
2024	\$693,174	88%	\$729,006	93%	\$729,226	93%
2025	\$518,874	77%	\$593,605	89%	\$594,063	89%
2026	\$476,348	74%	\$593,241	92%	\$593,958	92%
2027	\$268,041	39%	\$430,571	62%	\$431,568	62%
2028	\$231,977	42%	\$424,498	77%	\$445,142	81%
	<i>Contribution increases vary</i>		<i>Contribution set for minimum to maintain positive balance</i>		<i>Model goal is to achieve 100% funded by year 30</i>	

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

### Project Description

Semiahmoo Resort Association is the master association that includes several housing developments within it's 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.

This study is the last in the series of the Level 3 Financial Update reports. Next year the study will be a Level 2 report and will include a site inspection and an in-depth interview. For this report we have relied on the previous reserve studies and current information supplied by management.

The association reported work on the BR stairs and major repairs on Gold Finch Way planned for the coming year. Please refer to the detailed report pages in the following sections of the report.

*(Report Note - 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 all models will include an inflation factor of 8% through 2024 then decrease to 5%).*

**Reserve Fund Status and Funding Plan Recommendation** - Based on our findings, the current level of funding of the reserve account is adequate to fund projected expenses for the long term. 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.

**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 - \$323,126

**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 - \$358,284

**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 - \$358,500

### In this Reserve Study the following components are excluded:

Power Lines – Generally utility companies.  
Utility Main Lines – Generally utility companies or City.

### Depth of Study

We have completed a Level 3 Reserve Study for your association. A field inspection was not made to verify the current status of the various reserve study components, their physical condition, and to verify component quantities.



**Understanding the Budget Year**

Your study is based on the standard calendar year January 1 through December 31<sup>st</sup>. January is the "*budget year beginning*". This account balance is the starting point for determining the distribution of available funds for the year. Reserve contributions plus any addition income or deposits and interest for the 12-month period are calculated then projected expenses for the year are deducted. The result is the *budget year ending* balance estimated for December 31<sup>st</sup>.

**Initial Reserves**

Initial reserves for this reserve study are estimated to be \$671,359 as of December 31, 2023. 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 June 21, 2022.

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 Principal

**BOARD OF DIRECTORS CANDIDATES**  
**Ciaran Brennan**



My name is Ciaran Brennan, and before you start wondering, it's pronounced "Keerin." Thanks Mom and Dad, I've had an introductory icebreaker built into every interaction with people since birth. I grew up in Rochester, New York, finished undergrad in Fredericksburg, Virginia, and moved to Blaine in 2015. I have been a federal employee since 2011, and I have served as a law enforcement agent, a supervisory law enforcement intelligence agent, and intelligence analyst. Over the last three years, I have been working full-time while attending school, and in September 2023, I became a certified mediator for certain types of federal disputes. This summer, I interned as counsel for the government in certain prosecutorial administrative proceedings. Fingers crossed; I am slated to graduate with my Juris Doctor in December.

I'm seeking election to the SRA Board of Directors because I'm always looking for opportunities to volunteer, help the community, and try to make things better. Serving on the SRA Board seems like the perfect circumstances to leverage my experiences, hone my skills, and learn how everything works here. I have lived in Semiahmoo since 2018, and I especially enjoy the quiet and peaceful environment this community provides for its residents. I would serve on the Board emphasizing respect, inclusivity, and practicality. The most important things you should know about me is that I like to know how a system works before advocating for changes and... I have a sense of humor. I would serve professionally, as neutrally and analytically as possible, and, after gaining a solid understanding of all the SRA's intricacies and components, I would only vote with the entire community's objectively best interests

**BOARD OF DIRECTORS CANDIDATES**  
**Luc Clement**



My name is Luc Clement.

My spouse and I have been proud residents of the Gleneagle Villas community since February 2023. We absolutely love the area and Semiahmoo as a whole. Every time we drive home or take a trip along Drayton Harbor Road, we find ourselves in awe of the natural beauty—the trees, the waterfront, the stunning views of the Cascades, and Mt. Baker. Moving here has far exceeded our expectations.

I currently serve as a board member of Gleneagle Villas I and II, where I hold the position of Vice President. In this role, I have focused on coordinating special projects that contribute to the betterment of our community.

I am seeking a role on the SRA board because I am eager to lend a helping hand and contribute to both the Gleneagle community and the broader Semiahmoo area. I want to serve in a capacity where my skills and experience can be of the most help.

After a 13-year career as a military officer, I transitioned to the software industry in 1994. Since then, I have become a seasoned Product Executive with significant contributions at industry leaders like Informatica and Microsoft, and I have played a key role in guiding three startups to successful exits. My commitment to the tech industry has been about more than just participation; it has been about transforming theoretical concepts into market-leading products.

Should I be elected as a member of the SRA board, I hope to bring a wealth of experience and dedication to serve our community effectively.

BOARD OF DIRECTORS CANDIDATES

**Adam Finfer**



Adam Finfer has been a resident of Semiahmoo since 2005 having owned two homes within the St. Andrews Green IV. He and his wife were attracted to Semiahmoo by the scenic beauty and quality of life that we all enjoy here.

Adam has been a career banker having worked for banks and credit unions in the Northwest. He is also director for commercial real estate companies and had bottom line budget responsibility managing the Northwest region of a publicly traded PMI company.

Adam has served as a two- term board member for an HOA (strata) in Canada. He participates in the Cordata Neighborhood and Business Park Associations and has served on the board of a condominium complex in Bellingham. Adam also served on the SRA board in 2023 for an interim term.

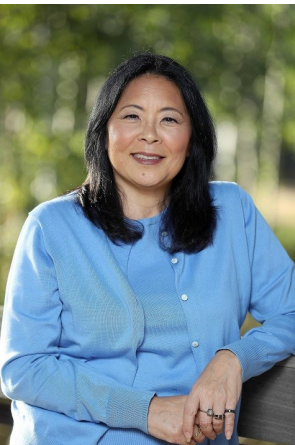
In his banking capacity, Adam was involved in the development of the Sandcastle at Birch Bay. He provided ground up construction financing, working directly with the developer and construction company executives.

Adam’s priorities in working with developers have included addressing growth and traffic mitigation issues. His priorities include managing erosion, stormwater runoff, shoreline concerns and shallow slide problems.

Adam believes his historical perspective and expertise add value. His prior SRA board experience brought an objective approach and strong sense of fair play to the organization in his opinion.

BOARD OF DIRECTORS CANDIDATES

**April Hashimoto**



I am running for a second term on the SRA Board, having served on the SRA Board as President since January 2023. I am also the President at Turnberry Wood and prior to that, served as Treasurer and President at St Andrews Cottages. I have been a member of the finance committee of the SRA Board since 2020.

I am a Canadian CPA and MBA with experience working as a financial executive, acting as President, Vice-President or CFO at smaller private companies and large companies traded on the New York stock exchange. I have been able to apply my experience with the fundamentals of management, legal, accounting, and governance in the corporate world while serving the SRA.

As a person with a financial background, it is important to me that the SRA finances be carefully managed. In 2023 and 2024, the SRA saved tens of thousands of dollars by performing maintenance work using our own in-house resources instead of paying for higher priced third parties to carry out that work while paying our staff to supervise. This has been achieved without compromising on the quality or quantity of the work being done. This means that the dues paid by the membership are being spent more efficiently, something that is a priority to most SRA members.

I have also been active in providing input on the many new developments being approved by the City of Blaine. Power outages have become more common year-round, and the sewage plant has failed and required significant repairs, all while thousands of new homes are being approved by the City. It is in the best interests of all SRA members that adequate reliable infrastructure is available both now and in the future.

## BOARD OF DIRECTORS CANDIDATES

**David Moon**

I was born in Hamilton, Ontario Canada so 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 US working for a Canadian company initially in sales and then in upper management starting up companies in South Africa, Australia and the USA ending my civilian career as Managing Director of the US subsidiary in Bellingham. During this time, we became US citizens. We moved to Semiahmoo in 2002 because of work but loved the area and 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

**Debbie Paquin**

Twenty+ years' experience volunteering as an HOA Director (1 year on the SRA Board). Community outreach jobs at Whatcom County included disaster recovery work at the Sheriff's Office. Previous careers in accounting and information technology.

The Director role will allow me to use the knowledge and skills I've gained throughout my career, and on the SRA Board, to continue helping my community. My vision is for a financially healthy, well maintained, beautiful community where we all have a say.

DISASTER CASE MANAGER | WHATCOM COUNTY SHERIFF'S OFFICE

Helped individuals and businesses recover from the November 2021 floods through advocacy and by connecting them w/assistance from local, state, federal, tribal & non-profit partners.

CONTACT TRACER | WHATCOM COUNTY HEALTH DEPARTMENT

Helped stop the spread of COVID-19

DIRECTOR ROLES | SRA & TORONTO HOA BOARDS

Used my business/accounting/client service skills as a volunteer on HOA boards where I lived, SRA Vice President, Governance Committee Chair, Maintenance Committee

COMPUTER APPLICATIONS DESIGNER/DEVELOPER | SUN LIFE, TORONTO

Supported financial professionals by designing, coding and fixing programs that delivered the files needed for their calculations and decision making

Example applications: Actuarial, Anti-Money Laundering, Anti-Terrorist Financing, Banking, Investments, HR

ACCOUNTANT AND COMPUTER PROGRAMMER | CANADA LIFE, TORONTO

As Accountant, prepared the consolidated Minimum Continuing Capital and Surplus Requirements (MCCSR) and Deferred Tax for the Chief Actuary's signature; automated the MCCSR process

Accounting Systems Computer Programmer & Business Analyst

AUDITOR | AIR FORCE AUDIT AGENCY, COLORADO SPRINGS

Received Certified Public Accountant (CPA) qualification leading a financial statement certification audit for the Air Force Academy Athletic Association (Gift Shop, Basketball & Football Sales)

MBA | Information Technology Specialization, CPA | **INACTIVE LICENSE**

Approve  
Reject

**MEMBER RESOLUTION NO. 2024-01**  
**A Proposal to Rescind Amendment 43**

**Resolution proposed by:** Jennifer Plombon

**Resolution Title:** Rescinding Amendment 43, addressing Maintenance of Undeveloped Lots

**Resolution:** Rescind Amendment 43, remove it from the CC&Rs, and revert the Guidelines for Maintenance of Undeveloped lots to the previous guidelines.

**CC&R to be Amended:**

Article X - Architectural and Design Standards for Developed and Undeveloped Sites; 10.10.03 Lot Maintenance. "All undeveloped lots and all undeveloped portions of developed lots that are next to a developed lot with a residence must cut back all weeds, bushes, or other wild vegetation and undergrowth, excluding trees, to ground level or a maximum height of three (3) feet."

**Reason to rescind:**

This maintenance requirement is:

- 1) So vague as to be unenforceable. Nowhere does it state **whom** shall decide the height to which vegetation shall be removed, whether "ground level" or up to "three (3) feet." Nowhere does it state how often or by whom the lot in question shall be inspected to stay within said limit.
- 2) Damaging to Semiahmoo proper. Clearing land to ground level risks erosion of said lot, and may have adverse effects on stormwater drainage and catchwater basins which will fill with soil.
- 3) At risk of being in violation of the WA State Shoreline Management Act, which controls the clearing, building upon, and use of chemicals on land within 200 feet of the normal high water mark on protected waters. Drayton Harbor is one such waterway and lots in The Aerie, Boundary Ridge I & II, Drayton Cove and Drayton Hillside I, II and III are subject to the SMA, which takes precedence over local laws such as Amendment 43.

Current Guidelines for Maintenance of Undeveloped Lots are stated here:

<https://tinyurl.com/yxmwf8bx>

Note that #7 contains wording addressing Amendment 43 and the steps that would be taken if a resident requested application of this amendment. Rescinding this Amendment would rewrite the Guidelines to the previous iteration (before the Amendment was added), such that #7 would state: "*Undeveloped lots will be reviewed by the SRA on an annual basis and owners contacted if maintenance is required.*" There would then be no #8.

**Economic impact:**

Leaving this amendment in place can create costs to staff if a complainant requests that a lot be cleared and there is confusion or disagreement as to the height to which it must be cleared and legal counsel is sought. There will be costs if frequent inspections are requested by the complainant to keep vegetation to a specific height.

Allowing clearing of a lot in violation of the SMA could incur costs to staff if legal counsel is required to answer questions by the City of Blaine.

There will be a small cost of clerical time and effort to change the CC&Rs and Guidelines.

	<b>MEMBER RESOLUTION NO. 2024-01</b> <b>A Proposal to Rescind Amendment 43</b>
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## Amendment One Opposition Statement

### Statement of Opposition to Resolution: Rescinding Amendment 43, Addressing Maintenance of Undeveloped Lots.

This proposal should be rejected. We do not oppose the purpose or the intent of this proposed amendment, the only opposition results from how the amendment is written: the language needs to be more precise. Rulemaking is inherently difficult, as the author of this amendment captures perfectly in the “reason to rescind” section. Vague language makes a rule difficult to enforce and is often reason enough to render a rule unenforceable. If the intent of this proposed amendment is to remove Article X: 10.10.03 from the CC&Rs, then we have no opposition to a future amendment that says exactly that. The issue we have with this proposed amendment is that the author has also proposed to “revert the Guidelines for Maintenance of Undeveloped lots to the previous guidelines.” Which previous guidelines? Was there language in Article X previously that the author wants reinstated? Or, does the author simply propose returning Article X back to the way it used to be before 10.10.03 was added, by removing it? Because this is unclear, this proposed amendment should be rejected.

*-Ciaran Brennan and David Moon, Opposition Committee*

Approve  
Reject

**MEMBER RESOLUTION NO. 2024-02**  
**A Resolution Regarding a New Sub-Category of SRA Membership**

**Resolution proposed by:** Pam Moroso

**Resolution Title:** New Sub-category of SRA Membership

**CC&R to be Amended:**

Article IV-Membership and Voting section 4.01 Membership. Subject to the provisions of Section 2.05, every Owner shall be deemed to have a membership in the Association. Membership shall be appurtenant to and may not be separated from ownership of any Site and ownership of a Site shall be the sole qualification for such membership.

**Resolution:**

The current Homeowners Association RCWs for the State of Washington do not restrict committee membership based on property ownership. While the RCW does not specifically address committee membership, members can advocate for changes in rules and regulations if they find them unfair or discriminatory. Additionally, our SRA CC&Rs do not specifically address committee membership however residents of our community who fit into this category are prohibited from serving on a committee There are situations where a homeowner does not have his name listed on the title of his property.

Some examples are:

**Estate planning:**

For estate planning reasons, a property may be transferred to a trust leaving the original owner's name off the title while they manage the mortgage. Semiahmoo has trust-owned properties with long-time residents who do not have their names on the title.

**Investment purposes:**

An individual may contribute financially to a property as a partner or an investor without being listed on the title. Semiahmoo has situations where people live together as domestic partners where one of the individuals does not have his or her name listed on the title.

**Legal protection:**

To protect assets from creditors or legal claims someone might transfer the title to a family member while keeping the mortgage in their name.

**Multigenerational household:**

A multigenerational household is one where three or more generations of a family live together under one roof. This can include grandparents, parents, children, and sometimes even great-grandchildren. These households have become more common in recent years due to various factors such as financial benefits, shared responsibilities, and the opportunity to strengthen family bonds. In such situations, the title would most likely be in one name only.

**This resolution, if approved,** would create a new sub-category of membership to allow residents living in Semiahmoo, who otherwise meet the minimum requirements, the opportunity to serve as a volunteer on a committee, should they wish to do so.

The President's Message in the July 2024 Semiahmoo Newsletter stated one of the Board's 2024 goals was to "increase volunteer participation on committees." Additionally, at the June 8th, 2024 Town Hall meeting a Board member stated one of the top priorities for 2024, was "increasing volunteers for committees." This proposed member resolution supports the Board's goals and priorities.

The residents of Semiahmoo are a valuable resource and we must welcome and encourage **ALL** residents to consider volunteer service to our community by serving on SRA Board committees. It is contrary to the SRA Board's goal to exclude a small group of residents simply because their name does not appear on the title of their home.

Specifically, this resolution is intended for residents, in this sub-category, who wish to volunteer their time to serve on SRA committees. This does not imply or suggest in any way that the proposed change would establish rights to serve on the SRA Board or to have voting rights.

**Economic impact:**

Clerical time and effort to add to or change our CC&Rs and By-laws.

**MEMBER RESOLUTION NO. 2024-02**  
**A Resolution Regarding a New Sub-Category of SRA Membership**

## Amendment Two Opposition Statement

### Statement of Opposition to Resolution: New Sub-category of SRA Membership

This proposal should be rejected. According to the author's proposal, this amendment is designed to allow residents who live in neighborhoods subject to the HOA but who are not eligible to vote to serve as volunteer members of committees. SRA Committees inherently have the kind of placement and access that allow Committee members to exert influence over the management of the community overall. Therefore, we feel that any Committee that has voting rights to influence Board decisions and/or the community at large should be comprised of residents that have a financial stake in this community through ownership. Consequently, we oppose this amendment because the language is unclear, and because it purports to give voting rights to anyone with any peripheral connection to the community, rather than owners alone. For these reasons, the proposed amendment should be rejected.

*-Ciaran Brennan and David Moon, Opposition Committee*



Approve  
Reject

**MEMBER RESOLUTION NO. 2024-03**  
**A Resolution on Due Process**

**Resolution Proposed by:** Steve Haines

**Article 8.10 – Duty of Due Process**

**WHEREAS**, The Declaration of Covenants, Conditions and Restrictions (“Declaration” or “CC&Rs”) for the Semiahmoo Resort Community ARTICLE XII Section 12.01 defines the method by which the Declaration may be amended, Stephen Haines as a member of the Semiahmoo Resort Association (SRA) offers this proposed amendment to the SRA CC&Rs for consideration and voting at the Annual General Meeting of the SRA; and

**WHEREAS**, The Board of Directors is granted broad power to oversee the management of the Semiahmoo Resort Association (SRA); and

**WHEREAS**, those powers include appointment of employees of the SRA and volunteer members of the SRA to positions on the committees authorized by the Board and the CC&Rs the appointment of Directors to fill absences on the Board of Directors; and

**WHEREAS**, good practice and fair and equitable treatment of persons who serve the SRA should include the application of principles of due process to the act of removing appointees of the Board,

**THEREFORE, BE IT RESOLVED THAT** the following Amendments to ARTICLE 8 ADMINISTRATION and to ARTICLE 10.02 (for the purpose of bringing 10.02 into compliance with this proposed Article 8.10) of the Declaration of Covenants, Conditions and Restrictions for the Semiahmoo Resort Community be placed before the Association members for voting at an appropriately called meeting of the Association, no later than the 2024 Annual General Meeting of the Association.

**THEREFORE, BE IT FURTHER RESOLVED THAT** upon a positive vote of the votes cast as described in Article 12 Section 1 of the CC&Rs, Article 8 will be amended as follows with an effective date one day after the 2024 Annual General Meeting of the SRA:

**Proposed Amendment**

**Article 8.10: Due Process for Removal of Appointees of the Board of Directors**

- a) The purpose of this amendment is to establish due process procedures for the removal of any member appointed by the Board of Directors to ensure fairness, transparency, and accountability.
- b) A member appointed by the Board of Directors may be removed for the following reasons:
  1. Violation of the HOA covenants, bylaws, or rules.
  2. Failure to perform duties as outlined in the appointment agreement.
  3. Conduct detrimental to the interests of the HOA.
- c) In the case of alleged illegal or dangerous actions by the appointee, the Board of Directors may immediately suspend the appointed member for a period of up to 14 days to allow for a factual investigation.
  1. The suspension must be communicated in writing to the appointed member, including the reasons for the suspension and the start date.
  2. During the suspension period, the Board must conduct a thorough investigation into the situation.
  3. At the end of the 14-day suspension period a hearing must be scheduled and the due process procedures outlined in Sections 4 and 5 must be followed or the appointed member must be reinstated.

**MEMBER RESOLUTION NO. 2024-03**  
**A Resolution on Due Process**

d) Procedure

a) Notice of Intent to Remove

- i. The Board of Directors must provide written notice to the appointed member at least 30 days prior to the proposed removal date.
- ii. The notice must include:
  - a) The specific reasons for the proposed removal.
  - b) The date, time, and location of the hearing.
  - c) The member's right to present evidence and call witnesses.

b. Hearing

- i. A hearing must be held before the Board of Directors within 30 days of the notice.
- ii. The appointed member has the right to:
  - a) Be present at the hearing.
  - b) Be represented by counsel.
  - c) Present evidence and call witnesses.
  - d) Cross-examine any witnesses presented by the Board.

c. Decision

- i. The Board of Directors must render a decision within 10 days of the hearing.
- ii. The decision must be in writing and include:
  - a) The findings of fact.
  - b) The conclusions based on the findings.
  - c) The final decision regarding the removal.

d. Appeal

- i. The appointed member has the right to appeal the decision to the general membership of the HOA.
- ii. The appeal must be submitted in writing within 15 days of the Board's decision.
- iii. A special meeting of the general membership must be called within 30 days of the appeal submission.
- iv. The general membership will vote on the appeal, and a majority vote is required to overturn the Board's decision.

Article 10.02 will be amended as follows in order to make it compliant with 8.10:

(amendment language shown in red)

**10.02 Architectural Standards Committee.** The Board shall establish the ASC, which shall consist of up to ten (10) (but not less than three (3)) members, not including the chairperson. All the ASC members, with the exception of the chairperson, shall be Owners and may or may not be members of the Board. The regular terms of office for each member shall be two years with staggered terms, such that each year or six-month period the Board shall appoint no more than three members (or two members if the ASC consists of four or fewer members) and no fewer than two members (or one member if the ASC consists of three members). Each year of a member's term shall coincide with the fiscal year of the Association except for members who have been appointed to the ASC during the fiscal year. There shall be no limit to the number of terms a member can serve, provided that any member appointed by the Board may be removed ~~with or without cause by the Board at any time by written notice to such~~ according to the due process procedures outlined in Article 8.10, and a successor or successors appointed to fill such vacancy shall serve the remainder of the term of the former member. The Board shall appoint the chairperson of the ASC on an annual basis, and such person, or in his or her absence, the vice chairperson (as designated by the chairperson

	<b>MEMBER RESOLUTION NO. 2024-03</b> <b>A Resolution on Due Process</b>
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on an as needed basis), shall be the presiding officer at any meeting. There shall be no limit on the chairperson's term and the chairperson does not have to be an Owner.

Clean copy of amended section 10.02

**10.02 Architectural Standards Committee.** The Board shall establish the ASC, which shall consist of up to ten (10) (but not less than three (3)) members, not including the chairperson. All the ASC members, with the exception of the chairperson, shall be Owners and may or may not be members of the Board. The regular terms of office for each member shall be two years with staggered terms, such that each year or six-month period the Board shall appoint no more than three members (or two members if the ASC consists of four or fewer members) and no fewer than two members (or one member if the ASC consists of three members). Each year of a member's term shall coincide with the fiscal year of the Association except for members who have been appointed to the ASC during the fiscal year. There shall be no limit to the number of terms a member can serve, provided that any member appointed by the Board may be removed according to the due process procedure outlined in Article 8.10, and a successor or successors appointed to fill such vacancy shall serve the remainder of the term of the former member. The Board shall appoint the chairperson of the ASC on an annual basis, and such person, or in his or her absence, the vice chairperson (as designated by the chairperson on an as needed basis), shall be the presiding officer at any meeting. There shall be no limit on the chairperson's term and the chairperson does not have to be an Owner.

**Economic Impact Statement**

This amendment will have no immediate economic impact. It requires only that existing personnel and resources follow due process procedures. The long term positive economic impact of this amendment is to protect the SRA from the risk of expensive litigation in the event of inappropriate summary removals, particularly those done without cause.

**MEMBER RESOLUTION NO. 2024-03  
A Resolution on Due Process****Amendment Three Opposition Statement**Statement of Opposition to Resolution: Article 8.10 – Duty of Due Process

This proposal should be rejected. First and foremost, the language of this amendment either gives zero permissible reasons for the board to remove a Committee member (section b.), or only authority to remove a Committee member for “illegal or dangerous actions by the appointee (section c.)” This amendment should be rejected outright for this reason alone. Otherwise, a member that commits arson might serve on the Committee from prison while the board attempts to comply with this amendment’s process requirements.

Furthermore, this amendment is unnecessary and creates other significant consequences if enacted. There is already a private process to remove Committee members that is fair and accountable and that does not involve public hearing and notice. Committee members can already be removed with or without cause, privately.

What volunteer Board member would ever be qualified to conduct an investigation of alleged “illegal or dangerous actions” by appointees? What is the standard by which to judge what qualifies as a “thorough,” “factual investigation?” Should the Board be able to compel discovery? If an appointee commits a battery (a dangerous AND illegal action) should the appointee really be reinstated after 14 days if the Board is unable to schedule a hearing?

This amendment purports to allow the Board to suspend a Board member for a maximum period of 14 days, but with a mandatory reinstatement requirement. Does that mean that after committing an “illegal or dangerous action” the member must always be reinstated upon appeal or procedural failure?

The amendment also purports to allow at least a 45-day hearing and decision period. Then, this amendment would require another 10 days to allow for an appeal submission, and then a further potential 30-day period whereby the “general membership” would also vote as a form of secondary appeal. From start to finish this amendment could require up to approximately 110 calendar days to remove any Committee member while the Committee member can only be suspended for 14 days. If the amendment is interpreted to exclude weekends, this amendment could, at a minimum, delay a removal for cause for over four months.

This amendment purports to provide a right to counsel for the appointee. A right to counsel, as in, if the appointee cannot afford counsel, the SRA will furnish an attorney? This amendment requires the hearings to allow cross examination. Should the board be able to compel witness attendance?

A volunteer Committee member does not have a property or liberty interest in a Committee position. The SRA Board is not a government entity that restricts or removes a property or liberty interest from a member when it removes them from a committee position. Due process is not required here. No process should be required, and yet, the SRA does already have a process.

Finally, the amendment’s Economic Impact Statement seems contradictory, considering the proposed due process would likely guarantee expensive litigation and exponential liability in every case of removal. We therefore recommend that this proposal be rejected.

*-Ciaran Brennan and David Moon, Opposition Committee*

Approve  
Reject

**MEMBER RESOLUTION NO. 2024-04**  
**A Resolution Regarding Qualifications for Election to the Board of Directors**

**Resolution Proposed by:** Steve Haines

**WHEREAS**, The Declaration of Covenants, Conditions and Restrictions (“Declaration” or “CC&Rs”) for the Semiahmoo Resort Community ARTICLE XII Section 12.01 defines the method by which the Declaration may be amended; and

**WHEREAS**, at the 2022 Annual General Meeting the community approved a member resolution (Article 8, Section 08) regarding the qualifications for election to the Board of Directors; and

**WHEREAS**, members of the Board of Directors must deal with a large number of complex issues affecting the SRA ; and

**WHEREAS**, Directors should therefore have some prior experience with SRA administrative procedures, committees and SRA operations,

**THEREFORE, BE IT RESOLVED THAT** the following Amendment to ARTICLE 8 - ADMINISTRATION of the Declaration of Covenants, Conditions and Restrictions for the Semiahmoo Resort Community be placed before the Association members for voting at an appropriately called meeting of the Association, no later than the 2024 Annual General Meeting of the Association.

**THEREFORE, BE IT FURTHER RESOLVED THAT** upon a positive vote of the votes cast as described in Article 12 Section 1 of the CC&Rs, Article 8.11 will be added to the CC&Rs as follows:

**Proposed Amendment**

**Article 8.11 Qualifications for Election to the Board of Directors**

All candidates for election to the Board of Directors, whether elected at the Annual General Meeting or by a special election of the Board of Directors to fill a vacancy on the Board, shall have at least one year of prior service on a Committee chartered by the Board of Directors.

Items in **red** be added, items that are stricken through be removed, and items in normal text stay the same.

Economic Impact Statement

No economic impact is expected as no additional personnel, services, equipment or time are required to meet this requirement.

**MEMBER RESOLUTION NO. 2024-04**  
**A Resolution Regarding Qualifications for Election to the Board of Directors**

## Amendment Four Opposition Statement

### Statement of Opposition to Resolution: 8.11 Qualifications for Election to the Board of Directors

This proposal should be rejected. This amendment purports to restrict Committee members with a “one year of prior service on a Committee . . .” bar to eligibility. This amendment should be rejected for several reasons. First, why should a member who wishes to serve the community in an elected position be required to volunteer a year’s worth of time? This is a standard that is likely not applied to anyone, anywhere, for any reason. How shall the elected Board member’s year of service be measured? By the hour? By the month? Weekdays only? Second, not every Committee would confer experience regarding “complex issues affecting the SRA.”

This amendment would only serve to restrict the pool of potential SRA Board applicants to an impracticably small number of people that can volunteer a year’s worth of time to qualify for an election. Therefore, this proposal should be rejected.

*-Ciaran Brennan and David Moon, Opposition Committee*

Approve  
Reject

**MEMBER RESOLUTION NO. 2024-05**  
**A Resolution Regarding Amendments by Association**

**Resolution Proposed by:** Steve Haines

**WHEREAS**, The Declaration of Covenants, Conditions and Restrictions (“Declaration” or “CC&Rs”) for the Semiahmoo Resort Community ARTICLE XII Section 12.01 defines the method by which the Declaration may be amended; and

**WHEREAS**, Section 12.01 (b) states “a resolution adopting a proposed amendment may be proposed by either the Board or by members of the Association”; and

**WHEREAS**, At the September 21, 2022 meeting of the Board of Directors it was determined that a single member of the Semiahmoo Resort Association could place an amendment before the community at an appropriately called meeting of the community; and

**WHEREAS**, At that same meeting, the question of whether the word “members” in Section 12.01(b) required that more than one member indicate support for such a Member Resolution was raised; and

**WHEREAS**, At the September 21, 2022 meeting of the Board of Directors the Board acted on the assumption that a single member could put such a resolution before the community; and

**WHEREAS**, At the September 21, 2022 meeting of the Board of Directors the Board acted on the assumption that the Board could not prevent such a resolution from being put before the community for a vote; and

**WHEREAS**, the ability of a single member of the Association having the ability to require the Association to formally vote on a resolution without evidence of wider community support can pose an undue burden on the resources of the Association, and,

**WHEREAS**, the recommendation in the amendment to require the support of members representing at least 40 voting units (which is equivalent to 10 members owning single family residences or 14 members owning condominiums between 1201 and 1400 square feet) does not pose a significant burden on members wishing to propose an amendment affecting the entire community; and

**WHEREAS**, the requirement to provide evidence of community support will reduce the likelihood of frivolous amendments being proposed,

**THEREFORE, BE IT RESOLVED THAT** the following Amendment to ARTICLE 12, Section 1(b) Declaration of Covenants, Conditions and Restrictions for the Semiahmoo Resort Community be placed before the Association members for voting at an appropriately called meeting of the Association, no later than the 2024 Annual General Meeting of the Association.

**THEREFORE, BE IT FURTHER RESOLVED THAT** upon a positive vote of the votes cast as described in Article 12 Section 1 of the CC&Rs, Article 12.01(b) will be amended as follows:

**Proposed Amendment**

**Article 12.01(b)**

(b) At such meeting, a resolution adopting a proposed amendment may be proposed by either the Board or by members of the Association **representing at least 40 voting units as defined in Section 4.02. A member-proposed amendment supported by at least 40 voting units must be placed before the SRA community in the manner prescribed in Article 4 for a vote without alteration by the Board of Directors unless the alterations are approved by the submitting members.** Subject to the forty percent (40%) quorum requirement stated in Section 4.11, such amendment must be approved by Owners holding at least two-thirds (2/3) of the votes cast; provided, however, that any amendment which materially and adversely affects the security title and interest of any mortgagee must be approved by such mortgagee.

[Items in **red** be added, items that are stricken through be removed, and items in normal text stay the same.]

	<b>MEMBER RESOLUTION NO. 2024-05</b> <b>A Resolution Regarding Amendments by Association</b>
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Economic Impact Statement

This amendment is expected to decrease the staff and Board of Directors time requirements by eliminating the need for detailed processing of clearly frivolous amendments. Therefore, zero to a small negative effect on the operating budget of the SRA is anticipated.



	<b>MEMBER RESOLUTION NO. 2024-05</b> <b>A Resolution Regarding Amendments by Association</b>
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## Amendment Five Opposition Statement

### Statement of Opposition to Resolution: Article 12.01(b)

This amendment should be rejected outright. This amendment would restrict expression and aims to fix a problem that does not seem to exist. We don't know what qualifies as a "frivolous amendment," because without a definition, frivolity is a matter of opinion. Restricting SRA members' right to propose amendments based on opinion could very well make amendments like this one impossible to propose. For instance, we would be inclined to think this proposal is frivolous, but we certainly don't begrudge a member's right to propose this amendment. We are unaware of any instance where the Association was unable to perform ordinary functions on account of being overwhelmed by proposals.

This amendment does not state how members with proposals are supposed to prove that they have the support of 40 voting units. Is it via survey? Does it require a petition with signatures? Solicitation is not allowed. Therefore, we recommend that this proposal be rejected.

*-Ciaran Brennan and David Moon, Opposition Committee*

Approve

Reject

**MEMBER RESOLUTION NO. 2024-06**  
**A Resolution Regarding Removal of Members-Only Web Page**

**Resolution Proposed by:** Joel Green

Regarding Amendment 43, 12/11/2023 –  
 Members-only Web Page Requirement - CC&R's 8.09 a & b.

Whereas stated in the CC&R's:

8.09 Regular Communications Between Board of Directors and the Membership of the Semiahmoo Resort Association.

a. The Board of Directors shall hold an open meeting of the Board with the Semiahmoo Resort Association membership for the purpose of exchanging information, having membership pose questions, the Board giving answers and allowing back-and-forth discussion between the Board and membership four times per year at approximately 3-month intervals. The meeting may provide online access but, except in the case of a declared national emergency, must include an in-person component. The meeting shall be recorded and the recording saved and made available online or in person to the membership.

b. For the purpose of improving communication between the Community, the Board of Directors, its Committees and Staff, the Board shall establish and maintain an online members-only website on which communications from members, committees, the Board of Directors and the SRA Staff may post information related to the Semiahmoo Resort.

**Proposed Amendment**

Items in red be removed from Amendment 43, 12/11/2023

This refers to the removal of the Members-Only web page requirement from this noted amendment and highlighted in red above.

Economic Impact – The creation of such website would impact staffing levels for the SRA to manage the correspondence on a 24 / 7 basis to ensure conformity and following of the rules of posting on the website. It also has been tried before in a different forum and it was not successful and shut down due to inappropriate comments / postings.

**MEMBER RESOLUTION NO. 2024-06**  
**A Resolution Regarding Removal of Members-Only Webpage**

## Amendment Six Opposition Statement

Statement of Opposition to Resolution: **Removing** Requirement for Members-Only Webpage

No Opposition.

*-Ciaran Brennan and David Moon, Opposition Committee*

# 2024 OFFICIAL BALLOT

Semiahmoo Residents Association (SRA)

2024 Annual Meeting – Saturday, October 26, 2024

## URGENT REPLY REQUESTED – Ballot Due by Noon, October 24, 2024

This ballot must be returned to the SRA Office by the qualified voter by NOON THURSDAY, October 24, 2024.

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

### 2025 Budget Resolution Board Resolution (2024-08-21-01)

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

Special Assessment Resolution Board Resolution (2024-08-21-02) - A majority of the votes of the owners who are voting in person or by proxy at a meeting duly called for this purpose.

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

Measures	Approve	Reject
Board Resolution (2024-08-21-01): A Resolution to Ratify the 2025 Budget		
Board Resolution (2024-08-21-02): A Resolution to Adopt a Special Assessment		

### 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.

Board of Directors Candidates	Vote
Ciaran Brennan	
Luc Clement	
Adam Finfer	
April Hashimoto	
David Moon	
Debbie Paquin	

Subject to the forty percent (40%) quorum requirement stated in Section 4.11, such amendment must be approved by Owners holding at least two-thirds (2/3) of the votes cast. (12.01)

Measures	Approve	Reject
Member Resolution 2024-01: A Proposal to Rescind Amendment 43		
Member Resolution 2024-02: A Resolution Regarding a New Sub-Category of SRA Membership		
Member Resolution 2024-03: A Resolution on Due Process		
Member Resolution 2024-04: A Resolution Regarding Qualifications for Election to the Board of Directors		
Member Resolution 2024-05: A Resolution Regarding Amendments by Association		
Member Resolution 2024-06: A Resolution Regarding Removal of Members-Only Webpage		

Dated this \_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
Property Owner Signature

\_\_\_\_\_  
Property Owner Signature

\_\_\_\_\_  
Print name

\_\_\_\_\_  
Print name

Neighborhood(s): \_\_\_\_\_

Lot/Unit Number(s): \_\_\_\_\_

**Ballot Information**

You have received this ballot because we have not yet received your permission to send you AGM materials by email. By now, you should have received an invitation to participate in the online election if we have an email address on file for you. We strongly encourage members to utilize the online option. If you have questions call Lori Thorne at 360-371-7796 option 2. If you still prefer to use a paper ballot, please see instructions below.

Please complete the property ownership information below so that the correct number of assessable units can be assigned to your ballot.

Please mail ballot to arrive by or drop off this ballot by 12:00 p.m. on Thursday, October 24, 2024 at the SRA Center. Ballots must be dropped off by the qualified voter.

*2024 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. October 23, 2024 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., October 24, 2024, 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., October 24, 2024, for the meeting held on October 26, 2024, or any adjournment thereof.

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

April Hashimoto \_\_\_\_\_ Debbie Paquin \_\_\_\_\_ Greg Booth \_\_\_\_\_ Tom McDaniel \_\_\_\_\_

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

Dated this \_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
Property Owner Signature

\_\_\_\_\_  
Property Owner Signature

\_\_\_\_\_  
Print name

\_\_\_\_\_  
Print name

Neighborhood(s): \_\_\_\_\_

Lot/Unit Number(s): \_\_\_\_\_