

Welcome to 2026!

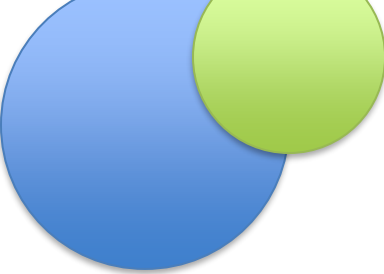
We are only an email away
McFARLANDFARM@OUTLOOK.COM

MCFARLAND FARM PROPERTY OWNERS ANNUAL MEETING

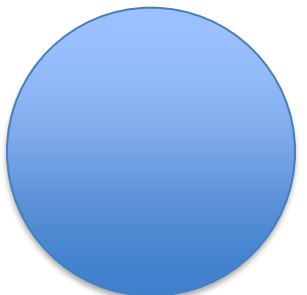
JANUARY 17, 2026

Our website:
www.mcfarlandfarmpoa.com





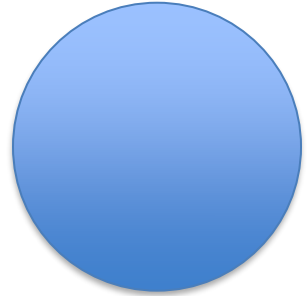
Agenda

1. Welcome – Libby
 2. New member welcome - Libby
 3. Board Changes | Call for new members – Libby
 4. Reflection - Importance of our governing body - Libby
 5. 2025 Activities Summary – Joe
 6. Financials (end of year report, 2026 Budget) – Christine
 7. Changes in the HOA Landscape & MFPOA Bylaws and Covenants - Libby
 8. Board Vote outcome – Karen
 9. Q&A – what's on your mind?
 10. Raffle (\$50 gift card) – Ken
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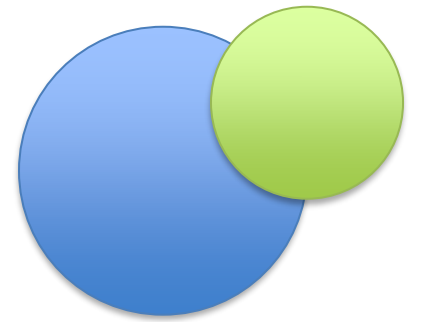
New Member Welcome

Please stand and tell us a little about yourselves

1. Dale S. Dallman & Wendy C. Bathgate - 854 McFarland Dr.
 2. Donald Hanna, Jr. & Jennifer M. Hanna - 921 McFarland Dr.
 3. Madeline Houston & Daniel Hauptman - 1211 McFarland Dr.
 4. James Develyn & Alma Spaude - 211 Yellow Brick Road
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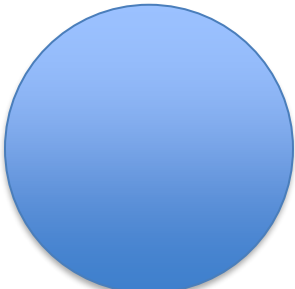
Board Changes

- Denny White and Ken Phillips retirement – with our sincere appreciation and gratitude for 8+ years of service respectively
- Libby Hartman – interim President
- Andy Luts – interim Vice President
- Christine Charters –Treasurer – looking for backup
- Vanessa Gunther –Secretary
- Karen Griffiths – web master and Communications lead
- Joe Sorenson – member at large





Why a 'POA' is important to you?

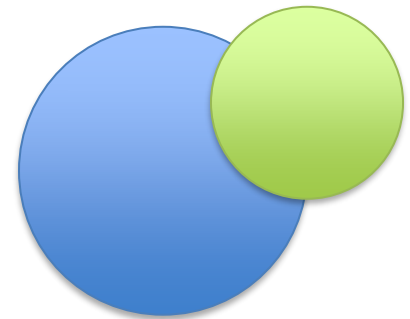


HELP DO THIS – CALL FOR BOARD MEMBERS!



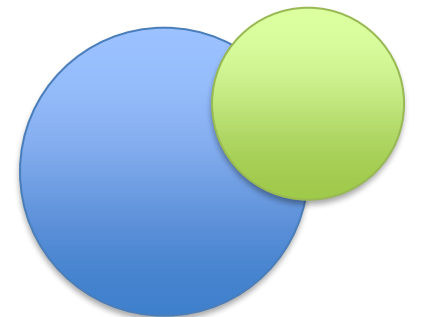
2026 Summary of Activities - Joe

- New McFarland Farm welcome signs made, now at one entrance. Working on placement of 2nd sign.
- Addressed questions from prospective property owners
- 5 new property owners welcomed
- Lot #6 designated as an emergency meeting place for residents
- Violations for overgrowth of foliage and signage complaints addressed and resolved.
- Continuing with lawsuit for ongoing covenant violations.
- Contributed to income with effective CD management
- Held annual meeting and annual picnic.
- Investigated impact of HOA State Law changes
- Addressing a challenge to our 'no short-term rentals' covenant



2025 BUDGET RECAP & 2026 PROJECTION INCOME

	2022	2023	2024	2025			2026
INCOME	Actual	Actual	Actual	Projected	Actual	Difference	Projected
70 Lots	\$3,275	\$4750	\$5,075*	\$5,325	\$4,875	\$450	\$5,250
*Includes some dues from 2022 & 2023							



2023, 2024 Budget, 2025 Recap & 2026 Projected Expenses- Page 1

	2023	2024	2025			2026	
EXPENSES	Actual	Actual	Projected	Actual	Difference	Projected	
Annual Sec of State Fees	20	\$20	\$20	\$20	\$0	\$20	
Covenant filing - Clallam Co.	\$0	\$380	\$0	\$0	\$0	\$0	
Gift Certificates:	\$100	\$100	\$200	\$200	\$0	\$200	
PO Box Rental:	\$166	\$170	\$166	\$188	\$22	\$200	
Mail Expenses:	\$13	\$114	\$100	\$120	\$20	\$120	
Office Supplies:	\$35	\$254	\$100	\$0	\$100	\$100	
Annual Printing:	\$150	\$0	\$400	\$0	\$400	\$100	
Legal Fees:	\$4748	\$868	\$1,000	\$9,130	\$8,130	\$5,000	
Annual Meeting: Jan. 2025	\$650	\$168	\$300	\$530	\$230	\$500	
Annual Picnic Stipend:	\$752	\$567	\$600	\$861	\$261	\$660	
Sanikan Rental for Picnic:	\$175	\$182	\$182	\$182	\$0	\$182	

2023, 2024 Budget, 2025 Recap & 2026 Projected – Expenses – Page 2

	2023	2024	2025			2026
EXPENSES – Cont'd.	Actual		Projected	Actual	Difference	Projected
Website:	\$406	\$394	\$400	\$363	\$37	\$400
Wix Web Hosting (1 yr): \$223						
Domaine Name (5 yrs): \$225 (1yr): \$45						
Annual Maintenance: \$130						
Miscellaneous Expenses: Signs	\$8	\$0	\$1,400	\$1,092	\$308	\$250
SUBTOTAL EXPENSES:	\$7,484	\$3,217	\$5,268	\$12,504	(\$7,236)	\$7,820
BALANCE:	(\$2,734)	\$1,858	\$57	(\$7,629)		(\$2,570)

2025 Budget & 2026 PROJECTION Details

BUDGET DETAILS	
Covenant filing - Clallam County:	Filings are rare and will only happen when there is a change.
Legal:	Legal Entity and Covenant Enforcement
Web site Domaine Name:	Starting 1/1/23 = \$225 total for 5 yrs. \$45 per year.
Miscellaneous Expenses:	Two McFarland Farm signs – Done. One sign still needs to be placed.
Annual Picnic:	~\$800 Rent tables and chairs, Sanikan, food (hamburgers, hotdogs, condiment, water, etc.)

CD's 2022-2025

	2022	2023	2024	2025	
Year End Balance:					
#2180/#5520	\$11,487	\$7,828	\$12,003	\$25,790	
#2198/#8100	\$11,523	\$11,913	\$24,745	\$7740	
Interest rate:					
#2180/#5520	0.02%	4.40%	4.16%	3.44%	
#2198/#8100	0.02%	3.98%	4.16%	3.75%	
Interest Gain:					
#2180/#5520	\$3.46	\$85	\$605	\$872	
#2198/#8100	\$3.61	\$108	\$458	\$276	
Total Gain:	\$9.07	\$193	\$1063	\$1048	

Summary of Accounts

Year End Balance	2022	2023	2024	2025
CHECKING:	\$2,011	\$7069	\$4,897	\$3,397.78
CD #7181 / 2180/ 5520	\$11,487	\$7,828	\$24,829	\$25,789.87
CD #7199 / 2198/ 8100	\$11,523	\$11,913	12,343	\$7,739.60
TOTAL:	\$25,021	\$26,810	\$42,069	\$36,927



Important shifts that may affect MFPOA

In early 2025, two events converged:

1. We started looking into the changing state laws for HOA/POAs
2. A McFarland Farm resident sent a letter regarding the validity of the 'short-term rental ban' amendment sighting case law from 2014

Changes in the HOA Landscape

Board began doing research into the laws governing HOAs and how they were changing

Background

- The **RCW** (Revised Code of Washington) is the complete collection of **all permanent laws in Washington State**.
- **WUCIOA (Washington Uniform Common Interest Ownership Act)** - Codified as RCW 64.90, WUCIOA is **the modern legal framework governing condominiums, HOAs, and other common-interest communities in Washington**.
- **WUCIOA For All** - SB 5796 is the **major reform bill** that **repeals older HOA/condo statutes** (RCW 64.32, 64.34, 64.38) and makes WUCIOA the single governing statute for all common-interest communities in Washington by January 1, 2026.

The types of issues in the above state bills include comment periods at board meetings, access to board materials, secret ballot votes, remote meetings, reserve fund investments, financial transparency, etc.



Impact on McFarland Farm

What we learned in this process with guidance from the attorneys:

- **MF is NOT an HOA** (due to lack of 'common property'), but rather we are a Non-profit corporation (not governed by WUCIOA and its bills) – and our current covenants, bylaws and the non-profit corporate governance laws will continue to be our guidepost.

Impact McFarland Farm

The questions we had and the answers we received:

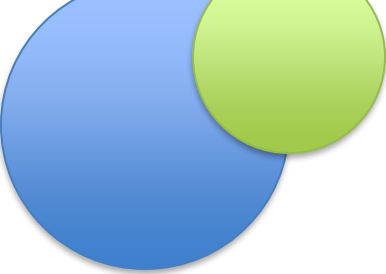
Questions	Answers
Do we need to follow the new HOA State Bills?	• No – as we are not an HOA formally, we are not required to comply with the WA RCW, SB 5796, SB 5129. <i>Where it makes sense, we plan to adopt the best practices.</i>
Is the ‘short term rental’ ban that the community voted on (09/2022) valid?	• This amendment was validly adopted per our MF covenants and bylaws

Board Vote Outcome – Karen Griffiths

Voting requirements:

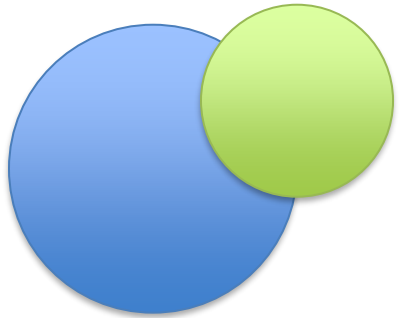
- For a quorum, we need 34 % participation from the community (24 votes)
- To pass in the affirmative, we need 51% (13 votes in favor)

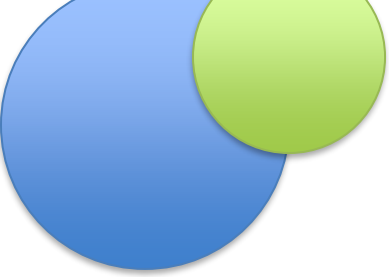




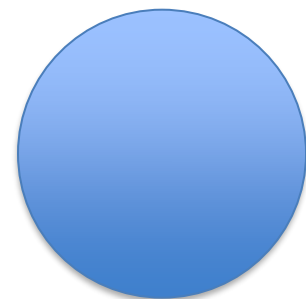
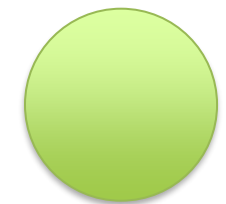
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Raffle – Ken Phillips





Appendix



Evolution of MFPOA Covenants

<u>Recorded Document #</u>	<u>Date Recorded</u>	<u>Title / Descriptions</u>	<u>Notes/Comments</u>	
1973- 0420937	3/15/1973	MFPOA Founding Covenants	Original covenants (there is actually mention of first covenants in 1970...)	
1973-0425423	7/27/1973	First amendment to covenants	Only 4-months after original, but pretty comprehensive edits.	
2007-1194810	1/19/2007	Amendment and Restatement of Protective covenants		
	2/21/2007	Certificate of Incorporation Issued		
2008-1221170	5/19/2008	Amendment to Covenants	Tweaks to Paragraphs 5.1 (Dwelling Unit), 5.10.1 (Easements), 5.14 (Signs and Billboards)	
2010-1251939	5/18/2010	Amendment to Covenants	Tweaks to Paragraphs 5.1 (Dwelling Unit), 5.10.1 (Easements), 5.14 (Signs and Billboards)	
	2014	Wilkinson vs. Chiwawa	This Case Laws says no NEW more restrictive covenants for HOAs.	
2022-1442576	9/14/2022	Amendment to Covenants	Increased annual dues from \$50/yr to \$75/yr. Modifications to Paragraph 5.15, General Conditions: 5.15.4 Temporary Rentals 5.15.5 Shipping Containers	
2024-1461255	6/28/2024	Amendment and Restatement of Protective covenants	Clean-up of Covenants document, incorporating all prior changes	