

**RESOLUTION 24-01-01  
OF  
HIGHLANDS RANCH COMMUNITY ASSOCIATION, INC. REGARDING  
FINANCE COMMITTEE CHARTER**

**SUBJECT:** Adoption of an amended Charter for the Finance Committee

**PURPOSE:** To provide a revised structure for the creation and operation of the Finance Committee

**AUTHORITY:** The Declaration, Bylaws, and Articles of Incorporation of the Association and Colorado law

**EFFECTIVE DATE:** February 20, 2024

**RESOLUTION:** WHEREAS, the Highlands Ranch Community Association, Inc. (“HRCA”) has created the Finance Committee to assist the Board of Directors in the management of the financial operations of the HRCA; and,

WHEREAS, the Finance Committee Charter and Bylaws previously adopted by the Board on February 15, 2022, requires revisions and updates; and,

WHEREAS, the Board has determined to consolidate the prior Charter and Bylaws into a single Charter; and,

NOW, THEREFORE, BE IT RESOLVED, the Board of Directors adopts the attached Charter of the Finance Committee of the Board of Directors of Highlands Ranch Community Association, Inc.

**PRESIDENT’S CERTIFICATION:** The undersigned, being the President of Highlands Ranch Community Association, Inc., a Colorado nonprofit corporation, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on February 20, 2024, and in witness thereof, the undersigned has subscribed his/her name.

**Highlands Ranch Community Association, Inc.,**  
a Colorado nonprofit corporation

By: \_\_\_\_\_  
Its: President

**HIGHLANDS RANCH COMMUNITY ASSOCIATION, INC.**  
**FINANCE COMMITTEE CHARTER**  
Adopted \_\_\_\_\_, 2024

WHEREAS, the Highlands Ranch Community Association, Inc. (“HRCA”) has created the Finance Committee to assist the Board of Directors in the management of the financial operations of the HRCA; and,

WHEREAS, the Finance Committee Charter and Bylaws previously adopted by the Board on February 15, 2022, requires revisions and updates; and,

WHEREAS, the Board has determined to consolidate the prior Charter and Bylaws into a single Charter; and,

NOW THEREFORE, the Board of Directors hereby adopts the following Resolution and Finance Committee Charter.

- I. **Purposes.** The role of the Finance Committee is to assist the Board of Directors in the management of the financial operations of the Highlands Ranch Community Association (HRCA), including the Administrative and Recreation Funds and special restricted funds. The committee will also assist the Board of Directors in ensuring that the books and records of HRCA conform to generally accepted accounting principles and the provisions of the Community Declaration for Highlands Ranch Community Association, Inc. (Community Declaration).
- II. **Definitions.**
  - a. **Presiding Party.** The Presiding Party is the individual selected to present monthly updates regarding Finance Committee activities to the Board of Directors at the monthly Board meeting or work sessions prior thereto. The Presiding Party must meet the same qualifications as are required by the HRCA Bylaws for election or appointment to the Board of Directors. The Presiding Party may, but need not be, the Treasurer.
  - b. **Administrator.** The Administrator facilitates the conduct of Finance Committee meetings and shall be a Staff member. The Administrator does not vote on Finance Committee decisions. The Presiding Party and the Administrator may be the same person. The Administrator may designate the Presiding Party to facilitate the conduct of any Finance Committee meeting in his or her absence.
- III. **Membership.**
  - a. The Finance Committee will comprise five to nine HRCA members in good standing who have relevant financial expertise.
  - b. The Board of Directors appoints and may remove Finance Committee members in its discretion. The Board of Directors selects the Presiding Party. The General Manager selects the Administrator.
  - c. The HRCA Finance Director and Accounting Manager will be regular attendees and active participants in meeting discussions, and may be the Administrator, and the Presiding Party if qualified.
  - d. The Board shall, at its discretion, appoint a Board liaison to the Finance Committee.
- IV. **Vacancies.** Any vacancy on the Finance Committee be advertised in the HRCA communications (Newsletter, website, etc.). Highlands Ranch homeowners wishing to serve

on the Finance Committee may submit a letter of intent, resume, Committee Application Form and Disclosure Statement under the Conflict of Interest Policy to the HRCA Administrative office. The current Members of the Committee will review the application and make recommendations to the Board of Directors. The Board shall act on such recommendations promptly. The position of any Finance Committee member who misses four or more meetings in a consecutive twelve-month period without excuse shall be deemed vacant without further action by the Board.

V. **Quorum.** Quorum for any meeting of the Finance Committee shall be a majority of the voting Finance Committee members present in person or by proxy.

VI. **Term.**

- a. Finance Committee members serve for one (1) year terms unless otherwise specified; provided, however, that Finance Committee members may resign at any time.
- b. The Presiding Party and Administrator shall be appointed annually.

VII. **Powers, Duties and Responsibilities.** The Finance Committee shall:

- a. Conduct monthly meetings on the third Monday of each month or as otherwise determined by the Finance Committee members.
- b. Review and make recommendations on the financial statements and budgets for operating and reserve accounts, as well as other funds of HRCA. The Finance Committee will assist in the annual budgeting process in order to determine that the common expense assessments are properly and fairly levied against the homeowners. The Finance Committee will also provide guidance in determining collection, investment and reserve policies.
- c. Review all monthly, quarterly and annual financial statements, annual budgets for operating, reserve, bond and special funds, collection policy, investment policy as well as any other financial projects requested by the HRCA Board of Directors.
- d. Conduct other duties as assigned by the HRCA Board of Directors.
- e. Adhere to the Finance Committee Charter.

VIII. **Meeting Schedule and Notice.**

- a. The Finance Committee members shall establish the calendar of the regular monthly Finance Committee meeting annually.
- b. Notice of any meeting of the Finance Committee, whether regular, special, study session, or workshop, shall be provided by the Administrator to the Finance Committee members at least 72 hours prior to the meeting, and shall at that time be published with the HRCA Newsletter and/or HRCA Website, or other means available (e.g. Notice Boards with HRCA facilities).
- c. The HRCA Board of Directors, the HRCA President, or any two Finance Committee members may call a special meeting of the Finance Committee with 72 hours' notice given to each Finance Committee member for issues which may need discussion and action by the Committee.
- d. Study sessions or workshops can be called at any time by the Administrator, Presiding Party, or any two Finance Committee members for educational purposes; however, no formal action or decisions can be made.
- e. Members are expected to attend each of the monthly meetings, the scheduled budget meetings and the Annual meeting.

**IX. Conduct of Meetings.**

- a. Members will display common courtesy and respect for one another, HRCA employees, and community residents.
- b. The Finance Committee shall meet with the Board of Directors annually for the purpose of reviewing and recommending the next year's budget to be scheduled before the third Tuesday of October.
- c. Meetings shall be held in the HRCA's administrative offices or such other location as is designated in the notice provided to Finance Committee members.
- d. Regular and special meetings may be conducted electronically as permitted by the Colorado Revised Nonprofit Corporation Act.
- e. All meetings of the Finance Committee, including study sessions and workshops, are open to HRCA members or their designated representatives, except as permitted by C.R.S. 38-33.3-308(4).
- f. Each voting Finance Committee member shall have one vote; the Administrator, HRCA Finance Director and Accounting Manager are non-voting Finance Committee members. A majority vote of the Finance Committee members present is required for a motion to be adopted.
- g. The Board of Directors, the Presiding Party, or any two Finance Committee members may put a measure to question before the Finance Committee by email with a reasonable deadline identified. That measure shall be deemed approved if a majority of all voting Finance Committee members (excluding any HRCA staff) vote in favor of the measure. Any Finance Committee member not responding by the deadline shall be recorded as an abstention. A record of the measure and the results of the vote will be recorded in the minutes of the next regular meeting.

**X. Ethics and Conflicts.** All Finance Committee members are bound by Resolution 17-01-03, establishing duties and responsibilities of Directors, Delegates, and Committee Members.

- a. Each Finance Committee member will discharge his or her duties in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner he or she believes to be in the best interest of HRCA. The Finance Committee will be an unbiased sounding board in addressing financial issues and make decisions based on facts.
- b. The Finance Committee recognizes that holding a position which represents the public interest is a public trust. To actively promote public confidence, the Finance Committee member must be aware of a possible conflict of interest arising in the course of duty.
  - i. For purposes of this Charter only, a conflict of interest is described as a situation where the person:
    - has a financial interest in the matter;
    - will be directly affected by the decision in the matter;
    - believes he has a conflict of interest as defined by an applicable law;
    - or will gain an advantage to relations, groups or associations to whom affiliated.
  - ii. A Finance Committee member experiencing a potential conflict of interest shall declare that interest publicly and recuse himself/herself from the deliberations. Further, the Finance Committee member may not discuss the conflicted matter privately with other Finance Committee members voting on the issue.

- XI. Reporting.** The Administrator or a person designated by the Administrator will prepare written minutes promptly following each Finance Committee meeting, which shall be approved for publication at the following meeting. The Presiding Party will provide a monthly written or oral report of Finance Committee activity to the Board.
- XII. Severability; Revisions to Charter.** The Board of Directors may revise this Charter at its discretion at any time and shall provide notice to the Finance Committee of any revisions to the Charter's terms. If any portion of this Charter is in conflict with the governing documents of the HRCA, or is deemed unenforceable by statute or regulation, that portion of this Charter shall become void and the HRCA governing document and/or the applicable statute or regulation will take precedence. The remainder of the Charter unaffected by this conflict shall remain in effect.

**Approved: FINANCE COMMITTEE**

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Dan DeBacco, **Chairman**

**Adopted: BOARD OF DIRECTORS**

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Jim Allen, **President**

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