

RESOLUTION 22-02-03
OF
HIGHLANDS RANCH COMMUNITY ASSOCIATION, INC. REGARDING
CHARTER AND BYLAWS FOR FINANCE COMMITTEE

SUBJECT: Adoption of an amended Charter and Bylaws for the Finance Committee

PURPOSE: To provide a 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 15, 2022

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 previously adopted by the Board on November 18, 2021, requires revisions and updates; and,

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

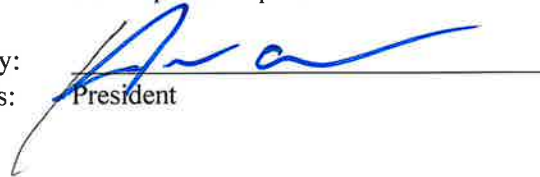
**PRESIDENT’S
CERTIFICATION:**

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 15, 2022, and in witness thereof, the undersigned has subscribed his/her name.

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

By: _____

Its: President



CHARTER:

REPORTS TO: HRCA Board of Directors.

AUTHORITY: Community Declaration, Conditions and Restrictions, Bylaws, Articles of Incorporation, Colorado law.

ORGANIZATION: The Finance Committee (Committee) will consist of six (6) to nine (9) voting members who are Highlands Ranch homeowners and who possess relevant financial expertise. There may also be one non-voting alternate volunteer, except in the absence of one or more voting Member(s), the alternate volunteer shall be granted a voting right. Committee members will be appointed by the HRCA Board of Directors. The HRCA Finance Director and Accounting Manager will be regular attendees and active participants in meeting discussions. The Board Treasurer will serve as Chairperson of the Committee. Annually, Committee members will elect a Vice-Chair. The HRCA Board of Directors reserves the right to remove any member of the Committee, and appoint a successor, as is reasonably justified.

PURPOSE: The purpose of the 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).

RESPONSIBILITIES: The Committee of the HRCA has responsibility to review and make recommendations on the financial statements and budgets for operating and reserve accounts, as well as other funds of HRCA. The Committee will assist in the annual budgeting process in order to determine that the common assessments are properly and fairly levied against the homeowners. The committee will also provide guidance in determining collection, investment and reserve policies.

The Committee will conduct other duties as assigned by the HRCA Board of Directors.

The Committee will adhere to the Finance Committee Charter and By-Laws.

APPENDIX:

- 1) **Conduct of Meetings** (Additional Instructions for the Chairperson)
 - a) Introductions: Prior to calling the first agenda item, the Chairperson shall introduce the Finance Committee members to the audience.
 - b) Instructions to Speakers – The Chairperson shall instruct guests in the audience to:
 - i) State their names, places of residence and whether they represent themselves or an organization.
 - ii) Address all questions and concerns to Committee members.
 - iii) Avoid undue repetition of arguments in the interest of time and other agenda items.

- 2) **Conduct of Business**
 - a) The Chairperson shall conduct the business as presented on the agenda unless a specific adjustment is made at the beginning of business.
 - b) The Chairperson has the discretion of limiting the time allotted for input from guests.

- 3) **Order of Business.** The following is the order of business conducted by the Committee at its meetings:
 - a) Roll Call: The Chairperson calls the meeting to order and a roll call is conducted of eligible voting members at the meeting. At this time, it will be announced whether or not there is a quorum present to conduct the meeting.
 - b) The Chair may allow “Personal Appearances” at each meeting by any member of Highlands Ranch desiring to speak on any matter not scheduled on the agenda; provided, however, that any such statement shall be within the purview of the Finance Committee’s charter, and shall be no more than ten minutes in duration.
 - c) Agenda: The following procedure will be observed in the consideration of agenda items.
 - i) Introduction of normal agenda items by the Chairperson.
 - ii) Guest Presentations. Guests shall, when recognized by the Chairperson:
 1. State name
 2. Who he/she represents
 3. Provide a brief description of their request and issue for the Committee to consider
 4. Answer questions from the Committee
 - iii) Public Comment: Those persons requesting to speak on an item before the Committee shall sign their names on the sign-up sheet, and will be called according to the order in which they signed up. The Chairperson may ask for questions from the audience at large when deemed proper.
 - iv) Final Comments: The Chairperson shall ask the guest for any final comments.
 - d) Closure of Meeting for Public Comment: Upon closure of the meeting for public comment, the Chairperson shall ask the committee members if they have any final statements or comments.
 - e) Voting: After all discussion has taken place, the Chairperson will conduct a vote. Findings of fact may be included with all unanimous votes. In the event of a opposition vote(s), a dissenting opinion report may be given.
 - i) All votes shall be recorded in the Minutes of the Meeting.
 - ii) A Finance Committee member may request specific comment(s) be included in the record, even if not a part of the motion.
 - f) Recommendations and Comments when Appropriate: The Committee shall transmit recommendations and/or comments and/or approval as follows:
 - i) HRCA Board of Directors (copy of Draft Meeting Minutes) for review
 - ii) Committee for Review and Approval at following month’s Meeting (for acceptance).
 - iii) Final findings, in letter format, signed by the Chairperson or his/her designated representative.

4) **Definitions**

- a) Guest: The proponent requesting a review of some financial issue, statement, budget, and / or project.
- b) Community Declaration: The Community Declaration for the Highlands Ranch Community Association dated September 1, 1981, and recorded in Book 421 at page 924 of the Office of the Douglas County Clerk and Recorder on September 17, 1981.
- c) HRCA: Highlands Ranch Community Association.
- d) Resolution: A written statement containing recommendations or comments of the HRCA Finance Committee.

5) **MEETINGS**: Meetings will be held as necessary to conduct committee business.

6) **REPORTING**: The Committee will maintain minutes of all regular meetings, and submit them to the Board of Directors.

BYLAWS:

The HRCA Finance Committee is a duly authorized committee designated by the HRCA Board of Directors to 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.

MEMBERSHIP AND QUORUM REQUIREMENTS: The Committee shall consist of six (6) to nine (9) regular members. A quorum, for purposes of holding a meeting, shall be a minimum of fifty percent, a majority, of the appointed membership.

VACANCIES: Vacancies will first be filled by the alternate volunteer, and then the vacancies will be advertised in the HRCA communications (Newsletter, website, etc.). Highlands Ranch homeowners wishing to serve on the Committee may submit a letter of intent, resume, Committee Application Form and Disclosure Statement under Conflict of Interest Policy to the Administrative office by the advertised deadline. The current Members of the Committee will select the individuals they feel are best suited to fill any vacancies. The Committee will make its recommendation to the Board of Directors concerning appointment of Committee Members. The Board shall respond to such recommendations promptly.

ELIGIBILITY: To be eligible for a position with the Committee, all applicants must be members in good standing of the Community Association.

APPOINTMENT: Members of the Committee are appointed by the Board of Directors. The term for members is one year. An appointment by the HRCA Board of Directors to complete the term of a vacated position will be for the remainder of that position's term.

REMOVAL: The HRCA Board of Directors may remove from office any member for non-performance of duty or misconduct. Four (4) unexcused absences are grounds for removal. The Chairperson, or his /her designated representative, shall report the fact of such absences to the HRCA Board of Directors, who will make the removal determination.

OFFICERS: The Board of Directors shall select from its members a Treasurer of the Board of Directors who shall also serve as Chairperson of the Committee. The Committee shall appoint a Vice-Chair at the time of the Chair's appointment. The Vice-Chair will serve as the Chair during any absence. A majority vote is required to elect officers. The term of the elected officers is for one year.

The HRCA staff shall act in the capacity of Meeting Secretary to take minutes.

Other positions may be created by the Committee as needed.

DUTIES OF OFFICERS

- 1) Chairperson:
 - a) Preside at all meetings of the Committee. (See Appendix for additional instructions on conducting meetings.)
 - b) Call special meetings of the Committee, as needed, in accordance with this Charter.
 - c) Sign the documents of the Committee (other than minutes), and present, or coordinate with his/her designated representative for the presentation, a monthly report at the regular meetings of the HRCA Board of Directors.
 - d) See that all actions of the Committee are properly taken. The Chair follows up on all Finance Committee recommendations made to the HRCA Board of Directors, as required.

- e) Cancel or reschedule regular meetings for cause, including but not limited to absence of quorum, absence of an agenda, meeting date falls on a holiday, and hazardous weather conditions.
- 2) Vice-Chair:
 - a) In the case of absence or disability of the Chairperson, the Vice-Chair shall perform the functions of the Chairperson, as described above.
- 3) Secretary:
 - a) The Secretary shall keep the minutes of all Committee meetings and prepare the resolutions of the Committee. The Secretary shall sign the minutes of the Committee.
 - b) In the case of absence or disability of the Chairperson and the Vice-Chair, the Secretary shall perform the functions of the Chair, as described above.

MEETINGS

- 1) Regularly Scheduled Meetings
 - a) Each year, following appointment to the Committee, the members will establish the date of its regularly scheduled monthly meeting.
 - b) A minimum of 72-hours prior to the scheduled Committee meeting, notices of such meetings will be published with the Community Newsletter and/or Community Website, or other means available (e.g. Notice Boards with HRCA facilities). Regular meeting dates may be subject to change.
- 2) Annual Meetings
 - a) There will be an annual joint meeting of the Board of Directors and the Committee for the purpose of reviewing and recommending the next year's budget to be scheduled before the third Tuesday of October.
- 3) Representative at HRCA Board of Directors Meetings
 - a) The Chairperson, or his designated representative, shall attend the monthly HRCA Board of Directors meetings.
- 4) Place of Meetings
 - a) Meeting shall be held in the HRCA's Administrative offices, unless notice is given to Members prior to the meeting date.
- 5) Electronic and Virtual Meetings
 - a) Regular and Special meetings may be conducted electronically as permitted by the Colorado Revised Nonprofit Corporation Act. All meetings of the Finance Committee are open to members or their designated representatives, except as limited by C.R.S. 38-33.3-308(4).
- 6) Special Meetings and Study Sessions
 - a) The HRCA Board of Directors, the Chair, or any two Members may call a Special meeting of the Committee with three days' notice given to each Member for issues which may need discussion and action by the Committee.
 - b) Study sessions or workshops can be called at any time for educational purposes; however, no formal action or decisions can be made.
- 7) Required Attendance
 - a) Members are expected to attend each of the monthly meetings, the scheduled budget meetings and the Annual meeting. If a Member of the Committee misses four out of twelve regularly

scheduled monthly meetings within a one-year period or critical budget review and annual presentation of the audited financial statements, that Member may be dismissed from the Committee at the discretion of the Board of Directors.

8) Committee Ethics

- a) Committee members will show a certain level of common courtesy during meetings.
- b) The Committee will be an unbiased sounding board in addressing financial issues and make decisions based on facts.

GENERAL RULES AND REGULATIONS

1) Voting Procedures

- a) Each voting member of the Committee, including the Chairperson, shall have one vote at regular meetings.
- b) A majority vote of the members present is required for a motion to be adopted. If one or more of the voting Member(s) are absent, the non-voting volunteer shall be counted as a Member.
- c) In the event of a tie vote, the motion being voted upon shall fail.

2) Rules of Order

- a) The Committee shall utilize Robert's Rules of Order for meeting procedures.

3) Vote Required

- a) Any measure put to question before the Committee shall be deemed approved if a majority of those Members attending vote in favor of the measure.

4) Email Vote

- a) The Board of Directors, the Chair or any two Members may put a measure to question before the Committee by email with a reasonable deadline identified. That measure shall be deemed approved if a majority of all current committee Members including the alternate volunteer vote in favor of the measure. Any Member not responding by the allotted deadline shall be recorded as an absent. A record of the measure and the results of the vote will be recorded in the minutes of the next Regular Meeting scheduled.

5) Conflict of Interest

- a) The Committee recognizes that holding a position which represents the public interest is a public trust. In order to actively promote public confidence, the Committee member must be aware of a possible conflict of interest arising in the course of duty:
- b) 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.
- c) A Committee member experiencing a conflict of interest shall declare that interest publicly and recuse himself/herself from the deliberations. Further, the Committee member may not discuss the matter privately with other committee members voting on the issue.

6) Amendments to this Charter

- a) This Charter may be amended at any time by at least two-thirds of the Members voting to affirm the amendment to this Charter. Said amendments must be ratified by a majority of the HRCA Board of Directors.

- b) If any portion of this Charter & Bylaws is in conflict with the governing documents of the HRCA, or is deemed unenforceable by statute or regulation, that portion of this Charter & Bylaws shall become void and the HRCA governing document and/or the applicable statute or regulation will take precedence. The remainder of the Charter & Bylaws unaffected by this conflict shall remain in effect.

Approved:

FINANCE COMMITTEE



Dan DeBacco, **Chairman**

Adopted:

BOARD OF DIRECTORS



Jim Allen, **President**

Adopted this 15 day of FEBRUARY, 2022.