

Stratmoor Hills Fire Protection District Policy

Number: A-1

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Subject: BOARD OF DIRECTORS

Section 1. Disclaimer

The policies and procedures contained in this handbook do not represent a contract, and should not be relied upon as binding, inflexible promises made by the District. The District reserves the right to change or rescind these policies at any time, as well as the right to determine their meaning, purpose, and effect. The District also reserves the right in its sole discretion to determine whether and to what extent these policies and procedures should be applied in any given circumstances. In the event of special circumstances, the Board of Directors may temporarily suspend the operation of any section or sections of Board policies, including those governing its own operational procedures. This, however, does not apply to any section of Board policies that is established by law.

Section 2. Purpose and Scope of Policies

- 2.1 These policies form the basic structure for the operation of the Fire Protection District and provide direction to the District's Directors, officers, supervisors, employees, and volunteer members and recruits. They take precedence over any other direction issued by the District's management unless the Board specifically directs to the contrary.
- 2.2 These policies inform employees of the District's position on basic employment-related subjects. They are not all inclusive but address those general topics that are most likely to be of interest to employees in the course of ordinary day-to-day operations of the District. The policies establish direction to be used by employees, managers, and supervisors.
- 2.3 It is hereby declared that the Board Policies hereinafter set forth will serve a public purpose. The Board is responsible for the development of policies and for the employment of all managers and supervisors who will carry out the policies through the development and implementation of procedures.
- 2.4 The Board is responsible for employing the staff necessary to accomplish the goals of the District and for establishing salaries, terms and conditions of employment and personnel policies.

Section 3. Authority

The District is a governmental subdivision of the State of Colorado and a body corporate with those powers of a public or quasi-municipal corporation which are authorized in compliance with C.R.S. 32-1-1001 et seq.

Section 4. Office of the District pursuant to C.R.S. 32-1-904

4.1 Business Office of the District

- (a) The principal business office of the District shall be at 2160 B Street, Colorado Springs, El Paso County Colorado, unless otherwise designated by the Board.
- (b) Establishing Other Offices and Relocation: The Board, by resolution, may from time to time, designate, locate, and relocate its executive and business office and such other offices as, in its judgment, are necessary to conduct the business of the District
- (c) Business Office Hours: The regular business office hours of the District and administrative hours of the Fire Department shall be 8:00 AM to 5:00 PM Monday through Friday
- (d) Directors are available at scheduled regular and special meetings of the Board or by appointment.

Section 5. Intent of the Board

It is the intent of the District Board of Directors, consistent with the availability of revenues, personnel, and equipment, to use its best efforts to provide those services allowed pursuant to Section 32 of the Colorado Revised Statutes.

Section 6. Board of Directors

The Board of Directors shall be composed of five members as prescribed by statute and all powers, privileges and duties vested in, or imposed upon, the District by law shall be exercised and performed by and through the Board of Directors (hereinafter referred to as "the Board").

Section 7. Directors

7.1 Director Qualifications and Terms

Directors shall be electors of the District. The term of each Director shall be determined by relevant statutory provisions with elections held and conducted in the manner prescribed by C.R.S. 32-1-801

7.2 Oath of Office

Each member of the Board, before assuming the responsibilities of his/her office, shall take and subscribe an oath of office and, at the expense of the District, furnish any bond required by C.R.S. 32-1-901(1).

7.3 Board Officers -- Election of {C.R.S. 32-1-902(1)} and Duties

- (a) The officers of the Board shall be elected by a majority of the Directors. The election of officers shall be conducted at the first regular meeting in May of each year, and each officer, so elected, shall serve for a term of one year until their successors are duly elected and qualified.
- (b) The Board shall elect from its membership, a:

- (i) President of the District and Board Chair who shall preside at all meetings and shall perform all duties incident to that office
- (ii) Vice-President of the District and Board Vice-Chair who shall act as President/Chair of the Board and shall perform all duties incidental to that office as required by the Board
- (iii) The Secretary/Treasurer of the District and of the Board shall
 - cause to be kept permanent, strict, and accurate accounts of all money received and disbursed by the District
 - have the power to affix the District seal to and attest all contracts and instruments authorized to be executed by the Board Per C.R.S. 32-1-902(2)
 - is responsible for ensuring that accurate minutes of the Board meetings are kept and preserved.

The Secretary/Treasurer shall be responsible for, as defined in Section 12 of this Policy,

- Notice to public of proposed District budget (12.3)
- Filing adopted District budget with the State (12.6)
- Scheduling of the annual audit (12.11)
- Opening of bank/investment accounts (12.12)

The Secretary/Treasurer shall be responsible for, as defined in Section 13 of this Policy, the corporate seal.

The Secretary / Treasurer shall be responsible for ensuring that staff has updated the DOLA website with the current Director information, under said tab, after any election and after Board Election of Officers.

(c) Additional Duties

- (i) The officers of the Board shall perform such other duties and functions as may from time to time be required by the Board, by Board Policy or rules and regulations of the District.

7.4 If a Director chooses to perform work for the District that is outside of the normal administrative duties of a Director, he/she will work with the Fire Chief to determine the need, cost, and scheduling of such actions. The Director(s) may bring up the need to the full Board for input/approval in the next Board meeting.

7.5 Vacancies pursuant to C.R.S. 32-1-905

- (a) Any Director's office shall be deemed vacant upon the occurrence of anyone of the following:
 - (i) Failure to meet the qualifications of Director
 - (ii) Failure to satisfy the oath and bond requirements
 - (iii) Written resignation
 - (iv) Failure to remain qualified for the office
 - (v) Conviction of a felony
 - (vi) Removal from office or voidance of election by court (subject to appeal)

- (vii) Failure to attend three (3) consecutive regular Board meetings, unless approval of absence is entered in the minutes, or absence is excused for temporary mental or physical disability or illness, followed by a 4th absence results in the mandatory removal of the Director. C.R.S. 32-1-905(1)(g)
 - (viii) Death
- (b) Any vacancy of the Board shall be filled by appointment by the remaining Directors as prescribed by statute C.R.S. 32-1-905(2)(a)
 - (c) Term Limits - Directors are limited to two consecutive terms in office according to the Colorado State Constitution, Article XVIII, Section II

7.6 Director Compensation

- (a) Each Director may receive only the compensation prescribed by statute C.R.S. 32-1-902(3)(a). Directors will be paid \$100.00 for every Regular Meeting attended and \$50.00 for every Special Board Meeting attended or meetings attended with other agencies or entities concerning District business.
- (b) No Director shall receive any compensation as an employee of the District per C.R.S. 32-1-902(3)(b)
- (c) Reasonable and customary actual expenses incurred by a Director will be reimbursed. Travel expenses incurred by Directors will be reimbursed in accordance with the District's travel policy. Reimbursement of actual expenses for Directors shall not be considered compensation per C.R.S. 32-1-902(3)(b)

7.7 Board of Directors Code of Ethics:

The Directors should function as part of the whole Board – issues should be brought to the attention of the Board as a whole – rather than to individual members selectively.

- (a) Respect – the dignity, style, values, and opinions of each director shall be respected. Directors shall at all times conduct themselves with courtesy to each other, to staff and to members of the audience present at Board meetings.
- (b) Listening – Responsive and attentive listening in communication is encouraged.
- (c) Representation – the needs and desires of the Fire District's constituents should be the utmost priority of the Board of Directors.
- (d) Responsibility – The responsibility of the Board of Directors is the creation, implementation, and evaluation of policy and in addition to all statutory duties. The Operations of the Fire District are delegated to the Fire Chief.

- (e) Attitude – Directors should commit themselves to emphasizing the positive, avoiding double talk, hidden agendas, backbiting and other negative forms of interaction.
- (f) Issue Orientation – Directors should commit themselves to focusing on issues and not personalities. The presentation of the opinions of others should be encouraged. Cliques and voting blocs based on personalities rather than issues should be avoided.
- (g) Openness – Different viewpoints are healthy in the decision-making process. Individuals have the right to disagree with ideas and opinions. Once the Board of Directors take action by majority vote, all Directors should support the action, and not create barriers to the implementation of such action. There should be no minority opinions or individual disagreement with the action publicly expressed on District action is taken by the Board.
- (h) Team Effort – The smooth working of the Board and District Staff is a team effort – all individuals should work together in the collaborative process, assisting each other in conducting the affairs of the District.
- (i) Constituent Request – When responding to constituent requests and concerns, Directors should be courteous, responding to individuals in a positive manner and routing their questions through the appropriate channels and to the Fire Chief or his elected designee.
- (j) Complaints – In handling complaints from residents and property owners of the Fire District, the complaints should be referred to the Fire Chief. Board members should refrain from attempting to handle complaints without the involvement of the Fire Chief.
- (k) Interaction with the Fire Chief – Directors should develop a working relationship with the Fire Chief wherein current issues, concerns and District projects can be discussed comfortably and openly. The Fire Chief shall not play favorites among Board Members but shall treat all Board members equally and with dignity and respect.
- (l) Clarification – In seeking clarification on informational and policy items, Directors should directly approach the Fire Chief to obtain information needed to supplement, upgrade, or enhance their knowledge to improve their decision making. In seeking clarification for administrative policy-related concerns, especially those involving personnel, legal action and finances should all be directed to the Fire Chief. It is preferred that such clarification is sought during Board meetings, where all Directors receive the same information.
- (m) Interaction with staff members –No board member shall have direct contact with the district staff if it concerns district business. If a Board member has a concern or issue with a member of the staff, they shall direct the issue to the Fire Chief.
- (n) Interaction with the Fire District Attorney – Any Board member wishing to contact the Stratmoor Hills Fire Protection District's Legal Counsel must get approval from the Board President and/or the Vice President. The Board member must then bring the Legal Counsel's answer to the Board as an informational item so that all Board members can be informed of the information. If the Board member does not get approval first, then

the Board member could be held liable for the legal fees incurred not to exceed \$1,000.00.

Section 8. Powers of the Board of Directors

8.1 Without restricting the general powers conferred by law, (C.R.S. 32-1-1001) and (C.R.S. 32-1-1002), it is hereby expressly declared that the Board shall have the following powers and duties:

- (a) To determine and designate, except as otherwise provided by law or these policies, who shall be authorized to -
 - (i) make purchases
 - (ii) negotiate leases
 - (iii) sign receipts, endorsements, checks, releases, and other documents
 - (iv) make payments via ACH (Automated Clearing House) EFT (electronic funds transfers) to include paying wages through direct deposit or making remittances from District accounts
- (b) To create standing or special committees and to delegate such power and authority thereto, as the Board deems necessary and proper, for the performance of its functions and obligations
- (c) To prepare financial reports, other than the statutory audit, covering each year's fiscal activities; and said report, if requested, shall be submitted to the Board, and made available for inspection by the public
- (d) To retain legal counsel as necessary to act on the Board's behalf on all legal matters, and secure other professional services when necessary.

8.2 Personnel Selection and Tenure, Contracted Professional Services

The selection of agents, employees, engineers, accountants, special consultants, and attorneys of the District will be based upon the relative qualifications and capabilities of the applicants and shall not be based on political services or affiliations. Agents and employees shall hold their offices at the pleasure of the Board. Contracts for professional services of engineers, accountants, and special consultants and attorneys may be entered into on such terms and conditions as may seem reasonable and proper to the Board.

Section 9. Board Meetings pursuant to C.R.S. 32-1-903

9.1 Regular Meetings

Regular meetings of the Board shall be held on the third Wednesday of each month at the business office. Meetings shall commence at 3 P.M.

9.2 Public Meetings

- (a) All meetings of the Board, other than executive sessions, shall be open to the public and the public is encouraged to participate
- (b) All meetings of a quorum of three or more members of any local public body, whichever is fewer, at which any public business is discussed or at which any formal action may be taken, are declared to be public meetings, open to the public at all times. Per CRS 24-6-402(2)(a)

9.3 Notice of Meetings

Full and timely notice of meetings shall be posted pursuant to C.R.S. 32-1-903(1)-(2), C.R.S. 24-6-402(2)(c), C.R.S. 24-6-402(2)(c)(III). The Agenda, see Section 9.6(a) of this policy, shall constitute formal notice of regular meetings to Directors.

9.4 Special Meetings

Special meetings of the Board may be called upon seventy-two (72) hours' notice by any Director or Officer of the District, C.R.S. 24-6-402(2)(c), C.R.S. 24-6-402(2)(c)(III), which shall be posted in three places within the District and at the County offices. Each Director shall be notified of said special meeting. Notice of the meeting shall include an agenda of the items to be discussed. C.R.S. 32-1-903(2)

9.5 Executive Sessions

- (a) An executive session may only be called at a regular or special meetings of the Board in accordance with Colorado law. The Board Chair must announce, and the minutes reflect, one of the topics allowed for discussion at an executive session by C.R.S. 24-6-402(4), including:
 - (i) Purchase, acquisition, lease, transfer, or sale of any property interest
 - (ii) Conferences with the attorney for the District regarding legal advice on specific legal questions or matters
 - (iii) Confidential matters pursuant to State or Federal law (a specific citation to the applicable law must be announced)
 - (iv) Security arrangements or investigations 24-6-402(4)(d)
 - (v) Negotiations 24-6-402(4)(e)
 - (vi) Personnel matters except if the employee who is the subject of the executive session has requested an open meeting; or if the personnel matter involves more than one employee, all the employees must request an open meeting. 24-6-402(4)(f)
 - (vii) Items concerning mandatory nondisclosure; or
 - (viii) Any other matters that are permitted by Colorado law to be discussed in an executive session.
- (b) **Electronic Recording**

An electronic recording of the executive session must be prepared and kept in a manner as required for executive sessions by C.R.S. 24-6-402(d.5)(II). Sessions with the attorney for the District shall follow C.R.S. 24-6-402(2)(d.5)(II)(B) and The Colorado Rules of Professional Conduct, Rule 1.6. Electronic recordings of the executive session shall be retained, per statute, for ninety (90) days after the date of the executive session C.R.S. 24-6-402(2)(d.5)(II)(E) and then erased by the Board Chair or other person selected by the Board as custodian of the records of executive sessions.
- (c) **Formal Action**

No formal action may be taken while in an executive session. All formal actions of the Board must be taken during a regular or special meeting

9.6 Preparation of Agenda –

The agenda for each regular and special meeting shall be prepared by the Fire Chief and Administrative Chief in consultation with members of the Board. At the discretion of the Board Chair, the Fire Chief, the Administrative Chief, and the Board Chair will meet one week prior to the regular meeting to finalize the agenda and supporting documents. A copy of the agenda shall be provided to each Director at least 72- hours prior to the regular meeting. Copies of the agenda shall be posted as required by Colorado Sunshine Law for open meetings. C.R.S. 24-6-401

9.7 Meeting Attendance by Directors

- (a) A Director is required to attend Board meetings. C.R.S. 24-6-402
- (b) "Meeting" means any kind of gathering, convened to discuss public business, in person, by telephone, electronically, or by other means of communication. C.R.S. 24-6-402(1)(b)
- (c) A Director, who wishes to attend a meeting via telephone or other electronic means, shall notify the Board Chair. In such case, the meeting minutes shall state specifically whether each member is physically present, present by electronic means or absent. If there is a need to vote, the Chair will ask each Director to identify himself/herself, speak their vote and, in the minutes, the votes will be recorded individually by Director.
- (d) In the event that a Director is unable to attend a meeting of the Board, in person or by any other means, they shall notify the Board Chair. Their absence shall be entered in the minutes of said meeting noting if the absence is excused or not, which is decided by The Board. Absences are criteria which may determine if a Director may retain their office or not. C.R.S. 32-1-905(1)(g)

Section 10. Committees

10.1 Committee Personnel

Committees shall be appointed by the Board Chair at his/her discretion

10.2 Public Meetings

All meetings of the committees shall be open to the public and the public is encouraged to participate

10.3 Notice of Meetings

Notice of Meetings shall be posted as required by law

10.4 Approval by Committee

A committee's primary function is to bring to the Board their research and recommendations whether to place said matters on the Board meeting agenda.

Section 11. Conduct of District Business

11.1 Quorum.

- (a) All official business of the Board shall be transacted at a regular or special meetings at which a quorum (at least three) of the Directors shall be present, except as provided in Section 9
- (b) **Vote Requirements.** Any action of the Board shall require the affirmative vote of a majority of the Directors present and voting. Any member of the Board may make motions, second motions and vote on motions, subject to the provisions of Section 14.

11.2 Order of Business

The business of all regular meetings of the Board shall be transacted, as far as practicable, in the following order:

- I. Approval of Previous Board Meeting Minutes
- II. Approval of Agenda
- III. Public Comment
- IV. Unfinished Business
- V. New and Miscellaneous Business
- VI. Financial Reports
- VII. Executive Session
- VIII. Other Business
- IX. Adjournment

11.3 Basic Reports

These reports shall be prepared by and presented in the meetings by the Fire Chief and/or the Administrative Chief:

- (a) Calls by incident type, District and Vehicle response for the previous month
- (b) Apparatus report -- to include in-service, out-of-service and why, maintenance issues
- (c) Reports on Career Personnel secondary responsibilities (i.e. Recruiting, Training, EMS, Gear, Inspections, etc.)
- (d) Financial Report - through End of the Month prior to the meeting.
Information to include in columns –
 - (i) YTD ACTUALS – from QuickBooks – money taken in or spent on that line item
 - (ii) PROJECTED ADDITIONAL – estimates by Administrative Staff based on what has been budgeted (planned for in the District Annual Budget submitted to the State) or projected (calculated based on the history of what we have collected or spent monthly in the current year) to be spent or collected for the rest of the year
 - (iii) TOTAL ACTUAL & PROJECTED – Sum of YTD ACTUALS and PROJECTED ADDITIONAL amounts
 - (iv) BUDGET – Amount the District submitted in the Budget for this line item

- (v) DIFFERENCE BUDGETED & PROJECTED – Sum of the BUDGET numbers minus the “TOTAL ACTUAL & PROJECTED” numbers. It tells if the District is under budget or over budget on that line item
- (vi) % of BUDGET – This is the result of dividing YTD ACTUALS by the BUDGET numbers
- (e) Check Register Report through end of the calendar month prior to the meeting. To include ACH (Automated Clearing House), EFT (Electronic Funds Transfer) transactions and the employees paycheck amounts
- (f) Report of all District bank accounts with balances as of end of the month prior to the meeting

11.4 Resolutions and Orders

Each and every action of the Board necessary for the governing and management of the affairs of the District, for the execution of the powers vested in the District, and for carrying into effect the provisions of Special District Act C.R.S. 32-1-1001, as amended, shall be taken by the passage of motions, orders, or resolutions. A copy of each resolution shall be kept in the District’s records as well as a copy filed in each Director’s Board Book.

11.5 Rules of Order

The District Board uses a modified form of Robert’s Rules of Order

11.6 Minutes, orders, resolutions, and motions

- (a) Distribution and retention
 - i. Within two weeks of any meeting, a draft copy of the minutes of that meeting shall be distributed, electronically or by US Mail, to each Director. The minutes shall include a summary of actions taken, including actual motions made and properly seconded, with the number of votes for and against, but shall not include the Directors voting for or against, unless a Director requests that the minutes reflect his or her vote on the motion. Directors may request that brief comments pertinent to an agenda item be included in the minutes of a meeting. Such a request shall be made only at the meeting that item was discussed. Any corrections or amendments shall be presented at the next Board meeting where the Board members can discuss and vote on any amendments to the minutes . The minutes should only be signed after they have been approved by the Board.
 - ii. Within a reasonable time after passage, all orders, resolutions and motions, and all minutes of Board meetings shall be recorded in a book kept for that purpose. Accessibility is extended to all employees and volunteers of the District, members of the Board, and, insofar as conveniently possible, to all persons in the district.

Section 12. Financial Administration

12.1 Fiscal Year

The fiscal year of the District shall commence on January 1 of each year and end on December 31, unless otherwise prescribed by law

12.2 Budget pursuant to C.R.S. 29-1-105

By the statutory deadline of October 15th of each year, the Fire Chief and Administrative Chief shall prepare and submit to the Board a proposed budget for the ensuing fiscal year. The budget shall be accompanied by a statement which shall describe the important features of the budget and by a general summary which shall set forth the aggregate figures of the budget in such manner as to show the balanced relations between the total proposed expenditures and the total anticipated income or other means of financing the proposed budget for the ensuing fiscal year, as contrasted with the corresponding figures for the last completed fiscal year and the current fiscal year. It shall be supported by explanatory schedules or statements classifying the expenditures contained therein by services, subjects, and funds. The anticipated income of the District shall be classified according to the nature of receipts.

12.3 Notice of Budget

Upon receipt of such proposed budget, the Secretary/Treasurer shall cause to be published a notice that the proposed budget is open for inspection by the public at the business office; that the Board will consider the adoption of the proposed budget on a certain date; and that any interested elector may inspect the proposed budget and file or register any objections thereto at any time prior to its final adoption. Notice shall be published in compliance with C.R.S. 29-1-108, as amended.

12.4 Hearing of Budget

On the day set for consideration of such proposed budget, the Board shall review the proposed budget and revise, alter, increase, or decrease the items as it deems necessary in view of the needs of the District and the probable income of the District.

12.5 Adoption of Budget

The Board shall adopt a budget setting forth the expenditures to be made in the ensuing fiscal year. The Board shall provide for sufficient revenues to finance the budgeted expenditures with special consideration given to the proposed ad valorem tax levy before tax is levied.

12.6 Filing of Budget

Within thirty (30) days of adoption of the budget, the Secretary/Treasurer shall confirm that staff has submitted the budget to the Division of Local Government in the Department of Local Affairs. C.R.S. 29-1-113 (DOLA) website under the Stratmoor Hills Fire District Budget tab and report back to the Board.

12.7 Levy and Collection of Taxes

At the time and in the manner required by law, the Board shall certify to the Board of County Commissioners the mill levy established for the ensuing fiscal year C.R.S. 32-1-1201.

12.8 Appropriating Resolutions

- a) All non-capital project funds -- Prior to January 1st of the ensuing fiscal year, the Board shall enact the resolutions necessary to appropriate funds at the total expenditure level for all non-capital project funds. The appropriations made for all non-capital project funds shall not exceed the amounts fixed therefore in the budget and shall lapse at year end.
- b) Capital expenditures -- Appropriations for capital expenditures shall be made at either regular or special meetings throughout the fiscal year and will be made on a project-by-project basis and continue until any unexpended appropriation for that project is rescinded by the Board. The Board may make an appropriation to and for a contingency fund to be used in case of emergency or other, unforeseen, contingencies.

12.9 No Contract to Exceed Appropriation

The Board shall have no authority to enter into any contract, or otherwise bind or obligate the District to any liability for payment of money for any purposes, for which provision is not made in an appropriation resolution, including any legally authorized amendment thereto, in excess of the amounts of such appropriation. Any contract, verbal or written, contrary to the terms of this sub-section shall be void and treated as invalid from outset, and no District funds shall be expended in payment of such contracts, except as provided in the following sub-section.

12.10 Contingencies

In cases of emergency caused by a natural disaster, public enemy, or some contingency which could not reasonably have been foreseen at the time of the adoption of the budget, the Board may authorize expenditure of funds in excess of the budget by resolution duly adopted by a majority vote of the entire membership of the Board. Such resolution shall set forth in full the facts concerning the emergency and shall be included in the minutes of that meeting.

12.11 Annual Audit

- (a) The Secretary/Treasurer shall cause, pursuant to C.R.S. 29-1-603 and C.R.S. 29-1-602, an annual audit of all financial affairs of the District to be made at the end of the fiscal year.
- (b) A copy of the audit report shall be maintained in the District office as a public record for public inspection at all reasonable times.
- (c) The Secretary/Treasurer shall cause a copy of the audit report to be forwarded to the State Auditor or other official, pursuant to C.R.S. 29-1-606, within thirty (30) days following receipt of the audit.

12.12 Bank/Investment Accounts

- (a) District accounts, which are to be used as bank savings deposit accounts (including checking accounts which earn interest or money market deposit accounts) or bank demand (non-interest bearing) accounts, may be opened with financial institutions only with specific approval by the Board through the adoption of an appropriate resolution.
- (b) Accounts which are established and maintained in order to facilitate the investment of District funds which are in excess of immediate operating requirements, may be opened by the Secretary/Treasurer or Administrative Chief only with specific approval by the Board through the adoption of an appropriate resolution.

Section 13. Corporate Seal

The seal of the District shall be a circle containing the name of the District and shall be used on all documents and in such manner as seals generally are used by public and private corporations. The Secretary/Treasurer shall monitor custody of the seal and the Administrative Chief shall be responsible for its safe keeping and care.

Section 14. Disclosure of Conflict of Interest

- 14.1 Any Director shall disqualify him/herself from voting on any issue in which he/she has a conflict of interest, unless such Director has disclosed the conflict of interest as required by law to the Colorado Secretary of State and to the Board C.R.S. 32-1-902(3)(b), and then only to vote if his/her participation is necessary to obtain a quorum or otherwise enable the Board to act.
C.R.S. 24-18-109(3)(b)
- 14.2 A Director with a conflict who does not vote shall also refrain from attempting to influence the decisions of other Directors in voting on the matter.
C.R.S. 24-18-109(3)(a)
- 14.3 A Director is guilty of failing to disclose a conflict of interest, if he/she exercises any substantial discretionary function in connection with a government contract without having given a seventy-two (72) hour actual advanced written notice to the Colorado Secretary of State and to the District Board of the existence of a known potential conflicting interest.
C.R.S. 18-8-308(1).
- 14.4 Failure to disclose a conflict of interest is a Class 2 Misdemeanor
C.R.S. 18-8-308(3)

Section 15. Indemnification of Directors and Employees

- 15.1 Definitions --- For the purposes of this Section 15 only, the following definitions shall apply.
 - (a) Director: Includes current and former directors of the District who are sued for acts or omissions occurring during their terms as Directors of the District.
 - (b) Employee: Includes a director, officer, employee, authorized volunteer, or servant (hereinafter collectively referred to as Employee) of the District, whether or not compensated, elected, or appointed. The term, "employee",

specifically excludes any person or organization contracting to perform services or acting for the District as an independent contractor.

- (c) Scope of Employment: An act or omission of an Employee of the District is within the "scope of employment" if it reasonably relates to the business or affairs of the District, and the Employee acted in good faith and in a manner which a reasonable person would have believed to be in, and not opposed to, the best interest of the District.
- (d) Act: Means the Colorado Governmental Immunity Act set forth in Article 10, Title 24 of the Colorado Revised Statutes, as amended from time to time.

15.2 Applicability of the Governmental Immunity Act –

C.R.S. 24-10-101 and C.R.S. 24-10-102

- (a) The District shall pay the costs of defense of, and settlement and judgments against, an Employee of the District, including reasonable attorneys' fees, where the action lies or could lie in tort, including any such action brought pursuant to Federal law in any court of this State, in accordance with the Act. As a prerequisite to such payment, the Employee must furnish the District with an affidavit stating that the action against him is not purely personal; that, to his/her reasonable belief, the act or omission upon which the claim is based reasonably relates to the business affairs of the District; and that the Employee acted in good faith and in a manner which a reasonable person would have acted under the circumstances and which was not opposed to the best interests of the District. However, the District shall not pay such judgment or settlement and shall seek reimbursement from the Employee for the actual costs of his/her defense, including actual attorneys' fees, where it is determined by a court of competent jurisdiction, that,
 - (i) the injuries did not arise out of an act or omission of the Employee occurring during his/her term of employment with the District and within his/her scope of employment, or
 - (ii) unless otherwise expressly authorized by the Board, the Employee's act or omission was willful and wanton.
- (b) All claims to be paid as a result of the indemnification provided hereunder shall be paid by the District or its insurer, except as set forth in Section 15.9 (a), below. The District shall pay judgments and settlements in accordance with the act even if sovereign immunity bars the action against the District.

15.3 Limitations on Unlawful Acts

The District, acting through its Board of Directors, shall have absolute discretion regarding the payment of costs of defense, including reasonable attorneys' fees and any fines or penalties assessed, where a criminal action is brought against its Employee for acts or omissions occurring during his/her term of employment with the District and within his/her scope of employment. Prior to such payment, the Employee must furnish the District with an affidavit stating that the action against him is not purely personal, that to his/her reasonable belief the act or omission upon which

the claim is based occurred within his/her scope of employment and that he/she had no reasonable cause to believe his/her conduct was unlawful. The District shall not pay such fines or penalties, and shall be reimbursed by the Employee for the actual cost of his/her defense, including actual attorneys' fees, where it is determined by a court of competent jurisdiction (a) that the alleged criminal action did not arise out of an act or omission by the Employee occurring during his/her term of employment with the District and within his/her scope of employment, or (b) that the Employee had reasonable cause to believe his/her conduct was unlawful.

15.4 Contract or Other Actions

The District shall pay the cost of defense, settlements, and judgments against its Employees, including reasonable attorneys' fees, where the action lies, or could lie, in contract or arises under State or Federal laws and is not governed by the Act, except for criminal actions as hereinbefore addressed. As a prerequisite to such payment, the Employee must furnish the District with an affidavit stating that the action against him is not purely personal and that to his/her reasonable belief the act or omission upon which the claim is based occurred within his/her scope of employment. The District shall not pay such judgments and shall be reimbursed by the Employee for the actual cost of his/her defense, including actual attorneys' fees, where it is determined by a court of competent jurisdiction that (a) the damages did not arise out of an act or omission by the Employee occurring during his/her term of employment with the District and within his/her scope of employment, or that (b) the Employee had reasonable cause to believe such action or contract was prohibited by law.

15.5 Notice of Action or Potential Action

- (a) The District hereby incorporates the notice prerequisite to defense and indemnification of its Employees pursuant to all provision of the Act for tort, or any and all other forms of action. Notice must be given to the District by the Employee in writing within fifteen (15) days after commencement of the action or indemnification will not be made.
- (b) No Indemnification. In no event will the District indemnify nor pay the defense costs if it is adjudged that the employee has acted primarily for personal benefit or on the basis of other improper benefit, whether or not the Employee is acting in his/her official capacity. Such defense and indemnification shall not be available to a former Employee in the event that the tort or liability claim against him is asserted as a counterclaim or setoff in any suit brought by the employee, except to the extent that the liability of such Employee may exceed the amount of his/her own claim or suit.

15.6 Settlement

- (a) The District, acting through its Board of Directors, shall approve in writing any settlement of claims and stipulated judgments against its Employees. The District shall not be liable for any such compromise or

settlement given without its consent.

- (b) Legal Counsel. The district shall obtain legal counsel to serve as counsel to the Employee unless it appears to such counsel that the interest of the District and the Employee may be adverse. In the latter event, the Employee may select independent legal counsel, who shall first be approved by the District. The employee shall cooperate in all respects with the District and its legal counsel in his/her defense. If the Employee does not cooperate with the District for any reason, and such action results in a judgment against the District or the Employee, the District may elect not to indemnify the Employee or to pay defense costs.

15.7 Employee's Costs

The District shall not be responsible for costs to its Employees associated with time spent in giving depositions, testifying, or otherwise cooperating with their defense.

15.8 Liability Limitations

The District shall indemnify any Employee up to but not to exceed the applicable limitations of the Act. The District specifically reserves any defenses which are available to Employees under the Act or by common law.

15.9 Effects of Other Insurance, Bond, or Indemnification Plan

If the District has insurance coverage for any act for which indemnification is provided by this policy, its coverage shall be primary. If the Employee against whom a claim reimbursable under this Policy is asserted has any other valid insurance, bond, or indemnification plan available covering the loss or damage alleged against him, and the District does not have adequate insurance coverage, and the act for which indemnification is sought is other than an action sounding in tort, such insurance, bond, or other plan will be first applied to the payment of any defense costs, attorneys' fees, or claim/judgment before the District's resort to obtaining funds for indemnification from sources other than insurance. The obligation of the District to indemnify and save harmless the Employee shall, in all events, exist only to the extent permitted by this Indemnification Policy.

15.10 Subrogation Rights of the District

In the event of any payments pursuant to this Policy, the District or its assigns shall be subrogated to all the Employee's rights of recovery therefore against any person or entity. The Employee shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The Employee shall do nothing to prejudice such rights.

15.11 Purpose

The purpose of this Indemnification Policy is to protect Employees of the District against personal liability for their actions taken on behalf of the District. It is the intent of the District that this Policy be liberally construed in favor of the protection of such Employees. By adoption of this Policy,

the District does not waive its rights to claim sovereign immunity as a defense to any action or any other defense under the Act or provided by law.

15.12 Severability

- (a) If any provision of this Policy is found to be invalid by any court of competent jurisdiction, such finding shall not affect the validity of the remainder of the Policy.
- (b) Term: All indemnifications described in this Policy shall be valid during the current fiscal and calendar year and shall be considered automatically renewed on January 1 of each year thereafter unless repealed by resolution of the Board within sixty (60) days prior to the renewal date.

15.13 Repeal of Previous Indemnification Provisions

This Policy shall supersede any and all previous Indemnification Resolutions adopted by any Board of Directors of this District and shall amend the District's policies to the extent there are indemnification provisions to the contrary.

15.14 Statute Controls

The provisions of this Policy shall be subject to and, to the extent of any inconsistency therewith in, shall be modified by the Colorado Governmental Immunity Act.

Section 16. Board Policy Development

- 16.1 A policy is a governing principle used to set direction in the Fire District. It has widespread application, is expressed in broad terms, includes statements of "what" and/or "why", addresses major operational issues and changes less frequently. Procedures are the processes required to implement policy - a particular way of accomplishing something. They have a narrow application, are stated in detail, include statements of "how", "when" and/or sometimes "who", and are subject to change. The Board sets policy – management creates/maintains procedures.
- 16.2 It is the intent of the Board to develop written policies for the successful and efficient operation of the Special District.
- 16.3 The Board considers policy development as one of its chief responsibilities. Proposals regarding policies may originate with Directors, staff members or patrons of the District. A careful and orderly process shall be used in examining such proposals prior to their adoption by the Board.
- 16.4 Policies of the District are framed and are meant to be interpreted in terms of state laws and regulations and other regulatory agencies at the state and federal levels.

Section 17. Board Policy Adoption

- 17.1 Adoption of new policies or the revision or repeal of existing policies is solely the responsibility of the Board.
- 17.2 The Board shall adhere to the following procedure in considering or adopting

policy proposals to ensure that they are well examined before adoption.

- (a) First meeting - the proposal shall be presented for reading, discussion and first reading approval.
 - (b) Second meeting -- the proposal shall be presented for reading, discussion, and final adoption vote.
- 17.3 Amendments to a proposal may be presented by any Director. An amendment shall not require that the policy go through an additional reading unless the Board decides that the amendment needs further study and that an additional reading would be desirable.
- 17.4 Under unusual circumstances the Board may approve a policy to take effect immediately after the first reading; however, the above procedure is required before a policy is considered permanent.

Section 18. Policy Dissemination

- 18.1 The Fire Chief, together with the Administrative Chief, is directed to establish and maintain an orderly plan for preserving and making accessible the policies adopted by the Board and the rules and regulations needed to put them into effect.
- 18.2 Accessibility is extended to all employees and volunteers of the District, members of the Board, and, insofar as conveniently possible, to all persons in the district.
- 18.3 All policy manuals distributed to anyone shall remain the property of the Board and shall be considered as "on loan" to person or any organization in whose possession they might be at any time. They are subject to recall at any time. Policy Manuals "on loan" that are not returned to the District shall be billed per Policy B-1 -- Access to Public Records and Fee Schedule.
- 18.4 The Board's policy manual shall be considered a public record and shall be open for inspection at the principal business office location during regular business hours.

Section 19. Policy Review and Evaluation/Manual Accuracy Check

- 19.1 In an effort to keep its written policies up to date so that they may be used consistently as a basis for Board action and administrative decision, it shall be the policy of the Board to review its policies on a continuing basis.
- 19.2 The Board shall evaluate how the policies have been executed by the staff and shall weigh the results. It shall rely on individual staff members and the community for proving evidence of the effect of the policies, which it has adopted.
- 19.3 The Fire Chief, together with the Administrative Chief, of the Special District, is given the continuing commission to call to the Board's attention all policies that are out of date or, for other reason, appear to need revision.
- 19.4 The Board directs the Administrative Chief to recall all policy / regulation manuals and handbooks annually, during the month of April, for administrative updating and Board review.
- 19.5 The Board will determine the periodic updates and revisions to any and all manuals.
- 19.6 Annually, the Fire Chief, together with the Administrative Chief, shall cause

each employee and volunteer to read the policy manual and sign off on that year's sign-off sheet that they have read, and they understand the material as presented. A copy of the signed sign off sheet/sheets will be placed in the employee's personnel file.

Section 20. Administration in Policy Absence

In order that the Board may determine the need to revise or review its policies, it shall be the duty of the Fire Chief of the Special District to notify the Board, by its next regular meeting, of any action taken by the Fire Chief or his/her designee which action is inconsistent with policy, or not covered by policy.

Section 21. Board Conferences, Conventions and Workshops

21.1 In keeping with the need for continuing in-service training and development for its members, the Board encourages the participation of all members at appropriate board conferences, workshops, and conventions. However, in order to control both the investments of time and funds necessary to implement this policy, the Board establishes these principles and procedures for its direction:

- (a) Funds for participation at such meetings shall be budgeted for on an annual basis. When funds are limited, the Board shall designate which of its members would be most appropriate to participate at a given meeting;
- (b) Reimbursement to Directors for their travel expenses shall be in accord with the travel expense policy for staff members; and,
- (c) When a conference, convention, or workshop is not attended by the full Board, those who do participate shall be requested to share information, recommendations, and materials acquired at the meeting.

Section 22. Board Memberships

22.1 The Board may maintain membership in the Special District Association of Colorado, which is to be reviewed annually during the budget development process.

22.2 The District shall hold institutional membership in such other associations and groups as approved by the Board. The Board and the Directors shall actively participate in the activities of these organizations insofar as possible.