

ARROWHEAD FIRE PROTECTION DISTRICT BY-LAWS

Revised and Approved June 9, 2023

Section 1. Authority.

Arrowhead Fire Protection District ("District") is a governmental subdivision of the State of Colorado and a body corporate with those powers of a public or quasi-municipal corporation that are specifically authorized by, and in compliance with, Section 32- 1-101 et seq., C.R.S.

Section 2. Purpose.

It is hereby declared that the By-Laws hereinafter set forth will serve a public purpose.

Section 3. Policies of the Board.

It shall be the policy of the Board of Directors ("Board") of the District, consistent with the availability of revenues, personnel and equipment, to use the Board's best efforts to provide Arrowhead Fire Protection services as authorized under the District Service Plan or by law.

Section 4. Board of Directors.

All powers, privileges and duties vested in, or imposed upon, the District by law shall be exercised and performed by and through a five (5) member Board of Directors, whether set forth specifically or implied in these By-Laws. The Board may delegate to officers, employees, and agents of the District any or all administrative and ministerial powers.

Without restricting the general powers conferred by these By-Laws, it is hereby expressly declared that the Board shall have the following powers and duties:

- (a) To confer upon any appointed officer of the District the power to choose, remove or suspend employees or agents upon such terms and conditions as may seem fair and just and in the best interests of the District.
- (b) To determine and designate, except as otherwise provided by law or these By- Laws, who shall be authorized to make purchases, negotiate leases for office space, and sign receipts, endorsements, checks, releases and other documents.
- (c) 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 such committee's functions and obligations.
- (d) To prepare financial reports covering each year's fiscal activities, and such reports, if requested, shall be submitted to the Board and made available for inspection by the public.

Section 5. Office.

- (a) **Business Office.** The principal business office of District shall be at 2069 Spruce, Cimarron, Colorado, 81220 until otherwise designated by the Board.
- (b) **Establishing Other Offices and Relocation.** The Board, by resolution, may from time to time, designate, locate and relocate the Board's executive and business office and such other offices as, in the Board's judgment, are necessary to conduct the business of the District.

Section 6. Meetings.

(a) **Regular Meetings.** A regular schedule of meetings of the Board shall be determined at the last meeting of the calendar year and the schedule shall be posted. Meetings shall be held at the business office, and by teleconference, unless otherwise noticed and posted. Teleconference details are included on the posted meeting agenda.

(b) **Public Meetings.** All meetings of the Board, other than executive sessions, shall be open to the public. Open meeting requirements do not apply to chance meetings or social gatherings at which discussion of public business is not the central purpose. 24-6-402 (2) (E) C.R.S.

(c) **Notice of Regular Meetings.** Notice shall be posted on the AFD web site, www.arrowheadfire.org, twenty four (24) hours in advance of such meeting. 32-1-903(2) and 24-6-402(2), C.R.S.

(d) **Special Meetings.** Special meetings of the Board may be called upon with seventy-two (72) hours notice, and shall be posted on the AFD web site, www.arrowheadfire.org.

(e) **Emergency Meetings.** Emergency meetings may be called upon with twenty-four (24) hours notice, and shall be posted on the AFD web site, www.arrowheadfire.org. An emergency is defined as an imminent threat to the safety, welfare or other critical issue that has a detrimental effect on the District.

(f) **No formal Action by Directors during Executive Sessions.** All official business of the Board shall be conducted at regular, special or emergency meetings. Executive sessions may be called at regular or special meetings, and conducted according to the following guidelines:

1. **Calling the Executive Session.** The topic for discussion in the executive session shall be announced in a motion, and the specific statute that authorizes the executive session shall be cited. The matter to be discussed shall be described in as much detail as possible without compromising the purpose of being in executive session. An affirmative vote of two-thirds (2/3) of the quorum present shall be required to go into executive session. 24-6-402 (4) C.R.S.

2. **Conducting the Executive Session.** No adoption of any proposed policy, position, resolution, rule, regulation, or formal action shall take place in an executive session. The discussion in executive session shall be limited to the reasons for which the executive session was called. A record of the actual contents of the discussion in the executive session, using the same manner and media as are used to record minutes of regular sessions, shall be used. No record is necessary to be kept for any portions of the discussion that the District's attorney reasonably believes constitute attorney-client privileged communication. If minutes of the executive session are otherwise electronically recorded, the attorney shall state on the record when any portion of the executive session is not recorded as an attorney-client privileged communication. If minutes of the executive session are otherwise recorded in writing, then the attorney shall sign a statement to the same effect when any portion of the written minutes is not recorded in writing as an attorney-client privileged communication.

3. **After Executive Session.** The record of any executive session shall be retained by the District for ninety days (90) and then destroyed or erased. Minutes or recordings of the executive session shall not be released to the general public for review under any circumstances, except as required by law.

(g) **Adjournment and Continuance of Meetings.** When a regular or special meeting is for any reason continued to another time and place, notice need not be given of the continued meeting if the time and place of such meeting are announced at the meeting at which the continuance is taken, except as required by law. At the continued meeting, any business may be transacted which could have been transacted at the original meeting.

Section 7. Conduct of Business.

(a) **Quorum.** All official business of the District shall be transacted at a regular, special or emergency meeting at which a quorum (more than half of the number of Directors serving on the Board) are present either in person or by telephone or video conference. 32-1-103 (16) C.R.S. and 32-1- 903 (2) C.R.S.

(b) **Vote Requirements.** Any action of the Board shall require an affirmative vote of a majority of the Directors present and voting. When special or emergency circumstances affecting the affairs of the District and the health and safety of District residents so dictate, then those Directors available at the time may undertake whatever action is considered necessary and may so instruct the District's employees, agents and contractors. Such actions shall later be ratified by the Board.

(c) **Motions and Resolutions.** Official action of the Arrowhead Fire Protection District Board of Directors may be taken through the adoption of a resolution or a motion duly made and passed by a majority vote of a quorum of the Board present in accordance with Article 1 of Title 32, C.R.S.

(e). **Minutes.** The Secretary of the Board shall keep accurate minutes of all Board meetings. Copies of those minutes shall be kept on the AFD web site, www.arrowheadfire.org , and are open to public inspection upon request in accordance with C.R.S. 32-1-902(1), 24-6-402(2)(d)(II). Minutes of executive sessions shall be kept separate from minutes of regular sessions as described in Section 6(f)2 of these By-Laws and shall not be open to the public except as required by law.

Section 8. Directors, Officers and Personnel.

(a) **Director Qualifications and Terms.** Directors shall be an elector of the District and either a resident of the District for not less than 30 days, the owner (or spouse of the owner) of taxable real or personal property situated in the District, or a person obligated to pay taxes under contract to purchase property. The term of each Director shall be determined by relevant statutory provisions with elections held in even numbered years (transitioning to odd numbered years in 2023) and conducted in the manner prescribed by Articles 1 through 13, Title 1, and Part 8, Article 1, Title 32, C.R.S. Title 32-1-902(3)(b). No director shall receive compensation as an employee of the special district, other than that provided in this section, and any director shall disqualify himself or herself from voting on any issue in which the director has a conflict of interest unless the director has disclosed such conflict. Actual expenses for directors shall not be considered compensation. No director receiving workers' compensation benefits awarded in the line of duty as a volunteer firefighter or pension payments to retired firefighters shall be allowed to vote on issues involving the director's disability or pension payments.

(b) **Director's Performance of Duties.** Each Director shall sign an oath of office and, at the expense of the District, furnish a faithful performance surety bond in a sum not less than \$1,000, except the Treasurer, who must furnish a faithful performance surety bond in a sum of not less than \$5,000. A Director of the District shall perform all duties of a Director, including duties as a member of any committee of the Board upon which the Director may serve, in good faith, in a manner which the Director reasonably believes to be in the best interests of District, and with such care as an ordinarily prudent person in a like position would use under similar circumstances. In performing the Director's duties, a person who so performs the Director's duties shall not have any liability by reason of being or having been a Director of the District. The Director shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by persons and groups listed in subparagraphs 1, 2 and 3 of this subsection (b). Those programs and groups upon whose information, opinions, reports, and statements a Director is entitled to rely are:

1. One or more officers or employees of the District whom the Director reasonably believes to be reliable and competent in the matters presented and;
2. Counsel, public accountants, or other persons as to matters which the Director reasonably

believes to be within such persons' professional knowledge or expertise; and;

3. A committee of the Board upon which the Director does not serve, duly designated in accordance with the provisions of the By-Laws, as to matters within its designated authority, which committee the Director reasonably believes to merit confidence.

(c) **Oath of Office.** Each member of the Board, before assuming the responsibilities of his office, shall take and subscribe an oath of office within 30 days in the form prescribed by law.

(d) **Selecting Officers.** The Board of Directors shall select from its membership a Chair, Secretary, Treasurer and Vice Chair who shall be the officers of the Board of Directors and of the District. The officers shall be selected by a majority of the Directors voting at such selection. The Board may, from time to time, appoint an acting officer in the absence of any individual officer. The selection of the officers shall be conducted biennially at the first regular meeting of the Board following the regular biennial election of the Directors held in May of even numbered years. Each officer so elected shall serve for a term of two years and such term shall expire upon the selection of their successor or upon their reselection to that office.

(e) **Vacancies.** Any vacancy occurring on the Board shall be filled by an affirmative vote of a majority of the remaining Directors, as prescribed by law. The appointed individual must meet the statutorily prescribed qualifications for Directors and shall serve until the next regular election. Articles 1 through 13, Title 1, and Part 8, Article 1, Title 32, C.R.S.

(f) **Resignation, Removal and Duties.** Directors may be removed from office by recall or any of the following: ceases to discharge the duty of office for a period of three (3) consecutive months except as authorized by the Board of Directors or adjudication pursuant to a quo warrantor proceeding declaring that the incumbent is physically or mentally incapacitated due to disease, illness, or accident. Their resignation, place of residence moves from District, a conviction of a felony or any offense involving a violation of their official duties, refusal or neglect to file required oath or bond within prescribed time, decisions of a competent tribunal declaring void the election or appointment, commitment to a hospital or sanitarium by a court of competent jurisdiction as a drug addict, dipsomaniac, inebriate, or stimulant addict; but in that event the office shall not be deemed vacant until order of commitment has become final, or the death of the incumbent. Any Director may resign at any time by giving written notice to the Board, and acceptance of such resignation shall not be necessary to make it effective, unless the notice so provides.

(g) **Signature of documents.** Any Board member may sign contracts, deeds, notes, warrants and other instruments on behalf of the District after Board of Director approval.

(h) **Chair.** The Chair shall chair all meetings. The Chair shall represent the District at public events and other official functions deemed in the best interest of the District to be attended and represented.

(i) **Vice Chair.** In the absence of the Chair, the Vice Chair shall chair all meetings and carry out the Chair's duties and responsibilities.

(j) **Secretary.** The Secretary shall be responsible for the records of the District Board; may act as Secretary at meetings of the Board and record all votes; shall be responsible for composing a record of the proceedings of the Board in a meeting minutes book kept for that purpose, which shall be an official record of the Board; and shall perform all duties incident to that office.

(k) **Treasurer.** The Treasurer shall be chair of the Budget Committee and of the Audit Committee. The Treasurer shall keep or cause to be kept strict and accurate accounts of all money received by and disbursed for and on behalf of District in permanent records. The Treasurer shall file with the Clerk of the Court, at the expense of the District, a corporate fidelity bond in an amount determined by the Board of not less than \$5,000, conditioned on the faithful performance of the duties of the Treasurer's office.

(l) **Additional Duties.** The officers of the Board shall perform such other duties and functions as may from time to time be required by the Board, the By-Laws or rules, policies and regulations of the District, by law, or by special circumstances, which shall later be ratified by the Board.

(m) **Fire Chief.** The Board shall hire a Fire Chief to serve for such term and upon such conditions, including compensation, as the Board may establish. Such Fire Chief shall be responsible for the daily operations, which include supervision over the administration of the affairs, volunteers and operations of the District and shall be involved with the hiring and discharging of employees and the management of District properties.

(n) **Personnel Selection and Tenure.** The selection of agents, employees, engineers, accountants, special consultants and attorneys of the District by the Board 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, special consultants and attorneys may be entered into on such terms and conditions as may seem reasonable and proper to the Board.

Section 9. Financial Administration.

(a) **Fiscal Year.** The fiscal year of the District shall commence on January 1 of each year and end on December 31.

(b) **Budget.** On or before October 15th of each year, the Budget preparer shall prepare and submit to the Board a proposed budget for the ensuing fiscal year.

(c) **Notice of Budgets.** Upon receipt of the proposed budget, the Board shall publish a notice that the proposed budget is open for inspection by the public on the AFD web site, www.arrowheadfire.org; that the Board will consider the adoption of the proposed budget at a public hearing on a certain date; and that any interested elector may inspect the proposed budget and file or register any objections at any time prior to its final adoption. Notice shall be posted or published in substantial compliance with the law.

(d) **Adoption of Budget.** On or before December 15th, 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. The Board shall adopt a budget on or before December 15th setting forth the expenditures to be made in the ensuing fiscal year. The Board shall provide for sufficient revenues to finance expenditures in the budget with special consideration given to the proposed property tax levy.

(e) **Levy and Collection of Taxes.** On or before December 15th of each year, unless an election for an increased operating tax levy is held, the Board shall certify to the Board of County Commissioners of the County in which the District was formed the mill levy established for the ensuing fiscal year, in order that, at the time and in the manner required by law for the levying of taxes, such Commissioners will levy such tax upon the assessed valuation of all taxable property within District.

(f) **Filing of Budget.** On or before January 30th of each year, the Board shall file a certified copy of such budget with the Division of Local Government in the State Department of Local Affairs.

(g) **Appropriating Resolution.**

1. At the time of adoption of the budget, the Board shall enact a resolution making appropriations for the ensuing fiscal year.
2. The income of the District, as estimated in the budget and as provided for in the tax levy resolution and other revenue and borrowing resolutions, shall be allocated in the amounts and according to the funds specified in the budget for the purpose of meeting the expenditures authorized by the appropriation resolution.

(h) **Contingencies.** In cases of emergency caused by a natural disaster, public enemy, or other contingency which could not reasonably have been foreseen at the time of the adoption of the budget, the Board may authorize the expenditure of funds in excess of the budget by resolution duly adopted by a majority vote of the Board. Such resolution shall set forth in full the facts concerning the emergency and

shall be included in the minutes of such meeting. If so enacted, a copy of the resolution authorizing additional expenditures shall be filed with the Division of Local Government in the State Department of Local Affairs and shall be published in compliance with statutory requirements.

(i) **Annual Audit Exemption-Financial Statement.** The Board shall cause an annual financial report (audit exemption and/or financial statement) to be made at the end of each fiscal year of all financial affairs of the District through December 31st of such fiscal year. In all events, the report must be submitted to the Board at the meeting preceding the state's March 31st filing deadline. The type of financial report required at the end of the fiscal year shall be determined based upon the District's budget and Colorado law, specifically C.R.S. 29-1- 603, 604, 605, and 606. A copy of the financial report (audit exemption and/or financial statement) shall be maintained by the District as a public record for public inspection at all reasonable times. Copies of the financial report shall be forwarded to the appropriate State and County officials pursuant to statutory requirements.

(j) **Banking.**

1. Online Banking

At the discretion of the current Treasurer, all banking transactions to include Payroll, Bill Pay, and Fund Transfers between the District Accounts may be conducted using online services provided by the Bank holding our accounts.

2. Check Writing and Bank Transactions

All checks and bank transactions, either manual or electronic will require only one (1) signature. Checks and bank transactions above \$10,000 will only be made after a motion authorizing such a check or bank transaction is approved in a board meeting with a quorum in attendance.

Section 10. Disclosure of Conflict of Interest.

A potential conflict of interest of any Director shall be disclosed in accordance with State law, particularly Article 18 of Title 24, C.R.S., and Sections 32-1-902(3) and 18-8-308, C.R.S.

Section 11. Indemnification of Directors and Employees.

The District shall defend, hold harmless and indemnify any Director, officer, agent, or employee, whether elective or appointive, against any tort or liability, claim or demand, without limitation, arising out of any alleged act or omission occurring during the performance of official duty, as more fully defined by law or by an indemnification resolution. The provisions of this Section shall be supplemental and subject to and, to the extent of any inconsistency therewith, shall be modified by the provisions of the Colorado Governmental Immunity Act, 24-10-10-1, et seq., C.R.S.

Section 12. Bidding and Contracting Procedures.

Except in cases in which the District will receive aid from a government agency, a notice shall be published for bids on all construction contracts for work or material, or both, involving an expense of \$25,000 or more of District funds. The Board may reject any and all bids, and if it appears that the District can perform the work or secure material for less than the lowest bid, it may proceed to do so in accordance with law. All other statutory requirements relating to performance bonds, retainage, and similar matters shall also be complied with.

Section 13. Legal Counsel.

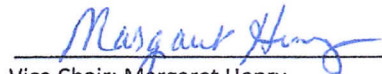
A majority Board of Director consent is needed for any member to contact the Attorney.

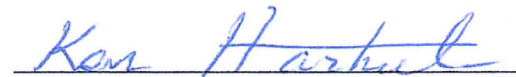
Section 14. Modification of By-Laws.

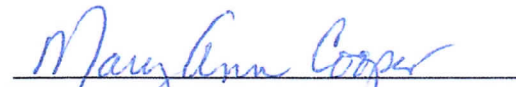
These By-Laws may be altered, amended or repealed at any regular or special meeting of the Board, by majority Board of Director consent to become effective immediately or at a subsequent date.

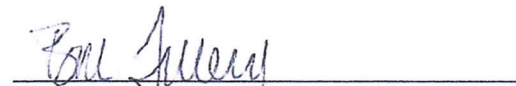
ADOPTED on June 9, 2023, by the Board of Directors of the Arrowhead Fire Protection District.


Chair: James E Matteson


Vice Chair: Margaret Henry


Secretary: Ken Harbert


Treasurer: Mary Ann Cooper


Director: Bill Tillery