

PEYTON FIRE PROTECTION DISTRICT

BY-LAWS

Section 1. Authority.

Peyton 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 which 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 Peyton Fire Protection District 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 impliedly 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 (must have 2 signatures), 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 13665 Railroad Street, Peyton, Colorado 80831 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.** Regular meetings of the Board shall be conducted on the second Tuesday of each month and held at the business office, unless otherwise noticed and posted.
- (b) **Public Meeting.** 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.** Shall be posted at the three designated places within the District boundaries, seventy-two (72) hours in advance of such meeting.32-1-903(2) C.R.S.
- (d) **Special Meetings.** Special meetings of the Board may be called upon seventy-two (72) hours notice, which shall be posted in the three designated places within the District.
- (e) **Emergency Meeting.** Emergency meetings may be called upon twenty-four (24) hours notice, which shall be posted in the three designated places within the District. 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

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. 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 the 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

(c) **Order of Business.** The business of all regular meetings of the Board shall be transacted, as far as practicable, in the following order:

1. Call to Order/Roll Call
2. Guest Speaker
3. Acceptance of Minutes
4. Compliance Issues
5. Officers' Reports
6. Old Business
7. New Business
8. Discussion from Floor
9. Announcements
10. Adjournment

AGENDA MAY BE VARIED BY BOARD PRESIDENT

(d) **Motions and Resolutions.** Official action of the Peyton 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) **Meeting Minutes Book.** All resolutions, motions and minutes of Board meetings shall be recorded in a book kept for that purpose and shall be attested by the Secretary. Minutes of regular sessions shall be available for public review as soon as practicable following acceptance of the minutes by adoption of a motion by the Board. Minutes of executive sessions shall be kept separate from minutes of regular sessions as described in Section 6(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

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 of interest in compliance with section 18-8-308, C.R.S. Reimbursement of 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 of not less than \$10,000 except Treasurer who must furnish a faithful performance surety bond in a sum of not less than \$25,000. 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;
 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 President, Secretary, Treasurer, Vice President and Director 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 which 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

- (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) **President.** The President shall chair all meetings. They 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 President.** In the absence of the President, the Vice President shall chair all meetings and carry out the President'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. The Secretary shall be the holder and the custodian of the Seal of the District.
- (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 \$25,000, conditioned on the faithful performance of the duties of the Treasurer's office.
- (l) **Director.** The Director will perform any duty that the officers deem necessary.

- (m) **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.
- (n) **Fire Chief.** The Board shall appoint 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.
- (o) **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 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 at a public hearing 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 posted or published in substantial compliance with 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 cause a certified copy of such budget to be filed 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

(i) **Annual Audit Exemption-Financial Statement.** The Board shall cause an annual financial report (audit exemption and 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 no later than February's Regular Monthly Board Meeting. 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 Manual Bank Transactions

All manual checks and manual bank transactions under \$10,000 will require only one (1) signature. Manual Checks and Manual Bank Transactions above \$10,000 will require two (2) signatures.

Section 10. Corporate Seal.

The Seal of the District shall be a circle containing the name of the District and the Secretary shall have custody of the seal and shall be responsible for its safe keeping and care.

Section 11. 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 12. Compensation.

Each Director can receive \$100 per attended meeting up to \$1,600 annually. No Director shall receive compensation as an employee of the District, except as may be provided by statute.

Section 13. 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 14. 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 15. Legal Counsel.

Legal counsel is a necessary and expensive function to conduct the District's business and in the event that it is required, majority Board of Director consent is needed for any member to contact the Attorney.

Section 16. Modification of By-Laws.

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

ADOPTED on December 11, 2007, by the Board of Directors of the Peyton Fire Protection District.

Amended June 9, 2009 at Regular Scheduled Meeting.

President: David Stoddard

Vice President: Rob Finley

Secretary: Jody Hefner

Treasurer: Chuck Burnett

Director: Steve Whitaker