

BEULAH FIRE PROTECTION AND AMBULANCE DISTRICT

BOARD OF DIRECTORS

POLICIES, PROCEDURES AND RULES OF CONDUCT

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Policies, Procedures and Rules of Conduct

Introduction

The Beulah Ambulance District, a quasi-municipal corporation of the State of Colorado, was formed November 16, 2007. It was renamed the Beulah Fire Protection and Ambulance District ("District") on January 13, 2013, having assumed fire services from the Beulah Valley Volunteer Fire Department on January 1, 2013. It is governed by an elected five-member Board of Directors ("Board"). This document is a manual of policies, procedures and rules of conduct for the Board of the District, and has been established pursuant to Board resolution, state law and/or precedents which have guided the District to this date. In addition to the matters addressed in this manual, each Director has an obligation to become familiar with and abide by the District By-Laws, which by this reference are incorporated into this manual.

Orientation of New Board Members

Board Members are encouraged to read the By-Laws of the District and the Board Member Manual developed by the Special District Association of Colorado.

Fiduciary Duty

A Director has a fiduciary obligation to the District. This obligation does not extend to each individual resident of the District, but rather to the District itself. As a fiduciary, the Director has the duty to exercise the utmost good faith, business sense and astuteness on behalf of the District, and is prohibited from taking personal advantage of a situation to benefit for him- or herself or prejudice the District.

Since the Board is elected at large, each Board member is responsible to residents throughout the entire District, and no special consideration shall be shown by a Director toward any specific program, special interest or geographic area within the District boundaries. In the event the Board is faced with a decision that might negatively impact a relatively small number of residents, but favorably impact the broad majority of residents, the Board shall balance the needs of the majority with the impact on the minority. The Board shall conduct its affairs in a manner that wins public respect and support for the District and guarantees its integrity to the community. Each Director shall be ready to listen to criticism and quick to discern and remedy situations that require correction.

Board Meetings

A Director shall devote his/her personal attention to matters of the District and is required to attend Board meetings. Telephonic attendance is acceptable provided the Director is able to hear and be heard. Any absences shall be noted in the Board meeting minutes. Absences will be excused for temporary mental or physical disability or illness of the Director. If a Director knows at least one day in advance of a Board

meeting that he/she will be absent from that meeting, if reasonably possible, a written report will be provided on items the Director would have reported in the meeting, as per the published Agenda of that meeting. Said report will be provided to the District either in hard copy or electronically (e-mail) prior to the start of the meeting.

Proper public notice of Board Meetings shall be posted in accordance with Colorado statutes, as follows:

Three-Day Notice – Notice of the time and place of regular or special meetings shall be posted in at least three public places within the boundaries of the District and in the office of the County Clerk and Recorder at least three days prior to the Board meeting.

Conflicts of Interest

A Director shall disqualify him- or herself from voting on an issue in which he/she has a conflict of interest, unless the conflict has been disclosed, and then only to vote in order to establish a quorum. A failure to disclose a conflict of interest occurs if a Director exercises any substantial discretionary function in connection with a government contract without having given at least 72 hours actual advance written notice to the Colorado Secretary of State and the District Board. A potential conflict of interest exists when a Director is an executive officer, or owns or controls directly or indirectly a substantial interest in any nongovernmental entity participating in a transaction with the District.

Further, a Director shall not 1) disclose or use confidential information acquired in the course of District duties to further his/her financial interest; 2) accept gifts of substantial value or economic benefit which would tend to improperly influence a 'reasonable person' to depart from faithful, impartial discharge of his/her public duties; 3) engage in a substantial financial transaction for his/her private business purposes with a person whom he/she inspects or supervises in the course of his/her District duties; 4) perform an official act directly or substantially affecting, to its economic benefit, a business or other undertaking in which such Director either has a substantial financial interest or is engaged as counsel, consultant, representative or agent; or 5) be interested in any contract made in such Director's official capacity or by any body, agency or board of which such Director is a member or employee. Each Director should be aware that violation of the five prohibitions stated above is a criminal misdemeanor under Colorado statutes and could result in prosecution.

The following scenarios are acceptable and are not conflicts of interest; however, each situation must be carefully scrutinized for legal compliance purposes. Before a Director takes action which may involve a potential conflict of interest, the Director and Board shall consider whether such action might have the appearance of impropriety, along with all legal and policy implications.

- 1) A Director holding a minority interest in a corporation contracting with the District is not considered "interested" in such contract;

- 2) Contracts in which the Director has disclosed a personal interest and has not voted thereon; and
- 3) A Director may vote, notwithstanding any other prohibition, if participation is necessary to obtain a quorum or otherwise enable the Board to act, and if the Director complies with voluntary disclosure procedures.

In addition to the acts mentioned above, a Director shall not 1) acquire or hold an interest in any business or undertaking which he/she has reason to believe may be directly and substantially affected to its economic benefit by action taken by the District over which he/she has substantial authority; 2) within six months following termination of his/her office obtain employment in which he/she will take direct advantage, unavailable to others, of matters with which he/she was directly involved during his/her term of office; or 3) perform an act on behalf of the District which will directly or substantially affect a business or undertaking to its economic detriment when he/she has a substantial financial interest in a competing firm or undertaking.

In addition to the above limitations, no Director shall perform compensated service for the District, except under extremely unusual or emergency circumstances. If extremely unusual or emergency circumstances occur, a Director may provide compensated services for the District only after receiving approval from the Board of Directors by majority vote, and only after the publication of a "Potential Conflict of Interest" Notice in accordance with the requirements of Colorado law. Any Director proposing to provide compensated service under extremely unusual or emergency circumstances must abstain from any vote on the matter by the Board of Directors.

Acceptance of Gifts

A Director shall not accept gifts or favors from vendors, suppliers or other persons which might be construed to create a conflict of interest. Additionally, a Director shall not ask for nor accept gifts, favors or services from the District or from any staff member unless such gifts, favors or services are generally offered to every Director.

Review and Approval of District Expenditures

The Board has established the following criteria for the payment of bills. The Treasurer or the Chief shall review all bills and if they meet the established criteria, shall pay them in a timely fashion, taking advantage of early payment discounts when available and financially justified. The Treasurer and the Chief shall utilize each other to serve as a checks and balance of these expenditures and payments. In the Treasurer's or Chief's absence, the President, or in his/her absence, the Vice President, may review and authorize the payment of all bills in a timely fashion. This authority is expanded, if needed, to the remainder of the Board along the line of succession described in Section 8 of the District Bylaws. The following criteria must be met prior to payment:

- 1) The expenditure must be within the budget appropriation for that item or type of item;

- 2) The expenditure must be for a governmental or public purpose (although the expenditure may also benefit a private purpose or entity);
- 3) The expenditure must be documented in such a manner that the Board can determine the amount, nature and purpose of payment and to whom payment should be made; and
- 4) The expenditure must be for goods or services actually received or performed for a Board-approved purpose.

In the event a major emergency relating to District facility or function arises which threatens the operation of such facility or function and the Board has not theretofore approved the expenditure necessary to repair or continue the facility or function, the staff shall poll Board members for approval of such expenditures. If, due to time constraints or inability to contact Board members, the President, or the next Board member in the line of succession as defined in Section 8 of the Bylaws, deems it necessary to correct the emergency situation without prior Board approval, the staff shall authorize such repairs or services as are necessary, pay the charges in accordance herewith, and advise the Board as soon as practicable.

Program and Facility Use Fee Structures

The Board will have the discretion to establish fee structures for all District programs and use of District facilities.

ADOPTED as amended this 23rd day of October 2014, by the Board of Directors of Beulah Fire Protection and Ambulance District.

BEULAH FIRE PROTECTION AND AMBULANCE DISTRICT

Steven Douglas, Chair and President
Pat Stanifer, Vice President
Kim Toman, Secretary
Travis Allee, Treasurer (not present for meeting)
Bob Thompson, Fund Raising Coordinator