# BYLAWS

# ESTES PARK HEALTH

# BOARD OF DIRECTORS

Revised: August 29, 2019

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# BYLAWS

# ESTES PARK HEALTH

# BOARD OF DIRECTORS

## ARTICLE I.
## NAME

The name of the organization shall be the Park Hospital District (the "District"), formed for the purpose of operating the enterprise known as Estes Park Health. Estes Park Health ("EPH" in these bylaws) includes the hospital, a skilled nursing facility, hospice care, home health care, and other related programs.

## ARTICLE II.
## ORGANIZATION

The District and EPH shall operate pursuant to the provisions of the Special District Act, C.R.S. § 32-1-101, et seq. as amended from time-to-time, (the "Act") and such other statutes as may pertain to special districts, including but not limited to the applicable portions of C.R.S. § 29 et seq., as amended from time-to-time. These Estes Park Health Board of Directors Bylaws ("Bylaws") shall control all the operation, policies, and procedures of the District, its Directors and Officers. In the event of a conflict between these Bylaws and the applicable statutes, the statutes shall govern.

## ARTICLE III.
## MISSION, VISION, AND VALUES

The Mission of Estes Park Health is “To make a positive difference in the health and wellbeing of all we serve.” ("Mission").

The Vision of Estes Park Health is “To achieve a culture of clinical and service excellence through patient-centered care.” ("Vision").

The Values of Estes Park Health are “Safety, Excellence, Respect, Integrity, and Stewardship.” (“Values”).

To aid in accomplishing its Mission and Vision, and subject to the foregoing, Estes Park Health shall:

1. Provide and assist in providing facilities for the rendering of comprehensive health care services on an inpatient, outpatient or other basis through the operation of an acute care hospital, skilled nursing facility, and other clinical services, and through all other appropriate means.

2. Train and provide continuing education for persons engaged in providing health care related services, including but not limited to, practitioners and allied health practitioners and other persons engaged in providing health care related services to the community.

3. Engage in any lawful activities within the purposes for which a special district hospital may be organized under the Special District Act C.R.S. § 32-1-101, et seq as it may be amended from time-to-time.

## ARTICLE IV.
## BOARD OF DIRECTORS

Section 1. **Number, Tenure, and Election**. The affairs of EPH and the District shall be governed by a Board of Directors ("Board" and each member a "Director") composed of five (5) members who shall be elected by the qualified electors of the District in accordance with C.R.S. § 32-1-305.5, as amended from time-to-time.

Directors are elected in accordance with C.R.S. § 32-19-110 and C.R.S. § 32-1-103(17), as amended from time-to-time. Unless the limitations on terms are waived or modified by District electors, each Director's term of office shall be limited to two consecutive four year terms in accordance with C.R.S. § 32-1-305.5, as amended from time-to-time.

Directors are elected to four-year staggered terms in accordance with C.R.S. § 32-1-305.5, as amended from time-to-time. If a vacancy exists as provided by state statute, any appointee shall serve until the next regular board election at which time any candidate for such office shall be elected to the then remaining term of that office.

Section 2. **Qualifications**. Any candidate for the office of Director shall be an elector of the District, meeting the qualifications set forth in C.R.S. § 32-1-103(5).

Section 3. **Oath of Office**. Each Director shall, within thirty (30) days after the election, and as provided in C.R.S. § 32-1-901, as amended from time-to-time, take an Oath that he or she will faithfully perform the duties of his/her office. At the time of filing the Oath with the Clerk of the Court and Division of Local Government, there shall also be filed, at the expense of the District, a surety bond for each Director in an amount determine by the Board of not less than One Thousand Dollars ($1,000.00).

Section 4. **Compensation**. The Board shall serve without compensation or remuneration, except that reimbursement for actual expenses incurred on behalf of the District shall not be considered compensation. An itemized statement of all such expenses shall be filed with the Secretary of the District prior to payment thereof.

Section 5. **Resignation**. Any Director may resign his/her office at any time, such resignation to be made in writing and forwarded, by hand delivery or certified mail, to the board.

Section 6. **Vacancy**. A Director's office shall be deemed vacant upon the occurrence of any one of the events described in C.R.S. § 32-1-905, as amended from time-to-time, and any such vacancy occurring on the Board shall be filled in accordance with C.R.S. § 32-1-905, as amended from time-to-time.

All Board appointments shall be evidenced by an appropriate entry in the minutes of the meeting, and the Board shall cause notice of the appointment to be delivered to the person so appointed. A

duplicate of the notice, together with the mailing address of the person so appointed, shall be forwarded to the Division of Local Government.

Section 7. **Recall**. Any Director elected to the Board who has actually held office for at least six (6) months may be recalled from office in accordance with the provisions of C.R.S. § 32-1-906 and C.R.S. § 32-1-907, as amended from time-to-time. Any Director who shall place his/her own personal interests above those of EPH and the District may be subject to recall from office pursuant to this Section.

Section 8. **Conflict of Interest Policy**. Each Director shall comply with any conflict of interest policies adopted from time-to-time by the Board.

## ARTICLE V.
## POWERS OF THE BOARD

Section 1. **General Powers**. The Board shall exercise general management and control of the business affairs of the District and shall have and exercise all of the common powers which may be exercised or performed by the District under C.R.S. § 32-1-1001, C.R.S. § 32-1-1003, Standards for Hospitals and Health Facilities 6 CCR 1011-1 Chapter 4, and all other applicable statutes of the State of Colorado, as amended from time-to-time, and these Bylaws.

Section 2. **Financial Powers**. Notwithstanding the foregoing, the Board shall have the exclusive oversight of the use and expenditures of all moneys collected to the credit of the District and EPH, provided such use and expenditures further the Mission of the District and EPH. The Board shall have and exercise all of the financial powers which may be exercised or performed by the District under C.R.S. § 32-1-1101 and C.R.S. § 32-1-1103, and all other applicable statutes of the State of Colorado, as amended from time-to-time. Without limiting the foregoing, the Board shall have the power to invest or have invested, as provided in C.R.S. § 32-1-1101(5), C.R.S. § 24-75-601, and in accordance with the *Public Deposit Protection Act,* C.R.S. § 11-10.5-101, *et seq.,* each as amended from time-to-time, District and Hospital moneys and funds held by the Hospital, or in the office of the Larimer County Treasurer in the District's name, and to receive the interest, gains, and income there from.

Additionally, the Board shall have the power to borrow money, to incur indebtedness, and to issue bonds and other evidence of such indebtedness as provided in C.R.S. § 32-1-1101, C.R.S.

§ 32-1-1103. and C.R.S. § 32-1-1301, *et seq.,* as amended from time-to-time, except as may be limited by the Article X, Section 20 of the Colorado Constitution. Any indebtedness incurred shall be in the public interest and shall further the Mission of EPH.

Section 3.**Specific Powers**. Notwithstanding and in addition to the above stated powers, the Board shall have authority to act in a manner consistent with its duties, obligations, and scope of authority outlined in the Special Districts Act C.R.S. § 32-1-101, et seq. as amended from time-to-time, Standards for Hospitals and Health Facilities 6 CCR 1011-1 Chapter 4, and these Bylaws.

Section 4. **Bylaws and Rules and Regulations**. The Board shall have the authority to make and adopt bylaws, policies, and rules and regulations for its own guidance and governance of the

District and auxiliary organizations established by the Board as it deems necessary for the economic and equitable conduct thereof. Such bylaws, policies, and rules and regulations shall not, however, be inconsistent with applicable statutes and accreditation standards.

## ARTICLE VI.
## MEETINGS

Section 1. **Regular Meetings**. The Board shall have regular meetings at times and locations determined by the Board in accordance with C.R.S. § 32-1-903, as amended from time-to-time. No less than twenty-four (24) hours prior to holding a regular meeting, notice of date, time and location along with specific agenda information if available, will be provided on an Estes Park Health public website in accordance with C.R.S. § 24-6-402. Notice may also be posted in other locations and given to local media outlets. In the event the time, date or location of the regular meeting is changed, notice of the change shall be posted by the Secretary at least twenty-four (24) hours in advance of the meeting.

Section 2. **Special Meetings**. Special meetings of the Board may be called by any Director by informing the other Directors in accordance with C.R.S. § 32-1-903, as amended from time-to-time. Notice of a Special Meeting shall be posted, as provided in Section 1, above, at least twenty-four (24) hours prior to the said meeting.

Section 3. **Quorum and Agenda**. All official business of the Board shall be conducted only during said regular or special meetings at which a quorum is present. Three (3) members of the Board shall constitute a quorum. An agenda for each meeting shall be prepared and posted at least twenty-four (24) hours in advance at the placed designated by the Board in January of each year.

Section 4. **Meetings by Teleconference**. Any meeting of the Board may be held by teleconference or similar communication equipment by means which of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting.

Section 5. **Procedure**. So far as is practical, Robert's Rules of Order shall govern the conduct of the meetings; provided, however, that no action of the board shall be invalidated due to any technical non-compliance with such Rules.

Section 6. **Minutes of Regular and Special Meetings**. Minutes of Regular and Special Board meetings shall include a record of the proceedings, attendance, any actions taken, and any recommendations made. The minutes shall be prepared by the Secretary or other individual designated by the Secretary and shall be signed by the presiding officer or Board member. The original copy of the minutes shall be kept on permanent file at Estes Park Health and in a visual text format that may be transmitted electronically in accordance with C.R.S. § 32-1-902(1), as amended from time-to-time.

Section 7. **Executive Sessions**. All regular and special meetings of the Board shall be publicly noticed as described above and shall be open to the public except that, upon the affirmative vote of two thirds (2/3) of the quorum present, the Board may go into Executive Session for the sole purpose of considering any of the matters authorized by and in accordance with C.R.S. § 24-6-

402, as amended from time-to-time. Discussions that occur in Executive Sessions shall be electronically recorded and shall be retained for at least ninety days after the date of the Executive Session.

Section 8. **Informal Meetings**. The Board may hold informal meetings. The purpose of the informal meetings is not to discuss or undertake a rule, regulation, ordinance, or other formal action, and as a result the informal meetings are not a part of the Board's policy-making function and the Colorado Open Meetings Law C.R.S. § 24-6-402 does not apply. The dates and topics discussed at informal meetings will be kept on file.

## ARTICLE VII.
## OFFICERS

Section 1. **Identification**. The general officers of the Board shall include a Chair, a Vice Chair, a Secretary, and a Treasurer, all of whom, except the Secretary, shall be members of the Board. The Secretary may be, but need not be, a member of the Board. The fifth Board member shall be Member at Large. The Board may appoint an assistant Secretary and an assistant Treasurer, which offices may be held by the same person, from outside the membership of the Board. All assistant officers who are not Directors and not employees of the hospital may be compensated as determined by the Board.

Section 2. **Election**. Officers shall be elected at a regular or special Board meeting when their terms expire or when a vacancy occurs during the term of an officer. A nominee shall be elected upon receiving the majority vote of all members of the Board. If no nominee receives the majority of the votes cast on the first ballot, a runoff election between the two (2) candidates receiving the highest number of votes shall be held immediately.

Section 3. **Term**. The term of service for Board Officer positions shall be 1-year commencing upon election by the Board and lasting until the end of term or until the next Board officer election, unless such office shall become vacant through removal or resignation. Board members may serve multiple terms in any office.

Section 4. **Removal**. Any officer of the Board may be removed for cause by a majority vote of all members of the Board.

Section 5. **Vacancies**. Vacancies in any position shall be filled at the next regular or special meeting of the Board by majority vote of all members of the Board for the remainder of the unexpired term.

Section 6. **Bond**. The Treasurer shall be required to 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 Five Thousand Dollars ($5,000.00), conditioned on the faithful performance of the duties of Treasurer in accordance with C.R.S. §32-1-902(2), as amended from time-to-time.

Section 7. **Duties of Officers**. The following shall be the duties of the Officers:

a. The President. The President of the District (and Chair of the Board) shall preside at all meetings of the Board, subject to the discretion and supervision of the Board, he/she will

have general and active control of the District's affairs and business and general supervision of its officers, agents and employees. In addition, he/she shall:

1. Serve as an ex-officio member of all committees of the Board;

2. Assure that all duties of the Board are performed effectively and efficiently; and

3. Perform all duties commonly incident to his/her office, and such other duties as the board may designate.

b. Vice President. The Vice President of the District shall act as President pro tem and presiding officer during the absence of the President and perform such other duties as the Board may designate.

c. Secretary. The Secretary shall:

1. Be the custodian of and ensure that a complete and accurate notebook and in a visual text format that may be transmitted electronically of the minutes of all meetings, and keep on file all certificates, contracts, bonds given by employees, and all corporate acts in accordance with C.R.S. § 32-1-902(1), as amended from time-to-time. Such records shall be open for inspection by any elector, as well as, any other interested parties at Estes Park Health in accordance with the Colorado Open Records Act, C.R.S. § 24-72-201 et seq., as amended from time-to-time.

2. Have custody of the seal and be responsible for its safekeeping and use;

3. Ensure that appropriate surety bonds and Oaths of Office are filed for all Directors;

4. Give or cause to be given notice of meetings in accordance with these Bylaws or as required by law; and

5. Perform such other duties as the Board may from time-to-time require.

6. Duties specified in subsections (1), (2), (3), and (4) above can be designated, with Board approval and Board Secretary oversight, to an employee of EPH (e.g. Executive Secretary) to the extent permitted by the Special District Act, C.R.S. § 32-1-101, et seq. as amended from time to time.

d. Treasurer. The Treasurer shall:

1. Ensure that a permanent, strict, and accurate account of all money received by and disbursed for and on behalf of the District and EPH is kept;

2. Ensure that the moneys of the District and EPH in the name of the District and EPH are deposited in such banks, deposits or trust companies as the Board shall designate and shall be authorized in accordance with C.R.S. § 32-1-1103(2) and C.R.S. § 24-75-603, as amended from time-to-time;

3. Meet monthly with the Chief Executive Officer and Chief Financial Officer to review District and Estes Park Health financial matters;

4. Perform such other duties as the Board may from time-to-time require.

5. Duties specified in subsections (1) and (2) above can be designated, with Board approval and Board Treasurer oversight, to an employee of EPH (e.g. Chief Financial Officer) to the extent permitted by the Special District Act, C.R.S. § 32-1-101, et seq. as amended from time-to-time.

Section 8. **Checks, Drafts, etc**. Designated checks, drafts or other orders for payment of money, and all notes or other evidences of indebtedness issued on behalf of the District and EPH shall be signed by the Chair and Treasurer of the Board. In accordance with C.R.S. § 32-1-1103(2) and C.R.S. § 32-1-1103(3), as amended from time-to-time, such signing may, by resolution, be delegated to others per the resolution.

## ARTICLE VIII.
## COMMITTEES

Section 1. **Committees**. Committees of the Board shall be classified as standing and special and shall be advisory to the Board. In order to broaden input to the Board and encourage community involvement, the Board may appoint individuals who are not members of the Board but are qualified to serve on any standing or special committee of the Board. The Board shall annually appoint the members of each committee, shall designate one member to be committee chairperson, and may remove and replace members of any committee from time-to-time.

Each committee shall have the power to act only as stated in these Bylaws or as conferred by the Board. No recommendations made by a committee may be implemented without Board approval.

The Chief Executive Officer shall serve as an ex-officio member of each committee appointed by the Board, unless otherwise designated in these Bylaws or by the Board. The Chief Executive Officer or his/her designee shall serve as an ex-officio member of all committees deliberating issues affecting the discharge of Medical Staff responsibilities.

Section 2. **Committee Meetings**. A meeting of a committee of the Board may be called at any time by the committee chairman or a simple majority of the committee members upon oral or written notice one business day in advance to the members of the committee. All such committee meetings shall comply with the requirements of the Open Meeting Law, C.R.S. § 24-6-402, as amended from time-to-time, to the extent applicable.

Section 3. **Committee Meeting Minutes**. Minutes of committee meetings shall include a record of the proceedings, attendance, and any recommendations made. The minutes shall be prepared by the Secretary or other individual designated by the Secretary and shall be signed by the presiding officer or Board member. The original copy of the minutes shall be kept on permanent file at Estes Park Health and in a visual text format that may be transmitted electronically in accordance with C.R.S. § 32-1-902(1), as amended from time-to-time.

Section 4. **Standing Committees**. Each standing committee shall adopt a charter defining its scope and role. The composition and function of the standing committees of the Board shall be as follows:

a. Governance and Management Performance Committee. The purpose of this committee is to review appropriate issues in Board Governance and Management Performance. The committee shall consist of the Board Chair and one (1) additional Director. The committee shall meet as required from time-to-time, provided that any such committee meeting shall be called and held in accordance with Section 2 of this Article VIII.

b. Quality Management Committee. The purpose of this committee is to provide quality program oversight for Estes Park Health. Quality program oversight includes the creation and monitoring of healthcare quality, patient safety and customer service to all internal and external customers.

c. Finance Committee. The purpose of this committee is to provide financial oversight for the District and Estes Park Health. This includes budgeting and financial planning, financial reporting, and the creation and monitoring of internal controls and accountability policies.

d. Board Agenda Planning Committee. The purpose of this committee is to develop the agenda for regular Board meetings.

e. Joint Conference Committee. The purpose of this committee is to identify and discuss current and emerging governance issues with EPH Administration and EPH Medical Staff represented by the Past, Current, and Future Chiefs of Staff.

f. Medical Credentials Committee. The purpose of this committee is to observe and monitor the medical credentialing process and subsequently to advise the Board on the committee's medical credentialing recommendations.

Section 5. **Special Committees**. Special ad hoc Committees (e.g. Strategic Planning, Medical Staff Planning, Board Bylaws, Auditing, and Nominating) shall be appointed by the Chair of the Board from time-to-time as the occasion demands. Such Committees shall limit their activities to the purposes for which they are appointed and shall have no power to act unless such power is specifically conferred by action of the Board.

## ARTICLE IX.
## CHIEF EXECUTIVE OFFICER – CEO

Section 1. **Appointment and Powers**. The Board shall select and employ a Chief Executive Officer ("CEO") who shall possess the appropriate education and experience to perform his/her duties and shall serve as the Board's representative in the day-to-day management and operation of EPH. The Chief Executive Officer shall report to the Board. The Board shall have the power to terminate the employment of the Chief Executive Officer subject to the Chief Executive Officer rights pursuant to a written employment agreement, if any.

Section 2. **Specific Duties.** The Chief Executive Officer shall be given the necessary authority for, and held responsible for, the administration of the District in all its activities and departments subject only to such policies or job descriptions as may be adopted, and such orders as may be issued, from time-to-time, by the Board or by any of its committees to which it has delegated power for such action.

Section 3. **Additional Duties**. In addition to the foregoing authority and duties of the Chief Executive Officer, the Board may from time-to-time, by resolution, grant to the Chief Executive Officer such additional authority as said Board may deem necessary for the proper administration of EPH.

Section 4. **Performance Evaluation**. The Board may conduct a formal performance review of the Chief Executive Officer regarding his or her performance and the performance of Estes Park Health at appropriate intervals chosen by the Board in its discretion. However, the Board shall generally conduct at least one such performance review on an approximately annual basis.

## ARTICLE X.
## MEDICAL STAFF

Section 1. Medical Staff of EPH. The Board of Directors shall appoint a Medical Staff to provide clinical services at EPH, which shall be known as the "Medical Staff of EPH" (herein referred to as the "Medical Staff"). The Medical Staff shall be an integral part of EPH and shall be composed of physicians, dentists and podiatrists who are graduates of recognized schools of medicine, osteopathy, dentistry or podiatry, are licensed in good standing to practice in Colorado, and who otherwise meet the qualifications for appointment as set forth in the bylaws, policies, manuals, rules and regulations of the Medical Staff.

Each appointee to the Medical Staff shall have full authority and responsibility for the care of his patients, subject only to such limitations as are imposed by the Board of Directors and the Medical Staff. The Medical Staff, its officers, committees and departments shall be accountable to the Board of Directors.

The Medical Staff shall develop and adopt bylaws, policies, manuals, rules and regulations setting forth, among other things: (i) its organization; (ii) its governance; (iii) procedures for processing and evaluating applications for appointment and reappointment; (iv) procedures for the granting of clinical privileges; (v) provisions for a review of the Medical Staff's recommendations with respect to denial of appointment, appointment, reappointment, termination of appointment, discipline and the granting or curtailment of clinical privileges including a process for resolving differences between appointees to the Medical Staff, the Medical Staff and the District ; and (vi) the organization of the quality improvement and utilization review activities of the Medical Staff, as well as, the mechanism used to conduct, evaluate and revise such activities. The Medical Staff Bylaws, policies, manuals, rules and regulations shall become effective in the form and on the date approved by the Board of Directors.

Section 2. Advanced Practice Practitioners – Authorization. The Board of Directors may authorize qualified persons to provide specified services allied with the clinical services provided by appointees to the Medical Staff. Said authorization shall be granted in accordance with and

subject to the Bylaws, policies, manuals, rules and regulations of the Medical Staff. All processes, including application, reappointment, specified services, corrective action and hearing processes shall be as outlined in the Medical Staff Bylaws, policies, manuals, rules and regulations, or the Advanced Practice Practitioner Rules and Regulations, as applicable.

## ARTICLE XI.
## AUXILIARY ORGANIZATIONS

Section 1. **Establishment**. The Board shall have the authority to make provisions for the establishment of auxiliary organizations and mechanisms for services provided by individual volunteers to assist EPH in fulfilling its Mission provided such services are coordinated with the Chief Executive Officer. An auxiliary organization shall not be separately incorporated without the prior formal approval of the Board and any funds raised be an auxiliary organization shall be maintained in accounts owned by the District.

Section 2. **Bylaws**. Each auxiliary organization shall develop bylaws if requested by the Board or otherwise required by law. The bylaws of each auxiliary organization shall delineate the purpose and function of such organization. The Board of the District shall approve the bylaws, and all amendments and additions thereto, before such bylaws and any amendment or addition thereto becomes effective.

## ARTICLE XII.
## INSTITUTIONALLY-BASED HEALTH CARE PROGRAMS

Estes Park Health based healthcare programs (e.g., Estes Park Health Hospice Care, Estes Park Health Home Health Services) shall be descriptively named and shall be subject to the Bylaws, Rules and Regulations, and policies of the District.

The Board shall perform the following for Estes Park Health Home Health Care ("EPH Home Health Care"), Estes Park Home Care (“EPH Home Care”), and Estes Park Health Hospice Care ("EPH Hospice"):

a. EPH Home Health Care.
   1. Consistent with 6 C.C.R. 1011-1 Chapter 26 Section 7, appoint and employ a qualified administrator as the official representative of the Board in the day-to-day management and operation of EPH Home Health Care who shall be responsible for the agency's overall functions.
   2. Review the agency's operations at least quarterly.
   3. Assume responsibility for:
      a. EPH Home Health Care's compliance with all federal regulations, state rules, and local laws;
      b. Quality consumer care;
      c. Adopting and implementing policies and procedures which describe and direct EPH Home Health Care's functions or services and protect consumer rights;

d. Organization, services furnished, administrative control, and lines of authority for the delegation of responsibility down to the consumer care level;
e. Reviewing and responding in writing to EPH Home Health Care's written evaluation report and other communications from the administrator or group of professional personnel; and
f. Establishing and ensuring the maintenance of a system of financial management and accountability.

b. EPH Home Care.
1. Consistent with 6 C.C.R. 1011-1 Chapter 26 Section 8, designate and employ an agency manager as the official representative of the Board in the day-to-day management and operation of EPH Home Care who shall be responsible for the agency's overall functions.
2. Adopt, review annually, and revise as needed, policies and procedures for the operation and administration of EPH Home Care and the organization of the services furnished, administrative control and lines of authority for the delegation of responsibility down to the consumer care level
3. Review the operation of EPH Home Care at least annually;
4. Provide and maintain a fixed office location that provides for consumer confidentiality and a safe working environment.

c. EPH Hospice.
1. Consistent with 6 C.C.R. 1011-1 Chapter 21 Section 3, assume full legal authority and responsibility for the management of EPH Hospice, the provision of all hospice services, its fiscal operations, and continuous quality assessment and performance improvement.
2. Be responsible for assuring that EPH Hospice complies with all applicable regulations and standards for the operation and maintenance of a hospice license.
3. Appoint and employ an administrator who shall possess education and experience sufficient to qualify the person to be a hospice administrator as the official representative of the Board in the day-to-day management and operation of EPH Hospice
4. Provide or arrange for the facilities, qualified personnel and services which are sufficient and necessary to provide effective hospice care, including physical, emotional, psychosocial and spiritual care for terminally ill patients and their families and, in the Board's discretion, palliative care as a separate and distinct service from hospice care services.

## ARTICLE XIII.
## DISSOLUTION

Upon dissolution or other termination of Estes Park Health as a Special District Hospital, any assets remaining after all debts of the Hospital have been paid shall be distributed in accordance with C.R.S. § 32-1-701, as amended from time-to-time.

## ARTICLE XIV.
## INDEMNIFICATION

To the extent permitted by law, and regardless of the existence of insurance coverage, the District shall indemnify any person who is serving or has served as a Director or Officer of the Board of the District against all reasonable expenses, including, but not limited to, judgments, fines, amounts paid in settlement costs and legal fees actually and necessarily incurred by him/her in connection with the defense of any litigation, action, suit or proceeding, civil or administrative, to which he/she may have been a party by reason of being or having been a Director and/or officer of the Board, but only if he/she may have acted in good faith within the scope of his/her authority and for a purpose he/she reasonably believed to be in the best interests of Estes Park Health. A Director and/or officer, or former Director and/or officer, shall have no right to reimbursement for matters in which he/she has been adjudged liable to Estes Park Health for wanton and willful misconduct in the performance of his/her duties. To the extent applicable, the Colorado Governmental Immunity Act, C.R.S. §10-101 et seq., as amended from time-to-time, is incorporated by reference into these Bylaws.

## ARTICLE XV.
## GENERAL PROVISIONS

Section 1. **Fiscal Year**. The fiscal year of the District and its affiliate organizations shall begin on the first day of January and end on the 31st day of December of each year.

Section 2. **Ownership of Documents**. Written records and other documents relating to EPH are the property of EPH and shall be filed and maintained under the authority of the Chief Executive Officer and shall not be removed from EPH nor shall any information contained therein be released without proper authorization unless such document shall be determined by the District's custodian of records to not be a public record as that term is defined in the Colorado Open Records Act, C.R.S. § 24-72-200.1 et seq., as amended from time-to-time.

## ARTICLE XVI.
## AMENDMENTS TO AND REVOCATION OF BYLAWS

Section 1. **Amendments.** These Bylaws shall be reviewed periodically, with any amendments approved by affirmative vote of not less than three (3) members of the Board and may be amended or repealed and new Bylaws adopted by the Board through a vote in an open meeting. An amendment changing the number of Directors can be adopted only upon the approval and adoption of a resolution by a three fourths majority vote of members of the Board present in-person at a meeting called for that purpose, provided that such resolution is approved and in accordance with C.R.S. § 32-1-902.5, as amended from time-to-time.

Section 2. **Revocation**. Upon adoption of these Bylaws, the current Bylaws now in existence, and all amendments thereto, shall be repealed.

These Bylaws were duly reviewed and amended. They were adopted August 29, 2019.

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|---|---|
| Diane Muno<br>Secretary of the Board | David M. Batey<br>Chair of the Board |

Other amendments:

| | |
|---|---|
| April | 1987 |
| July | 1988 |
| June | 1992 |
| May | 1995 |
| May | 1999 |
| June | 2003 |
| January | 2005 |
| May | 2005 |
| June | 2006 |
| June | 2007 |
| May | 2008 |
| February | 2009 |
| March | 2009 |
| June 2, | 2009 |
| June | 2010 |
| August | 2010 |
| July 26, | 2011 |
| May 29, | 2012 |
| May 28 | 2013 |
| May 29 | 2014 |
| May 28 | 2015 |
| May 31 | 2016 |
| Dec 5 | 2017 |
| Aug 29 | 2019 |

**APPENDIX A**

**TO PARK HOSPITAL DISTRICT BYLAWS**

**APPENDIX OF STATUTORY REFERENCES**

**(See Attached)**

**APPENDIX B**

**Legal Memorandum**

**Office of Legislative Legal Services, Colorado General Assembly**

**Open Meeting Law – State Public Body - FAQ**

**(See Attached)**

**APPENDIX A**
**TO ESTES PARK HEALTH BOARD OF DIRECTORS' BYLAWS**

## APPENDIX OF STATUTORY REFERENCES

| BYLAWS PROVISION | STATUTORY REFERENCE CITATION | STATUTORY LANGUAGE |
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| Art. II | **C.R.S. § 29, et seq.** | General reference to statutory provisions pertaining to local governments |
| Art. II | **C.R.S. § 32-1-101, et seq.** | General reference to Special District Act |
| Art. IV, Sec. 1 | **C.R.S. § 32-1-305.5** | (1) In the order authorizing the election, the court shall name either the clerk and recorder of the county in which the district is to be or another eligible elector of the state as the designated election official responsible for the conducting of the election.<br>(2) At the election, the eligible electors shall vote for or against the organization of the special district and for the members of the board who will serve if the special district is organized. The terms of office of the first directors shall be as follows:<br>(a) In the case of a five-member board, two directors shall serve until they or their successors are elected and qualified at the next regular special district election occurring in any year following that in which the special district was organized, and three shall serve until they or their successors are elected and qualified at the second regular special district election after organization.<br>(b) In the case of a seven-member board, three directors shall serve until they or their successors are elected and qualified at the next regular special district election occurring in any year following that in which the special district was organized, and four shall serve until they or their successors are elected and qualified at the second regular special district election after organization.<br>(3) The basic term of office for directors, after the original terms provided in subsection (2) of this section, shall be four years.<br>(4) A nomination for director to serve for either term may be made by self-nomination and acceptance form or letter, as provided in section 1-13.5-303, C.R.S., with the time and manner of filing such form or letter as directed in the order of the district court authorizing the election.<br>(5) If, after the results of the election are certified, the court finds that a majority of the votes cast at the election are in favor of organization, the court shall proceed with the order establishing the special district and shall issue certificates of election for the directors elected. |
| Art. IV, Sec. 1 | **C.R.S. § 32-1-103(17)** | (17) "Regular special district election" means the election on the Tuesday succeeding the first Monday of May in every even-numbered year, held for the purpose of electing members to the boards of special districts and for submission of other public questions, if any. |
| Art. IV, Sec. 1 | **C.R.S. § 32-19-110** | (1) For a district, regular special district elections shall be held on the date of the general election or on the first Tuesday in November of an odd-numbered year, and any election on the proposal shall be conducted by the county clerk and recorder as part of a coordinated election in accordance with the provisions of section 1-7-116, C.R.S.<br>(2) Notwithstanding the provisions of section 32-1-806, any person who is an eligible elector as defined in section 32-19-102(3) shall |

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| | | be eligible to vote in an organizational election or any election conducted by the board of directors for a district. |
| Art. IV, Sec. 2 | **C.R.S. § 32-1-103(5)** | (5)(a) "Eligible elector" means a person who, at the designated time or event, is registered to vote pursuant to the "Uniform Election Code of 1992", articles 1 to 13 of title 1, C.R.S., and:<br>(I) Who is a resident of the special district or the area to be included in the special district; or<br>(II) Who, or whose spouse or civil union partner, owns taxable real or personal property situated within the boundaries of the special district or the area to be included in the special district, whether said person resides within the special district or not.<br>(b) A person who is obligated to pay taxes under a contract to purchase taxable property situated within the boundaries of the special district or the area to be included within the special district shall be considered an owner within the meaning of this subsection (5).<br>(c) Repealed by Laws 1986, H.B.1156, § 3.<br>(d) For all elections and petitions that require ownership of real property or land, a mobile home as defined in section 38-12-201.5(2) or 5-1-301(29), C.R.S., or a manufactured home as defined in section 42-1-102(106)(b), C.R.S., shall be deemed sufficient to qualify as ownership of real property or land for the purpose of voting rights and petitions.<br>(e) In the event that the board, by resolution, ends business personal property taxation by the district pursuant to subsection (8)(b) of section 20 of article X of the state constitution, persons owning such property and spouses or civil union partners of such persons shall not be eligible electors of the district on the basis of ownership of such property. |
| Art. IV, Sec. 3 | **C.R.S. § 32-1-901** | (1) Each director, within thirty days after his or her election or appointment to fill a vacancy, except for good cause shown, shall appear before an officer authorized to administer oaths and take an oath that he or she will faithfully perform the duties of his or her office as required by law and will support the constitution of the United States, the constitution of the state of Colorado, and the laws made pursuant thereto. When an election is cancelled in whole or in part pursuant to section 1-13.5-513, C.R.S., each director who was declared elected shall take the oath required by this subsection (1) within thirty days after the date of the regular election, except for good cause shown. The oath may be administered by the county clerk and recorder, by the clerk of the court, by any person authorized to administer oaths in this state, or by the chairman of the board and shall be filed with the clerk of the court and with the division.<br>(2) At the time of filing said oath, there shall also be filed for each director an individual, schedule, or blanket surety bond at the expense of the special district, in an amount determined by the board of not less than one thousand dollars each, conditioned upon the faithful performance of his duties as director.<br>(3) If any director fails to take the oath or furnish the requisite bond within the period allowed, except for good cause shown, his office shall be deemed vacant, and the vacancy thus created shall be filled in the same manner as other vacancies in the office of director. |
| Art. IV, Sec. 6 | **C.R.S. § 32-1-905** | (1) A director's office shall be deemed to be vacant upon the occurrence of any one of the following events prior to the expiration of the term of office:<br>(a) If for any reason a properly qualified person is not elected to a director's office by the electors as required at a regular election;<br>(b) If a person who was duly elected or appointed fails, neglects, or refuses to subscribe to an oath of office or to furnish the bond in accordance with the provisions of section 32-1-901;<br>(c) If a person who was duly elected or appointed submits a written resignation to the board;<br>(d) If the person who was duly elected or appointed ceases to be qualified for the office to which he was elected;<br>(e) If a person who was duly elected or appointed is convicted of a felony;<br>(f) If a court of competent jurisdiction voids the election or appointment or removes the person duly elected or appointed for any cause whatsoever, but only after his right to appeal has been waived or otherwise exhausted;<br>(g) If the person who was duly elected or appointed fails to attend three consecutive regular meetings of the board without the board having entered upon its minutes an approval for an additional absence or absences; except that such additional absence or absences shall be excused for temporary mental or physical disability or illness;<br>(h) If the person who was duly elected or appointed dies during his term of office.<br>(2)(a) Any vacancy on the board shall be filled by appointment by the remaining director or directors, the appointee to serve until the |

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| | | next regular election, at which time, the vacancy shall be filled by election for any remaining unexpired portion of the term. If, within sixty days of the occurrence of any vacancy, the board fails, neglects, or refuses to appoint a director from the pool of any duly qualified, willing candidates, the board of county commissioners of the county which approved the organizational petition may appoint a director to fill such vacancy. The remaining director or directors shall not lose their authority to make an appointment to fill any vacancy unless and until the board of county commissioners which approved the organizational petition has actually made an appointment to fill that vacancy.<br>(b) No board of county commissioners shall make an appointment pursuant to paragraph (a) of this subsection (2) unless it provides thirty days' notice of its intention to make such appointment to the remaining members of the board and the vacancy remains open at the time the board of county commissioners makes its appointment. If the organizational petition was approved by more than one board of county commissioners, then the appointment shall be made by the boards of the county commissioners which approved the petition, sitting jointly. Such an appointment shall be made at an open public meeting.<br>(2.5) If there are no duly elected directors and if the failure to appoint a new board will result in the interruption of services that are being provided by the district, then the board of county commissioners of the county or counties which approved the organizational petition may appoint all directors from the pool of duly qualified, willing candidates. The board appointed pursuant to this subsection (2.5) shall call for nominations for a special election within six months after their appointment, which special election is to be held in accordance with the provisions of section 32-1-305.5 and articles 1 to 13.5 of title 1, C.R.S.; except that the question of the organization shall not be presented at the election. In the event a district is wholly within the boundaries of a municipality, the governing body of the municipality may appoint directors.<br>(3) All appointments shall be evidenced by an appropriate entry in the minutes of the meeting, and the board shall cause a notice of appointment to be delivered to the person so appointed. A duplicate of each notice of appointment, together with the mailing address of the person so appointed, shall be forwarded to the division. |
| Art. IV, Sec. 7 | **C.R.S. § 32-1-906** | (1)(a) Any director elected to the board of any special district who has actually held office for at least six months may be recalled from office by the eligible electors of the special district. A petition signed by the lesser of three hundred eligible electors or forty percent of the eligible electors demanding the recall of any director named in the petition shall be filed in the court.<br>(b) In case of specific conflict between this part 9 and part 5 of article 4 of title 31, C.R.S., with respect to a recall, this part 9 controls.<br>(b.5) The recall of a special district director is governed by the procedures set forth in part 5 of article 4 of title 31, C.R.S.; except that:<br>(I) The term “registered elector” must be replaced by “eligible elector”; “municipality” must be replaced by “local government”; and “municipal clerk” or “clerk” must be replaced by “designated election official, or if none is designated, then the secretary of the local government”;<br>(II) The second paragraph of the warning contained in section 31-4-502(1)(a)(II), C.R.S., shall not be used for a local government recall election;<br>(III) The number of signatures required by section 31-4-502(1)(d), C.R.S., applies to a local government recall election only if a different number is not specified by this article or by title 1, C.R.S.; and<br>(IV) The words “who resides within the municipality” in 31-4-503(3)(b), C.R.S., do not apply. |
| Art. IV, Sec. 7 | **C.R.S. § 32-1-907** | (1) If a director subject to a recall petition offers a resignation, it shall be accepted, and the vacancy caused by the resignation, or from any other cause, shall be filled as provided by section 32-1-905(2). If the director does not resign within five days after the sufficiency of the recall petition has been sustained, the board shall order that a recall election be held pursuant to part 5 of article 4 of title 31, C.R.S. |
| Art. V, Sec. 2 | **C.R.S. § 32-1-1001** | (1) For and on behalf of the special district the board has the following powers:<br>(a) To have perpetual existence;<br>(b) To have and use a corporate seal;<br>(c) To sue and be sued and to be a party to suits, actions, and proceedings; |

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| | | (d)(I) To enter into contracts and agreements affecting the affairs of the special district except as otherwise provided in this part 10, including contracts with the United States and any of its agencies or instrumentalities. Except in cases in which a special district will receive aid from a governmental agency or purchase through the state purchasing program, a notice shall be published for bids on all construction contracts for work or material, or both, involving an expense of sixty thousand dollars or more of public moneys. The special district may reject any and all bids, and, if it appears that the special district can perform the work or secure material for less than the lowest bid, it may proceed to do so.<br>(II) No contract for work or material including a contract for services, regardless of the amount, shall be entered into between the special district and a member of the board or between the special district and the owner of twenty-five percent or more of the territory within the special district unless a notice has been published for bids and such member or owner submits the lowest responsible and responsive bid.<br>(e) To borrow money and incur indebtedness and evidence the same by certificates, notes, or debentures, and to issue bonds, including revenue bonds, in accordance with the provisions of part 11 of this article, and to invest any moneys of the special district in accordance with part 6 of article 75 of title 24, C.R.S.;<br>(f) To acquire, dispose of, and encumber real and personal property including, without limitation, rights and interests in property, leases, and easements necessary to the functions or the operation of the special district; except that the board shall not pay more than fair market value and reasonable settlement costs for any interest in real property and shall not pay for any interest in real property which must otherwise be dedicated for public use or the special district's use in accordance with any governmental ordinance, regulation, or law;<br>(g) To refund any bonded indebtedness as provided in part 13 of this article or article 54 or 56 of title 11, C.R.S.;<br>(h) To have the management, control, and supervision of all the business and affairs of the special district as defined in this article and all construction, installation, operation, and maintenance of special district improvements;<br>(i) To appoint, hire, and retain agents, employees, engineers, and attorneys;<br>(j)(I) To fix and from time to time to increase or decrease fees, rates, tolls, penalties, or charges for services, programs, or facilities furnished by the special district; except that fire protection districts may only fix fees and charges as provided in section 32-1-1002(1)(e). The board may pledge such revenue for the payment of any indebtedness of the special district. Until paid, all such fees, rates, tolls, penalties, or charges shall constitute a perpetual lien on and against the property served, and any such lien may be foreclosed in the same manner as provided by the laws of this state for the foreclosure of mechanics' liens.<br>(II) Notwithstanding any other provision to the contrary, the board may waive or amortize all or part of the tap fees and connection fees or extend the time period for paying all or part of such fees for property within the district in order to facilitate the construction, ownership, and operation of affordable housing on such property, as such affordable housing is defined by resolution adopted by the board. However, the board shall have the authority to condition such waiver, amortization, or extension upon the recordation against the property of a deed restriction, lien, or other lawful instrument requiring the payment of such fees in the event that the property's use as affordable housing is discontinued or no longer meets the definition of affordable housing as established by the board.<br>(k) To furnish services and facilities without the boundaries of the special district and to establish fees, rates, tolls, penalties, or charges for such services and facilities;<br>(l) To accept, on behalf of the special district, real or personal property for the use of the special district and to accept gifts and conveyances made to the special district upon such terms or conditions as the board may approve;<br>(m) To adopt, amend, and enforce bylaws and rules and regulations not in conflict with the constitution and laws of this state for carrying on the business, objects, and affairs of the board and of the special district;<br>(n) To have and exercise all rights and powers necessary or incidental to or implied from the specific powers granted to special districts by this article. Such specific powers shall not be considered as a limitation upon any power necessary or appropriate to carry out the purposes and intent of this article.<br>(o) To authorize the use of electronic records or signatures and adopt rules, standards, policies, and procedures for use of electronic records or signatures pursuant to article 71.3 of title 24, C.R.S.<br>(2)(a) The governing body of any special district furnishing domestic water or sanitary sewer services directly to residents and property |

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| | | owners within or outside the district may fix or increase fees, rates, tolls, penalties, or charges for domestic water or sanitary sewer services only after consideration of the action at a public meeting held at least thirty days after providing notice stating that the action is being considered and stating the date, time, and place of the meeting at which the action is being considered. Notice must be provided to the customers receiving the domestic water or sanitary sewer services of the district in one or more of the following ways:<br>(I) Mailing the notice separately to each customer of the service on the billing rolls of the district;<br>(II) Including the notice as a prominent part of a newsletter, annual report, billing insert, billing statement, letter, or other notice of action, or other informational mailing sent by the special district to the customers of the district;<br>(III) Posting the information on the official website of the special district if there is a link to the district's website on the official website of the division; or<br>(IV) For any district that is a member of a statewide association of special districts formed pursuant to section 29-1-401, C.R.S., by mailing or electronically transmitting the notice to the statewide association of special districts, which association shall post the notice on a publicly accessible section of the association's website.<br>(b) The power to fix or increase fees, rates, tolls, penalties, or charges for domestic water or sanitary sewer services is a legislative power of the district board and is not changed by the provisions of this section.<br>(c) No action to fix or increase fees, rates, tolls, penalties, or charges for domestic water or sanitary sewer services may be invalidated on the grounds that a person did not receive the notice required by this section if the district acted in good faith in providing the notice. Good faith is presumed if the district provided the notice in one or more of the ways listed in paragraph (a) of this subsection (2). |
| Art. V, Sec. 2 | **C.R.S. § 32-1-1003** | (1) In addition to the powers specified in section 32-1-1001, the board of any health service district has any or all of the following powers for and on behalf of such district:<br>(a) To establish, maintain, or operate, directly or indirectly through lease to or from other parties or other arrangement, public hospitals, convalescent centers, nursing care facilities, intermediate care facilities, emergency facilities, community clinics, or other facilities providing health and personal care services, including but not limited to facilities licensed or certified pursuant to section 25-1.5-103(1)(a), C.R.S., and to organize, own, operate, control, direct, manage, contract for, or furnish ambulance service in said district;<br>(b) To organize, own, operate, control, direct, manage, contract for, or furnish ambulance service;<br>(c) To draw warrants against health service district funds held by the county treasurer for the purposes set forth in paragraphs (a) and (b) of this subsection (1);<br>(d) To contract with or work cooperatively and in conjunction with a health assurance district or other existing health care provider or service to provide health care services to the residents of such district; and<br>(e) To seek approval from the eligible electors in the health service district to collect, retain, and spend all revenue generated by any tax approved by the eligible electors in excess of the limitation provided in section 20 of article X of the state constitution.<br>(2) The board of county commissioners of any county or the governing body of any municipality within the health service district may transfer any real and personal property, whether or not theretofore used by the county or municipality for hospital purposes, to any newly organized health service district if such real and personal property is located in the newly organized district.<br>(3) A hospital district established prior to July 1, 1996, may continue to use and operate under the name it is using on June 30, 1996, or it may rename itself as otherwise provided by law and in accordance with this section. Nothing in this section shall be construed to limit the powers under prior law of a hospital district established prior to July 1, 1996.<br>(4) Nothing in this section or section 32-1-103(9) shall be construed to limit any or all of the common powers of a special district as set forth in 32-1-1001 as it applies to a hospital district that was established prior to July 1, 1996, or a health service district established on or after July 1, 1996.<br>(5) Any health service district that is created pursuant to this article shall have the power, upon approval by the eligible electors of the district, to levy and collect a uniform sales tax throughout the entire geographic area of the district upon every transaction or other incident with respect to which a sales tax is levied by the state pursuant to the provisions of article 26 of title 39, C.R.S., excluding the sale of cigarettes, subject to the following provisions:<br>(a) For purposes of this subsection (5), “eligible elector” shall have the same meaning as set forth in section 32-19-102(3). |

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| | | (b) For purposes of complying with the provisions of section 32-1-301(2)(d.1), the petition for organization shall set forth the estimated sales tax revenues for the health service district's first budget year if the district will seek approval from the eligible electors of the district to levy a sales tax in its first budget year.<br>(c) Any sales tax authorized pursuant to this subsection (5) shall be levied and collected as provided in section 32-19-112. |
| Art. V, Sec. 3 | **C.R.S. § 32-1-1101** | (1) For and on behalf of the special district, the board has the following powers:<br>(a) To levy and collect ad valorem taxes on and against all taxable property within the special district, which shall not be limited except as provided in section 39-10-111(11), C.R.S., and in part 3 of article 1 of title 29, C.R.S. Any election on the question of an increased levy pursuant to section 29-1-302, C.R.S., shall be conducted as a special election in accordance with articles 1 to 13.5 of title 1, C.R.S.<br>(b) To levy taxes and collect revenue, whenever any indebtedness has been incurred by a special district, for the purpose of creating one or more reserve funds in such amounts as the board may determine, which may be used to meet the obligations of the special district for bond interest repayment and for maintenance and operating charges and depreciation and to provide extensions of and replacements and improvements to the facilities and property of the special district;<br>(c) To issue negotiable coupon bonds of the special district. Bonds shall bear interest at a rate or rates such that the net effective interest rate of the issue of bonds does not exceed the maximum net effective interest rate authorized, payable semiannually, and shall be due and payable serially, either annually or semiannually, commencing not later than three years and extending not more than twenty years from date. The form and terms of said bonds, including provisions for their payment and redemption, shall be determined by the board. If the board so determines, such bonds may be redeemable prior to maturity upon payment of a premium, not exceeding three percent of the principal thereof. Said bonds shall be executed in the name of and on behalf of the district and signed by the president with the seal of the district affixed thereto and attested by the secretary. Said bonds shall be in such denominations as the board shall determine, and the bonds and coupons thereto attached shall be payable to bearer. Interest coupons shall bear the original or facsimile signature of the president.<br>(d) To issue revenue bonds authorized by action of the board without the approval of the eligible electors of the special district. The revenue bonds shall be issued in the manner provided in part 4 of article 35 of title 31, C.R.S., for the issuance of revenue bonds by municipalities; except that the revenue bonds may be sold in one or more series at par or below or above par at public or private sale, in such manner and for such price as the board, in its discretion, shall determine. The revenue bonds and interest coupons, if any, appurtenant thereto shall never constitute the debt or indebtedness of the special district within the meaning of any provision or limitation of the laws of Colorado or the state constitution and shall not constitute nor give rise to a pecuniary liability of the special district or charge against its general credit or taxing powers. The revenue bonds and the income therefrom are exempt from taxation, except inheritance, estate, and transfer taxes.<br>(e) In addition to any other means provided by law, to elect, by resolution, at a public meeting held after receipt of notice by the affected parties, including the property owner, to have certain delinquent fees, rates, tolls, penalties, charges, or assessments made or levied solely for water, sewer, or water and sewer services, certified to the treasurer of the county to be collected and paid over by the treasurer of the county in the same manner as taxes are authorized to be collected and paid over pursuant to section 39-10-107, C.R.S. The governing body of said special district shall pay to the county in which the affected property of the special district is located, at least once a year, an amount which shall be just and reasonable compensation for the extra labor imposed by this paragraph (e) and an amount for the special district's proportion of the expense of advertising the sale of lands for said delinquent fees, rates, tolls, penalties, charges, or assessments in each year, said amounts to be certified to the governing body of the special district by the county treasurer. Any such fee, rate, toll, penalty, charge, or assessment shall total at least one hundred fifty dollars per account and shall be at least six months delinquent. The treasurer of the county is also authorized to charge and retain a penalty at the rate of thirty percent, or thirty dollars, whichever is greater, on the delinquent sum due and owing to defray the costs of collection.<br>(f)(I) To divide the special district into one or more areas consistent with the services, programs, and facilities to be furnished therein. However, any facility operated by the special district within such area may be used by any resident of the special district for the same fee charged to persons residing within such area. Whenever the board divides the special district into one or more areas pursuant to this subparagraph (I), the board shall provide notification of such action to the board of county commissioners of each county that has territory included within the district and the governing body of any municipality that has adopted a resolution of approval of the district |

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| | | pursuant to section 32-1-204.5 or 32-1-204.7. Each board of county commissioners and municipal governing body that is entitled to such notification may elect, within thirty days after such notification, to treat the action as a material modification of the district service plan in accordance with section 32-1-207(2).<br>(II) Any area created pursuant to this paragraph (f) shall be a subdistrict of the special district. The name of a subdistrict established on or after August 5, 2015, must include the name of the special district that established the subdistrict. A subdistrict shall be an independent quasi-municipal corporation, shall act pursuant to the provisions of this article, and shall possess all of the rights, privileges, and immunities of the special district. The subdistrict shall be subject to the service plan of the special district. The general assembly hereby finds and declares that any such division of the special district into one or more subdistricts shall provide for the fair and equitable taxation within the territorial limits of the authority levying the tax in conformity with the requirements of section 3 of article X of the state constitution.<br>(III) The board of the special district shall constitute ex officio the board of directors of the subdistrict. The presiding officer of the board shall be ex officio the presiding officer of the subdistrict, the secretary of the board shall be ex officio the secretary of the subdistrict, and the treasurer of the board shall be ex officio the treasurer of the subdistrict. For the purposes of complying with the requirements of subsection (6) of this section and article 59 of title 11, C.R.S., the debt of the subdistrict shall be treated separately from the debt of the special district and shall not be treated as debt of the special district. The total debt of the special district and all subdistricts shall not exceed any debt limits specified in the service plan of the special district.<br>(g) To establish special improvement districts within the boundaries of a special district and levy special assessments on property specially benefited by such improvements as specified in section 32-1-1101.7.<br>(1.5)(a) The board shall make any determination specified in paragraph (f) of subsection (1) of this section by resolution adopted at a regular or special meeting of the board after publication of notice of the purpose of the public meeting and the place, time, and date of such meeting.<br>(b) No resolution dividing the special district into one or more areas shall be adopted by the board pursuant to paragraph (a) of this subsection (1.5) if a petition objecting to such division is signed by the owners of taxable real and personal property, which property equals more than fifty percent of the total valuation for assessment of all taxable real and personal property within the proposed area boundaries, and is filed with the special district no later than five days prior to the public meeting. However, the board may change the geographical boundaries of such area at the public meeting.<br>(c) Except as otherwise provided in this paragraph (c), no single parcel of land having a valuation for assessment constituting twenty-five percent or more of the total valuation of assessment of all real property within the boundaries of an area in a special district shall be included in such area without the written consent of the owner or owners of such real property. No single parcel of land owned by a corporate entity and having a valuation for assessment constituting five percent or more of the total valuation of assessment of all real property within the boundaries of an area in a special district shall be included in such area without the written consent of the owner of such real property. If, contrary to the provisions of this paragraph (c), such parcel of real property is included within the boundaries of such area, the owner or owners of such real property shall be entitled to petition the board to have such real property excluded from the area boundaries free and clear of any contract, obligation, debt, lien, or charge for which the owner or owners may otherwise be liable due to the inclusion of such real property in the area.<br>(d) If taxes are to be levied or debt is to be created within an area of the special district, the board shall submit a ballot issue approving such taxes or debt to the eligible electors within such area at a regular special district election or at a special election held on the Tuesday after the first Monday of November in an even-numbered year or the first Tuesday of November in an odd-numbered year conducted in accordance with the provisions of this article and section 20 of article X of the state constitution. In addition to any other matters, the ballot issue shall provide that the tax to be levied for services, programs, and facilities within such area is in addition to any other taxes imposed by the special district.<br>(e) Nothing in this subsection (1.5) or paragraph (f) of subsection (1) of this section shall repeal or affect any other law or any part thereof as it is the intent of the general assembly that this subsection (1.5) and paragraph (f) of subsection (1) of this section shall provide a separate but not an exclusive method of accomplishing the objectives of the general assembly.<br>(f) Nothing in this subsection (1.5) or in paragraph (f) of subsection (1) of this section shall impose any requirement contained in |

House Bill 02-1465, as enacted at the second regular session of the sixty-third general assembly, upon any area that was in existence prior to October 1, 2002; except that a district may, by resolution, elect to apply any of said requirements to such area.

(2) Whenever the board determines, by resolution, that the interest of the special district and the public interest or necessity demand the acquisition, construction, installation, or completion of any works or other improvements or facilities or the making of any contract with the United States or other persons or corporations to carry out the objects or purposes of such district, requiring the creation of a general obligation indebtedness exceeding one and one-half percent of the valuation for assessment of the taxable property in the special district, the board shall order the submission of the proposition of issuing general obligation bonds or creating other general obligation indebtedness, except the issuing of revenue bonds, at an election held for that purpose. The resolution shall also fix the date upon which the election will be held. The election shall be held and conducted as provided in articles 1 to 13.5 of title 1, C.R.S. Any election may be held separately or may be held jointly or concurrently with any other election authorized by this article. If the issuance of general obligation bonds is approved at an election held pursuant to this subsection (2), the board shall be authorized to issue such bonds for a period not to exceed the later of five years following the date of the election or, subject to the provisions of section 32-1-1101.5, for a period not to exceed twenty years following the date of the election if the issuance of such bonds is in material compliance with the financial plan set forth in the service plan, as that plan is amended from time to time, or in material compliance with the statement of purposes of the special district. After the specified period has expired, the board shall not be authorized to issue bonds which were authorized but not issued after the initial election unless the issuance is approved at a subsequent election; except that nothing in this subsection (2) shall be construed as limiting the board's power to issue refunding bonds in accordance with statutory requirements.

(3)(a) The declaration of public interest or necessity required and the provision for the holding of such an election may be included within the same resolution, which resolution, in addition to such declaration of public interest or necessity, shall recite:

(I) The objects and purposes for which the indebtedness is proposed to be incurred;

(II) The estimated cost of the works or improvements, as the case may be;

(III) How much, if any, of said estimated cost is to be defrayed out of any state or federal grant;

(IV) The amount of principal of the indebtedness to be incurred therefor; and

(V) The maximum net effective interest rate to be paid on such indebtedness.

(b) Whenever the board determines that the district should incur indebtedness in an amount which does not require approval by the eligible electors of the special district under subsection (2) of this section, the board shall establish the maximum net effective interest rate prior to the time the debt is incurred or contracted.

(4) If any proposition is approved at an election provided for in subsection (2) of this section, the board shall thereupon be authorized to incur such indebtedness or obligations, enter into such contract, or issue and sell such bonds of the special district, as the case may be, all for the purposes and objects provided for in the proposition submitted and in the resolution therefor, in the amount so provided, at a price or prices and a rate or rates of interest such that the maximum net effective interest rate recited in such resolution is not exceeded. Except as provided in section 32-1-106(2), submission of the proposition of incurring such obligation or bonded or other indebtedness at such an election shall not prevent or prohibit submission of the same or other propositions at subsequent elections called for such purpose.

(5) Whenever any special district organized pursuant to this article has moneys on hand which are not then needed in the conduct of its affairs, the special district may deposit such moneys in any state bank, national bank, or state or federal savings and loan association in Colorado in accordance with state law. For the purpose of making such deposits, the board may appoint, by written resolution, one or more persons to act as custodians of the special district's moneys, and such persons shall give surety bonds in such amount and form and for such purposes as the board may require. Subject to the requirements of part 7 of article 75 of title 24, C.R.S., the special district's moneys may be pooled for investment with the moneys of other local government entities.

(6)(a) The total principal amount of general obligation debt of a special district issued pursuant to subsection (2) of this section, which debt is issued on or after July 1, 1991, shall not at the time of issuance exceed the greater of two million dollars or fifty percent of the valuation for assessment of the taxable property in the special district, as certified by the assessor, except for debt which is:

(I) Rated in one of the four highest investment grade rating categories by one or more nationally recognized organizations which

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| | | regularly rate such obligations;<br>(II) Determined by the board of any special district in which infrastructure is in place to be necessary to construct or otherwise provide additional improvements specifically ordered by a federal or state regulatory agency to bring the district into compliance with applicable federal or state laws or regulations for the protection of the public health or the environment if the proceeds raised as a result of such issue are limited solely to the direct and indirect costs of the construction or improvements mandated and are used solely for those purposes;<br>(III) Secured as to the payment of the principal and interest on the debt by a letter of credit, line of credit, or other credit enhancement, any of which must be irrevocable and unconditional, issued by a depository institution:<br>(A) With a net worth of not less than ten million dollars in excess of the obligation created by the issuance of the letter of credit, line of credit, or other credit enhancement;<br>(B) With the minimum regulatory capital as defined by the primary regulator of such depository institution to meet such obligation; and<br>(C) Where the obligation does not exceed ten percent of the total capital and surplus of the depository institution, as those terms are defined by the primary regulator of such depository institution; or<br>(IV) Issued to financial institutions or institutional investors.<br>(b) Nothing in this title shall prohibit a special district from issuing general obligation debt or other obligations which are either payable from a limited debt service mill levy, which mill levy shall not exceed fifty mills, or which are refundings or restructurings of outstanding obligations, or which are obligations issued pursuant to part 14 of this article. |
| Art. V, Sec. 3;<br>Art. VII, Sec. 7(d);<br>Art. VII, Sec. 8 | **C.R.S. § 32-1-1103** | (1) In addition to the powers specified in section 32-1-1101, the board of any health service district has the following powers for and on behalf of such district:<br>(a)(I) Repealed by Laws 1986, H.B.1003, § 8.<br>(II) To levy, in health service districts with a valuation for assessment on real and personal property of fifteen million dollars or less contracting bonded indebtedness not to exceed three percent of the total valuation for assessment within the health service district to be fully paid within a twenty-year period from the date of incurring the indebtedness, on all taxable property within such district without limitations as to rate or amount for purposes of retiring the indebtedness created in accordance with the provisions of section 32-1-1101(2);<br>(III) To levy, in health service districts with a valuation for assessment on real and personal property of over fifteen million dollars contracting bonded indebtedness not to exceed five percent of the total valuation for assessment within the health service district to be fully paid within a twenty-year period from the date of incurring the indebtedness, on all taxable property within such district without limitations as to rate or amount for purposes of retiring the indebtedness created in accordance with the provisions of section 32-1-1101(2);<br>(IV) To levy, in health service districts with a population of twenty thousand or less with a valuation for assessment on real and personal property of over fifteen million dollars contracting bonded indebtedness not to exceed twenty percent of the total valuation for assessment within the health service district to be fully paid within a twenty-year period from the date of incurring the indebtedness, on all taxable property within such district without limitations as to rate or amount for purposes of retiring the indebtedness created in accordance with the provisions of section 32-1-1101(2);<br>(b) To issue without an election, pursuant to an authorizing resolution and subject to the provisions and contractual limitations in resolutions authorizing outstanding bonds and other securities of the health service district, securities to defray, in whole or in part, the cost of a project in the manner provided in and subject to the limitations imposed by subsection (3) of this section.<br>(2) Notwithstanding any other provisions of this article, all moneys belonging to or collected on behalf of the health service district shall be deposited, in the discretion of the board, with either the treasurer of the county in which the greatest percentage of the valuation for assessment of the taxable property of the district is located or in a depository enumerated in section 24-75-603, C.R.S., to the account of the health service district. All expenditures therefrom of the moneys shall be made upon warrants or checks duly drawn on said account and signed by the president and secretary-treasurer of the health service district. The board may invest any moneys of |

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| | | the district not required to meet the immediate expenses of the district in securities meeting the investment requirements established in part 6 of article 75 of title 24, C.R.S.<br>(3)(a)(I) The project for which securities are issued pursuant to paragraph (b) of subsection (1) of this section may be the acquisition, by purchase, construction, or otherwise, the improvement, or the equipment, or any combination thereof, for the purposes set forth in section 32-1-1003(1)(a) or any other building, structure, or land necessary or desirable for use in connection with the operations of a health service district.<br>(II) The cost of the project may include, in the board's discretion, all incidental costs pertaining to the project and the financing thereof, including, without limitation, contingencies and the capitalization, with proceeds of securities, of operation and maintenance expenses appertaining to facilities to be acquired and interest on the securities for any period not exceeding the period estimated by the board to effect the project plus one year, of any discount on the securities, and of any reserves for payment of principal of and interest on the securities.<br>(b) The board may issue interim securities, which may be designated “bonds”, “notes”, or “warrants”, evidencing any emergency loans, construction loans, and other temporary loans not exceeding three years, in supplementation of long-term financing, such interim securities to be funded with the proceeds of long-term securities, net pledged revenues, or further interim securities, or any combination thereof, as the board may determine.<br>(c)(I) Except to the extent inconsistent with the provisions of this section, any securities issued pursuant to this section for any project shall be issued in the form and manner and with the effect provided in sections 11-54-111 and 11-54-112, C.R.S., for public securities issued under the “Refunding Revenue Securities Law”.<br>(II) The authorizing resolution, trust indenture, or other instrument appertaining thereto may contain any of the covenants, and the board may do such acts and things, as are permitted in section 11-54-113, C.R.S.<br>(III) Revenue obligations issued to refund revenue bonds of a health service district and to refund securities issued under this section may be issued under the “Refunding Revenue Securities Law”.<br>(d) The securities shall be payable and collectible, as to principal, interest, and any prior redemption premium, solely out of net pledged revenues, and the holder thereof may not look to any general or other fund for the payment of such securities except the net revenues pledged therefor. The securities shall not constitute an indebtedness or a debt within the meaning of any constitutional or statutory provision or limitation, if any provision or limitation appertains thereto. The securities shall not be considered or held to be general obligations of the health service district but shall constitute its special obligations, and the full faith and credit of the health service district shall not be pledged for their payment. The payment shall not be secured by an encumbrance, mortgage, or other pledge of property of the health service district, except for its pledged revenues. No property of the health service district, subject to said exception, shall be liable to be forfeited or taken in payment of securities.<br>(e) A resolution providing for the issuance of bonds or other securities under this section or an indenture or other proceedings appertaining thereto may provide that the securities contain a recital that they are issued pursuant to this section, which recital shall be conclusive evidence of their validity and the regularity of their issuance.<br>(f) The determination of the board that the limitations imposed under this subsection (3) upon the issuance of securities under this section have been met shall be conclusive in the absence of fraud or arbitrary and gross abuse of discretion, regardless of whether the authorizing resolution or the securities thereby authorized contain a recital as authorized by paragraph (e) of this subsection (3).<br>(g) Nothing in this section or in any other law shall be deemed to impair the existing obligations of contract embodied in outstanding bonds validly issued under the statutes in force at the times of their issue prior to July 1, 1971.<br>(h) Bonds and other securities issued under the provisions of this section, their transfer, and the income therefrom shall forever remain free and exempt from taxation by this state or any political subdivision thereof.<br>(i)(I) This section, without reference to other statutes of this state, except as otherwise expressly provided in this section, constitutes full authority for the exercise of the incidental powers granted in this section concerning the borrowing of money to defray wholly or in part the cost of any project and the issuance of securities to evidence such loans.<br>(II) The powers conferred by this section are in addition and supplemental to and not in substitution for, and the limitations imposed by this section shall not affect, the powers conferred by any other law. |

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| | | (III) Nothing in this section shall be construed as preventing the exercise of any power granted to the board or to a health service district acting by and through its board or any officer, agent, or employee thereof by any other law. |
| Art. V, Sec. 3; Art. V, Sec. 4(d) | **C.R.S. § 24-75-601** | As used in this part 6, unless the context otherwise requires:<br>(1) "Public entity" means the state of Colorado; any institution, agency, instrumentality, authority, county, municipality, city and county, district, or other political subdivision of the state, including any school district and institution of higher education; any institution, department, agency, instrumentality, or authority of any of the foregoing, including any county or municipal housing authority; any local government investment pool organized pursuant to part 7 of this article; any public entity insurance pool organized pursuant to state law; and any other entity, organization, or corporation formed by intergovernmental agreement or other contract between or among any of the foregoing.<br>(2) "Public funds" means any funds in the custody, possession, or control of a public entity; any funds over which a public entity has investment control; any funds over which a public entity would have investment control but for the entity's delegation of that control to another person; and any funds over which another person exercises investment control on behalf of or for the benefit of a public entity. "Public funds" includes, but is not limited to, proceeds of the sale of securities of a public entity and proceeds of certificates of participation or other securities evidencing rights in payments to be made by a public entity under a lease, lease-purchase agreement, or other similar arrangement, regardless of whether such proceeds are held by the public entity, a third-party trustee, or any other person. "Public funds" shall not include funds invested by the public employees' retirement association created in article 51 of this title or any other funds invested for employee retirement or pensions. "Public funds" shall also not include trusts managed on behalf of the board of education of a school district coterminous with a city and county for the benefit of a retiree's health insurance and teacher compensation.<br>(2.5) Deleted by Laws 2006, Ch. 150, § 2, eff. Aug. 7, 2006.<br>(3) "Security" means any bill, note, bond, bankers' acceptance, commercial paper, repurchase agreement, reverse repurchase agreement, securities lending agreement, guaranteed investment contract, guaranteed interest contract, annuity contract, funding agreement, certificate of indebtedness or other evidence of indebtedness, or interest in any of the foregoing. No foregoing instrument shall be convertible to equity or represent any equity interest. All foregoing instruments shall be denominated in the currency of the United States. |
| Art. V, Sec. 3 | **C.R.S. § 11-10.5-101 et seq.** | General Reference to the Public Deposit Protection Act |
| Art. V, Sec. 3 | **C.R.S. § 32-1-1301** | It is hereby declared that the orderly refunding of any general obligation bonds and any other lawful general obligation indebtedness incurred by any special district, when advantageous to the special district or persons within the special district, will serve a public use and will promote the health, safety, security, and general welfare of the inhabitants thereof and of the people of this state. It is hereby further declared to be the intent of this general assembly that any bonds issued pursuant to this part 13 are not to be considered as additional debt incurred by the special district. It is the intent of this part 13 to provide for a uniform mechanism for refunding for special districts. |
| Art. V, Sec. 3 | **Co Const. Art. X, Sec 20** | (1) General provisions. This section takes effect December 31, 1992 or as stated. Its preferred interpretation shall reasonably restrain most the growth of government. All provisions are self-executing and severable and supersede conflicting state constitutional, state statutory, charter, or other state or local provisions. Other limits on district revenue, spending, and debt may be weakened only by future voter approval. Individual or class action enforcement suits may be filed and shall have the highest civil priority of resolution. Successful plaintiffs are allowed costs and reasonable attorney fees, but a district is not unless a suit against it be ruled frivolous. Revenue collected, kept, or spent illegally since four full fiscal years before a suit is filed shall be refunded with 10% annual simple interest from the initial conduct. Subject to judicial review, districts may use any reasonable method for refunds under this section, including temporary tax credits or rate reductions. Refunds need not be proportional when prior payments are impractical to identify or |

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| | | return. When annual district revenue is less than annual payments on general obligation bonds, pensions, and final court judgments, (4)(a) and (7) shall be suspended to provide for the deficiency.<br>(2) Term definitions. Within this section:<br>(a) "Ballot issue" means a non-recall petition or referred measure in an election.<br>(b) "District" means the state or any local government, excluding enterprises.<br>(c) "Emergency" excludes economic conditions, revenue shortfalls, or district salary or fringe benefit increases.<br>(d) "Enterprise" means a government-owned business authorized to issue its own revenue bonds and receiving under 10% of annual revenue in grants from all Colorado state and local governments combined.<br>(e) "Fiscal year spending" means all district expenditures and reserve increases except, as to both, those for refunds made in the current or next fiscal year or those from gifts, federal funds, collections for another government, pension contributions by employees and pension fund earnings, reserve transfers or expenditures, damage awards, or property sales.<br>(f) "Inflation" means the percentage change in the United States Bureau of Labor Statistics Consumer Price Index for Denver-Boulder, all items, all urban consumers, or its successor index.<br>(g) "Local growth" for a non-school district means a net percentage change in actual value of all real property in a district from construction of taxable real property improvements, minus destruction of similar improvements, and additions to, minus deletions from, taxable real property. For a school district, it means the percentage change in its student enrollment.<br>(3) Election provisions.<br>(a) Ballot issues shall be decided in a state general election, biennial local district election, or on the first Tuesday in November of odd-numbered years. Except for petitions, bonded debt, or charter or constitutional provisions, districts may consolidate ballot issues and voters may approve a delay of up to four years in voting on ballot issues. District actions taken during such a delay shall not extend beyond that period.<br>(b) At least 30 days before a ballot issue election, districts shall mail at the least cost, and as a package where districts with ballot issues overlap, a titled notice or set of notices addressed to "All Registered Voters" at each address of one or more active registered electors. The districts may coordinate the mailing required by this paragraph (b) with the distribution of the ballot information booklet required by section 1(7.5) of article V of this constitution in order to save mailing costs. Titles shall have this order of preference: "NOTICE OF ELECTION TO INCREASE TAXES/TO INCREASE DEBT/ON A CITIZEN PETITION/ON A REFERRED MEASURE." Except for district voter-approved additions, notices shall include only:<br>(i) The election date, hours, ballot title, text, and local election office address and telephone number.<br>(ii) For proposed district tax or bonded debt increases, the estimated or actual total of district fiscal year spending for the current year and each of the past four years, and the overall percentage and dollar change.<br>(iii) For the first full fiscal year of each proposed district tax increase, district estimates of the maximum dollar amount of each increase and of district fiscal year spending without the increase.<br>(iv) For proposed district bonded debt, its principal amount and maximum annual and total district repayment cost, and the principal balance of total current district bonded debt and its maximum annual and remaining total district repayment cost.<br>(v) Two summaries, up to 500 words each, one for and one against the proposal, of written comments filed with the election officer by 45 days before the election. No summary shall mention names of persons or private groups, nor any endorsements of or resolutions against the proposal. Petition representatives following these rules shall write this summary for their petition. The election officer shall maintain and accurately summarize all other relevant written comments. The provisions of this subparagraph (v) do not apply to a statewide ballot issue, which is subject to the provisions of section 1(7.5) of article V of this constitution.<br>(c) Except by later voter approval, if a tax increase or fiscal year spending exceeds any estimate in (b)(iii) for the same fiscal year, the tax increase is thereafter reduced up to 100% in proportion to the combined dollar excess, and the combined excess revenue refunded in the next fiscal year. District bonded debt shall not issue on terms that could exceed its share of its maximum repayment costs in (b)(iv). Ballot titles for tax or bonded debt increases shall begin, "SHALL (DISTRICT) TAXES BE INCREASED (first, or if phased in, final, full fiscal year dollar increase) ANNUALLY...?" or "SHALL (DISTRICT) DEBT BE INCREASED (principal amount), WITH A REPAYMENT COST OF (maximum total district cost),...?" |

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| | | (4) Required elections. Starting November 4, 1992, districts must have voter approval in advance for:<br>(a) Unless (1) or (6) applies, any new tax, tax rate increase, mill levy above that for the prior year, valuation for assessment ratio increase for a property class, or extension of an expiring tax, or a tax policy change directly causing a net tax revenue gain to any district.<br>(b) Except for refinancing district bonded debt at a lower interest rate or adding new employees to existing district pension plans, creation of any multiple-fiscal year direct or indirect district debt or other financial obligation whatsoever without adequate present cash reserves pledged irrevocably and held for payments in all future fiscal years.<br>(5) Emergency reserves. To use for declared emergencies only, each district shall reserve for 1993 1% or more, for 1994 2% or more, and for all later years 3% or more of its fiscal year spending excluding bonded debt service. Unused reserves apply to the next year's reserve.<br>(6) Emergency taxes. This subsection grants no new taxing power. Emergency property taxes are prohibited. Emergency tax revenue is excluded for purposes of (3)(c) and (7), even if later ratified by voters. Emergency taxes shall also meet all of the following conditions:<br>(a) A 2/3 majority of the members of each house of the general assembly or of a local district board declares the emergency and imposes the tax by separate recorded roll call votes.<br>(b) Emergency tax revenue shall be spent only after emergency reserves are depleted, and shall be refunded within 180 days after the emergency ends if not spent on the emergency.<br>(c) A tax not approved on the next election date 60 days or more after the declaration shall end with that election month.<br>(7) Spending limits. (a) The maximum annual percentage change in state fiscal year spending equals inflation plus the percentage change in state population in the prior calendar year, adjusted for revenue changes approved by voters after 1991. Population shall be determined by annual federal census estimates and such number shall be adjusted every decade to match the federal census.<br>(b) The maximum annual percentage change in each local district's fiscal year spending equals inflation in the prior calendar year plus annual local growth, adjusted for revenue changes approved by voters after 1991 and (8)(b) and (9) reductions.<br>(c) The maximum annual percentage change in each district's property tax revenue equals inflation in the prior calendar year plus annual local growth, adjusted for property tax revenue changes approved by voters after 1991 and (8)(b) and (9) reductions.<br>(d) If revenue from sources not excluded from fiscal year spending exceeds these limits in dollars for that fiscal year, the excess shall be refunded in the next fiscal year unless voters approve a revenue change as an offset. Initial district bases are current fiscal year spending and 1991 property tax collected in 1992. Qualification or disqualification as an enterprise shall change district bases and future year limits. Future creation of district bonded debt shall increase, and retiring or refinancing district bonded debt shall lower, fiscal year spending and property tax revenue by the annual debt service so funded. Debt service changes, reductions, (1) and (3)(c) refunds, and voter-approved revenue changes are dollar amounts that are exceptions to, and not part of, any district base. Voter-approved revenue changes do not require a tax rate change.<br>(8) Revenue limits. (a) New or increased transfer tax rates on real property are prohibited. No new state real property tax or local district income tax shall be imposed. Neither an income tax rate increase nor a new state definition of taxable income shall apply before the next tax year. Any income tax law change after July 1, 1992 shall also require all taxable net income to be taxed at one rate, excluding refund tax credits or voter-approved tax credits, with no added tax or surcharge.<br>(b) Each district may enact cumulative uniform exemptions and credits to reduce or end business personal property taxes.<br>(c) Regardless of reassessment frequency, valuation notices shall be mailed annually and may be appealed annually, with no presumption in favor of any pending valuation. Past or future sales by a lender or government shall also be considered as comparable market sales and their sales prices kept as public records. Actual value shall be stated on all property tax bills and valuation notices and, for residential real property, determined solely by the market approach to appraisal.<br>(9) State mandates. Except for public education through grade 12 or as required of a local district by federal law, a local district may reduce or end its subsidy to any program delegated to it by the general assembly for administration. For current programs, the state may require 90 days notice and that the adjustment occur in a maximum of three equal annual installments. |
| Art. VI, Sec. 1; | **C.R.S. § 32-1-903** | (1) The board shall meet regularly at a time and in a place to be designated by the board. Special meetings may be held as often as the |

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| Art. VI, Sec. 3 | | needs of the special district require, upon notice to each director. Special meetings include study sessions at which a quorum of the board is in attendance and notice of the meetings has been given in accordance with subsection (2) of this section or section 24-6-402(2)(c), and at which information is presented but no official action can be taken by the board. All special and regular meetings of the board shall be held at locations which are within the boundaries of the district or which are within the boundaries of any county in which the district is located, in whole or in part, or in any county so long as the meeting location does not exceed twenty miles from the district boundaries. The provisions of this subsection (1) governing the location of meetings may be waived only if the following criteria are met:<br>(a) The proposed change of location of a meeting of the board appears on the agenda of a regular or special meeting of the board; and<br>(b) A resolution is adopted by the board stating the reason for which a meeting of the board is to be held in a location other than under the provisions of this subsection (1) and further stating the date, time, and place of such meeting.<br>(2) Notice of time and place designated for all regular and special meetings shall be provided in accordance with Section 24-6-402. Special meetings may be called by any director by informing the other directors of the date, time, and place of such special meeting, and the purpose for which it is called, and by providing notice in accordance with Section 24-6-402. All official business of the board shall be conducted only during said regular or special meetings at which a quorum is present, and all said meetings shall be open to the public.<br>(3) The notice posted pursuant to subsection (2) of this section for any regular or special meeting at which the board intends to make a final determination to issue or refund general obligation indebtedness, to consolidate the special district with another special district, to dissolve the special district, to file a plan for the adjustment of debt under federal bankruptcy law, or to enter into a private contract with a director, or not to make a scheduled bond payment, shall set forth such proposed action. |
| Art. VI, Sec. 7;<br>Art. VIII, Sec. 2 | **C.R.S. § 24-6-402** | (1) For the purposes of this section:<br>(a)(I) "Local public body" means any board, committee, commission, authority, or other advisory, policy-making, rule-making, or formally constituted body of any political subdivision of the state and any public or private entity to which a political subdivision, or an official thereof, has delegated a governmental decision-making function but does not include persons on the administrative staff of the local public body.<br>(II) Notwithstanding the provisions of subparagraph (I) of this paragraph (a), in order to assure school board transparency "local public body" shall include members of a board of education, school administration personnel, or a combination thereof who are involved in a meeting with a representative of employees at which a collective bargaining agreement is discussed.<br>(III) Notwithstanding the provisions of subparagraph (I) of this paragraph (a), "local public body" includes the governing board of an institute charter school that is authorized pursuant to part 5 of article 30.5 of title 22, C.R.S.<br>(b) "Meeting" means any kind of gathering, convened to discuss public business, in person, by telephone, electronically, or by other means of communication.<br>(c) "Political subdivision of the state" includes, but is not limited to, any county, city, city and county, town, home rule city, home rule county, home rule city and county, school district, special district, local improvement district, special improvement district, or service district.<br>(d)(I) "State public body" means any board, committee, commission, or other advisory, policy-making, rule-making, decision-making, or formally constituted body of any state agency, state authority, governing board of a state institution of higher education including the regents of the university of Colorado, a nonprofit corporation incorporated pursuant to section 23-5-121(2), C.R.S., or the general assembly, and any public or private entity to which the state, or an official thereof, has delegated a governmental decision-making function but does not include persons on the administrative staff of the state public body.<br>(II) Notwithstanding the provisions of subparagraph (I) of this paragraph (d), "state public body" does not include the governing board of an institute charter school that is authorized pursuant to part 5 of article 30.5 of title 22, C.R.S.<br>(2)(a) All meetings of two or more members of any state public body 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.<br>(b) All meetings of a quorum or 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.
(c)(I) Any meetings at which the adoption of any proposed policy, position, resolution, rule, regulation, or formal action occurs or at which a majority or quorum of the body is in attendance, or is expected to be in attendance, shall be held only after full and timely notice to the public. In addition to any other means of full and timely notice, a local public body shall be deemed to have given full and timely notice if the notice of the meeting is posted in a designated public place within the boundaries of the local public body no less than twenty-four hours prior to the holding of the meeting. The public place or places for posting such notice shall be designated annually at the local public body's first regular meeting of each calendar year. The posting shall include specific agenda information where possible.
(d)(I) Minutes of any meeting of a state public body shall be taken and promptly recorded, and such records shall be open to public inspection. The minutes of a meeting during which an executive session authorized under subsection (3) of this section is held shall reflect the topic of the discussion at the executive session.
(II) Minutes of any meeting of a local public body at which the adoption of any proposed policy, position, resolution, rule, regulation, or formal action occurs or could occur shall be taken and promptly recorded, and such records shall be open to public inspection. The minutes of a meeting during which an executive session authorized under subsection (4) of this section is held shall reflect the topic of the discussion at the executive session.
(III) If elected officials use electronic mail to discuss pending legislation or other public business among themselves, the electronic mail shall be subject to the requirements of this section. Electronic mail communication among elected officials that does not relate to pending legislation or other public business shall not be considered a "meeting" within the meaning of this section.
(IV) Neither a state nor a local public body may adopt any proposed policy, position, resolution, rule, or regulation or take formal action by secret ballot unless otherwise authorized in accordance with the provisions of this subparagraph (IV). Notwithstanding any other provision of this section, a vote to elect leadership of a state or local public body by that same public body may be taken by secret ballot, and a secret ballot may be used in connection with the election by a state or local public body of members of a search committee, which committee is otherwise subject to the requirements of this section, but the outcome of the vote shall be recorded contemporaneously in the minutes of the body in accordance with the requirements of this section. Nothing in this subparagraph (IV) shall be construed to affect the authority of a board of education to use a secret ballot in accordance with the requirements of section 22-32-108(6), C.R.S. For purposes of this subparagraph (IV), "secret ballot" means a vote cast in such a way that the identity of the person voting or the position taken in such vote is withheld from the public.
(d.5)(I)(A) Discussions that occur in an executive session of a state public body shall be electronically recorded. If a state public body electronically recorded the minutes of its open meetings on or after August 8, 2001, the state public body shall continue to electronically record the minutes of its open meetings that occur on or after August 8, 2001; except that electronic recording shall not be required for two successive meetings of the state public body while the regularly used electronic equipment is inoperable. A state public body may satisfy the electronic recording requirements of this sub-subparagraph (A) by making any form of electronic recording of the discussions in an executive session of the state public body. Except as provided in sub-subparagraph (B) of this subparagraph (I), the electronic recording of an executive session shall reflect the specific citation to the provision in subsection (3) of this section that authorizes the state public body to meet in an executive session and the actual contents of the discussion during the session. The provisions of this sub-subparagraph (A) shall not apply to discussions of individual students by a state public body pursuant to paragraph (b) of subsection (3) of this section.
(B) If, in the opinion of the attorney who is representing a governing board of a state institution of higher education, including the regents of the university of Colorado, and is in attendance at an executive session that has been properly announced pursuant to paragraph (a) of subsection (3) of this section, all or a portion of the discussion during the executive session constitutes a privileged attorney-client communication, no record or electronic recording shall be required to be kept of the part of the discussion that constitutes a privileged attorney-client communication. The electronic recording of said executive session discussion shall reflect that no further record or electronic recording was kept of the discussion based on the opinion of the attorney representing the governing board of a state institution of higher education, including the regents of the university of Colorado, as stated for the record during the executive session, that the discussion constituted a privileged attorney-client communication, or the attorney representing the

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| | | governing board of a state institution of higher education, including the regents of the university of Colorado, may provide a signed statement attesting that the portion of the executive session that was not recorded constituted a privileged attorney-client communication in the opinion of the attorney.<br>(C) If a court finds, upon application of a person seeking access to the record of the executive session of a state public body in accordance with section 24-72-204(5.5) and after an in camera review of the record of the executive session, that the state public body engaged in substantial discussion of any matters not enumerated in subsection (3) of this section or that the body adopted a proposed policy, position, resolution, rule, regulation, or formal action in the executive session in contravention of paragraph (a) of subsection (3) of this section, the portion of the record of the executive session that reflects the substantial discussion of matters not enumerated in subsection (3) of this section or the adoption of a proposed policy, position, resolution, rule, regulation, or formal action shall be open to public inspection pursuant to section 24-72-204(5.5).<br>(D) No portion of the record of an executive session of a state public body shall be open for public inspection or subject to discovery in any administrative or judicial proceeding, except upon the consent of the state public body or as provided in sub-subparagraph (C) of this subparagraph (I) and section 24-72-204(5.5).<br>(E) The record of an executive session of a state public body recorded pursuant to sub-subparagraph (A) of this subparagraph (I) shall be retained for at least ninety days after the date of the executive session.<br>(II)(A) Discussions that occur in an executive session of a local public body shall be electronically recorded. If a local public body electronically recorded the minutes of its open meetings on or after August 8, 2001, the local public body shall continue to electronically record the minutes of its open meetings that occur on or after August 8, 2001; except that electronic recording shall not be required for two successive meetings of the local public body while the regularly used electronic equipment is inoperable. A local public body may satisfy the electronic recording requirements of this sub-subparagraph (A) by making any form of electronic recording of the discussions in an executive session of the local public body. Except as provided in sub-subparagraph (B) of this subparagraph (II), the electronic recording of an executive session shall reflect the specific citation to the provision in subsection (4) of this section that authorizes the local public body to meet in an executive session and the actual contents of the discussion during the session. The provisions of this sub-subparagraph (A) shall not apply to discussions of individual students by a local public body pursuant to paragraph (h) of subsection (4) of this section.<br>(B) If, in the opinion of the attorney who is representing the local public body and who is in attendance at an executive session that has been properly announced pursuant to subsection (4) of this section, all or a portion of the discussion during the executive session constitutes a privileged attorney-client communication, no record or electronic recording shall be required to be kept of the part of the discussion that constitutes a privileged attorney-client communication. The electronic recording of said executive session discussion shall reflect that no further record or electronic recording was kept of the discussion based on the opinion of the attorney representing the local public body, as stated for the record during the executive session, that the discussion constituted a privileged attorney-client communication, or the attorney representing the local public body may provide a signed statement attesting that the portion of the executive session that was not recorded constituted a privileged attorney-client communication in the opinion of the attorney.<br>(C) If a court finds, upon application of a person seeking access to the record of the executive session of a local public body in accordance with section 24-72-204(5.5) and after an in camera review of the record of the executive session, that the local public body engaged in substantial discussion of any matters not enumerated in subsection (4) of this section or that the body adopted a proposed policy, position, resolution, rule, regulation, or formal action in the executive session in contravention of subsection (4) of this section, the portion of the record of the executive session that reflects the substantial discussion of matters not enumerated in subsection (4) of this section or the adoption of a proposed policy, position, resolution, rule, regulation, or formal action shall be open to public inspection pursuant to section 24-72-204(5.5).<br>(D) No portion of the record of an executive session of a local public body shall be open for public inspection or subject to discovery in any administrative or judicial proceeding, except upon the consent of the local public body or as provided in sub-subparagraph (C) of this subparagraph (II) and section 24-72-204(5.5).<br>(E) Except as otherwise required by section 22-32-108(5)(e), C.R.S., the record of an executive session of a local public body recorded pursuant to sub-subparagraph (A) of this subparagraph (II) shall be retained for at least ninety days after the date of the executive |

session.
(e) This part 4 does not apply to any chance meeting or social gathering at which discussion of public business is not the central purpose.
(f) The provisions of paragraph (c) of this subsection (2) shall not be construed to apply to the day-to-day oversight of property or supervision of employees by county commissioners. Except as set forth in this paragraph (f), the provisions of this paragraph (f) shall not be interpreted to alter any requirements of paragraph (c) of this subsection (2).
(3)(a) The members of a state public body subject to this part 4, upon the announcement by the state public body to the public of the topic for discussion in the executive session, including specific citation to the provision of this subsection (3) authorizing the body to meet in an executive session and identification of the particular matter to be discussed in as much detail as possible without compromising the purpose for which the executive session is authorized, and the affirmative vote of two-thirds of the entire membership of the body after such announcement, may hold an executive session only at a regular or special meeting and for the sole purpose of considering any of the matters enumerated in paragraph (b) of this subsection (3) or the following matters; except that no adoption of any proposed policy, position, resolution, rule, regulation, or formal action, except the review, approval, and amendment of the minutes of an executive session recorded pursuant to subparagraph (I) of paragraph (d.5) of subsection (2) of this section, shall occur at any executive session that is not open to the public:
(I) The purchase of property for public purposes, or the sale of property at competitive bidding, if premature disclosure of information would give an unfair competitive or bargaining advantage to a person whose personal, private interest is adverse to the general public interest. No member of the state public body shall use this paragraph (a) as a subterfuge for providing covert information to prospective buyers or sellers. Governing boards of state institutions of higher education including the regents of the university of Colorado may also consider the acquisition of property as a gift in an executive session, only if such executive session is requested by the donor.
(II) Conferences with an attorney representing the state public body concerning disputes involving the public body that are the subject of pending or imminent court action, concerning specific claims or grievances, or for purposes of receiving legal advice on specific legal questions. Mere presence or participation of an attorney at an executive session of a state public body is not sufficient to satisfy the requirements of this subsection (3).
(III) Matters required to be kept confidential by federal law or rules, state statutes, or in accordance with the requirements of any joint rule of the senate and the house of representatives pertaining to lobbying practices;
(IV) Specialized details of security arrangements or investigations, including defenses against terrorism, both domestic and foreign, and including where disclosure of the matters discussed might reveal information that could be used for the purpose of committing, or avoiding prosecution for, a violation of the law;
(V) Determining positions relative to matters that may be subject to negotiations with employees or employee organizations; developing strategy for and receiving reports on the progress of such negotiations; and instructing negotiators;
(VI) With respect to the board of regents of the university of Colorado and the board of directors of the university of Colorado hospital authority created pursuant to article 21 of title 23, C.R.S., matters concerning the modification, initiation, or cessation of patient care programs at the university hospital operated by the university of Colorado hospital authority pursuant to part 5 of article 21 of title 23, C.R.S., (including the university of Colorado psychiatric hospital), and receiving reports with regard to any of the above, if premature disclosure of information would give an unfair competitive or bargaining advantage to any person or entity;
(VII) With respect to nonprofit corporations incorporated pursuant to section 23-5-121(2), C.R.S., matters concerning trade secrets, privileged information, and confidential commercial, financial, geological, or geophysical data furnished by or obtained from any person;
(VIII) With respect to the governing board of a state institution of higher education and any committee thereof, consideration of nominations for the awarding of honorary degrees, medals, and other honorary awards by the institution and consideration of proposals for the naming of a building or a portion of a building for a person or persons.
(b)(I) All meetings held by members of a state public body subject to this part 4 to consider the appointment or employment of a public official or employee or the dismissal, discipline, promotion, demotion, or compensation of, or the investigation of charges or complaints against, a public official or employee shall be open to the public unless said applicant, official, or employee requests an

executive session. Governing boards of institutions of higher education including the regents of the university of Colorado may, upon their own affirmative vote, hold executive sessions to consider the matters listed in this paragraph (b). Executive sessions may be held to review administrative actions regarding investigation of charges or complaints and attendant investigative reports against students where public disclosure could adversely affect the person or persons involved, unless the students have specifically consented to or requested the disclosure of such matters. An executive session may be held only at a regular or special meeting of the state public body and only upon the announcement by the public body to the public of the topic for discussion in the executive session and the affirmative vote of two-thirds of the entire membership of the body after such announcement.

(II) The provisions of subparagraph (I) of this paragraph (b) shall not apply to discussions concerning any member of the state public body, any elected official, or the appointment of a person to fill the office of a member of the state public body or an elected official or to discussions of personnel policies that do not require the discussion of matters personal to particular employees.

(c) Notwithstanding the provisions of paragraphs (a) and (b) of this subsection (3), the state board of parole created in part 2 of article 2 of title 17, C.R.S., may proceed in executive session to consider matters connected with any parole proceedings under the jurisdiction of said board; except that no final parole decisions shall be made by said board while in executive session. Such executive session may be held only at a regular or special meeting of the state board of parole and only upon the affirmative vote of two-thirds of the membership of the board present at such meeting.

(d) Notwithstanding any provision of paragraph (a) or (b) of this subsection (3) to the contrary, upon the affirmative vote of two-thirds of the members of the governing board of an institution of higher education who are authorized to vote, the governing board may hold an executive session in accordance with the provisions of this subsection (3).

(3.5) A search committee of a state public body or local public body shall establish job search goals, including the writing of the job description, deadlines for applications, requirements for applicants, selection procedures, and the time frame for appointing or employing a chief executive officer of an agency, authority, institution, or other entity at an open meeting. The state or local public body shall make public the list of all finalists under consideration for the position of chief executive officer no later than fourteen days prior to appointing or employing one of the finalists to fill the position. No offer of appointment or employment shall be made prior to this public notice. Records submitted by or on behalf of a finalist for such position shall be subject to the provisions of section 24-72-204(3)(a)(XI). As used in this subsection (3.5), "finalist" shall have the same meaning as in section 24-72-204(3)(a)(XI). Nothing in this subsection (3.5) shall be construed to prohibit a search committee from holding an executive session to consider appointment or employment matters not described in this subsection (3.5) and otherwise authorized by this section.

(4) The members of a local public body subject to this part 4, upon the announcement by the local public body to the public of the topic for discussion in the executive session, including specific citation to the provision of this subsection (4) authorizing the body to meet in an executive session and identification of the particular matter to be discussed in as much detail as possible without compromising the purpose for which the executive session is authorized, and the affirmative vote of two-thirds of the quorum present, after such announcement, may hold an executive session only at a regular or special meeting and for the sole purpose of considering any of the following matters; except that no adoption of any proposed policy, position, resolution, rule, regulation, or formal action, except the review, approval, and amendment of the minutes of an executive session recorded pursuant to subparagraph (II) of paragraph (d.5) of subsection (2) of this section, shall occur at any executive session that is not open to the public:

(a) The purchase, acquisition, lease, transfer, or sale of any real, personal, or other property interest; except that no executive session shall be held for the purpose of concealing the fact that a member of the local public body has a personal interest in such purchase, acquisition, lease, transfer, or sale;

(b) Conferences with an attorney for the local public body for the purposes of receiving legal advice on specific legal questions. Mere presence or participation of an attorney at an executive session of the local public body is not sufficient to satisfy the requirements of this subsection (4).

(c) Matters required to be kept confidential by federal or state law or rules and regulations. The local public body shall announce the specific citation of the statutes or rules that are the basis for such confidentiality before holding the executive session.

(d) Specialized details of security arrangements or investigations, including defenses against terrorism, both domestic and foreign, and

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| | | including where disclosure of the matters discussed might reveal information that could be used for the purpose of committing, or avoiding prosecution for, a violation of the law;<br>(e)(I) Determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators.<br><br>(II) The provisions of subparagraph (I) of this paragraph (e) shall not apply to a meeting of the members of a board of education of a school district:<br>(A) During which negotiations relating to collective bargaining, as defined in section 8-3-104(3), C.R.S., are discussed; or<br>(B) During which negotiations for employment contracts, other than negotiations for an individual employee's contract, are discussed.<br>(f)(I) Personnel matters except if the employee who is the subject of the session has requested an open meeting, or if the personnel matter involves more than one employee, all of the employees have requested an open meeting. With respect to hearings held pursuant to the "Teacher Employment, Compensation, and Dismissal Act of 1990", article 63 of title 22, C.R.S., the provisions of section 22-63-302(7)(a), C.R.S., shall govern in lieu of the provisions of this subsection (4).<br>(II) The provisions of subparagraph (I) of this paragraph (f) shall not apply to discussions concerning any member of the local public body, any elected official, or the appointment of a person to fill the office of a member of the local public body or an elected official or to discussions of personnel policies that do not require the discussion of matters personal to particular employees.<br>(g) Consideration of any documents protected by the mandatory nondisclosure provisions of the "Colorado Open Records Act", part 2 of article 72 of this title; except that all consideration of documents or records that are work product as defined in section 24-72-202(6.5) or that are subject to the governmental or deliberative process privilege shall occur in a public meeting unless an executive session is otherwise allowed pursuant to this subsection (4);<br>(h) Discussion of individual students where public disclosure would adversely affect the person or persons involved.<br>(5) Deleted by Laws 1996, H.B.96-1314, § 1, eff. July 1, 1996.<br>(6) The limitations imposed by subsections (3), (4), and (5) of this section do not apply to matters which are covered by section 14 of article V of the state constitution.<br>(7) The secretary or clerk of each state public body or local public body shall maintain a list of persons who, within the previous two years, have requested notification of all meetings or of meetings when certain specified policies will be discussed and shall provide reasonable advance notification of such meetings, provided, however, that unintentional failure to provide such advance notice will not nullify actions taken at an otherwise properly published meeting. The provisions of this subsection (7) shall not apply to the day-to-day oversight of property or supervision of employees by county commissioners, as provided in paragraph (f) of subsection (2) of this section.<br>(8) No resolution, rule, regulation, ordinance, or formal action of a state or local public body shall be valid unless taken or made at a meeting that meets the requirements of subsection (2) of this section.<br>(9)(a) Any person denied or threatened with denial of any of the rights that are conferred on the public by this part 4 has suffered an injury in fact and, therefore, has standing to challenge the violation of this part 4.<br>(b) The courts of record of this state shall have jurisdiction to issue injunctions to enforce the purposes of this section upon application by any citizen of this state. In any action in which the court finds a violation of this section, the court shall award the citizen prevailing in such action costs and reasonable attorney fees. In the event the court does not find a violation of this section, it shall award costs and reasonable attorney fees to the prevailing party if the court finds that the action was frivolous, vexatious, or groundless.<br>(10) Any provision of this section declared to be unconstitutional or otherwise invalid shall not impair the remaining provisions of this section, and, to this end, the provisions of this section are declared to be severable. |
| Art. VI, Sec. 8; Art. VII, Sec. 6; Art. VII, Sec. 7(c) | **C.R.S. § 32-1-902** | (1) After taking oath and filing bonds, the board shall elect one of its members as chairman of the board and president of the special district, one of its members as a treasurer of the board and special district, and a secretary who may be a member of the board. The secretary and the treasurer may be one person, but, if such is the case, he or she shall be a member of the board. The board shall adopt a seal, and the secretary shall keep in a visual text format that may be transmitted electronically a record of all its proceedings, minutes |

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| | | of all meetings, certificates, contracts, bonds given by employees, and all corporate acts, which shall be open to inspection of all electors, as well as to all other interested parties.<br>(2) The treasurer shall keep strict and accurate accounts of all money received by and disbursed for and on behalf of the special district in permanent records. He shall file with the clerk of the court, at the expense of the special district, a corporate fidelity bond in an amount determined by the board of not less than five thousand dollars, conditioned on the faithful performance of the duties of his office.<br>(3)(a)(I) For directors serving a term of office commencing prior to January 1, 2018, each director may receive as compensation for the director's service a sum not in excess of one thousand six hundred dollars per annum, payable not to exceed one hundred dollars per meeting attended.<br>(II) For directors serving a term of office commencing on or after January 1, 2018, each director may receive as compensation for the director's service a sum not in excess of two thousand four hundred dollars per annum, payable not to exceed one hundred dollars per meeting attended.<br>(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.<br>(4) If a director of any special district owns undeveloped land which constitutes at least twenty percent of the territory included in the special district, such director shall disclose such fact in accordance with section 18-8-308, C.R.S., before each meeting of the board, and the fact of such disclosure shall be entered in the minutes of such meeting. For the purposes of this subsection (4), “undeveloped land” means real property which has not been subdivided or which has no improvements constructed on it, excluding real property dedicated for park, recreation, or open space purposes. |
| Art. VII, Sec. 7(c);<br>Art. XV, Sec. 2 | **C.R.S. § 24-72-201 et seq.** | General Reference to Colorado Open Records Act |
| Art. VII, Sec. 7(d) | **C.R.S. § 24-75-603** | (1) It is lawful for the state of Colorado and any of its institutions and agencies, counties, municipalities, and districts; any other political subdivision of the state; any department, agency, or instrumentality thereof; or political or public corporation of the state; and any bank, savings and loan association, credit union, fraternal benefit society, trust deposit and security company, trust company, or other financial institution operating under the laws of this state having funds in their possession or custody, respectively, to deposit, or cause to be deposited either by or through the treasurer or such other custodian of funds as may be appointed, such funds so eligible for investment in any state bank, national bank, or state or federal savings and loan association in Colorado that is, at the time the deposit is made, a member of the federal deposit insurance corporation or its successor to the extent that the deposit is insured by the federal deposit insurance corporation or its successor or is secured by pledge of eligible collateral as required by statute.<br>(2) Notwithstanding any provisions of law of this state or any rule or requirement of any political subdivision thereof requiring security for deposits in the form of collateral, surety bond, or any other form, such security for deposits of public funds shall not be required to the extent said deposits are insured by the federal deposit insurance corporation or its successor.<br>(3) Repealed by Laws 1975, S.B.289, § 3.<br>(4) In lieu of or in addition to other statutory authorization for the investment of public funds, any public funds that are not needed for current operating expenses may be invested in accordance with the following conditions:<br>(a) The public funds shall initially be placed by the public entity in a bank or savings and loan association located in this state that is an eligible public depository certified by the state banking board or the state financial services board that offers federal deposit insurance corporation insurance on its deposits;<br>(b) The selected eligible public depository simultaneously shall arrange for the redeposit of any public funds initially placed in such |

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| | | eligible public depository that are in excess of the amount insured by the federal deposit insurance corporation, or its successor, in one or more deposit accounts fully insured by the federal deposit insurance corporation in one or more other banks or savings and loan associations wherever located in the United States, for the account of the public entity;<br>(c) On the same date that the public funds are redeposited, the eligible public depository shall receive an amount of deposits from customers of other banks or savings and loan associations equal to the amount of the public funds initially placed by the public entity;<br>(d) Each such deposit account must be insured by the federal deposit insurance corporation;<br>(e) The selected eligible public depository shall act as custodian for the public entity with respect to the deposit in the public entity's account;<br>(f) Public funds invested in accordance with paragraphs (a) to (e) of this subsection (4) are not subject to the collateralization, requirements, or restrictions of article 10.5 of title 11, C.R.S., except for certification as an eligible public depository as provided in paragraph (a) of this subsection (4); and<br>(g) Banks and savings and loan associations that accept public funds for the purposes of investing them in accordance with paragraphs (a) to (e) of this subsection (4) are not subject to the additional requirements or restrictions of article 10.5 of title 11, C.R.S., except for certification as an eligible public depository as provided in paragraph (a) of this subsection (4). |
| Art, XIII, | **C.R.S. § 32-1-701** | (1) Whenever the majority of all the members of the board of a special district deems it to be in the best interests of such district that it be dissolved, the board shall file a petition for dissolution with the court.<br>(2)(a) The board, promptly and in good faith, shall also take the necessary steps to dissolve the special district whenever the lesser of five percent of the eligible electors or two hundred fifty eligible electors or, in case of special districts larger than twenty-five thousand persons, three percent of the eligible electors of the district or the division file an application with the board to dissolve the special district pursuant to the provisions of this part 7. In that case the board shall file a petition for dissolution with the court within sixty days after the date of filing of the application by the eligible electors. The petition for dissolution shall request an election and shall include a report on the steps which have been taken to comply with the requirements of section 32-1-702. The board, at the time it files a petition for dissolution pursuant to this subsection (2), may request that the proceedings under sections 32-1-703 and 32-1-704 be continued until further progress has been made in complying with the requirements of section 32-1-702.<br>(b) No application to dissolve a special district shall be circulated until it has been approved as following as nearly practicable the requirements of section 31-11-106, C.R.S., for municipal petitions. The application shall be submitted to the secretary of the board of directors of the special district. The secretary shall approve the application as to form or notify the person who submitted the application of any deficiencies in the form of the application by the close of the fifteenth business day following the submission of such application. The secretary shall mail written notice of the approval or deficiencies to the person who submitted the application within two days after the date the action is taken.<br>(c) Any signature that is affixed to an application to dissolve a special district prior to the date that the written approval notice is mailed pursuant to paragraph (b) of this subsection (2) shall be invalid.<br>(d) No application to dissolve a special district filed by the eligible electors in accordance with paragraph (a) of this subsection (2) shall be accepted by the board of directors of such district more than ninety days after the date that the written approval notice is mailed pursuant to paragraph (b) of this subsection (2).<br>(3) If at least eighty-five percent of the territory encompassed by a special district lies within the corporate limits of a municipality, the governing body of such municipality may file an application with the board to dissolve the special district, and the board, promptly and in good faith, shall take the necessary steps to dissolve such district in accordance with the procedures specified in subsection (2) of this section.<br>(4) If the territory encompassed by a special district lies wholly within the boundaries of a regional service authority and if such service authority provides the same service as that provided by the special district, the board of directors of any such service authority may file an application with the board to dissolve the special district, and the board, promptly and in good faith, shall take the necessary steps to dissolve such district in accordance with the procedures specified in subsection (2) of this section.<br>(5) If the territory encompassed by a special district lies within the boundaries of two or more regional service authorities and if such |

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| | | service authorities provide the same service as that provided by the special district, the two or more service authorities may file jointly an application with the board to dissolve the special district, and the board, promptly and in good faith, shall take the necessary steps to dissolve such district in accordance with the procedures specified in subsection (2) of this section. The application shall include the consent of such service authorities to assume the responsibilities for providing the service in their respective jurisdictions or the consent of one regional service authority to provide the service on a contractual basis.<br>(6) Any application filed with the board to dissolve a special district under subsection (2), (3), (4), or (5) of this section shall be accompanied by a cash bond in the amount of three hundred dollars to cover the expenses connected with the proceedings if the dissolution is not effected. |
| Art. XII, a. | **6 C.R.R. 1011-1 Chapter 26 Section 7** | Section 7. SKILLED CARE<br>7.1 Governing body<br>(A) A home care agency shall have an organized governing body.<br>(1) The body shall consist of members who singularly or collectively have business and healthcare experience sufficient to oversee the services provided by the home care agency.<br>(B) The governing body shall have a process for review of agency operations at least quarterly and meet at least annually.<br>(C) The governing body shall assume responsibility for:<br>(1) Compliance with all federal regulations, state rules, and local laws;<br>(2) Quality consumer care;<br>(3) Policies and procedures which describe and direct functions or services of the home care agency and protect consumer rights;<br>(4) Bylaws that shall include, at a minimum:<br>(a) A description of functions and duties of the governing body, officers, and committees;<br>(b) A statement of the authority and responsibility delegated to the administrator;<br>(c) Meet as stated in bylaws, at least annually;<br>(d) Appoint in writing a qualified administrator who is responsible for the agency's overall functions.<br>(5) Review of the written agency evaluation report and other communications from the administrator or group of professional personnel with evidence of written response;<br>(6) Establish and ensure the maintenance of a system of financial management and accountability; and<br>(7) Organization, services furnished, administrative control and lines of authority for the delegation of responsibility down to the consumer care level that are clearly set forth in writing and are readily identifiable. |
| Art. XII, b. | **6 C.R.R. 1011-1 Chapter 26 Section 8** | Section 8. NON-MEDICAL/PERSONAL CARE<br>8.1 Governing body<br>(A) Each agency shall have a governing body having legal authority and responsibility for the conduct of the agency. At least one (1) member shall have knowledge of agency operations.<br>(B) For the purposes of this section, the governing body shall:<br>(1) Have bylaws or the equivalent, which shall be reviewed and revised as needed;<br>(2) The bylaws or the equivalent shall specify the objectives of the agency;<br>(3) Designate and employ an agency manager;<br>(4) Adopt, review annually and revise as needed, policies and procedures for the operation and administration of the agency;<br>(5) Review the operation of the agency at least annually;<br>(6) Keep minutes of all meetings;<br>(7) Provide and maintain a fixed office location, that provides for consumer confidentiality and a safe working environment; and<br>(8) Organize services furnished, administrative control and lines of authority for the delegation of responsibility down to the consumer care level that are clearly set forth in writing and are readily identifiable. |

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| Art. XII, c. | **6 C.R.R. 1011-1 Chapter 21 Section 3** | SECTION 3 GOVERNING BODY<br>3.1 The governing body is the person or group of persons who exercises all corporate or other power and manages the business and affairs of the entity which is licensed to operate a hospice pursuant to these regulations. The Governing Body assumes full legal authority and responsibility for the management of the hospice, the provision of all hospice services, its fiscal operations, and continuous quality assessment and performance improvement.<br>3.2 The governing body of a hospice shall be responsible for assuring that the hospice complies with all applicable regulations and standards for the operation and maintenance of a hospice license.<br>3.3 The governing body shall appoint and employ an administrator who shall possess education and experience sufficient to qualify the person to be a hospice administrator. The Governing Body may delegate to such administrator the responsibility for the management of the hospice on a day-to-day basis.<br>3.4 The governing body shall provide or arrange for the facilities, qualified personnel and services which are sufficient and necessary to provide effective hospice care, including physical, emotional, psychosocial and spiritual care for terminally ill patients and their families and, if it chooses, palliative care as a separate and distinct service from hospice care services. |
| Art. XIV | **C.R.S § 24-10-101 et seq.** | General reference to Colorado Governmental Immunity Act |
| Art. XVI | **C.R.S. § 32-1-902.5** | (1)(a) A special district having a five-member board may increase the number of board members to seven by the adoption of a resolution by the board and the approval of the resolution as specified in subsection (1)(b) of this section. The board shall consider the resolution at a public meeting after publication of notice regarding the place, time, and date of the meeting and of the proposed increase in the number of board members. Public input must be allowed at the meeting.<br>(b) Upon adopting a resolution pursuant to subsection (1)(a) of this section, the board shall file a certified copy of the resolution with the board of county commissioners or governing body of the municipality that approved the service plan of the special district pursuant to section 32-1-204.5, 32-1-204.7, or 32-1-205. If, no later than forty-five days after the filing of the certified copy of the resolution, neither the board of county commissioners nor the governing body of the municipality has notified the board that it considers the plan to increase the number of board members to seven to be a material modification of the district's approved service plan, the board shall file the resolution with the clerk of the court, and the court shall enter an ex parte order establishing the number of the board members. The board shall record a certified copy of the order in the office of the county clerk and recorder in each county where the special district is organized and shall file a recorded certified copy of the order with the division.<br>(2)(a) If a special district increases the number of board members to seven as allowed in subsection (1) of this section, the additional directors shall serve as follows:<br>(I) One person is elected at the next regular special district election following the date of official recording of the certified copy of the order described in subsection (1)(b) of this section, or a special election called for the purpose of electing additional directors, to serve an original term expiring at the next regular special district election thereafter; and<br>(II) One person is elected at the next regular special district election following the date of official recording of the certified copy of the order described in subsection (1)(b) of this section, or a special election called for the purpose of electing additional directors, to serve an original term expiring at the second regular special district election thereafter.<br>(b) After the original terms set forth in subsection (2)(a) of this section, the additional directors shall serve four-year terms.<br>(3) If a special district increases to a seven-member board as allowed in this section, the special district is not allowed to reduce to a five-member board. |

## APPENDIX B

**OFFICE OF LEGISLATIVE LEGAL SERVICES**
COLORADO GENERAL ASSEMBLY

COLORADO STATE CAPITOL
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# LEGAL MEMORANDUM

TO: Interested persons

FROM: Office of Legislative Legal Services

DATE: November 2, 2018

SUBJECT: Open Meetings Law - State Public Body - FAQ [1]

The following is an overview of the Open Meetings Law, as it applies to a public body at the state government level, in a Frequently Asked Question format.

### 1. What is the Open Meetings Law?

Part 4 of article 6 of title 24, C.R.S., is commonly known as the Open Meetings Law ("OML"). The law originated in a citizen initiative known as the "Colorado Sunshine Act of 1972". Though amended over the years, its purpose has remained constant -- "that the formation of public policy is public business and may not be conducted in secret."[2] It is "clearly intended to afford the public access to a broad range of meetings at which public business is considered".[3] And Colorado Courts interpret it broadly "in order to further the legislature's intent to give citizens a greater opportunity to meaningfully participate in the decision-making process by becoming fully informed on issues of public importance."[4]

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[1] This legal memorandum results from a request made to the Office of Legislative Legal Services (OLLS), a staff agency of the General Assembly. OLLS legal memoranda do not represent an official legal position of the General Assembly or the State of Colorado and do not bind the members of the General Assembly. They are intended for use in the legislative process and as information to assist the members in the performance of their legislative duties.

[2] Section 24-6-401, C.R.S.

[3] *Benson v. McCormick*, 578 P.2d 651, 652 (Colo. 1978).

[4] *Intermountain Rural Elec. Ass'n v. Colo. PUC*, 2012 COA 123, p. 11 (Internal citations omitted).

## 2. Who does the OML apply to?

The OML applies to each "state public body" and "local public body".[5]

## 3. When is a gathering of a state public body a "meeting" under the OML?

A "meeting" under the OML means "any kind of gathering, convened to discuss public business, in person, by telephone, electronically, or by other means of communication."[6] Based on the OML as a whole and prior decisions, the Colorado Supreme Court held that "a meeting must be part of the policy-making process to be subject to the requirements of the OML" and that "a meeting is part of the policy making process if it concerns a matter related to the policy-making function of the . . . public body holding or attending the meeting."[7] So, there must be "a meaningful connection between the meeting itself and the policy-making powers of the public body holding or attending the meeting",[8] in order to be subject to the OML.

Such a link exists if a meeting is held to "discuss or undertake . . . a rule, regulation, ordinance, or a formal action" or if "a meeting was held for the purpose of discussing a pending measure or action, which is subsequently 'rubber stamped' by the public body holding or attending the meeting."[9]

Accordingly, the types of gatherings of the members of a state public body that would be "meetings" under the OML certainly includes formal actions that ordinarily require a vote. But other meetings that do not necessarily involve an actual vote may also be considered a "meeting".

## 4. When does a meeting of a state public body have to be open?

The OML establishes that any meeting of two or more members of a state public body are public meetings open to the public at all times:

- At which any public business is discussed; or
- At which any formal action may be taken.[10]

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[5] Section 24-6-402 (1) (a) and (1) (d), C.R.S. The application of the OML to a "local public body" which generally includes cities, counties, and other political subdivisions of the state, is not addressed by this memo.

[6] Section 24-6-402 (1) (b), C.R.S.

[7] *Bd. of County Cmm'rs v. Costilla County Conservancy Dist.*, 88 P.3d 1188, 1194 (Colo. 2004).

[8] *Id.*

[9] *Id.*

[10] Section 24-6-402 (2) (a), C.R.S.

Even if these two conditions are met, the gathering must also qualify as a "meeting", as previously described, which could somewhat limit the application of the OML.

If the meeting is open, any person can join the meeting, including any member of the press. But being open does not guarantee a right of those persons to participate in the meeting.

### 5. When does a meeting of a state public body have to be noticed?

The OML requires that full and timely notice be given before any meeting of a state public body is held at which:

- The adoption of any proposed policy, position, resolution, rule, regulation, or formal action occurs; or
- At which a majority or quorum of the body is in attendance, or is expected to be in attendance.[11]

The notice requirement for formal meetings of a state public body is usually not an issue. It is the informal meetings that present more issues. Whether notice is required for them will depend on whether the gathering qualifies as a "meeting" under the OML, the number of invitees or attendees, and, in some cases, what happens after the meeting.

### 6. What is "full and timely notice" for a meeting?

The OML does not specify what constitutes "full and timely notice" for a meeting of a state public body. In looking at the OML's notice requirement, the Colorado Supreme Court has "adopted a 'flexible' standard that would take into account the interest in providing access to 'a broad range of meetings at which public business is considered,' as well as the public body's need to conduct its business in a reasonable manner."[12]

Consistent with this approach, at the very minimum, notice of a meeting should be posted within a reasonable time prior to the meeting either electronically or in an area that is open to public view. And this notice or posting should be done consistently for all meeting notices.

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[11] Section 24-6-402 (2) (c), C.R.S.

[12] *Town of Marble v. Darien*, 181 P.3d 1148, 1152 (Colo. 2008) *quoting Benson v. McCormick*, 578 P.2d 651, 653 (Colo. 1983).

### 7. Do the requirements of the OML apply even if the meeting is called by or attended by someone other than members of the state public body?

Yes. A gathering that includes participants other than members of a state public body may still be considered a "meeting" for purposes of the OML, and, for purposes of compliance with the OML, it does not matter whether the particular state public body or another person calls the meeting.[13]

### 8. When can a state public body go into an executive session?

The OML allows for a state public body to go into executive session under certain statutorily prescribed circumstances.[14] If, in the judgment of the state public body, public disclosure of certain matters or negotiations in an open meeting is likely to stifle honest and frank discussion, it may consider whether any of those matters or negotiations are permitted by the OML to be discussed in an executive session. This allows for a discussion by members of the state public body that is closed to the public if the topic of the contemplated discussion is one permitted to be discussed in executive session by the OML.

Topics that are the most likely potential reasons for a state public body to go into an executive session are:

- The purchase or sale of property for public purposes;
- Conferences with an attorney representing the state public body concerning disputes involving the public body, concerning specific claims or grievances, or for purposes of receiving legal advice on specific legal questions; and
- Matters required to be kept confidential in accordance with any federal or state law, or other joint rule of the house and senate.[15]

### 9. What happens if a state public body violates the provisions of the OML?

The general rule is that a resolution, rule, regulation, ordinance, or a formal action of a state public body is invalid,[16] and a prevailing citizen in an OML action is awarded costs and attorney fees.[17]

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[13] For example, the Garfield County Bd. of County Comm'rs settled an OML lawsuit that was related to a private meeting held in Vernal, Utah, with representatives of the oil shale industry. See http://www.denverpost.com/breakingnews/ci_21782842/garfield-commissioners-settle-lawsuit-over-disputed-oil-shale

[14] Section 24-6-402 (3) (a), C.R.S.

[15] Section 24-6-402 (3) (a) (I) to (3) (a) (III), C.R.S.

In addition, a real or perceived failure to comply with the OML is likely to result in public and media criticism of the state public body's members involved in that meeting. Accordingly, consistent with the OML's purpose, it is a best practice when it is a close call or question of the OML's applicability to open and give notice of a meeting in question.

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[16] Section 24-6-402 (8), C.R.S.

[17] Section 24-4-402 (9), C.R.S.