



SUN 'N LAKE

OF SEBRING IMPROVEMENT
DISTRICT

POLICY MANUAL

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LEGAL BASIS A-1000

A1001 **SUN 'N LAKE OF SEBRING IMPROVEMENT DISTRICT**

The legal basis for the Sun 'n Lake of Sebring Improvement District is Ordinance 74-4, Highlands County, Florida, as codified at Section 9-81, et seq, Code of Ordinances, Highlands County, Florida as amended, and the laws of the State of Florida.

A-1002 **DISTRICT CLASSIFICATION**

The District is classified as an Independent Special District by the Department of Community Affairs pursuant to Chapter 189 Florida Statutes.

A-1003 **MISSION STATEMENT**

Sun 'n Lake of Sebring Improvement District is a self-governing, financially sound community providing protection, governmental services and recreational facilities for its residents.

A-1004 **DEFINITIONS**

Unless the context shall indicate otherwise, the following words as used in this policy manual shall have the following meanings:

<u>POLICY</u>	Is a principle of action
<u>RULE</u>	Is a statement governing conduct, action, arrangements, etc. based on policy
<u>PROCEDURE</u>	Is a method of doing things based on policy
<u>REGULATION</u>	Is a control by rule, principle or system based on
policy <u>PRINCIPLE</u>	Is the ultimate source, origin or cause of
something <u>BOARD</u>	Is the Board of Supervisors
<u>MEMBER</u>	Is a supervisor
<u>ADMINISTRATION</u>	Is the collective management of the District

BOARD OF SUPERVISORS A-1100

A-1101 GOVERNING BODY

The Improvement District is governed by a five member Board of

Supervisors A-1102 SELECTION OF SUPERVISORS

Supervisors are elected by landowners or qualified electors as specified by Highlands County Ordinance 74-4 as codified at section 9-81, et seq, and Chapter 189, Florida Law.

A-1103 TERM OF OFFICE

The term for an elected supervisor is four years. The term for an appointed supervisor is to:

- a. The next landowner's meeting if the vacated seat was elected by the landowners
- b. If the vacated seat was elected by the qualified electors, the appointee will serve until the next ensuing general election

A-1104 VACANCIES

Supervisors may be appointed by the Board to fill vacancies occurring between elections.

A-1105 ELECTIONS

Elections may be conducted by the Improvement District or by the Highlands County Supervisor of Elections at the Districts option.

A-1106 POWERS OF THE BOARD

The Board acts in accordance with the powers granted it by Ordinance 74-4, Highlands County, Florida, as codified at Section 9-81, et seq, Code of Ordinances, Highlands County, Florida as amended from time to time, the laws of the State of Florida and court interpretation of these laws.

A-1107 FUNCTIONS

Policy-making functions: The Board is responsible for policy-making. Policies are principles established by the Board to chart a course of action.

Executive function: The Board selects a general manager to operate the District in accordance with District policies.

A-1108 COMPENSATION AND EXPENSES

Supervisors receive annual compensation as prescribed by the district charter. Supervisor's annual compensation shall be paid in twelve equal monthly installments. Supervisors on District business will be reimbursed for actual and necessary expenses incurred in the execution of official duties or in the performance of functions which have been authorized by the Board.

Such expenses shall not be in excess of the amounts provided by law for state and county officials. Each supervisor is responsible for submitting an itemized listing of reimbursable expenses to the Finance Director for listing with the regular monthly bills and Board approval.

DISTRICT ORGANIZATION A-1200

A-1201 GENERAL MANAGER

The General Manager is the Chief Executive Officer of the District and under the direction of the Board has general supervision of all the services and functions of the District in accordance with District policies. The General Manager may delegate to other District personnel the exercise of such powers and the discharge of such duties imposed on the general manager. The delegation of power or duty, however, does not relieve the General Manager of responsibility for the action taken under such delegation.

A-1202 ORGANIZATION

The District is organized into the following functional areas:

1. Golf Course Operation
2. Utilities – Water and Wastewater
3. Operations and Maintenance – Administration, Finance, Public Safety, Building and Grounds, Roads and Drainage, Public Works

A-1203 FISCAL YEAR

The fiscal year for the District shall commence on each October 1st and terminate on September 30th of the next calendar year.

A-1204 DISTRICT CALENDAR

A calendar listing approved holidays when District office will be closed shall be approved each year by the Board of Supervisors. The District follows the Highlands County Board of County Commissioners holiday schedule.

BOARD OFFICERS AND COMMITTEES B-1000

B-1001 ELECTION OF OFFICERS

The officers of the Board are elected at the annual landowner's meeting.

B-1002 OFFICERS

The officers to be elected are president, vice-president, treasurer, and secretary .The treasurer and secretary may be non-members of the Board of Supervisors and if so are non-voting officers. Each officer is elected by a majority of the members by roll call vote.

B-1003 TERM OF OFFICE

The term of each office is one year and no Board member shall serve consecutive terms in the same office.

B-1004 COMMITTEES

1. The Board authorizes advisory committees deemed necessary.
2. Each committee shall have a mission statement approved by the Board of Supervisors. Committee members are appointed by the Board of Supervisors based on qualifications criteria. Each committee is responsible for its own organization.
3. Each committee shall keep minutes, give notice of meetings and otherwise comply with Florida Sunshine Law.
4. Committees shall present their recommendations to the general manager regularly for appropriate action.
5. Committees may present their recommendations to the Board of Supervisor's for appropriate action.
6. The purpose, usefulness and function of each committee shall be reviewed yearly by the Board of Supervisors.
7. Each committee shall be re-authorized yearly by the Board of Supervisors upon the foregoing review or dissolved when its function is no longer deemed necessary by the Board.

DUTIES OF BOARD OFFICERS B-1100

B-1101 REMOVAL OF OFFICERS

Any officer of the Board may be removed for cause by a vote of three or more supervisors.

B-1102 PRESIDENT

The president of the Board conducts all meetings of the Board and signs all legal documents on behalf of the Board as authorized by the Board.

B-1103 VICE-PRESIDENT

The vice-president of the board performs the duties of the president in the absence of the president and such other duties as may be designated by the Board.

B-1104 SECRETARY

The secretary of the Board keeps records of all Board meetings, posts all legal notices, prepares and signs all legal documents unless otherwise ordered by the Board, and performs such other duties as may be designated by the Board.

B-1105 TREASURER

The treasurer of the board receives, holds in custody, and expends all funds as directed by the Board; and, furnishes a bond which is paid from District funds.

B-1106 SUPERVISOR CONFLICT OF INTEREST

No member of the Board of Supervisors shall have direct or indirect personal interest in any contract with the District nor perform any labor nor furnish neither equipment nor supplies to the District. No member of a Board of Supervisor's immediate family shall be hired by the District in any capacity during the term of office of the supervisor. No member of a Board of Supervisor's immediate family shall chair or serve on any committee that would have a direct interface with the Board of Supervisors.

B-1107 SUPERVISOR DEVELOPMENT OPPORTUNITIES

Supervisors encouraged attending educational workshops and conferences. Any expenditure of District funds for such meetings must have prior Board approval.

B-1108 BOARD MEMBER AND STAFF RELATIONSHIP

No members of the Board shall give direction to any district employee unless specifically authorized by motion of the Board at a duly constituted meeting or by consensus of Board members. No District employee shall act on direction by a Board member unless such is specifically authorized as per the previous sentence. District employees shall report any violation of this policy to the General Manager.

MEETINGS OF THE BOARD B-1200

B-1201 TIME OF MEETING

A schedule of meeting dates, times and places is determined by the Board by the end of each November for the following calendar year. Meetings will be noticed and posted in accordance with Florida Law.

B-1202 PLACE OF MEETING

Meetings of the Board are held at the Community Center, 3500 Edgewater Drive unless otherwise announced in advance and notice posted.

B-1203 CALL TO ORDER AND ADJOURNMENT

The president calls all meetings to order at the appointed time or as soon thereafter as a quorum is present. If after a half hour, a quorum is not present, those present may leave. The minutes shall reflect adjournment without a quorum. Lack of a quorum at any time during the meeting stops the meeting, and the chair shall declare the meeting adjourned to a future date and hour, but any action taken prior to such adjournment remains valid.

B-1204 QUORUM

Three members of the Board of Supervisors constitute a quorum for the transaction of business.

B-1205 LEGAL ACTION

A majority of the quorum present is required to pass a motion or resolution, or other matter pending before the Board. Official action is taken only in a properly noticed regular business meeting or a special meeting called to conduct business. A supervisor acts on behalf of the Improvement District other than at a duly constituted meeting only when authorized to do so by the Board of Supervisors.

B-1205 ROBERT'S RULES OF ORDER

Robert's Rules of Order shall govern Board meetings. Rules may be suspended by a majority of the quorum present and the order of business may be suspended at any meeting by a majority of the quorum present.

B-1207 RECESSED MEETINGS

Any regular meeting of the Board may be recessed to a specific time and place. Only the agenda of the meeting recessed may be acted upon at a reconvened meeting unless a majority of the quorum present agrees to consider specific additional items.

B-1208 VOTING

The roll call for voting is by random call of supervisor's last names on a rotating basis.

B-1209 ABSTENTION FROM VOTING

No member may abstain from voting on any issue unless there is or appears to be a conflict of interest. In event of a perceived personal or financial conflict of interest, the member shall disclose the conflict and shall file a statement of same with the board secretary to be included in the meeting minutes.

B-1210 EXECUTIVE SESSIONS

The Board may hold an executive session at any time, as long as the Florida law requirements for such executive session are met. The Board may not make any decisions requiring a vote at a meeting which is closed to the public. The closed meetings are only for deliberation regarding pending litigation.

B-1211 HEARING OF INDIVIDUALS OR DELEGATIONS

All meetings except executive sessions are open to the public and any individual or delegation may address the Board for a maximum time of three minutes on any subject. An additional two minutes may be granted at the discretion of the president.

B-1212 READING OF PETITIONS AND COMMUNICATIONS

All correspondence received by the District addressed to the Board of Supervisors shall be placed in the next available agenda package to be presented to the Board of Supervisors by the Board Secretary.

B-1213 PHYSICAL PRESENCE REQUIRED FOR SUPERVISOR PARTICIPATION

A physical quorum must be present to conduct any District business. Supervisors shall not be permitted to appear by telephone and/or electronic means to participate in any meeting of the Board and must be physically present at any meeting of the Board in order to participate in the meeting.

AGENDA FOR REGULAR MEETINGS B-1300

B-1301 AGENDA FORMAT

- A. Call to order
- B. Pledge of Allegiance
- C. Announcements
- D. Consent Agenda
- E. Action Agenda
- F. Add-on items
- G. Petitions and Communications
- H. Staff Reports
- I. District Attorney's Report
- J. General Manager's Report
- K. Unfinished Business
- L. New Business
- M. Committee Reports
- N. Public Comments
- O. Discussion to/from Board
- P. Other Business
- Q. Adjournment

B-1302 AGENDAS

1. The agenda for meetings of the board is composed of a consent agenda and an action agenda and is coordinated by the General Manager.
2. The agenda for regular meetings is delivered to Board of Supervisors four calendar days preceding the meeting.
3. The agenda for special meetings is delivered to members at least twenty-four hours before the meeting.
4. Meeting agendas will be posted at District Office, Community Cultural Center and Golf Pro Shop.
5. The agenda for workshops is delivered to members two calendar days preceding the meeting.
6. Any Board member may request the General Manager at least 5 days prior to a Board meeting to have an item(s) added to the meeting agenda.
7. Any item on the consent agenda may be removed from it and added to the action agenda by request of any Board member.
8. The consent agenda items must be approved by motion of the Board.

MINUTES B-1400

B-1401 MINUTES

The minutes of Board meetings, except executive sessions, are recorded, printed by the administrative staff and delivered to members for inclusion in the consent agenda at the next regular meeting.

Official minutes filed in the District Office in accord with public records laws for all meetings shall include the following:

1. The time, date and place of the meeting.
2. The members present and the members absent.
3. A statement of the topics discussed and any decisions made at the meeting.
4. The names of those who move and second motions and resolution and the results of the vote those who vote ayes and nays.

Proposed minutes shall be reviewed by the General Manager and made available for public inspection at the District Offices promptly after the meeting.

Approved minutes shall be available for public inspection at the District Office promptly after the meeting at which they are approved.

B-1402 RETENTION OF MINUTES

The official minutes are filed in the District Office and retained in accordance with Florida Law.

B-1403 RECORDS AVAILABLE

All records of the Board are made available to the public in accordance with Florida Law.

MATTERS OF DISTRICT IMPORTANCE B-1500

B-1501 INDIVIDUAL BOARD MEMBER ISSUE

An individual Board member having an issue for resolution concerning the District should contact the General Manager regarding the issue. The General Manager will contact the Board president in this regard who will do one of the following:

1. Make the issue an agenda item for the next board meeting.
2. Call a special meeting of the Board.
3. Direct the General Manager to contact a specific Board member with the appropriate expertise.
4. Direct the General Manager to resolve the issue as Board action is not required.

B-1502 SPECIAL MEETINGS

A special meeting of the Board may be called by the president, or any other two Board members.

No business shall be transacted except that for which the meeting is called and which is stated in the meeting notice.

The General Manager may request the president or any other two board members to call a special meeting of the Board when circumstances require such action.

B-1503 SPECIAL MEETINGS – PUBLIC NOTICE

Public notice of special meetings of the board shall be given as appropriate under Florida Statutes.

B-1504 ANNUAL LANDOWNERS MEETING

The annual meeting of landowners shall be held the fourth Friday of January each year for the purpose of electing supervisors should a seat be vacant; and, reporting all work undertaken or completed during the preceding year. Procedures for the annual meeting of the landowners are specified by Highlands County Ordinance 74-4 as codified at section 9-84 as amended.

STUDY/WORKSHOP MEETINGS OF THE BOARD B-1600

B-1601 STUDY / WORKSHOP MEETINGS

Study / workshop meetings of the Board are held for the purpose of hearing staff reports and discussing issues which may at some time be agenda items at a regular or special meeting. No votes are taken or business conducted at study / workshop meetings.

B-1602 STUDY / WORKSHOP MEETINGS – PUBLIC NOTICE

Public notice of study / workshop meetings of the Board will be given in accordance with Florida Statutes.

BOARD POLICY – GENERAL B-1700

B-1701 POLICY MANUAL

Each supervisor shall be provided with a Board policy manual for use during the supervisor's term of office. The manual is the property of the District. A copy of the manual shall be maintained in the District Office for reference by interested residents.

B-1702 REVISIONS

Revisions, amendments or additions to the policy manual may be an agenda item at a regular meeting.

B-1703 REVIEW

The General Manager will review the Policy Manual annually and make recommendations to the Board for changes if necessary.

B-1704 SUSPENSION

The operation of any section or sections of these policies may be suspended temporarily by a vote of three supervisors at a regular or special meeting. Only the Board may suspend a policy. The general manager may suspend approved fee schedules temporarily in situations involving the need for an immediate business decision when it is impractical to call a special Board Meeting and shall notify each supervisor of such action promptly.

B-1705 ADMINISTRATION IN ABSENCE OF WRITTEN POLICY

In instances where action must be taken and the Board has provided no policy, the general manager has the power to act. The general manager will inform the Board promptly of such action and whether there is a need for a policy.

BOARD MEMBER ETHICS B-1800

B-1800 DISTRICT CODE OF ETHICS FOR BOARD OF SUPERVISOR MEMBERS

In addition to the statutory requirements, Board of Supervisor Members is to refrain from the following conduct:

1. Disregarding official duties.
2. Showing discourtesy to persons whom the member comes in contact while in the performance of official duties.
3. Threatening, intimidating, coercing or interfering with fellow Board members, the public at large or District employees or contractors.
4. Giving direction to District employees or contractors.
5. Provoking or instigating a fight.
6. Deliberately destroying or damaging District property.
7. Receiving from any person or participating in any fee, gift or other valuable thing in the course of duty, when such fee, gift or other valuable thing is given in the hope of receiving a favor or better treatment than that accorded other persons in regards to a member's official duties or actions.
8. Falsifying official records.
9. Theft or removal from District premises without proper authorization, of any District property or the property of an employee or fellow member.
10. Immoral, unlawful or improper conduct or indecency which would tend to adversely affect an employee or member's performance of his or her official duties.
11. Being convicted of felony or first degree misdemeanor as defined by Florida Statutes or any crime involving moral turpitude.
12. Sexual harassment consisting of unwelcome advances, request for sexual favors and other verbal or physical conduct of a sexual nature of which victim may be of either sex and also need not be of the opposite sex.
13. Other unlawful harassment which is discriminatory conduct based upon the protected features of race, color, sex, marital status, religion, creed, national origin, political opinions or affiliations, age, disability or any other factor.

B-1801 SUPERVISOR CODE OF CONDUCT

Supervisors are expected to conform to the Sun 'n Lake of Sebring Improvement District Board of Supervisor "Code of Ethics", Florida Statutes Chapter 112 "Code of Ethics for Public Officers and Employees" and Florida Statutes Chapter 286.011 otherwise known as the Florida's Government in the Sunshine Law to promote the public interest and maintain the respect of the people for their government.

B-1802 BOARD MEMBER DECORUM

Board members shall exhibit propriety and good taste in behavior and speech at public meetings.

OVERALL DISTRICT ADMINISTRATION C-1000

C-1001 GENERAL ADMINISTRATION GOALS

The major goals of the District administration are to implement the policies of the Board of Supervisors.

C-1002 ADMINISTRATIVE AND STAFF POSITIONS

The General Manager is responsible for the employment of qualified individuals to fill administrative and staff positions of the District. The Board has overall responsibility for District personnel through the General Manager.

C-1003 LINE AND STAFF RELATIONSHIPS

All personnel will refer matters requiring administrative action to the appropriate administrator immediately in charge. Matters requiring administrative action should be resolved at the lowest administrative level practicable. Administrative decisions may be appealed through approved grievance procedures.

C-1004 ADMINISTRATIVE SALARIES

The administrative salary schedule is provided to the Board annually during budgetary review as a matter of information.

C-1005 CONFLICT OF INTEREST

The administration will avoid placing any administrator in a position of supervising a close relative or participating in decisions or recommendations as to hiring, discharging, promoting, demoting or transferring a close relative.

C-1006 LEGAL INDEMNIFICATION

1. In accordance with Florida law, the following shall be provided the benefit of the indemnification, hold harmless, support and legal defense provisions:
 - a. All members of the Board of Supervisors, its officers, employees and agents, the General Manager and its employees, the District Legal Counsel, its Associates and employees, and the District Engineer and its employees (the "Indemnities");
 - b. Independent contractors, except those identified in subsection (a) above, agents or persons shall not be so indemnified with respect to service to the District except to the extent permitted by law and authorized by a majority vote of the members of the District's Board.

2. In accordance with Sections 111.07 and 768.28, Florida Statutes, the District hereby agrees to provide legal representation to defend any and all civil actions, including federal civil rights and other federal civil claims, arising from a complaint for damages or injuries suffered as a result of any act or omission of action of any of the Indemnities, present or former, arising out of and in the scope of his or her employment or function, unless, in the case of a tort action, the Indemnities acted in bad faith, with malicious purpose, or in a manner exhibiting wanton and willful disregard of human rights, safety, or property. Defense of such civil actions includes, but is not limited to, any civil rights lawsuit seeking relief personally against any of the above-listed Indemnities for an act or omission under color of state law, custom or usage, wherein it is alleged that such officer or agent has deprived another person of rights secured under the Federal Constitution or laws, including, by way of example, actions under 42 U.S.C. §1983 or other federal statute. The District hereby further agrees to provide legal representation to defend against any other litigation arising against its Indemnities from the performance of their official duties while serving a public purpose, including civil, administrative or criminal actions as permitted by law. By these provisions, the District does not waive any immunity from liability or limited waiver of such immunity as granted under Florida law. Rather, the District is stating that to the extent the state does not through its laws protect the Indemnities from liability, it is committed to doing so to the extent described herein.
3. The District may insure itself in order to cover all reasonable costs and fees directly arising out of or in connection with any legal claim or suit which directly results from a decision or act made by Indemnities while performing the duties and functions of his or her position.
4. This policy is intended to evidence the District's support of Indemnities who perform acts and render decisions in the good faith performance of their duties and functions. The District will neither support nor defend those actions or omissions committed by an individual outside the scope of his/her office or committed in bad faith or with malicious purpose or in a manner exhibiting wanton and willful disregard of human rights, safety, or property. In the event that the District has expended funds to provide an attorney to defend Indemnities who are found to be personally liable by virtue of actions outside the scope of his or her employment or function, or are found to have acted in bad faith, with malicious purpose, or in a manner exhibiting wanton disregard for human rights, safety, or property, the Indemnities shall be required to reimburse the District for funds so expended. The District may recover such funds in a civil action against such individual.
5. The District agrees to pay any final judgment, including damages, fines, penalties, or other damages, and attorney's fees and costs, arising from any complaint for damages or injuries suffered as a result of any action or omission of action of any Indemnities as described in paragraph 1 above, in any civil action or civil rights law suit described in Section 111.07, Florida Statutes. If the action arises under Section 768.28, Florida Statutes, as a tort claim, the limitations and provisions of that section governing payment shall apply. If the action is a civil rights action arising under 42 U.S.C. §1983, or similar federal statutes, payment for the full amount of judgment may be made unless the Indemnities have been determined in the final judgment to have caused the harm intentionally. The District agrees to pay any compromise or settlement of any claim or litigation described in this paragraph, provided, however, that the District determines such compromise or settlement to be in the District's best interests.
6. Payment of judgments or provision of legal representation pursuant to this policy is conditioned on the following as determined in the sole discretion of the District:
 - a. The actions of the Indemnities were within the scope of his or her duties and authority; and
 - b. The acts or omissions of the Indemnities did not constitute bad faith, malicious purpose, intentional infliction of harm, or were not done in a manner exhibiting

- wanton and willful disregard of human rights, safety, or property; and
 - c. The Indemnities did not receive any financial profit or advantage to which he or she was not legally entitled; and
 - d. Delivery of a copy of the summons, complaint, notice, demand letter, or other document or pleading in the action, or a letter setting forth the substance of any claim or complaint to the President, Vice President, General Manager, or District Attorney, together with a specific request in writing that the District defend or provide representation for the Indemnities; and
 - e. The Indemnities cooperate continuously and fully with the District in the defense of the action; and
 - f. Written approval of the Board of Supervisors to undertake any such representation is provided by resolution, with any such representation not being retroactive in nature, but only applying from the date of resolution forward, except for good cause shown.
7. Any indemnification, legal defense or other protection provided pursuant to this representation shall not extend to:
- a. Consulting or other outside professional or business activities for which the Indemnities received financial or other material compensation, which are outside the scope of his or her District duties and authority; and
 - b. Any independent contractor for whom defense or indemnification is not authorized pursuant to paragraph 1(b) of this policy; and
 - c. Any fine, penalty or other punishment imposed as a result of conviction for a criminal offense, and any legal fees and costs incurred to defend criminal prosecution in which a conviction is obtained.
 - d. Any indemnification or defense prohibited by law.
8. In the event legal representation or defense is provided, the Indemnities may either:
- a. Retain legal counsel appointed by the District, in which case legal counsel shall be paid directly by the District; or
 - b. Retain legal counsel chosen by the Indemnities, in which case the District shall have the right to:
 - i. Approve, in advance, any agreement for legal fees or disbursements; and
 - ii. Pay all or part of the legal fees, costs and other disbursements and to set a maximum for legal fees (\$200 to \$300 per hour shall be considered reasonable), costs and other disbursements; and
 - iii. Direct the defense and settle or compromise the action or claim; and
 - iv. Any monies that may be payable by the District shall be reduced or offset by any court costs or attorney's fees awarded to the Indemnities.
9. The benefits of this policy shall not enlarge the rights that would have been available to any third-party plaintiff or claimant in the absence of this policy.
10. To the extent permitted by law, this policy shall inure to the benefit of the heirs, personal representatives, and estate of the Indemnities.
11. The District reserves the right to change, modify or withdraw this policy in its sole discretion, except as to actions, demands, or other claims based on acts or omissions which occurred before the effective change, modification or withdrawal of this policy.

CHIEF EXECUTIVE OFFICER C-1100

C-1101 GENERAL MANAGER

The General Manager is the Chief Executive Officer of the District and under the direction of the Board has general supervision of all the services and functions of the District in accordance with District policies.

The General Manager may delegate to other District personnel the exercise of such powers and the discharge of such duties imposed on the General Manager. The delegation of power or duty, however, does not relieve the general manager of responsibility for the action taken under such delegation.

C-1102 QUALIFICATIONS

The general manager shall have the qualifications as prescribed by the Board.

C-1103 EVALUATION OF ADMINISTRATIVE PERSONNEL

The General Manager evaluates annually the performance of all personnel reporting directly to the General Manager and shall make such information available to each supervisor upon request.

C-1104 ADMINISTRATIVE REGULATIONS

The General Manager is responsible for implementing board policies through oral or written administrative regulations, rules or procedures of sufficient detail to provide for the efficient and effective governing and operation of the District.

FISCAL MANAGEMENT D-1000

D-1001 FISCAL MANAGEMENT GOAL

The Board is responsible for ensuring prudent fiscal management of the District. The budget will provide adequate funding for operations / maintenance and replacement of capital items.

D-1002 BALANCED BUDGET

The District will pay for all current expenditures with current revenues. The District will avoid budgetary procedures that balance expenditures at the expense of meeting future years' expense, such as postponing expenditures or accruing future years' revenues.

D-1003 BUDGET HEARINGS AND REVIEWS

The Board shall hold public hearings on the proposed budget prior to final action. The annual maintenance assessment shall be established at the time of the budget adoption. A notice stating the location, date, and hour of the public hearings together with the amount of the annual maintenance assessment shall be placed in the newspaper of record for the District in accordance with Florida Law.

D-1004 FINAL BUDGET ADOPTION & FINALITY OF ASSESSMENTS

The final budget and annual maintenance assessment shall be adopted by resolution of the board annually at a separate meeting of the board subsequent to the public hearings on the proposed budget as detailed under policy D-1003. The board shall establish annually an appeal committee to hear all appeals regarding the amount and/or method of determining maintenance assessments. The appeal committee shall consist of one (1) supervisor, the district comptroller, and one (1) property owner. A notice detailing the appeal process shall be posted on the District website and included with the mailed notice of assessments sent to property owners. The appeal committee will accept written appeals showing a postmark on or before November 30th; thereafter, the annual maintenance assessments shall be deemed final and any right to appeal shall expire and be deemed waived. The appeal committee shall review all timely appeals and submit recommendations to the Board for final action as the Board deems appropriate.

D-1005 ACCOUNTING SYSTEM

The District uses a system of accounts as established by Florida Law.

D-1006 INTERIM FINANCIAL REPORTING

The Board of Supervisors will be provided monthly budget reports comparing actual versus budgeted revenue and expense activity. The District shall establish and maintain accounts according to standard accounting practices.

D-1007 ANNUAL AUDIT

The accounting system and financial practices of the District shall be audited by an independent CPA as required by Florida Law.

D-1008 PERFORMANCE MEASURE POLICY

Annually, each department shall develop departmental performance measures that support achieving successful results in the KIO's (Key Intended Outcome) with the General Manager. Goals should be related to core services of the department and should reflect customer needs. The measures should be a mix of different types, including effectiveness, efficiency, demand and workload. Measures should have sufficiently aggressive "stretch" to ensure continuous improvement.

Department Heads shall establish performance measures for each division of program within their department to monitor and project program performance.

D-1009 PLANNING AND CAPITAL IMPROVEMENT POLICY

The District will annually prepare a Five-Year Forecast. The forecast will include estimated operating costs and revenues of future capital improvements, such as new parks and fire station, included in the capital budget.

The District will develop a Five Year plan for capital improvements and update it annually. The District will coordinate development of the capital improvement budget with development of the operating budget. Future operating costs associated with the new capital improvements will be projected and include in operating budget forecasts.

The District will use intergovernmental assistance to finance only those capital improvements that are consistent with the Capital Improvement Plan and District's priorities whose operating and maintenance costs have been included in operating budget forecasts. The District will maintain all its assets at a level adequate to protect the District's capital interest and to minimize future maintenance and replacement costs. The District will identify the estimated costs and potential funding sources for each capital project proposal before it is submitted to the Board of Supervisors for approval.

SUN 'N LAKE OF SEBRING IMPROVEMENT DISTRICT PURCHASING POLICY

D-1010 DISTRICT PURCHASING POLICY

The District's purchasing policy was adopted by motion of the Board on December 11, 2015.

D-1011 BUDGET AMENDMENTS

Budget amendments less than \$25,000 that are within the same fund and do not increase the fund balance reserve require only the approval of the General Manager. All other budget amendments require Board approval.

GENERAL TERMS AND CONDITIONS

1-1 OBJECTIVE

The objective of this policy is to ensure that goods and services are acquired at fair and reasonable prices and highest personal standards of conduct are maintained in all relationships with vendors, suppliers and subcontractors.

1-2 AUTHORITY

This policy is authorized by the Sun 'n Lake Board of Supervisors with the Finance Department being the coordinating and implementing office for these procedures.

1-3 APPLICABILITY

All expenditures of funds by District departments, regardless of funding source will be made in accordance with these procedures.

1-4 POLICY

- A. The procedures in this policy are designed to guarantee fair and equitable treatment of all persons involved in providing goods, services, construction or insurance to the District.
- B. It is advised that local vendors should be used except when justified that it shall save the District money to purchase from another source.
- C. Competitive sealed bidding or competitive negotiation, as appropriate, will be used to enter into contracts with non-governmental contractors for the purchase or lease of goods, services, insurance or construction.
- D. It is unlawful to disclose the identity or information derived from competing proposals to any bidder or offeror that might provide an unfair advantage over a competing bidder or offeror.

SUN 'N LAKE OF SEBRING IMPROVEMENT DISTRICT PURCHASING POLICY

1-5 RESPONSIBILITY

- A. The **General Manager** exercises overall responsibility for the District's purchasing system.
 - 1. Is responsible for insuring proper authorization for requisitions above the Department Head levels.
 - 2. Shall be informed by the Finance Director of any violations of policies in this policy and discuss those with the respective departments.

- B. The **Finance Director** serves as accountant and auditor to the Sun 'n Lake Board of Supervisors, and is responsible for and has the ability to assign responsibilities within the department including the following:
 - 1. Pre-auditing all payment requisitions prior to the disbursement to ensure legality, accuracy, and compliance with appropriate policies and procedures;
 - 2. Rejecting any requisition that is in violation of the policies of this policy or Florida Statutes;
 - 3. Overseeing disbursement of funds for purchasing transactions which are legal and proper, and in compliance with all appropriate policies and procedures;
 - 4. Overseeing the recording of all disbursements in the District's accounting record;
 - 5. Maintaining an up-to-date list of potential vendors to be utilized by the requesting department or purchasing to seek prices to procure goods or services.

- C. **Department Heads** are responsible for their departments' purchasing activities in accordance with these procedures.
 - 1. Identifying, sufficiently in advance, their need for goods and services within their operations and activities.
 - 2. Submitting an electronic requisition including proper coding of account number and estimate for goods and services to insure proper approval is granted, indicating clear and precise specifications and item numbers for each item or service ordered.
 - 3. Determining that sufficient funds are available in their budgets for desired items.
 - 4. Inspecting all items or services upon delivery in order to authorize payment to the vendor.

SUN 'N LAKE OF SEBRING IMPROVEMENT DISTRICT PURCHASING POLICY

PURCHASING THRESHOLDS

2-1 PURCHASING THRESHOLDS

A. The Department Head or his/her designee must approve purchases with a **value under \$500.**

1. No documented quotes are needed at this level; however, employee shall obtain product or service at the lowest possible price that meets desired criteria.

B. The Finance Director and the Department Head or his/her designee must approve Purchases with a **value between \$500 and \$1,000.**

1. No documented quotes are needed at this level; however, employee shall obtain product or service at the lowest possible price that meets desired criteria.

C. The General Manager, Finance Director and Department Head must approve purchase requisitions **more than \$1,000.**

1. Purchases shall not be split to fall below this threshold.
2. For any purchase \$5,000 - \$25,000, three written quotations shall be sought by the Department before any order is issued.
3. For any purchase above \$5,000, the Department Head must express in detail every component of the purchase and need thereof.

D. Purchases **estimated to cost in excess of \$25,000** must go through the competitive bid process or Request for Proposal (RFP) unless specifically exempted herein and approved by the Board of Supervisors.

REQUISITIONS

3-1 PURPOSE

The purpose of a requisition is to communicate the need of a good or service. Information entered in the requisition provides the basis for the needed goods or services. An accurate and well-thought-out requisition is essential for assuring the completion of an economical and timely purchasing transaction.

SUN 'N LAKE OF SEBRING IMPROVEMENT DISTRICT PURCHASING POLICY

3-2 GENERAL PROCEDURES

- A. A separate requisition must be used for each vendor.
- B. Requisitions must be filled out completely with information to identify the item or service, account number charged, and quotes from a minimum of three vendors. If quotes are not obtained, a valid reason must be explained in the "Comments" section of the requisition.

3-3 REQUISITION PREPARATION

- A. The District Purchase Requisition must be entered into the computer so that proper procurement procedures are followed.
- B. The electronic requisition process will ensure proper approval levels.
- C. Requisition review, at any approval level, can be denied for incomplete information.
- D. Once proper approval has been given, it shall be processed into a purchase order.

PURCHASE ORDERS

4-1 PURPOSE

The purpose of a Purchase Order is to officially and formally commit to a purchase from a vendor (business, firm, agency, supplier, etc.) The purchase order form will be prepared and generated by the Finance Department to ensure encumbrance of all purchasing transactions in the District's financial system.

4-2 PROCEDURE

- A. After approval of the requisition, the Finance Department will complete and distribute the final version of the purchase order.
- B. The Finance Department will process the purchase order.
- C. The encumbrance and assignment of a purchase order number will be done through Incode's purchasing system.
- D. Purchases less than \$1,000 do not require a purchase order as well as purchases for utility services, telephone services, postage, travel reimbursement, registrations for training, insurance, newspaper ads, taxes, debt service payments, maintenance agreements, petty cash reimbursements, Board attorney payments, payroll, dues, memberships, and refunds. All of the above shall, however, be entered into the computer as a requisition or as a direct payable for tracking purposes.

SUN 'N LAKE OF SEBRING IMPROVEMENT DISTRICT PURCHASING POLICY

4-3 PURCHASE ORDER CHANGES

If a department desires to change or cancel a purchase order after it has been generated, the Department must:

- A. Enter a new requisition for the amount of the change stating in the comments section the original purchase order number.
- B. If a purchase order is issued to the wrong vendor, a new requisition will be entered to the correct vendor. The department shall be responsible for notifying the Finance Department to cancel the original order.

4-4 RECEIPT OF GOODS AND SERVICES

When items have been delivered to a location, the Department Head/Designee is required to physically verify counts, condition of materials, or adequacy of services rendered. Any irregularities are to be noted in the "Comments" section when receiving goods or services in the computer or written on the packing slip, along with the date received and the employee's initials.

PAYMENT

5-1 PURPOSE

The purpose of this chapter is to establish procedures for initiating payment to an outside vendor for a received order or service.

5-2 PROCEDURE

- A. Upon receiving an invoice, the accounts payable department will process it for payment in accordance with the appropriate procedure for processing invoices.
- B. Invoices received by accounts payable will be matched to the purchase order for processing of payment.
- C. All payments will be charged against the purchase order number encumbered for the order.

SOLE SOURCE AND EMERGENCY PROCUREMENT

6-1 GENERAL

- A. The District allows for exemption from the competitive process when a determination has been made by the department head that there is only one source practicably available to supply a good or service. The sole source vendor must be approved by the Board of Supervisors.

SUN 'N LAKE OF SEBRING IMPROVEMENT DISTRICT PURCHASING POLICY

- B. The District authorizes the General Manager to approve a waiver of competitive processes when an emergency situation develops that threatens termination of essential services or that threatens public safety, health or welfare. Board members shall be notified of such occurrence and a full report shall be submitted to the Board at the next regularly scheduled meeting.

6-2 SOLE SOURCE PROCEDURES

- A. Criteria. The following are the criteria used for determining sole source:

1. It is the responsibility of the department head to document in writing and provide the Finance Director sole source verification.
2. The Vendor is the original equipment manufacturer and there are no regional distributors;
3. The parts or equipment requested are not interchangeable with similar parts or equipment available from another manufacturer;
4. No other equipment is available that will meet the specialized needs of the department or perform the intended function; or
5. If the criteria listed above in items 2-4 don't apply, then the Finance Director shall post an informal request for quotes on the District web site for 1 calendar week to see if anyone has the product or service needed.
6. Any item over the competitive bid threshold shall be submitted to the Board of Supervisors for approval.

6-3 EMERGENCY PURCHASE PROCEDURES

- A. Criteria. The following are the criteria for determining whether to use Emergency Purchase Procedures:

1. An equipment breakdown or natural disaster threatens to terminate essential services; or
2. Public safety, health or welfare is threatened by a dangerous condition or immediate need for supplies, equipment or services.

SUN 'N LAKE OF SEBRING IMPROVEMENT DISTRICT PURCHASING POLICY

B. Procedures. The following are procedures to be followed for emergency purchase situations.

1. For emergency purchases between \$0-\$25,000:
 - a. The department head shall be notified.
 - b. The department head shall report to the Finance Director or General Manager for approval prior to purchase.
 - c. The department head notifies the Finance Director to issue a requisition.
2. For emergency purchases \$25,000 and above:
 - a. The department head shall be notified.
 - b. The department head reports to the General Manager for approval prior to purchase.
 - c. The General Manager notifies the President of the Board of Supervisors for approval, and then notifies the Board of Supervisors at the next regularly scheduled meeting.
 - d. The department head notifies the Finance Director to issue a requisition.

CONTRACTS

7-1 GENERAL

The District has a standardized contract prepared by District Counsel that is available and should be used for all District contracts when possible. All contracts shall include a provision requiring written authorization in accordance with change order requirements prior to performance of any work or obligation on the part of the District.

7-2 PIGGYBACK CONTRACTS

Deviation from bid requirements or RFP/RFQ's can occur if the goods or services are available on State Contract, Florida Sheriff's Bids, Federal GSA Contracts, or through other governmental entities' bids or RFP/RFQ's that are entered as a result of a competitive process within 12 months prior to the purchase. All piggyback agreements must be approved by the Board. The bid information must be entered into the "Comments" section of the requisition.

SUN 'N LAKE OF SEBRING IMPROVEMENT DISTRICT PURCHASING POLICY

7-3 CONTRACT EXECUTION PROCEDURE

Contracts and/or work orders for goods and services purchased on behalf of the District are to be signed by the General Manager. The General Manager is authorized to sign contracts that total \$25,000 or less. Any contracts that are above \$25,000 and under \$100,000 shall be signed by the General Manager with approval by the Board of Supervisors. Any contracts that are entered into above \$100,000 shall be signed by the President of the Board of Supervisors and reviewed by District Counsel.

7-4 CHANGE ORDERS

- A. Change Orders are to be initiated by the Project Manager/Department Head when made aware of the change condition, either through the contractor or by the District, and require Board approval if the change order adds or deducts to the amount of the contract by \$10,000 or more. Change orders may not be divided into multiple change orders in order to circumvent these requirements. Time change orders that change the completion date by 30 days or more require Board approval.

- B. All Change Orders requiring approval by the Board of Supervisors must obtain such approval prior to the work commencing unless the delay in receiving Board approval causes a threat to public health, safety, or welfare or will result in significant additional costs to the District due to the delay. The General Manager will notify the Board of Supervisors within three working days if either of these situations occurs. Under any circumstance, work to be performed under the Change Order shall not begin until all written approvals have been received. Any work completed by the contractor without the required written approvals will be the sole responsibility of the contractor, not the District. All contracts shall include a provision requiring written authorization in accordance with Change Order requirements prior to performance of any work or obligation on the part of the District.

SUN 'N LAKE OF SEBRING IMPROVEMENT DISTRICT PURCHASING POLICY

7-5 PROFESSIONAL SERVICES

Professional services are defined in Florida Statutes 287.055 as “services within the scope of the practice of architecture, professional engineering, landscape architecture, or registered surveying and mapping, as defined by the laws of the state.”

The District will follow the Florida Consultants Competitive Negotiations Act (CCNA) described in Florida Statute 287.055 covering all contracting for a variety of professional services with the exception of purchasing thresholds referenced for projects estimated at \$25,000 or more, which shall utilize the competitive bidding process for obtaining request for proposal (RFP) as outlined in these procedures.

COMPETITIVE BID PROCESS

8-1 PURPOSE

The purpose of this chapter is to establish procedures for the purchase of goods and services using competitive sealed bidding.

8-2 AUTHORITY

Any item expected to cost more than \$25,000 is to be procured by use of competitive sealed bidding, unless the Board of Supervisors determines another method is more practicable.

8-3 DEFINITION

A competitive sealed bid is a method of source selection for a procurement estimated to be in excess of \$25,000 in which award is made to the lowest responsive and responsible bidder whose bid complies with the specifications contained in the Invitation for Bid or Request for Proposal. This means that price is the decisive criterion for determining the vendor who will receive the award.

8-4 PROCEDURES

A. General: The competitive sealed bid process includes the following elements:

1. Issuance of a written Invitation for Bid or Request for Proposal including bid specifications, qualifications of vendors, quantity, time frame, and estimated budget;
2. Public notice of the Invitation or Request by posting on the District’s website and advertising twice in a newspaper of general circulation;

SUN 'N LAKE OF SEBRING IMPROVEMENT DISTRICT PURCHASING POLICY

3. Public opening at the date and time advertised, and announcement of all bids received;
 4. Evaluation of bids based upon the requirements set forth in the IFB or RFP; and
 5. Award to the lowest responsive and responsible bidder meeting all of the specifications.
- B. Department responsibilities. The using Department shall be responsible for the following during the competitive sealed bid process:
1. Submit a Purchase Requisition with an attached set of specifications describing the design or performance characteristics of the goods or services required;
 2. Prepare bid documents based upon the requisition and specifications submitted by the department, so that the process is open, equitable and fair to all potential vendors;
 3. Review bid documents to be certain that the bidders offered products meeting the specifications of the IFB or RFP;
 4. Document reasons based on the specifications why a vendor should not be considered for an award;
 5. Recommend award to the lowest responsive and responsible vendor meeting the specifications.
- C. Purchasing responsibilities. The Finance Department is responsible for the following during the competitive sealed bid process:
1. Provide assistance to other departments as necessary during the preparation of bid documents;
 2. Issue and advertise the sealed bid requirement no less than twice in a local newspaper; if no local vendors are available the bid may be advertised in other publications like trade journals;
 3. Receive and secure bids prior to bid opening;
 4. Open bids at the date and time given in the IFB or RFP. Bid openings are opened by the General Manager or designated agent in the presence of any interested bidders;
 5. No bid shall be considered or opened if submitted after the specified deadline;
 6. Analyze the bids to determine the apparent lowest responsive and responsible bidder; and
 7. Provide copies of the apparent lowest responsive and responsible bid and the results of the Finance Department's analysis to the General Manager and make recommendation
 8. The General Manager reserves the right to establish qualifications of prospective bidders, to accept any and all bid, and to require retainage, insurance, bid bonds, and/or performance bonds.

SUN 'N LAKE OF SEBRING IMPROVEMENT DISTRICT PURCHASING POLICY

9. A recommendation to award the lowest or best responsible bid shall be presented to the Board of Supervisors by the General Manager. The Board of Supervisors shall be final authority with regard to the awarding the bid.
10. Make the award to the lowest responsive and responsible bidder meeting the specifications.

8-5 PROCESSING TIMES

In most cases, the bid results will be tallied by the Finance Director or Department Head requesting the bid and presented at the next regularly scheduled Board of Supervisors meeting for their approval.

8-6 EXCEPTIONS

The procurement preference set forth in this policy shall not apply to the following purchases or contracts:

- A. Goods or services provided under a cooperative purchasing, interlocal agreement, or "piggybacked" contract.
- B. Purchases which are funded, in whole or in part, by another government entity.
- C. Purchases made or contracts let under emergency or noncompetitive situations or for litigation related services.
- D. Purchases of bulk quantities of asphalt and fuel are exempt from the competitive bid process and may be purchased through competitive quotes.

8-7 DETERMINATION OF NON-RESPONSIVENESS

The following are reasons that a bid or bidder may be declared non-responsive:

- A. The bidder failed to sign the bid, the bidder did not provide an original signature on the bid form, or the bidder failed to complete the required forms and certificates;
- B. The bidder did not offer goods or services that complied with the specifications of the bid;
- C. The bidder did not offer firm prices;
- D. The bidder does not have the ability to comply with the required delivery or performance schedule;
- E. The bidder does not have a satisfactory record of performance as documented prior to the receipt of bids by the requesting department;
- F. The bidder does not have a satisfactory record of integrity, or is currently debarred or suspended by the applicable jurisdiction; and
- G. When a bidder is declared non-responsive, the bidder shall be notified in writing and given 7 days to appeal that determination.

SUN 'N LAKE OF SEBRING IMPROVEMENT DISTRICT PURCHASING POLICY

8-9 BOND REQUIREMENTS

The District may require a performance, material and labor bond before entering a bid-based contract and in such amounts as shall be found necessary to protect the best interests of the District. Requirements for bonds shall be as per Florida Statute Chapter 255.05 and as otherwise required in the District's bid or other documents.

8-10 CONVICTED VENDOR

All Invitations for Bid, Requests for Proposals, and contract documents shall contain a statement informing persons of the provision of paragraph (2) (a) of Section 287.133, Florida Statutes, which reads as follows:

“A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; an may not transact business with any public entity in excess of the threshold amount provided in Section 287.017 for CATEGORY TWO for a period of 36 months following the date of being placed on the convicted vendor list.”

All vendors who submit a bid to the District are guaranteeing that they have read the previous statement. By signing the bid documents, vendors state that they are qualified to submit a bid under FS Section 287.133(2) (a).

8-11 BID PROTEST AND APPEAL

Any vendor who wishes to protest a bid award has 7 days to file an appeal or protest to the General Manager. Failure to file a protest within 7 days shall constitute a waiver of any right to protest the terms, conditions, and specifications contained in the RFP, including any provisions governing the methods for ranking bids, proposals, or replies; awarding contracts; reserving rights of further negotiation, or modifying or amending any contract; or to protest the decision or intended decision concerning a RFP contract award.

D-1011 PURCHASING AUTHORITY **NOT USED**

D-1012 REVENUE POLICY

The District will try to maintain a diversified and stable revenue system to shelter it from unforeseeable short-run fluctuations in any one-revenue source. The District will estimate its annual revenues by an objective, analytical process, wherever practical. The District will project revenues for the next year and will update this projection annually. Each existing and potential revenue source will be reexamined annually. Each year, the District will recalculate the full costs of activities supported by user fees to identify the impact of inflation and other cost increases.

D-1013 DEBT MANAGEMENT POLICY

When applicable, the District shall review its outstanding debt annually for the purpose of determining if the financial marketplace will afford the District the opportunity to refund an issue and lessen its debt service costs. In order to consider the possible refunding of an issue a Present Value savings of three percent over the life of the respective issue, at a minimum, must be attainable. The District will confine long-term borrowing to capital improvements or projects that cannot be financed from current revenues. The District will not use long-term debt for current operations. When the District finances capital projects by issuing bonds, it will pay back the bonds within a period not to exceed the estimated useful life of the project. Capital improvements, equipment and facility projects shall be classified into "pay as you go" and "debt financing" classifications. Pay as you go capital items will be \$5,000 or less with short lives (less than 4 years) or replacement of existing equipment. Debt financing will be used for major, non-recurring items with a minimum of four years useful life. The District will use special assessment, revenue, or other self-supporting bonds. The District will maintain good communication with bond rating agencies regarding its financial condition. The District will follow policy of full disclosure on every financial report and borrowing prospectus.

D-1014 FIXED ASSET POLICY

Fixed assets include equipment, computers, furniture and vehicles. Once purchased, all capital items are maintained in the Fixed Capital Asset List and Depreciation Schedule until disposed. GFOA's recommended capitalization threshold level for individual items is \$5,000 with a minimum life of 2 years.

Capital items (fixed assets) shall be identified for purchase through three methods: new, replacement, emergency.

Each March, as part of the Capital Replacement Program, a complete inventory of fixed assets will be distributed to every department. At that time, all items on the inventory must be physically verified by a representative and corrections or changes made on the inventory sheets.

D-1015 INVESTMENTS

The District has elected not to establish their own investment policy and to limit investment to four categories indicated in Florida Statutes, Chapter 218.415, which are as follows:

1. The State of Florida Local Government Surplus Trust Fund or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act.
2. SEC registered money market funds with the highest credit equity rating from a nationally recognized rating agency.
3. Interest-bearing time deposits or savings accounts in qualified public depositories as defined in Section 280.02, F.S.
4. Direct obligations of the US Treasury.

D-1016 FINANCIAL RESERVE POLICY

On an annual basis, after the year-end audit has been completed, the staff shall produce a schedule of all fund surpluses and deficits, with projections of reserve requirements and a plan for the use of an excess surplus for the current year.

D-1017 WORKING CAPITAL

The General Fund unappropriated fund balance will be maintained in an amount greater than or equal to seventeen percent (17%) of the annual General Fund Budget. This amount approximates 50 days of working capital. The District shall include in the General Fund operating budget annually a contingency account equal to .5% of the General Fund total expenditures, less charge backs, debt service, inter-fund transfers and capital expenditures. This contingency will expire at the end of each fiscal year and balances will not be brought forward.

D-1018 SURPLUS POLICY

It is the intent of the District to use all surpluses generated to accomplish three goals: meeting reserve policies, avoidance of future debt and reduction of outstanding debt.

Any surpluses realized in the General Fund at year-end shall be used first to meet reserve policies as set forth in the Financial Reserve Policy. Excess surplus will then be used for the following purposes:

- Capital Replacement programs
- Retirement or Refinancing of existing debt
- Cash payments for Capital Improvement

Projects D-1019 DISPOSAL OF DISTRICT PROPERTY

The General Manager is authorized to dispose of district property in accordance with Florida Law after obtaining approval from the Board.

DISTRICT PROPERTY AND FACILITIES E-1000

E-1001 MAINTENANCE OF DISTRICT PROPERTY

It is the duty of each District employee to safeguard and protect the properties of the District. Care must be taken that windows and doors are properly secured and alarm systems set before leaving the buildings at the close of the day; and, that maintenance equipment is properly secured.

E-1002 USE OF DISTRICT VEHICLES

District vehicles shall be used as directed by the General Manager in accordance with approved procedures.

E-1003 DISTRICT VEHICLE AND EQUIPMENT SAFETY MAINTENANCE

All District vehicles and equipment shall be maintained in a safe operating condition.

E-1004 PERSONAL, CORPORATE GAIN AND ADVERTISING

Use of District equipment for personal or corporate gain shall not be permitted. Commercial advertising shall not be permitted on District property except as approved by the District.

E-1005 USE OF DISTRICT FACILITIES

In order to foster a close relationship between the District and residents, the Board encourages the maximum use of the District facilities to responsible and properly organized groups for purposed of education, recreation and entertainment.

Charges for the use of facilities are made according to a schedule of fees reviewed and adopted by the Board annually.

The General Manager establishes such rules and regulations needed to implement this policy as well as to assure the preservation of district property.

E-1006 EMERGENCY USE OF DISTRICT FACILITIES

In case of disasters or emergencies in the District or nearby areas, the General Manager may open District buildings to assist police and other authorities to relieve human misery and save lives.

E-1007 CONSTRUCTION PROGRAM

Construction projects shall be developed as required to satisfy road, drainage, building renovation or building expansion and recreational needs of the District. Elevations for new district buildings and district exterior building renovations shall be architecturally compatible with existing district buildings. Construction activities shall meet Highlands County standards.

E-1008 ALTERATION OF DISTRICT PROPERTY ABUTTING GOLF COURSES

Any alteration or clearance of District property abutting the Golf Courses shall be conducted in compliance with District golf course lands clearance procedures and the permitting process established by the Board of Supervisors. Any alterations or clearance of District owned properties without prior permission shall constitute a trespass and be grounds for imposition of monetary damages, in addition to certain other administrative remedies, such as withholding of the driveway connection permit, as may be applicable. Areas subject to a recorded Conservation Easement may be subject to additional penalties.

E-1009 FLAG DISPLAY

Purpose: To establish guidelines for: (1) locations and general display and handling procedures for the flag of the United States of America, the Florida State flag, and the Sun 'n Lake District flag at designated District buildings, (2) the display of flags in special circumstances, and (3) other flags displayed for official, event, or ceremonial purposes.

The General Manager is responsible for ensuring the proper execution of this policy at all designated District facilities.

1. Locations and General Guidelines

1.1 Outdoor flags may be displayed at any District facility in the following order of precedence determined by the number of staffs: first, the United States of America flag; second, the Florida State flag; third, the Sun 'n Lake of Sebring flag; and fourth, other flags in conjunction with special events. Refer to exhibits below.

- (a) District flags shall be all-weather flags shall be flown on a 24-hour basis and shall be illuminated at night.
- (b) Flags shall be displayed daily in front of or at a location near the District Office and in front of the Sun 'n Lake Club House.
- (c) New District facilities where any flags are to be flown shall be constructed with a sufficient number of poles to allow the District flag to be flown.
- (d) The District flag will be flown wherever there are sufficient poles to do so. The District flag may be displayed on the same pole with, and underneath the State flag, whenever the pole is of sufficient height.
- (e) Indoor flags shall be displayed at all public meetings held within the District.

1.2 Flags will be displayed at all public buildings with flagpoles in the Sun 'n Lake of Sebring Improvement District as per the United States Code, Title 36, Chapter 10.

(a) Position of Display

- i. No other flag should be placed above or, if on the same level, to the right of the flag of the United States of America.
 - ii. The flag of the United States of America should be at the center and at the highest point of the group when a number of flags are grouped and displayed from staffs.
- (b) The flag will be displayed on recognized Federal and State holidays, and on other special occasions of Federal, State and local proclamation.
- (c) Flags should not be displayed in inclement weather. However, all-weather flags may be flown on a 24-hour basis as long as they are illuminated from sunset to sunrise.

2. Displaying Flags for Special Circumstances
 - 2.1 By order of the President or the Governor of the State of Florida, the flag of the United States of America shall be flown at half-staff upon the death of principal figures of the United States or State Government in accordance with United States Code, Title 36, Chapter 10, Section 175.
 - 2.2 By order of the General Manager, the flag will be flown at half-staff for a period of thirty days from the day of notification of any District employee who dies in the line of duty.
 - 2.3 District Officials may order the flag to be flown at half-staff for a period of 3 days from the day of notification for any current or former employee or District officials (elected or appointed) who die.

3. Other Flags for Official, Event or Ceremonial Purposes
 - 3.1 While District flagpoles are not intended to serve as a forum for free expression by the public, flags may be displayed in conjunction with official proclamations, special events or ceremonial occasions.
 - (a) The District's elected officials may declare a formal proclamation to honor or acknowledge a government recognized by the United States or any State or territory within the United States by displaying the flag for an established period not to exceed 30 days.
 - (b) In the event of a special function, activity or ceremonial occasion, a flag may be flown for 2 days before and 2 days after an event or ceremony, not to exceed 5 days.
 - 3.2 Flags displayed for official, event or ceremonial purposes as outlined in 3.1 will be provided by the District in the event of an official proclamation, or by the organizing body of an event or ceremonial occasion.
 - 3.3 In a group flag display, the special flag will be flown in place of the Florida State flag. Where there are three flag staffs, the District flag may be flown under the Florida State flag while the special purpose flag is flown.

Exhibit 1



Exhibit 2



Exhibit 3



GENERAL PUBLIC RELATIONS F-1000

F-1001 **PUBLIC INFORMATION**

The District will keep its residents informed of policies, objectives, and general operations by all practicable means. The General Manager will provide the means for furnishing accurate information.

F-1002 **PUBLIC RECORDS**

Public records shall be maintained and provided upon request in accordance with Florida Law.

F-1003 **PUBLIC QUESTIONS**

Questions from the public concerning District policies, objectives and general operations; and, proposed changes to them should be directed to the General Manager in writing or at a public meeting. If a District policy is deemed to be needed or an existing policy changed in response to a public question, the General Manager may make this an agenda item for consideration by the Board of Supervisors.

F-1004 **PUBLIC RELATIONS**

The Board welcomes public involvement in District affairs to assure close relationship, mutual understanding and respect between the District and the community and fosters the attitude that the District belongs to the community.

F-1005 **PUBLIC GIFTS**

The Board shall be advised of all gifts, donations or bequests made to the District. The General Manager may accept any bequest or gift of money or property for purposes deemed by the Board to be suitable and may utilize said money or property so designated. Any bequest, gift of money or property presented by an individual, group, or organization to the District becomes the property of the District for use as deemed appropriate by the Board of Supervisors. All gifts and donations shall be acknowledged and made a part of the minutes of the next regular meeting of the Board of Supervisors.

F-1006 **RELATIONS WITH LOCAL GOVERNING BODIES**

The Board will endeavor to cooperate with other governing agencies.

ADVERTISING AND DISTRIBUTION OF MATERIALS IN THE DISTRICT F-1100

F-1101 DISTRIBUTION OF MATERIALS

Individuals or organizations which represent a Sun 'n Lake community organization conducting an activity recognized as a regular community function and who wish to distribute handwritten, duplicated or printed materials, or lapel pins, stickers, tags or similar items relating to such organization's community functions may do so without a permit. All other individuals or organizations desiring to distribute handwritten, duplicated or printed materials, or lapel pins, stickers, tags or similar items relating to such organization's functions must have a permit from the District to do so. Requests for approval must be submitted via letter to the General Manager.

F-1102 POLITICAL ADVERTISING

Advertising of political candidates, issues and meetings is forbidden in District buildings except for the reserved length of time in a building or room which has been rented or reserved by a political or community group for meeting purposes.

F-1103 COMMUNITY SERVICE ADVERTISING

A bulletin board is provided in the Community Cultural Center building for community service notices.

GENERAL SECTION G-1000

G-1001 PERSONNEL

The District provides a coordinated staff of administrative and auxiliary personnel through the recruitment, selection and employment of the best qualified persons available.

G-1002 EQUAL OPPORTUNITY EMPLOYMENT

The Board does not discriminate against any employee or applicant for employment because of race, religion, color, handicap, sex, national origin, age, weight, height or marital status.

The Board believes in the dignity of all persons and of their labors and will take affirmative action to insure that applicants are employed and promoted without regard to their race, religion, color, handicap, sex, national origin, age, weight, height, or marital status.

The Board will post in conspicuous places, available to employees and applicants for employment, notices to be provided by the government setting forth the provisions of equal opportunity nondiscrimination policies. The Board, in all solicitations or advertisements for employees placed by or on its behalf, will state that all qualified applicants will receive consideration for employment without regard to race, religion, color, handicap, sex, national origin, age weight, height, or marital status.

G-1003 PROFESSIONAL DEVELOPMENT

The Board encourages professional development of all staff members.

G-1004 CONFERENCES, WORKSHOPS AND SEMINARS

Employee attendance at conferences, workshops and seminars is encouraged within budget constraints and maintenance of normal District operations. The acceptance of leave to attend such activities implies assent to providing written or oral reports for other staff members upon appropriate request. Attendance at such activities requires written approval of the department head or General Manager.

CONDITIONS OF EMPLOYMENT

G-1101 EMPLOYEE HANDBOOK

An Employee Handbook which sets forth the District personnel rules, procedures and regulations shall be provided to each District employee.

G-1102 DRUG FREE WORKPLACE

The District is a drug free workplace established in accordance with Chapter 440, Florida Statutes and reasonable drug testing methods will be employed by the District.

G-1103 PROBATIONARY EMPLOYEES

The probationary period for all newly-hired employees is defined in the Board approved employee handbook.

G-1104 JOB PERFORMANCE EVALUATION

The job performance of newly-hired employees will be evaluated prior to the end of the 90 days probationary period. All permanent salaried employees will have their job performance evaluated by their supervisor on at least an annual basis.

G-1105 FRINGE BENEFITS

The District offers certain fringe benefits as specified in the Employee Handbook.

G-1106 CODE OF ETHICS

Directors and employees of the District should maintain high standards of honest and ethical conduct and avoid any actual or apparent conflict of interest. No employee of the District may engage in or have a financial interest, directly or indirectly, in any activity that conflicts or raises a reasonable question of conflict with normal duties and responsibilities. The employee handbook section 31 provides further clarification to expected standards of conduct.

G-1107 CONFIDENTIALITY OF PERSONNEL RECORDS

Disclosure of matters contained in personnel records shall be made in accordance with Chapter 119, Florida Statutes, provided however, a District employee may authorize in writing disclosure of any matter contained in his or her personnel file.

Every employee has the right to review his or her personnel file.

G-1108 CONTRACT EMPLOYEES

Contract employees are those workers leased to the District by employment agencies. Such workers are not District employees and therefore are not eligible for fringe benefits available to District employees.

STAFF/COMMUNITY RELATIONS G-1200

G-1201 SOLICITATIONS BY OR FROM EMPLOYEES

Employees are to be protected from undue solicitations. Any request to solicit funds, services, or endorsements from employees must have prior approval by the General Manager.

G-1202 GIFTS TO EMPLOYEES

Residents of the District are discouraged from routinely presenting gifts to employees.

The Board always welcomes letters expressing gratitude or appreciation considering them more important than gifts.

This should not be interpreted as intended to discourage acts of generosity in unusual situations; simple remembrances expressive of affection or gratitude at times of retirement, recognition, or departure are deemed appropriate.

G-1203 POLITICAL ACTIVITIES

The Board recognizes the right of employees to campaign for and hold elected public office.

However, it is contrary to board policy for employees who are candidates to use District facilities, supplies or equipment for political campaigning or to involve other District personnel in their campaigns during working hours.

It is likewise contrary to Board policy for any employee to do any of the foregoing on behalf of other candidates or election issues during working hours.

G-1204 PUBLIC RELATIONS

Employees shall recognize that they are employees of the residents of the District and as such must exhibit a positive and cordial attitude at all times in their business relations with the public.

G-1300 CODE OF CONDUCT

The purpose of this policy is to establish clear guidelines regarding acceptable behavior for the District's golf club and recreation members, their guests, District residents, and visiting members of the public. It is intended that this policy will ensure all persons are treated with dignity and respect while utilizing the District's amenities. The District deems payment of membership or guest fees constitutes consent to be bound by this Code of Conduct.

Conduct:

All members and guests shall:

- Conduct themselves with integrity and in a sportsmanlike manner
- Respect the rights of all other members, guests, and District employees
- Not engage in any form of discrimination or harassment
- Respect the recreational amenities, equipment, and facilities
- Refrain from any illegal use of drugs or excessive use of alcohol
- Abide by all local, state, and federal laws and regulations
- Act as an ambassador for Sun 'n Lake

All members understand and agree that:

- They have no authority to instruct staff regarding job duties or performance; District management is responsible for instructing staff regarding performance of duties.
- Behavior must always be respectful in dealing with employees, management, directors, other members, and guests.
- Constructive comments regarding the operation of recreational amenities are to be directed to the District General Manager.

Violations:

The District General Manager has authority to enforce this Code of Conduct against any members, or their guests, who are in violation. This includes the suspension of rights and privileges, termination of membership, and/or prevention of access to District amenities.

Disciplinary Review Process:

- All complaints are to be directed to the District General Manager
- The member complained against will be notified of the complaint in writing and be given an opportunity to respond to the complaint.
- The District General Manager will review the complaint and response, conduct further investigation, and, if necessary, consult with District's counsel and/or law enforcement regarding the complaint.
- The District General Manager, at his/her sole discretion, shall work to amicably resolve the matter, or impose any disciplinary sanctions as detailed herein. Any action by the District General Manager shall be in writing.
- If the affected party disagrees with any decision of the District General Manager, said party must submit a written petition to the Board for a modification within ten (10) days of the imposition of the sanction. Any such petition shall be heard by the Board at the next regularly scheduled Board meeting. The affected party shall be provided an opportunity to be heard at such Board meeting. Failure to timely petition the Board, failure of the affected party to appear, or if appearing, the affected party fails to satisfy the Board, the affected party shall be subject to the sanction imposed by the District General Manager.

Offense Classifications:

Because all circumstances cannot be anticipated, the following classifications of unacceptable conduct subject to disciplinary sanctions are to be used as a guideline only:

Class I:

Violation of rules and regulations.

Class II:

Using offensive language toward the public or District personnel.
Abuse of District property.

Class III:

Willful falsification of any documents or statements presented to District personnel.
Harassment of public or District personnel on the basis of race, color, gender, religion, national origin, sexual orientation, citizenship, age, or disability.

Class IV:

Theft of District or public property or services.
Conviction of a felony, or of a misdemeanor of a high and aggravated nature.
Assault or battery of public or District personnel.
Unauthorized possession or use of firearm or weapon on District property.

Disciplinary Sanctions:

The following penalties may be issued for Code of Conduct violations:

- 1st offense - Written reprimand
- 2nd offense - Thirty (30) day suspension of membership or guest privileges
- 3rd offense - Sixty (60) day suspension of membership or guest privileges
- 4th/subsequent offenses - Termination of membership or guest privileges for one (1) year.

Based on the severity and/or classification of the misconduct, and the past conduct of the offending party, the District General Manager may skip steps in the disciplinary process.

Other Considerations:

- While the General Manager considers the complaint, the affected party will continue to enjoy all privileges to which they were entitled prior to the complaint, unless limited by legal process.
- All complaints, associated investigations, and determinations, shall be maintained by the District and may be considered by the District General Manager and/or Board of Supervisors in relation to any future complaints.
- A party who is under suspension or termination may not be invited by another party. If another party violates this provision, they may be subject to disciplinary action under this section at the General Managers' discretion.
- A party under suspension or termination will remain liable to the District for any outstanding balance associated with their account. There will be no refunds of membership fees related to the suspension or termination of a membership.

GOLF CLUB H-1000

H-1000 **OWNERSHIP**

The Sun 'n Lake of Sebring Improvement District owns and operates the golf operations and recreational complex.

H-1001 **FACILITIES**

Facilities may be used by anyone on payment of fees as adopted by the Board of Supervisors.

H-1002 **DEFINITIONS**

A property owner is the owner of a lot or acreage within the District. A family is defined as two adults residing at the same address and their children under the age of eighteen. An individual is a sole person.

H-1003 **MEMBERSHIPS AND FEES**

Several classes of memberships in the club are authorized by the Board of Supervisors. Fees shall be charged for the use of club facilities according to a schedule of memberships and fees adopted by the Board annually. Membership shall be voluntarily terminated by means of a letter from the club member addressed to the Manager, Golf Operations. A club member is not entitled to any rebate of membership dues, fees or other charges upon termination of membership; however, refunds may be prorated for up to six months in the event of death of an annual member. A member who resigns and subsequently rejoins within one year from the date of resignation shall be liable for all fees; membership, trail fee and applicable assessments. None of these fees shall be prorated in this situation.

All utility charges and Operation and Maintenance Assessments for a qualified property must be current in order to purchase golf club membership.

H-1009 **RULES AND REGULATIONS**

The District shall have written rules, regulations or procedures as deemed necessary for the management of the golf operations and recreational complex.

H-1010 **TERMINATION OF MEMBERSHIP**

Voluntary termination of membership in the golf operations and/or recreational complex may be made by letter to the General Manager. Involuntary termination shall be made upon non- payment of dues.

GOLF MEMBERSHIP H-1100

H-1100 GOLF MEMBER INITIATION FEE

A one-time non-refundable initiation fee, as set by the Board of Supervisors may be required for initial purchase of certain classes of golf membership. Should the membership lapse for whatever reason, the non-refundable initiation fee then in force must be paid prior to reinstatement of the membership.

H-1101 GOLF MEMBER LEAVE OF ABSENCE

A one-time leave of absence for whatever reason may be granted to a golf member at the discretion of the General Manager according to the rules in effect at the time.

H-1102 PRIVATE GOLF CARTS

Golf members may use private golf carts by paying the appropriate trail fee annually and agreeing to abide by the District rules for operation of private golf carts. Golf members may rent cart storage space when available by making application to the District. Allocation of cart storage space is in order of application received date by the District. Golf members renting cart storage space may not sublet their space to anyone else. Carts may be operated only on District roads designated for cart use by Highlands County and the District.

H-1103 GOLF ASSOCIATIONS MEMBERSHIP

Men and women golf associations are permitted and the associations are allocated specific times weekly for their play. The associations are responsible for their operation and by-laws.

H-1104 SUSPENSION OF GOLF MEMBERSHIP

Habitual disregard for golf course rules and regulations or verbal abuse of golf course personnel is cause for suspension or termination of golf membership. Late payment of dues, fees and assessments shall be subject to late payment charges. If after appropriate warning, habitual late payment continues, the General Manager may suspend temporarily or terminate the golf membership.

TEE TIMES AND TOURNAMENTS H-1200

H-1200 TEE TIME ALLOCATION

Golf members may request tee times in advance by phone, online or at the Pro Shop according to the rules then in effect.

H-1201 MEMBERS GOLF TOURNAMENTS

A schedule of member tournaments shall be authorized annually by the golf associations in conjunction with the golf management. The golf portion of member tournaments shall be under the direction of the Pro Shop in conjunction with the tournament chairperson and shall be conducted in accordance with a check list agreed to by the golf associations. No outside catering is permitted for food and beverage related to the tournaments. Food and beverage shall be arranged by the tournament chairperson.

H-1203 OUTSIDE GOLF TOURNAMENTS

Outside golf tournaments may be scheduled at any time provided that in January, February and March one course shall be available for the full day on tournament days for golf member play. Exceptions must be approved by the Board of Supervisors. Sponsors of outside golf tournaments shall sign an agreement with the District and attest in writing that their players will abide by all District rules and regulations for golf course use. Outside catering is permitted for food and beverage related to the tournaments with the approval of the Board of Supervisors. Food and beverage shall be arranged by the tournament sponsor. Fees for outside golf tournaments may be negotiated with the golf management.

H-1204 DISTRICT SPONSORED GOLF TOURNAMENTS

District sponsored golf tournaments may be scheduled at any time provided that in January, February and March one course shall be available for the full day on tournament days for golf member play. The golf management shall be in charge of all District sponsored golf tournaments. Food and beverage shall be arranged for by the golf management. Any outside catering for food and beverage shall be approved by the Board of Supervisors.

GOLF OPERATIONS H-1300

H-1301 GOLF OPERATION FISCAL MANAGEMENT

The golf operation shall be self-supporting through membership, daily use, outside tournament and membership initiation fees; and, through allocation of District maintenance charges as may be authorized by the Board of Supervisors from time to time.

H-1302 EXPANSION OF FACILITIES

Capital improvements to the golf courses and golf facilities which cannot be financed from golf operations may be financed by the golf members upon affirmative vote of the majority of golf members.

FOOD AND BEVERAGE I-1000

I-1001 Food and Beverage Operations

The Sun 'n Lake of Sebring Improvement District owns the Golf Clubhouse and the Island View Restaurant. The restaurant, clubhouse, and golf operations are operated by a management company with a management agreement executed by the Board of Supervisors. The full service restaurant, bar, and banquet operation is open to the general public. The management company operating District owned facilities shall have written rules, regulations, procedures and operational standards of performance as deemed necessary for the management of these operations.

COMMUNITY CENTER AND RECREATION J-1000

J-1001 OWNERSHIP

The Community Center, Racquet Club (tennis, pickleball, shuffleboard), dog park, pool, playgrounds, pavilions, and basketball courts are owned and operated by the District and are available for use by residents and the general public.

J-1002 USE

The Community Center is available at no charge to Sun 'n Lake Community organizations conducting an activity recognized on the list maintained by the District as a regular community function. Residents and responsible organizations may lease the Community Center for private functions and will be charged for such use according to a schedule of fees adopted each year by the Board of Supervisors. Arrangements for use of the Community Center shall be made at the District office.

Users of the District's recreational facilities will abide by the Usage Guidelines prior to such usage and may be charged for such use according to a schedule of fees adopted by the Board of Supervisors.

J-1003 DAMAGE

Persons or organizations causing damage to the any of the District's recreational facilities shall be responsible for the fully accounted cost of repairs and any applicable administrative fees.

WATER AND WASTEWATER UTILITIES K-1000

K-1001 PURPOSE OF WATER AND WASTEWATER UTILITY OPERATION

The purpose of the District water and wastewater utility operation is to facilitate the sale of improved property and promote orderly growth of the District; and, to protect the health of District residents by providing potable water and sanitary wastewater treatment and disposal facilities.

K-1002 OWNERSHIP

The District owns and operates a potable water system and a wastewater treatment and disposal system.

K-1003 UTILITY SYSTEM FISCAL MANAGEMENT

Fees shall be charged to all users of the District water and wastewater utility systems such that the systems shall be self-supporting on a fully accounted basis. Late payment of fees shall be subject to late payment charges and utility shut off after appropriate notice.

K-1004 DISTRICT WATER, WASTEWATER AND UTILITY SERVICE

The District water, wastewater and utility service policy dated April 16, 1996 is hereby renamed: "Sun 'n Lake of Sebring Improvement District Water, Wastewater and Utility Service Rules and Regulations".

K-1005 POTABLE WATER AND SANITARY SEWAGE DISPOSAL

All improved property within the District shall use the central water supply and central wastewater treatment disposal systems ultimately. Utilization of a septic tank and/or potable water well on a temporary basis is governed by the density agreement between the State of Florida, Department of Health and Rehabilitation Services and the Sun 'n Lake of Sebring Improvement District.

K-1006 INDIVIDUAL SEPTIC TANKS AND POTABLE WATER WELLS

Written consent is required prior to utilization of a septic tank and/or potable water well on any individual property within the District. Permits are required from the Sun 'n Lake of Sebring Improvement District, Highlands County and the State of Florida Department of Health and Rehabilitation Services. The State of Florida Department of Health and Rehabilitation Services have sole authority as to whether permits will be issued and the conditions for such permits.

K-1007 BUSINESS, COMMERCIAL AND INDUSTRIAL PROPERTY

Any business, commercial or industrial property within the District shall be required to connect to the District central water and wastewater utility system.

K-1008 UTILITY EASEMENTS

All utilities shall be installed in accordance with statutory and District requirements. If no valid utility easement exists, the property owner shall provide and record any necessary easement and provide proof of proper dedication and recording.

K-1009 IRRIGATION

Potable water from the District utility shall not be used for irrigation purposes on any property within the District.

K-1010 DISTRICT BACK-FLOW AND CROSS CONNECTION POLICY

The District back-flow and cross connection policy contained in Resolution 2017-10/13/-56, dated October 13, 2017 is hereby renamed Cross-Connection Control Policy.

K-1011 BACK-FLOW PREVENTERS

Back-flow preventers shall be installed on all business, commercial and industrial water meters. Back-flow preventers shall be installed on all new residential water meter installations and when meters are replaced on existing residential meters; and, on all residential water meters ultimately.

K-1012 THEFT OF POTABLE WATER

Meter tampering, unauthorized use of fire hydrants or by-passing a water meter by any means is strictly prohibited.

K-1013 HAZARDOUS WASTE

Hazardous and biomedical waste shall not be disposed of in the District wastewater system.

K-1014 RECREATIONAL VEHICLE WASTE

Recreational vehicle waste shall not be disposed of in the District wastewater system unless a disposal fee is paid to the District.

K-1015 STORM WATER RUN-OFF AND GREY-WATER

Storm water run-off is not allowed to enter the District wastewater system. Private pools, outdoor showers or any other facility with outdoor drainage connections shall not connect to the District sewer system.

K-1016 DAMAGE TO UTILITY SYSTEM

Damage to the utility system by other than District employees shall be the responsibility of the party causing the damage and shall be repaired by the party causing the damage to the satisfaction of the Director, Public Works & Utilities; or, repair by the District utility staff with the fully accounted cost of doing so charged to the party incurring the damage.

K-1017 NUMBER OF UTILITY TAPS PER LOT

Lot owners are entitled to one (1) water tap and one (1) sewer tap per lot at the rates established under the District Fee Schedule. If additional connections are desired, the District shall charge the property owner the actual costs of the additional connections, should such costs exceed published and approved tap fees. Such additional connections beyond the original water tap or sewer tap shall require the prior approval of the Board of Supervisors.

ROAD RESPONSIBILITY AND CONSTRUCTION L-1000

L-1001 OWNERSHIP

All public roads and public thoroughfares within the District are owned by the District with the exception of Sun 'n Lake Blvd. which is owned by Highlands County.

L-1002 RESPONSIBILITY

The Highlands County Board of County Commissioners by Resolution on October 21, 1986 relinquished, abandoned and disclaimed any further responsibility or liability for the care, custody, control and maintenance of the public roads and public thoroughfares within the District with the exception of Sun 'n Lake Blvd. Accordingly, the District has total responsibility for all public roads and public thoroughfares within the District with the exception of Sun 'n Lake Blvd.

L-1003 CONSTRUCTION

All newly constructed public roads and public thoroughfares within the District shall conform to Highlands County Road Construction Standards.

L-1004 SIGNS AND PAVEMENT MARKINGS

District public roads and public thoroughfares having any buildings on them shall be identified by name at all intersections. All signs and pavement markings shall conform to Highlands County Standards.

L-1005 ROAD DAMAGE

Damage to any District public roads and public thoroughfares other than that resulting from normal wear and tear shall be repaired by the party incurring the damage. No cutting of District public roads and thoroughfares shall be permitted unless written permission is given by the Director, Public Works & Utilities.

L-1006 PRIVATE ROADS

Private roads and thoroughfares are those roads and thoroughfares within the District not owned by the District or County. The responsibility for the care, custody, control and maintenance of private roads and thoroughfares within the District is the responsibility of the owners thereof.

L-1007 R.O.W. PERMITTING

Contractors, utilities or other entities performing work within Sun 'n Lake Right-of-Way or easement shall obtain permits prior to the start of work. Any unauthorized work will be terminated and a fine of three times the permit fee will be assessed against the contractor.

L-1008

SPEED TABLES

The District reserves the right to employ speed tables and traffic calming devices to control vehicle speed over District roads. District residents may petition the Board for the placement of additional speed tables by delivering to the General Manager a petition signed by the owners of at least 20 District lots adjacent or within the vicinity of the speed calming device. Upon receipt of a properly executed petition, the General Manager shall place the petition on the agenda for the next regularly scheduled meeting of the Board of Supervisors and request an estimated cost for construction from the District engineer. The Board of Supervisors shall discuss the petition and make a decision to either approve, deny, or table the petition until additional information is available.

DRAINAGE M-1000

M-1001 RESPONSIBILITY

The District is responsible for all storm water drainage within its boundaries and may perform any maintenance within the road rights-of-way and drainage easements as deemed necessary at the District's sole discretion. Maintenance includes, but is not limited to, removal of accumulated sediment and vegetation within the rights-of-way and drainage easements to ensure proper storm water runoff and flow of water. Property owners with irrigation lines, sprinkler heads, mailboxes, or any other items that may exist within the District's rights-of-way or drainage easement are advised that such items may be damaged or removed during maintenance. The District will make every effort to assist the property owner in identifying personal property in the rights-of-way or drainage easement before maintenance begins, but the District shall bear no responsibility for damage to personal property caused by properly performed maintenance of the rights-of-way and drainage easements. If personal property is damaged during maintenance, the property owner shall be responsible for any and all replacement costs.

M-1002 REGULATION OF DRIVEWAY CONNECTIONS AND CULVERTS

All driveway connections and culverts must be permitted through the District office. The property owner shall be responsible for the installation and all costs associated with the work.

M-1003 DRAINAGE STRUCTURES AND CONVEYANCES

Any drainage structures or drainage conveyances proposed to be constructed on a District owned easement require a permit from the District prior to the start of any construction, complete plans and specifications shall be submitted with the permit application. Such structures or conveyances shall be inspected upon completion by the District Engineer or by a District designate under the guidance of the District Engineer to ensure compliance with approved plans and specifications.

M-1004 DRAINAGE DAMAGE

Damage to District drainage structures or conveyances shall be repaired by the party incurring the damage or by District staff with the fully accounted cost of doing so charged to the party incurring the damage.

M-1005 CULVERTS

If the District finds that culverts installed by property owners have failed, the property owner will be notified and required to make the necessary repairs to ensure proper flow of water. Property owners may seek District assistance with such repairs by submitting a written request. All culvert repair materials and labor charges will be the financial responsibility of the property owner. The District can require the property owner to make payment prior to the work commencing or at the option of the District, allow property owners to make payments over a period of time with the execution of a written agreement.

FIRE PROTECTION N -1000

N-1001 PURPOSE

The West Sebring Volunteer Fire District (WSVFD) provides fire protection services within the District as approved by the Highlands County Board of County Commissioners effective October 1, 2013.

N-1002 HYDRANTS

Fire hydrant specifications and locations shall be in accordance with County specifications. Fire hydrants shall be used only by the appropriate fire control district and Utility Division personnel, unless otherwise permitted.

ENVIRONMENT RESPONSIBILITY O-1000

O-1001 SCRUB JAY PRESERVATION EASEMENT

The District is obligated contractually to maintain the Scrub Jay Preservation Easement in a condition that is appropriate Scrub Jay habitat. Clearing or thinning out of the easement vegetation shall be done only by District personnel through the permitting process. Damage to the Scrub Jay Preservation Easement habitat within the District by anyone shall be subject to penalties.

O-1002 USE OF FIREARMS

Discharge of firearms within the District boundaries is prohibited.

O-1003 FISHING

Fishing in District waters except within the golf courses shall be permitted so long as the angler possesses a valid State of Florida Fishing license. Boats powered by an internal combustion engine shall not be permitted on District waters.

O-1004 HUNTING

Hunting of animals within the District boundaries is prohibited without the necessary permits from all agencies including authorization from the Board of Supervisors.

O-1005 TRAPPING

Trapping of animals within the District boundaries requires a permit from the District. No threatened or endangered species shall be trapped.

PERMITS P-1000

P-1001 PURPOSE

Written permits are issued by the District in order to control and provide authorization to engage in certain permitted activities within the District; and to provide a record of such authorization in the District files

P-1002 APPLICATION FOR PERMITS

Application for permits shall be made at the District office.

P-1003 FEES FOR PERMITS

Fees for permits, if required, shall be charged according to a schedule of fees adopted by the Board of Supervisors annually

P-1004 FAILURE TO OBTAIN PERMIT

Persons, who are engaging in activities where a permit is required and who have not obtained a permit, shall cease such activity and apply promptly for the required permit. They may be subject to penalty.

P-1005 COMMUNITY CULTURAL CENTER

A rental contract shall be required for all uses of the Community Cultural Center at any time by any individual or group conducting an activity not previously approved by the District as a regular community function. Rental contract application shall specify the type of event, date, time, name of the responsible person and whether any setup by District staff is required.

P-1006 DISTRIBUTION OF MATERIALS

A permit shall be required for any individual or group who is not and does not represent a Sun 'n Lake community organization conducting an activity previously approved as a regular community function and wishes to distribute handwritten, duplicated or printed materials; or, lapel pins, stickers, tags or similar items on District property. The permit application shall specify the type of material to be distributed, date, time, location and the name of the group or person(s) distributing the material.

P-1007 DRAINAGE

A permit shall be required for construction or alteration of any drainage structures or conveyances on any District owned easement within the District. Sketches or drawings and specifications shall be submitted upon permit application and shall be approved by the District Engineer or Director, Public Works & Utilities, prior to the permit being issued.

P-1008 DRIVEWAY

A driveway connection permit shall be required prior to construction of any driveway within the District except in Tanglewood and the commercial property along Sun 'n Lake Blvd. Complete building plans, site plans and specifications shall be submitted upon permit application and shall be approved by the District Engineer or Director of Public Works & Utilities prior to the permit being issued. Except for buildings along Sun 'n Lake Blvd. and in Tanglewood, the Highlands County Building Department will not issue a building permit unless a driveway connection permit from the District has been issued.

P-1009 POTABLE WATER WELLS

A permit shall be required prior to the drilling of potable water well on any individual property within the District. In addition, permits are required from Highlands County and the State of Florida Department of Health and Rehabilitation Services.

P-1010 SEPTIC TANKS

A permit shall be required prior to the installation of a septic tank on any individual property within the District. In addition, permits are required from Highlands County and the State of Florida Department of Health and Rehabilitation Services

P-1011 TRAPPING

A permit shall be required for any individual or group to trap wild animals within the District. Permit application shall specify the species to be trapped, the type of trap, the location, the persons(s) engaged in the trapping and the length of time the permit is to be in force.

P-1012 SCRUB JAY EASEMENT

A permit shall be required to clear or thin out vegetation within the Scrub Jay Preservation Easement (See Policy O-1002)

P-1013 COMMUNITY FACILITIES

Charges shall be assessed for use of rooms, swimming pool, tennis courts, ball fields, special use areas and recreation equipment for any activity not sponsored or co-sponsored by the District or approved by the District as a regular community function.