



STONEY POINT FIRE DEPARTMENT INC.
Stations 13 & 19

2190 Lake Upchurch Drive, Parkton, North Carolina 28371
 Telephone: (910) 424-0694 Fax: (910) 425-2795
 E-Mail spfd1301@nc.rr.com



May 19, 2020

SUBJECT: Minutes of the Monthly Board of Directors Meeting May 19, 2020

The monthly Board of Directors' meeting of the Stoney Point Fire Department Inc. was called to order by Chairman Brown and was led in prayer by Secretary Angus Pate at 7:30 PM. The meeting was conducted at the corporate office Station 13.

A: Roll Call:

<u>Members Present:</u>		<u>Members Absent:</u>	
Daniel C. Brown	Chairman		
Larry Townsend	Vice Chairman		
Gary Turlington	Treasurer		
Angus Pate	Secretary		
Roger F. Hall	Member/Alt. Secretary		
Joel Siles	Member		
		Jerry Hall	Member

<u>Chief Officers Present:</u>		<u>Chief Officers Absent:</u>	
Freddy Johnson Sr.	Fire Chief		
Freddy Johnson Jr.	Deputy Chief		
		Sean Johnson	Assistant Fire Chief

B: ANNUAL / SPECIAL / PUBLIC HEARING MEETING:

N/A

C: READING AND APPROVAL OF THE MINUTES OF THE LAST MEETING:

1. Secretary Pate presented the minutes from the April 21, 2020 monthly Board of Directors meeting for review and approval. Chairman Brown called for the approval of the April 21, 2020 monthly Board of Directors meeting minutes. **MOTION** A motion was made by Director Joel Siles to approve the April 21, 2020 monthly Board of Directors minutes as presented. The motion was **SECONDED** by Director Roger Hall and **APPROVED** by all members present.



D: REPORT OF THE FIRE CHIEF:

1. **General Information.** Chief Johnson welcomed the members of the board to our May 2020 meeting.
2. **Guests:** None
3. **Personnel:**
 1. The Chief stated that our volunteer rolls are steady and we will run another recruit class starting June 6, 2020 with eight (8) new volunteer recruits. During the month of May we lost two (2) full time members to Fort Bragg with two (2) volunteers moving out of state. All will be recognized during our monthly administrative meeting on Thursday May 28, 2020.

E. Apparatus Fleets:

1. The Chief advised that currently Engine 1931 is again out of service due to check engine codes. The truck has been at AES for over a week now. Last month the apparatus was out of service due to an air leak, which was repaired and the truck was placed back on line, until early last week when the engine failure codes appeared on the command module. 1332 which is the twin truck of 1931 had the same exact issue about a year ago and we had to replace the main computer module for the truck.
3. With fuel prices being as low as we have seen them in years the Chief stated that we will top of all of our tanks while the prices are down. Fuel prices are under \$2.00 per gallon and we need to take advantage of the low fuel prices..
4. With much wear and tear on our two (2) axle 1995 utility trailer Engineer Stewart has also been charged with reconditioning the utility trailer. The trailer bed needs replacing after 25 years of heavy use. We will also needed to replace the trailer stabilizer jack and fabricate a new drive up tailgate. We will replace various warning lights with LED lights and completely rewire the warning light system on the trailer. Lastly we will also addressed the rust built up by neutralizing the rust both in the bed frame and the under carriage and which required us to repaint the complete trailer. The wheel bearings and tires were replaced last year. Once complete we should be able to get additional years of service out of our utility trailer.
5. The passenger side window on 1341 broke during a recent brush fire. 1341 is our 1990 AMC General 5 ton Brush truck, and the door handles on both doors broke. Engineer Stewart was able to locate the parts and windows through a surplus dealer and repair the truck. The Chief added that with our ground cover season pretty much behind us, and as we discussed during our April 2020 meeting we will clean the truck up and put it up for sale on E-Bay with a minimum starting bid price of \$ 15,000.00. The truck is in excellent condition, and we will also include seven (7) spare tires and all the parts on hand.
6. Chief briefed the members that 1371 our Quick Response GMC Pick-Up used for medical calls had issues with the air-bag sensors. This issue has been on-going since our truck was still under the Bumper to Bumper warranty. Flow GMC made the appropriate repairs. We also



encountered issues with the camper shell and this was repaired by Leonardo's Truck Tops.

7. (FY 2019-2020) Vehicle, Equipment and Fuel Expenditures as of May 19, 2020 (List from Quicken) (Previous two (2) Fiscal Years for comparison purposes)

UNIT #	NOMENCLATURE	FY 17/18	FY 18/19	FY 19/20
1319	1960 American LaFrance (Antique)	560.22	867.74	1,304.03
1331	2017 Pierce Arrow-XT	48,128.39	1,981.16	
1332	2004 Pierce Dash Engine	42,134.97	16,905.64	6,303.21
1333	1988 Pierce Dash Engine	14,864.97	4,247.79	1,378.93
1341	1990 AMC General 5 Ton Cargo Brush	1,440.02	2,326.17	2,047.95
1351	1996 E-One 75ft Ladder Truck	17,618.30	35,511.43	20,140.39
1362	2015 GMC Sierra 2500 HD 4 X 4	116.44	1,359.47	507.60
1371	2016 GMC Sierra 1500 4 X 4	13.60	564.85	544.04
1391	Future Command Vehicle 2018	0.00	0.00	
Rescue 13	2017 Pierce Arrow-XT-Walk In	188,516.09	29,119.17	351.84
1931	2004 Pierce Dash Engine	28,944.61	15,219.38	10,660.80
1932	1986 Pierce Dash Engine	1,814.21	2,229.22	18,800.61
1941	1984 AMC 5 Ton Truck	Sold-2,606.24	N/A	N/A
1961	1984 Chevrolet ¾ Ton Diesel-Lift Gate	0.00	885.56	418.25
1962	2015 GMC Sierra 2500 HD 4 X 4	980.32	567.27	
1963	2017 – Auxiliary Support Trailer	0.00	0.00	
1981	2016 Mobile Air Trailer	0.00	6.42	45.94
Rescue 19	1984 International Rescue (1376)	Sold-2,319.79	N/A	N/A
Boat 13	19" Rescue One Connector Boat 50 HP	715.58	318.64	
Boat 19	14" Zodiac Inflatable 25 HP	5.99	0.00	
Trailers	2009 Boat Trailer Double Stack	2.75	0.00	89.67
U-Trailer	Utility Trailer (Small)	13.26	160.83	242.43
Cmd Trl	2006 FEMA Trailer	23.75	0.00	
MISC	RELATED VEH EXPENSES	5,575.65	21,157.17	5,907.62
	Total Vehicle Maintenance	186,383.17	133,427.91	68,743.11
	EQUIPMENT OTHER	17,305.17	22,773.78	20,874.65
	TOTAL VEH/EQUIP EXPENSES	203,688.34	156,201.69	89,617.76
	BUDGETED (\$100,000.00)			
	GASOLINE & FUELS (\$ 40,000)	3,976.31	2,400.00	2,700.00
	FY-BUDGETED TOTAL (140,000)	227,664.66	184,602.65	11,888.03
	Total over / Budget	+87,664.66	+44,602.65	

F. Grounds and Buildings:

- Deputy Fire Chief Johnson Jr., updated the board on the progress of the CCFCA storage building. With the concrete pad permit Carolina Concrete poured the pad on Wednesday May 6, 2020. We also received our final building permit last Friday May 15, 2020 and



have notified Tyson Builders that we are ready for the building. Tyson is now scheduling a delivery and erection date. He stated that the concrete trucks made a mess of our grass field next to the CCFCA storage building site when concrete was delivered. Our staff raked the ruts out to the best of our ability. Chief Johnson Jr. also reminded the members of the board that former board member Mr. Clay Bullard was hired by the CCFCA as our local general contractor for the erection of the building. Clay also served in that capacity during the Station 13 building addition and remodeling in 1984-1985 as well as in 2014 when we added the Station 19 Storage Building.

2. The Chief advised that we cleaned out all our flower beds at Station 13 and 19 and refilled them with red brick chips. This will keep us from frequently replacing old pine-straw. The brick chips are also non-combustible thus reducing the chances of fire within our flower beds ground cover. All the chips were purchased from Wayside Landscape where we spent \$4,924.45 from the ICE and Miscellaneous Account.

3. The Chief advised that all non-working proximity entry card readers at Station 19 have been replaced and are now working properly. He also informed the members of the board that since that time the card reader controlling the front door at Station 13 is frequently inoperative due to age. When that occurs it locks the door and creates an emergency exit concern. All our doors are controlled by proximity readers, which are designed to unlock when power is lost in order to unlock all connected doors. Trouble shooting our issue at Station 13 revealed that our system is over twenty (20) years old and needs upgrading to current technology. This requires us to change out our entire panel box. We currently have four (4) separate panel boxes installed in the computer room that control all of our access doors. With the new technology one (1) new panel with current proximity technology will be able to control all of our readers, thus providing the opportunity to remove three (3) boxes once everything is transferred to the new single box. The Chief presented a quote for about \$ 3,600.00 to complete this project. Vice Chairman Larry Townsend made a **MOTION** to authorize Chief Johnson to move forward with upgrading our proximity card entry system at Station 13. The motion was **SECONDED** by Director Roger Hall and **APPROVED** by all members present.



7. Building and Grounds Expenditure Chart, as of May 19, 2020

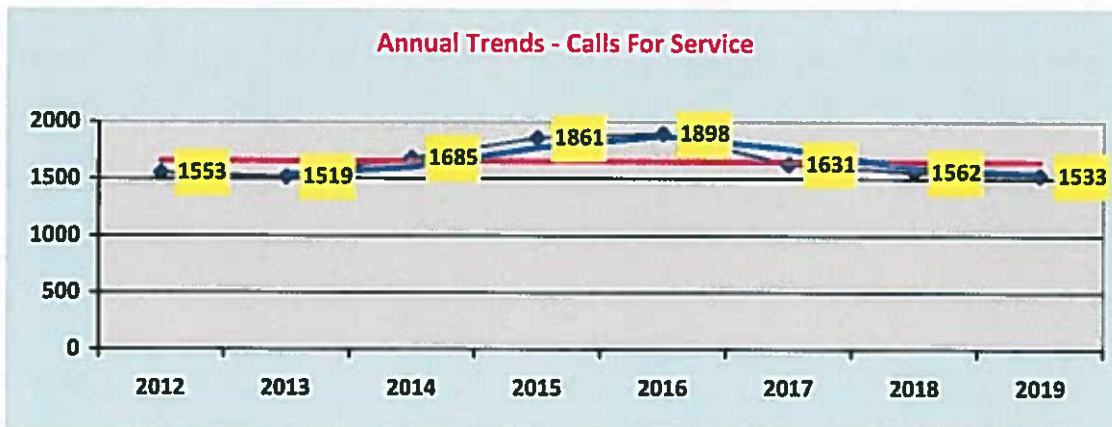
FY 19/20 STA. 13 & 19 BUILDING AND GROUNDS EXPENDITURE	
Station # 13 – 7221 Stoney Point Road – Building	\$ 3,821.84
Station # 13 – 7221 Stoney Point Road – Grounds	\$ 3,935.32
Station # 19 – 7221 Stoney Point Road – Building	\$ 1,902.71
Station # 19, 2190 Lake Upchurch Road – Grounds	\$ 4,207.85
Consumable Items	\$12,054.49
Maintenance Building Other	107.71
Maintenance Grounds Other	494.25
TOTAL CATEGORY PAY OUT	\$ 26,524.17



G. Fire Conditions:

- Chief Johnson briefed on our current call volume through April 30, 2020.
(See Charts below – Monthly calls by year and annual trend line chart.)

 SPFD INCIDENT RESPONSE DATA 							
MONTH	2014	2015	2016	2017	2018	2019	2020
JANUARY	158	161	159	163	139	131	146
FEBRUARY	123	173	136	141	113	110	142
MARCH	139	142	156	138	137	120	117
APRIL	144	159	139	134	130	114	072
MAY	145	161	144	120	128	128	
JUNE	139	169	126	100	131	122	
JULY	181	152	135	153	132	113	
AUGUST	130	150	175	147	108	129	
SEPTEMBER	122	152	169	120	144	143	
OCTOBER	130	139	198	150	137	131	
NOVEMBER	131	145	147	127	132	140	
DECEMBER	143	164	214	138	131	152	
TOTALS	1685	1861	1898	1631	1562	1533	477



- Chief Johnson updated the members of the board about our current call volume so far for 2020 which is now below average due to the on-going COVID-19 pandemic. He stated that our medical calls continue to be lowered in order to protect and reduce exposure for our firefighters and EMT's. He also stated that a committee has been formed to initiate talks about the resumption of EMS calls. We are discussing the reduction of calls by only responding to life threatening calls in the future versus non-life threatening calls as in the past.



H. Training Report

1. The Chief stated that we are continuing to monitor on a monthly basis all our training requirements and progress. He passed around the ISO training book for members to review and answered questions posed by the directors. We are continuing with our training both in-house by shifts and on-line training with FireRescue1.
2. The Chief advised again that on Saturday June 6, 2020 starting at 0800 hours at Station 13 we will start recruit class 03/2020 with eight (8) new recruits.

I. REPORT OF THE TREASURER

1. Treasurer Turlington provided the current fund balance and financial information from all sources. He also stated that the SBA PPP funds have been deposited.

Current Fund Balances:	As of May 19, 2020	\$	1,755,256.38	First Citizens
	CD North State Bank as of March 23, 2020	\$	212,326.08	12.9% of Budget.
	Total Cash Flow Available	\$	1,967,582.46	total Available Funds

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Fiscal Year 2019 – 2020 Budget Information

Approved County FY 19/20 Budget	\$ 1,105,675.00
County Budget Funding Received YTD	\$ 1,102,232.73
County Budget Funding Pending YTD	\$ 3,422.27
County Budget Funding over Approved Amount	\$ 0.00
Approved Fayetteville FY 19/20 Budget	\$ 459,724.00
Fayetteville City Funding Received YTD	\$ 459,724.00
Fayetteville City Funding Pending YTD	\$ 0.00
Approved Town of Hope Mills Contract FY 19/20 Budget	\$ 78,692.00
Town of HM Contract Funding Received for last Fiscal Year in Oct 2019	\$ 70,492.60
Town of HM Contract Funding Received FY 19/20 YTD	\$ 8,000.00
Hope Mills Budget Funding Pending YTD	\$ 70,692.00
Other Income Hope Mills-Old Mutual Aid (\$ 8,000.00 Anl FY 19/20)	\$ 8,000.00
Town of Hope Mills Full Responder Contract Fee =	\$ 69,692.00 based on last year's pay out
Town of Hope Mills 1 time Debt Assumption Payment	\$ 16,451.06-Outstanding - On-Going
Combined County / COF / & Hope Mills Approved FY 17/18 Budget	\$ 1,644,091.00
Combined FY 19-20 COF / HM & County Budget Received YTD -	\$ 1,569,956.73
Combined COF / HM & County Budget Pending	\$ 74,134.27
Other Income CCFCA -	\$ 158,478.84
Other Income /Tax Refund (Sales & Fuel Tax) -	\$ 41,175.38
Goods and Property Sold -	\$ 0.00

Total Board Funds YTD received 19/20 to date ALL SOURCES \$ 1,840,103.55



1. Treasurer Gary Turlington, and Assistant Treasurer & Vice Chairman Larry Townsend presented the March and April 2020 transaction, profit and loss, oversight reports along with all documentation for board review. Both Treasurer Turlington and Assistant Treasurer Townsend informed the members that both reviews for the above indicated months revealed no discrepancies. Mr. Townsend praised the work of our Clerk to the Board Mrs. Johnson for bringing up to date our monthly financial reports. At the conclusion Chairman Brown called for a motion to approve or disapprove the financial reports as presented. **MOTION:** Director Roger Hall made a **MOTION** to approve both the treasurer's report and the oversight memorandum reports for the months indicated above. The motion was **SECONDED** by Director Joel Siles, and **APPROVED** by all members present. (See Enclosure # 2)
2. **Auxiliary Account** - Treasurer Tracie Johnson via text message provided the Auxiliary treasurer's fund balance as of today is \$211,196.88 Tracie reported that since the last report the following checks were written.
3. **Miscellaneous Firefighter Account** (Ice & Cans) - Our balance as of April 21, 2020 is \$5,767.35 with deposits pending. Since our April 21, 2020 meeting the following checks were disbursed.
 - Check # 2066 - Wayside Landscape - \$1,915.30 Red Brick Chips to finish flower beds
4. **Firefighter Relief Fund** – Relief fund treasurer Mr. Townsend stated there has been no change to our Firefighter relief fund balance since our April 2020 meeting. As of today our current relief fund balance is \$82,377.45 which is in the form of a Certificate of Deposit (CD) which renews every twelve months. We also have a total of \$ 5,643.91 in our relief fund check book for a total combined fund balance of \$88,021.36 with North State Bank.
5. **Child Passenger Safety Seat Account** – The current CPSS fund balance as of April 21, with Wells Fargo is (\$1,350.75) and BB&T (\$223.76) with a combined total of \$1,574.51. Support equipment to support our CPS program was purchased from the listed funds.
6. **Station 19 Building Loan** - Vice Chairman Townsend updated the members of the board and stated that our current balance on our Station 19 building loan with North State Bank is \$565,329.09 with 109 monthly payments left.
7. **Pierce Fire Truck Loan – (First Citizens Bank)** – Vice Chairman Townsend reported that as of February 18, 2020 the outstanding loan balance is \$1,154,817.00. The trucks are financed for ten (10) years, with eight (8) years remaining.

REPORT OF COMMITTEES:

1. Policy Committee - Policy Committee Chairman Deputy Chief Johnson Jr. reported that the committee is reviewing and updating all our policies to insure they meet our current operating picture. Lieutenant Swartz is also formatting all our policies into the same format for standardization. This should be completed prior to our annual meeting in June where policy committee chairman will present the final version to the governing board on behalf of Chief Johnson Sr. for final approval.



2. Building & Grounds Committee - No Report
3. Small Tools & Gear Committee - No Report
4. Equipment & Vehicle Replacement Committee - No Report
5. Budget Committee - No Report

K: OLD BUSINESS:

1. The Chief advised that our Annual Compliance Report (ACR) submitted to the Commission on Fire Accreditation International (CFAI) for approval on February 13, 2020 has been approved by the Commission and passed around the final written version of the approved ACR. (See Enclosure # 3)

2. The Chief advised that he talked with Assistant County Manager Tracy Jackson concerning the regional grant application submitted to Cumberland County on behalf of the Fire Chiefs in order to obtain funding for the upcoming mandatory radio upgrade. Funds approved by the county significantly cut funding that made it impossible to purchase the phase I radios. He advised that he will contact Mr. Jackson to work out a compromise in order to save the phase one radio purchase for all county volunteer departments.

3. Chief Johnson advised that he spoke with Mr. Brad Dawson our First Citizens Bank financial adviser earlier today and he is still working on our refinancing and will have everything ready within the next two weeks. He stated that Brad assured him that we will receive the loan for the interest rate quoted. The interest rate quoted was 2 percentage points lower than our current loan with North State Bank. He will keep us informed, and since this was approved during our last meeting he will contact the members with signature authority to complete the loan process in early May. **LOAN COMMITMENT FOR LOAN CONSOLIDATION AND REFINANCING AT 3.250 FIXED** – After a lengthy discussion amongst all members Chairman Brown called for a **MOTION** to approve or disapprove the refinancing and loan application with First Citizens Bank. Vice Chairman Larry Townsend made a **MOTION** to move forward with the refinancing and loan with First Citizens Bank and use the Station 13 property instead of the Station 19 property as collateral for the loan. Director Roger Hall **SECONDED** the motion and with no further discussion the **MOTION** was **APPROVED** unanimously by all members present. Chairman Brown directed Chief Johnson to sign the required **loan commitment letter** and return it to Mr. Dawson. (See Enclosure # 4)

4. Chief Johnson Sr. advised that the application submitted with the Small Business Administration (SBA) for the Paycheck Protection Program loan, has been approved in the amount of \$148,400.00. Again the program is designed to provide a direct incentive for small business to keep their workers on the payroll. The SBA will forgive loans in the form of a grant, if all employees are kept on the payroll for eight (8) weeks and the money is used for authorized program expenditures. The impacts of COVID-19 will be realized this time next year when property owners out of work will be struggling to pay their property taxes which has a direct impact on our budget. He advised that Cumberland County is already struggling with the loss of revenues – Mr. Dawson our banking associate will keep us informed and assist us as we move forward. The funds have been deposited into our board account. (See Enclosure # 5)



5. The Chief thanked the members of the board that attended our 2020 – 2024 Strategic Planning session on Saturday May 2nd 2020. The final updated written report will be presented next month on June 16th during our annual meeting at station 19 for approval.

6. As a reminder the Chief advised that we are conducting all our required annual pump service testing this month. COVID-19 issues provided some concerns and delays but we will have all our Engines and Ladder Truck service tested. So far all our pumps are passing the required annual pump service tests. We were able to borrow a portable service testing pool to accommodate our testing at Jack Britt High School using on-site hydrants for water supply.

7. Chief Johnson stated that we are still waiting on feedback from the public records request concerning annexations conducted by the Town of Hope Mills and not notifying us in accordance with the law as it pertains to voluntary annexation.

10. The Chief advised that the annual Greater Fayetteville Chamber Valor Awards Breakfast program scheduled for Tuesday June 23, 2020 has been postponed due to COVID-19 and a make-up date will be announced at a later time

11. Vice Chairman Townsend stated that he wanted to correct the issue with sleeping issues as pointed out by the accreditation team concerning Station 13, as discussed during the April meeting. With the purchase of the property next door it will be better suited to turn the space into our administrative offices and modify our current administrative offices here at Station 13 into sleeping quarters.

L. NEW BUSINESS:

1. Chief Johnson Sr., presented a list of old outdated traditional helmets that need to be surplussed. These outdated Cairns 10-10 Fire Helmets are no longer in use by our department as a result of changing over to the new helmet style in January of this year. The Chief stated that we will discard all helmets that are broken and irreparable, while retaining all those that can be used as a going away present to deserving members that leave the department in good standing with a minimum of at least two (2) years of volunteer service. We will utilize these helmets while supplies last and use them in lieu of a plaque. This will not apply to members that joined the department in 2020. In order to comply with our destruction policy he requested approval to destroy all broken Cairns Helmets listed on the destruction list and maintain all the remaining old style traditional Cairns 10-10 helmets for use as an appreciation token when members depart in good standing that meet our minimum membership requirements. Also included is a list of old non-serviceable boots, and turn out coats and pants. Chairman Brown called for a **MOTION** to approve or disapprove the Chiefs destruction request.. A **MOTION** was introduced by Treasurer Gary Turlington made to approve the destruction of broken and non-repairable old Cairns 10-10 helmets and turn-out-gear and authorize the Chief to utilize the remaining old Cairns 10-10 helmets for appreciation tokens for out-going members that depart or leave the department in good standing and meet the minimum time requirements. The motion was **SECONDED** by Director Joel Siles and **APPROVED** by all members present. (See Enclosure # 6)

2. The Chief passed around several thank you notes received from citizens we had the opportunity to serve during an emergency. (See Enclosure #7)



3. The Chief passed around thank you notes for Mr. Townsend and Mr. Roger Hall from Mr. and Mrs. Hall for their financial donation during their bout with COVID-19. Both Mr. Willie Hall and his wife were laid off after Mrs. Hall contracted COVID-19.

4. The Chief passed around a Notice of Real Estate Assessed Value for the new property purchased adjacent to our current Station 19 property. The statement will be filed by the Clerk to the Board.

5. The Chief briefed the members of the board about our upcoming 2021 ISO inspection and provided a points breakdown, while identifying all the areas where we have improved since our last October 2012 rating inspection.

6. The Chief advised that with the on-going COVID-19 issue, we purchased two (2) new sanitizing vapor spray guns with supply tablets in order to disinfect both of our facilities. The City of Fayetteville Fire Department has been allowing us to utilize their spray gun. The vapor spray encompasses all areas and then allows our members to wipe the area down as well. We vapor spray and disinfect high travel and contact areas daily. The department's credit card was utilized to purchase the two (2) guns from A-1 Supply here in Fayetteville.

N: CLOSED SESSION - WHEN APPLICABLE:

1. N/A

D: ACCIDENT/MISHAP TRACKING:

There have been no reportable accidents for this reporting period.

This section was created to track injuries, accidents and mishaps involving department owned vehicles, apparatuses, equipment and real property. The chart below represents accident tracking data for the current Fiscal Year. A complete accident report prepared by the department safety officer is available and on file for each trackable item. The chart will be updated on a monthly basis for board review.

Fiscal Year 2018-2019-2020 Reportable Accidents				
DATE	TYPE OF ACCIDENT	EMPLOYEE	COSTS	REMARKS
11/01/18	Broke Scene Light 1351 during cab raise	Lt. Fitzpatrick	1,500.00	Repaired In House
11/15/18	MVA-1331 Hit Passenger Car	Lt. Austin - Drv	15,000.00	Other Driver at fault
12/10/18	MCT Damaged Fell Off	FF. Long/Dubois	5,000.00	Disciplinary Action
Total for Fiscal Year		2018 =	\$ 21,500.00	
03/15/19	Medic Unit Backed into Door @ 13	Outside Agency	3,800.00	CFVEMS Ins Claims
09/17/19	MVA-1351 Hit by Medic Unit	Lt. Austin - OIC	12,947.30	CFVEMS Ins Claims
Total for Fiscal Year		2019 =	\$16,747.30	
		Overall Total	\$38,247.30	



P: ADJOURNMENT:

With no further business Chairman Brown entertained a motion to adjourn, A **MOTION** was made by Treasurer Gary Turlingtn to adjourn. The motion was **SECONDED** by Vice Chairman Larry Townsend and **APPROVED** by all members present. The meeting adjourned at 2046 hours. **The next Board of Directors and Annual meeting is scheduled to convene on Tuesday June 16, 2020 at Station # 19 @ 7:30 PM.**

Respectfully Submitted:

Angus Pate

ANGUS PATE
Secretary

Cc.

- 1 - Each Board Member
- 1 - Board File / Minutes Book / Web Page
- 1 - Accountant File Copy

7 Enclosures:

1. SPFD Board of Directors Attendance Roster May 2020
2. March and April 2020 Financial Oversight Memorandums
3. Approved – CFAI Annual Compliance Report
4. First Citizens Loan Commitment Letter
5. Small Business Administration – SBA Loan # 18537773-03
6. Out of Date/Surplus Old Style Helmet destruction list.
7. Citizens Thank You Notes



2020

**BOARD OF DIRECTOR'S & PRIMARY STAFF
ATTENDANCE ROSTER**

##	NAME	JAN (21) Sta. 13	FEB (18) Sta. 19	MAR (17) Sta. 13	APR (21) Sta. 19	MAY (19) Sta. 19	JUN (16) Sta. 19	JUL (21) Sta. 13	AUG (18) Sta. 19	SEP (15) Sta. 13	OCT (20) Sta. 19	NOV (17) Sta. 19	DEC (15) Sta. 19
01	Daniel C. Brown - President (2020)	P	P	N/A	P			N/A					
02	Larry Townsend V-President (2022)	P	P	N/A	P	P		N/A					
03	Angus Pate - Secretary (2020)	X	P	N/A	P	P		N/A					
04	Gary Turlington - Treasurer (2022)	P	P	N/A	P	P		N/A					
05	Joel Siles - (2022)	X	P	N/A	P	P		N/A					
06	Jerry Hall - (2022)	P	P	N/A	CC	X		N/A					
07	Roger Hall (2020)	P	P	N/A	P	P		N/A					
08	Freddy Johnson Sr. - Chief (Annually)	P	P	N/A	P	P		N/A					
09	Freddy Johnson Jr. - Deputy Chief	E	P	N/A	P	P		N/A					
10	Sean Johnson - Asst Chief	E	E	N/A	P	E		N/A					
11	Kevin T. Murphy - Asst. Chief	E	E	N/A	E	E		N/A					

P-Present - A-Absent - N/A - No Meeting Conducted A-E - Absent & not required to attend by invitation only. N/A No Meeting- telephonic conference call participation.

- Due to **summer vacations** Board of Directors meetings are not scheduled for the months of **July** and **August 2020** unless there is a pressing need or emergency.
- With the exception of the Fire and Deputy Chief – Assistant Fire Chief Officers are **not** required to attend the monthly board meetings unless directed by the Fire Chief.
- **CC** – Indicates that the member participated in the meeting via conference call.
- **March 2020 – Meeting Canceled due to COVID-19 restrictions.**

Enclosure # 1 Board Minutes May 19, 2020

**STONEY POINT
FIRE DEPARTMENT INC.**

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Daniel C. Brown
President
Larry Townsend
Vice President
James G. Turlington
Treasurer
Angus Pate
Secretary
Jerry Hall
Member
Joel A. Siles
Member
Roger Hall
Member
Freddy L. Johnson Sr.
Fire Chief

Memorandum For: Haigh, Byrd & Lambert, LLP, Certified Public Accountants

Reference: Additional Internal Financial Control & Segregation of Duties

March 2020

In order to establish and maintain enhanced internal controls, including monitoring of ongoing financial and accounting principles of the Stoney Point Fire Department; in addition to the current duties performed by the Clerk of the Board and the Appointed Treasurer, and to comply with the recommendation as outlined in a letter from Haigh, Byrd & Lambert, LLP, Certified Public Accountants, addressed to the Stoney Point Board of Directors addressing segregation of duties, and whereas the Stoney Point Board of Directors appointed Mr. Larry D. Townsend to conduct and perform said duties.

I Director Larry D. Townsend have reviewed and documented the reconciliation for all financial transactions for the month indicated above.

I have found no discrepancies.

I have discrepancies as indicated below.


Larry D. Townsend

19 Mar 20
Date

Stoney Point Board of Directors Minutes May 19, 2020

Enclosure # 2 Page 1 of 2 – March 2020 and April 2020 Financial Oversight Reports

**STONEY POINT
FIRE DEPARTMENT INC.**

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Station 13

Mailing & Billing Address
7221 Stoney Point Road
Fayetteville, North Carolina 28306



Daniel C. Brown
President
Larry Townsend
Vice President
James G. Turlington
Treasurer
Angus Pate
Secretary
Jerry Hall
Member
Joel A. Siles
Member
Roger Hall
Member
Freddy L. Johnson Sr.
Fire Chief

Memorandum For: Haigh, Byrd & Lambert, LLP, Certified Public Accountants

Reference: Additional Internal Financial Control & Segregation of Duties

April 2020

In order to establish and maintain enhanced internal controls, including monitoring of ongoing financial and accounting principles of the Stoney Point Fire Department; in addition to the current duties performed by the Clerk of the Board and the Appointed Treasurer, and to comply with the recommendation as outlined in a letter from Haigh, Byrd & Lambert, LLP, Certified Public Accountants, addressed to the Stoney Point Board of Directors addressing segregation of duties, and whereas the Stoney Point Board of Directors appointed Mr. Larry D. Townsend to conduct and perform said duties.

I Director Larry D. Townsend have reviewed and documented the reconciliation for all financial transactions for the month indicated above.

I have found no discrepancies.

I have discrepancies as indicated below.


Larry D. Townsend

18 May 20
Date

Stoney Point Board of Directors Minutes May 19, 2020

Enclosure # 2 Page 2 of 2 – March 2020 and April 2020 Financial Oversight Reports



STATEMENT OF FINDINGS

TO: Commission on Fire Accreditation International

FROM: Jerry A. Nulliner

DATE: 24 April 2020

SUBJECT: Review of the annual compliance report for Stoney Point Fire Department, NC

INTRODUCTION

As the designated representative for the Center for Public Safety Excellence, Inc., I reviewed the Annual Compliance Report (ACR) for the Stoney Point Fire Department. The purpose was to review this ACR to ensure the agency has maintained compliance with all core competencies and document any changes that have occurred in the previous year. Finally, to evaluate the agencies performance data and strategic recommendations for improvements in accordance with the 9th Fire and Emergency Service Self-Assessment Manual (FESSAM).

FINDINGS

Agency Information

Assistant Chief Derrick S. Clouston is the Accreditation Manager for the agency. The information presented is well prepared and complete.

Agency/Jurisdiction Description

A volunteer fire department of 18 full time and 80 volunteer personnel in 2 fire stations, covering a population of approximately 9,679.

Agency/Jurisdiction Changes

The agency cited the delivery of a new engine and rescue.



Compliance with Core Competencies

The agency indicates it is compliant with all Core Competencies stated in the 9th edition of the FESSAM.

Compliance with Non-Core Competencies

The agency indicates it is compliant with all Non-Core Competencies stated in the 9th edition of the FESSAM.

Performance Monitoring

The agency indicates it is in compliance with 2D.8, 2D.9, and 2D.10.

Performance Tracking

The agency has submitted performance data for the past three years. The data is consistent from year-to-year. Fire suppression for first due showed an improvement from 2018.

Strategic Recommendations.

Of the 5 strategic recommendations, all have been accepted and met with implementation or near implementation.

Other Information

The agency talked about performance data and their continual monitoring that as the number of responses increase. The agency talked about the new heavy rescue unit being placed in-service.

Exhibit List

All applicable exhibits were provided and verified.

Verification

Fire Chief Freddy L. Johnson Sr. signed the annual compliance report.

CONCLUSION

The Stoney Point Fire Department has demonstrated that it is in compliance with all stated standards and core competencies.

RECOMMENDATIONS

I recommend that the Commission on Fire Accreditation International accept the Stoney Point Fire Department Annual Compliance Report and that the agency retain their Accredited Agency Status.



First Citizens Bank

forever first™

May 13, 2020

Freddy Johnson, SR.
Stoney Point Fire Department, Inc.
7221 Stoney Point Road
Fayetteville, NC 28306-8005

Re: Loan Commitment

Dear Freddy:

First-Citizens Bank & Trust Company is pleased to offer you this loan commitment. As used in this commitment, the terms "we," "our," and "us" refer to First-Citizens Bank & Trust Company, and the terms "you" and "your" refer to the borrower identified below. The term "loan" refers to the loan described in this commitment. Other terms are defined in this commitment. We will not be obligated to close and/or fund the loan unless all of the terms and conditions set out in this commitment are met.

The terms and conditions of this commitment are as follows:

BORROWER

STONEY POINT FIRE DEPARTMENT, INC.

LOAN SUMMARY

Loan Amount:	\$700,000.00
Type of Loan:	Term
Interest Rate:	Fixed rate of 3.250%
Repayment Terms:	Monthly payments sufficient to fully amortize the loan, with all remaining unpaid principal and interest due at maturity
Loan Term:	Approximately 107 months
Commitment Fee:	\$3,500.00
Origination Fee:	N/A
Collateral:	The real property identified in the Collateral section of this commitment and a related assignment of rents
Guarantor(s):	N/A

LOAN DETAILS

LOAN PURPOSE

Pay off existing lender, and provide funds to purchase lot adjacent to the Fire House on Stoney Point Road.

LOAN AMOUNT

Subject to the limitations set forth below, you have been approved for a loan in the amount of \$700,000.00. The limitations that will apply to the loan are as follows:

- The amount of the loan may not exceed the lesser of (i) the approved loan amount, or (ii) 75.00% of the final appraised value (as approved by our appraisal reviewers in their discretion) of the collateral that will secure the loan.

PROMISSORY NOTE AND LOAN AGREEMENT

The loan will be evidenced by one or more promissory notes and one or more loan agreements appropriate for this type of loan transaction. You will be required to sign each promissory note and loan agreement.

INTEREST RATE

Interest will accrue on the outstanding principal balance of the loan at the fixed rate of 3.250%.

Interest will be computed on the basis of a 360-day year and the actual number of days the principal balance is outstanding. This interest calculation method results in a higher effective rate than the stated numeric rate.

LOAN TERM AND TERMS OF REPAYMENT

The loan will be payable in substantially equal Monthly payments sufficient to amortize the loan over a period of 107 months, with all remaining unpaid principal and accrued but unpaid interest due at maturity. The loan will have a term of approximately 107 months. When we prepare the loan documents, we will determine when payments are due, the amount of the periodic payments, and the date the loan will mature.

ORIGINATION FEE

At the closing of the loan, you will be required to pay the loan origination fee shown in the "Loan Summary" section of this commitment.

PREPAYMENT

The promissory note will contain a prepayment penalty provision which will provide for the following prepayment penalties:

During loan year(s)	The prepayment penalty will be an amount equal to the following percentage of the Excess Payments made during any Billing Cycle
<u>1</u>	<u>3 %</u>
<u>2</u>	<u>2 %</u>
<u>3</u>	<u>1 %</u>

For purposes of the prepayment penalty provision, (i) a "Billing Cycle" is the period of time extending from the date a regularly scheduled payment (whether of principal, interest, or principal and interest) is due and payable under the terms of the Note, to and including the date the next ensuing regularly scheduled payment (whether of principal, interest, or principal and interest) is due and payable under the terms of the Note; (ii) if the Note is paid in full during a Billing Cycle, then all payments of principal made during that Billing Cycle shall be considered "Excess Payments" for purposes of calculating the prepayment penalty; and (iii) all payments made during a Billing Cycle in which the Note is not paid in full are considered "Excess Payments" for purposes of calculating the prepayment penalty to the extent they exceed, in the aggregate, the sum of (a) all unpaid sums owing from prior Billing Cycles (plus any late charges relating thereto), plus (b) twice the amount of the next ensuing regularly scheduled payment (whether of principal, interest, or principal and interest).

COLLATERAL

The loan will be secured by the following:

- A 1st lien on the real property located at or otherwise described as: 2190 Lake Upchurch Dr Parkton, NC 28306. We will also require an assignment of rents for that property.

The form and content of each guaranty agreement must be acceptable to us and to our counsel.

INCREASE IN INTEREST RATE IF DEPOSIT ACCOUNT RELATIONSHIPS NOT ESTABLISHED AND MAINTAINED

For purposes of the loan, each of the following is considered a "Required Depositor":

Stoney Point Fire Department, Inc.

The interest rate for the loan is a competitive rate based, at least in part, on your assurance and our expectation that each Required Depositor will establish and maintain the Required Depositor's primary business deposit account with us. You warrant and represent to us that each Required Depositor (i) either currently maintains its primary business deposit account with us or will establish its primary business deposit account with us before we fund the loan, and (ii) will continuously maintain its primary business deposit account with us, at least until the loan is paid in full. If a Required Depositor ceases for any reason to establish and continuously maintain its primary business deposit account with us, we will, after first giving you at least ten days prior written notice (during which ten day period you may remedy the oversight), increase the rate that interest will accrue on the outstanding principal balance of the loan to a higher interest rate by adding 300 basis points (3.00 percentage points) to the interest rate that would otherwise apply to the loan from time to time. In addition, we may increase the required periodic payment amount from time to time in order to maintain the same amortization schedule. In the absence of manifest error or bad faith, our determination of the following will be conclusive: (i) whether a Required Depositor has established its primary business deposit account with us and thereafter continuously maintained its primary business deposit account relationship with us, (ii) the interest rate that will apply to the loan if a Required Depositor fails to establish and continuously maintain its primary business deposit account with us, and (iii) the required periodic payment amount following any increase in the interest rate.

CLOSING COSTS AND EXPENSES

At the closing of the loan and/or at such other time or times as we may require, you will be required to pay all costs and expenses we incur in connection with this loan transaction, regardless of whether the loan actually closes. These costs and expenses may include, without limitation, (i) all loan closing costs; (ii) all loan fees; (iii) all title examination fees, title insurance premiums, appraisal fees, survey costs, inspection fees, filing and recording fees, and filing and recording taxes (including recordation, intangible, mortgage, and documentary stamp taxes); and (iv) all out-of-pocket expenses incurred by us in connection with the preparation of the loan documents and any related documents, the making of the loan, and the management and oversight of the loan, including reasonable attorneys' fees and expenses for our outside counsel.

MISCELLANEOUS

Additional Information and Requirements. While we intend to conform to our customary requirements for this type of loan, this commitment is not intended to include all of the requirements for the loan. We will provide you with schedules and/or other documentation advising you of additional information you will need to provide and other requirements you will need to satisfy before the loan may be closed. We reserve the right to require additional information, documentation, and the satisfaction of conditions we consider appropriate or required to consummate this loan transaction.

Customer Information. As a regulated financial institution, we are required to comply with numerous regulations as well as our internal policies. You agree to provide us with any and all information we may require in order for us to

comply with the requirements of the Bank Secrecy Act, USA Patriot Act, and our Customer Identification Program. If we do not receive the information we need to comply with these Acts and this Program or any other information/documentation that we request, we are under no obligation to close or fund the loan.

Non-Survival. This commitment is intended to outline the basic terms and conditions of the loan we are committing to make. It does not state all of (i) the conditions precedent that must be satisfied before the loan can be closed, (ii) the conditions and procedures under which loan proceeds will be disbursed subsequent to closing, or (iii) the warranties and representations, financial reporting requirements, affirmative covenants, and/or negative covenants that will be binding on you or on a guarantor subsequent to closing. This commitment will be superseded by the loan document and will not survive closing.

Loan Documents. The closing of the loan is contingent upon the proper execution and delivery of all of the loan documents we believe are reasonably appropriate or required for this loan transaction. We will determine the form, terms, and conditions of the loan documents. The loan documents, when executed and delivered, will contain all agreements, conditions, and understandings between us concerning the loan. There will be no oral agreements or understandings between us that are not set forth in the loan documents.

Confidentiality. The terms of this commitment are confidential. Except with our prior written approval, you agree not to disclose the contents of this commitment to any other lender or to any person or entity not identified by name in this commitment. However, you may disclose the contents of this commitment to your attorneys and accountants (all of whom shall also not disclose the contents of this commitment).

Reservation of Rights. The approval of the loan and the amount of the loan are based at least in part on information we obtained or that was provided to us during the loan application process. We reserve the right to revoke or amend this commitment, adjust the actual amount of the loan, and/or refuse to fund the loan if (i) the value, condition, or ownership of any collateral is not as represented to us; (ii) there is a material change in the value or condition of any collateral; (iii) your financial condition or the financial condition of any guarantor as represented in the loan application process cannot be confirmed or proves to be inaccurate, untrue, misleading, or incomplete in any material respect; (iv) there is a material adverse change in your financial condition or the financial condition of any guarantor prior to closing; or (v) we learn of material facts that were not disclosed to us during the application process that would reasonably have affected our decision had we known them.

Requests and Approvals. Any right we have to request, approve, accept, determine, decide, reserve rights, or make any judgment on any matter relating to this commitment shall be in our sole discretion. We agree to exercise any such right in good faith, using commercially reasonable judgment.

Modification. No modification or amendment of any provision of this commitment will be effective unless in writing and signed by one or more of our officers authorized by us to execute the modification or amendment.

Sole Benefit. This commitment is intended for your sole and exclusive benefit and may be relied upon only by you. No other person or persons shall have any right at any time to rely upon this commitment.

No Assignment. You may not assign this commitment without our written consent.

Headings. The headings to the sections and paragraphs of this commitment are for convenience only and are not a part of this commitment.

COMMITMENT EXPIRATION

This commitment will expire and be of no further force and effect unless within fifteen (15) days after the date of this commitment I receive your written acceptance as evidenced by your return of the original of this commitment signed by you where indicated below. If this commitment is so accepted, the loan must be closed within sixty (60) days after the date of this commitment. If the loan is not closed on or before that date, we will not be obligated to close or fund the loan.

We appreciate the opportunity to serve your borrowing needs and look forward to working with you in connection with this loan transaction.

Yours very truly,

FIRST CITIZENS BANK & TRUST COMPANY

By:


Brad Dawson

ACCEPTANCE OF LOAN COMMITMENT

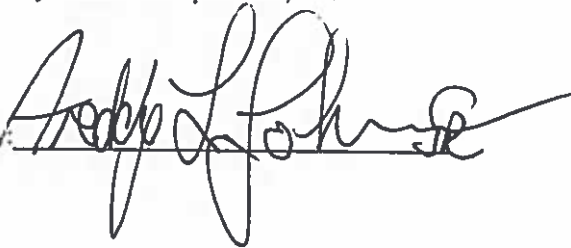
I/We accept the foregoing loan commitment.

Date:

5/19/2020

Stoney Point Fire Department, Inc.

By:



**U.S. SMALL BUSINESS ADMINISTRATION
PAYCHECK PROTECTION PROGRAM**

BORROWER: STONEY POINT FIRE DEPARTMENT, INC.
LENDER: FIRST-CITIZENS BANK & TRUST COMPANY
SBA LOAN #: 18537773-03
LOAN: \$148,400.00

Enclosed are the following documents to be signed in connection with the above U.S. Small Business Administration (“SBA”) guaranteed Loan from Lender to Borrower made under Section 1102 of the Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”):

1. PPP Loan Agreement
2. SBA Note
3. Loan Disbursement Statement

The obligation of Lender to disburse the Loan is expressly subject to Lender’s receipt, review and approval of the signed loan documents and the completion of all other requirements of Lender and the SBA. Once all parties have signed the loan package, the Lenders’ booking department will receive an electronic copy of all documents. Executed loan packages will be reviewed and approved in the order they are received for funding, at which time Lender will deposit loan proceeds directly into the bank account you specified to Lender at the time of your application.

Pursuant to Section 1106 of the CARES Act, the Loan can be forgiven up to the full principal amount of the Loan and any accrued interest if Borrower (i) uses all proceeds for eligible purposes as set forth in the CARES Act; (ii) maintains employment levels; and (iii) maintains compensation levels. Borrower shall submit such documentation required by the Lender and SBA to be eligible for Loan forgiveness. If the Loan proceeds are used for any other unauthorized purposes, the federal government may pursue criminal fraud charges against Borrower and all principals of Borrower.

On April 23, 2020, the SBA issued new guidance regarding the certification you made in your application form for this loan that “[c]urrent economic uncertainty makes this loan request necessary to support the ongoing operations of the Applicant.” The SBA clarified that borrowers must make this certification in good faith, taking into account their current business activity and their ability to access other sources of liquidity sufficient to support their ongoing operations in a manner that is not significantly detrimental to the business. For additional information see SBA Paycheck Protection Program Loans Frequently Asked Questions (FAQs), Question #31.

PAYCHECK PROTECTION PROGRAM LOAN AGREEMENT

This Paycheck Protection Program Loan Agreement (this "Agreement"), made and entered into by and between STONEY POINT FIRE DEPARTMENT, INC., a NORTH CAROLINA entity (collectively, whether one or more, the "Borrower") and FIRST-CITIZENS BANK & TRUST COMPANY ("Lender").

RECITALS:

Borrower has requested that Lender provide financing to Borrower, and Lender is willing to make a loan to Borrower subject to the terms and conditions set forth in this Agreement;

NOW, THEREFORE, for good and valuable consideration contained in this Agreement, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, intending to be legal bound, agree to be bound as follows:

ARTICLE I
LOAN AND NOTE

1.1 **LOAN**. The Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") has authorized the funding of loans under the Paycheck Protection Program which are fully guaranteed by the U.S. Small Business Administration ("SBA"), pursuant to which Lender has agreed to make SBA Loan Number 18537773-03 in the original principal amount of ONE HUNDRED FORTY EIGHT THOUSAND FOUR HUNDRED AND NO/100 DOLLARS (\$148,400.00) (the "Loan") to Borrower subject to the terms and conditions contained in this Agreement.

1.2 **NOTE**. Borrower has executed and delivered to Lender that certain SBA Note (the "Note"), dated of even date herein, which evidences the indebtedness of Borrower to Lender in the original principal amount of ONE HUNDRED FORTY EIGHT THOUSAND FOUR HUNDRED AND NO/100 DOLLARS (\$148,400.00). Payment of the Note shall be made at Lender's office at 100 E. TRYON ROAD, DAC 90, ATTN: SBA LOAN OPERATIONS, RALEIGH, NORTH CAROLINA 27603 as set forth in the Note, unless otherwise directed in writing by Lender. The Note shall bear interest at the fixed rate of ONE PERCENT (1.00%) per annum, in accordance with the terms of the Note. The term "Note" as used in this Agreement shall be inclusive of any and all future renewals, extensions, increases, substitutions and other modifications of the Note.

1.3 **LOAN FORGIVENESS**. Pursuant to Section 1106 of the CARES Act, the Loan can be forgiven up to the full principal amount of the Loan and any accrued interest if Borrower (i) uses all proceeds for eligible purposes as set forth in the CARES Act; (ii) maintains employment levels; and (iii) maintains compensation levels. Borrower agrees and acknowledges that SBA will issue further guidance on loan forgiveness under the CARES Act and that Lender has made no representations and warranties regarding the applicability, eligibility or determination of forgiveness of the Loan under the CARES Act. Borrower agrees and understands that if the Loan proceeds are used for any other unauthorized purposes, the federal government may pursue criminal fraud charges against Borrower and all principals of Borrower. Borrower acknowledges that knowingly making

a false statement to obtain a guaranteed loan from SBA is punishable under 18 USC 1001 and 3571 by imprisonment of not more than five years and/or a fine of up to \$250,000; under 15 USC 645 by imprisonment of not more than two years and/or a fine of not more than \$5,000; and, if submitted to a Federally insured institution, under 18 USC 1014 by imprisonment of not more than thirty years and/or a fine of not more than \$1,000,000.

ARTICLE II
CONDITIONS OF LENDING

2.1 **CONDITIONS PRECEDENT.** The obligation of Lender to make the Loan to Borrower is expressly subject to the performance by Borrower of all of their obligations under this Agreement and to the following further conditions: (i) Borrower shall execute and deliver to Lender this Agreement, the Note, and any and all documents, applications, certifications or other agreements evidencing or otherwise related to the Loan (collectively, the "Loan Documents") which may be required in the sole and absolute discretion of Lender; (ii) all representations and warranties of Borrower as set forth in this Agreement, the Note and the Loan Documents are true and correct.

2.2 **USE OF PROCEEDS.** Borrower shall only use the proceeds of the Loan for payroll costs, costs related to the continuation of group health care benefits during periods of paid sick, medical, or family leave, insurance premiums, employee salaries, commissions or similar compensations, payments of interest on any mortgage obligation (which shall not include any prepayment of or payment of principal on a mortgage obligation), utilities, rent (including rent under a lease agreement) and interest on any other debt obligations that were incurred prior to February 15, 2020. Borrower shall not use any proceeds of the Loan for (i) personal, family or household purposes; (ii) payments, distributions or loans to Borrower or any associate or principal of Borrower, except for compensation actually rendered at a fair and reasonable rate; (iii) payments of delinquent Internal Revenue Service ("IRS") withholding/payroll taxes; or (iv) payments towards personal debt.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF BORROWER

Borrower, understanding that Lender is relying upon Borrower's representations and warranties set forth below in making the Loan, represents and warrants to Lender as follows:

3.1 **POWER AND AUTHORIZATION.** Borrower has duly authorized the execution and delivery of this Agreement, the Note, and the Loan Documents, and the execution and delivery to Lender thereof will not violate any applicable law or agreement to which Borrower is a party to or may be bound or affected by.

3.2 **BINDING AGREEMENTS.** This Agreement, the Note and the Loan Documents constitute legal, valid and binding obligations of Borrower which are enforceable against the Borrower by Lender.

3.3 **VALID ORGANIZATION AND GOOD STANDING.** For any Borrower which is an entity, they are duly organized, validly existing and in good standing under the laws of the State(s) in which they were formed and authorized to conduct business, have the full power and authority to carry on

its business operations and are duly licensed or qualified under the laws of each jurisdiction in which they operate.

3.4 **OWNERSHIP INTERESTS**. All ownership interests of Borrower, including, but not limited to, membership interests, stock, options, warrants and any and all other agreements affecting the ownership, control or voting rights of such ownership interests of Borrower are properly and accurately reflected in this Agreement, the Note and the Loan Documents.

3.5 **FINANCIAL INFORMATION**. The payroll reports, disclosures, statements and other financial information (collectively, the "Financial Information") submitted by Borrower in writing to Lender in connection with the Loan fairly and accurately reflect the payroll and other financial condition of Borrower for the periods defined therein.

3.6 **ILLEGAL ACTIVITY**. Borrower is not engaged in any activity that is illegal under federal, state or local law, including business operations which directly or indirectly support the end use of marijuana, whether medicinal or recreational.

3.7 **ACCURACY OF REPRESENTATIONS AND WARRANTIES**. Any and all representations and warranties by Borrower contained in this Agreement, the Note and the Loan Documents are true and correct. There is no material fact or circumstance that Borrower has knowledge of which has not been disclosed to Lender.

ARTICLE IV **COVENANTS OF BORROWER**

Until all the obligations under the Loan as evidenced by this Agreement, the Note and the Loan Documents have been performed and paid in full, Borrower covenants and agrees as follows:

4.1 **MAINTENANCE AND EXISTENCE**. For any Borrower which is a corporate entity, they shall remain in good standing under the laws of the State(s) in which they were formed and conduct business. Further, Borrower shall comply with all valid and applicable statutes, ordinances, rules and regulations and shall keep in force and effect all licenses, permits, bonds and other agreements or approvals necessary to conduct business.

4.2 **PATRIOT ACT**. Borrower certifies that they are, and will remain, in compliance with the United States of America Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Patriot Act") and shall continue to provide evidence satisfactory to and sufficient for the Lender to verify the identity of the Borrower, as required under the Patriot Act. Borrower shall notify Lender promptly of any change in such information.

4.3 **ERRORS AND OMISSIONS**. Borrower shall, during and after the closing of the Loan, execute and deliver to Lender any and all documents, reports, financial statements, affidavits, certifications or other agreements to correct, supplement or modify the Loan Documents which may be reasonably requested by Lender. Borrower shall not be obligated to execute and deliver to Lender any documents or agreements which contain any covenant, provision, term or condition which constitutes a material and adverse variance from the Loan Documents.

4.4 **STRICT COMPLIANCE.** Borrower shall (i) perform and comply, in a timely manner, with all terms, conditions, and provisions of this Agreement, the Note and the Loan Documents; and (ii) immediately notify Lender in writing of an Event of Default in connection with this Agreement, the Note and the Loan Documents.

ARTICLE V
EVENTS OF DEFAULT

5.1 **EVENT OF DEFAULT.** An event of default (an “Event of Default”) shall be deemed to have occurred hereunder upon any of the following:

- (a) Nonpayment, when due, of any principal, accrued interest, premium, fee or other charge due under the Note;
- (b) Any representation, warranty, or statement made or furnished to Lender by or on behalf of Borrower under this Agreement, the Note and the Loan Documents is false or misleading in any material respect, or becomes false or misleading in any material respect at any time thereafter;
- (c) The failure or violation of Borrower to keep, perform, observe, or comply with any covenant, agreement, term, or condition required under provisions of this Agreement, the Note or the Loan Documents;
- (d) The occurrence of any event or condition which constitutes a default under the terms of the Note or the Loan Documents;
- (e) If this Agreement, the Note or the Loan Documents cease to be in full force and effect;
- (f) If Borrower revokes or disputes the validity or enforceability of their obligations under this Agreement, the Note or the Loan Documents;
- (g) If Borrower (i) makes a general assignment for the benefit of its creditors; (ii) files a voluntary petition in bankruptcy; (iii) is adjudicated as bankrupt or insolvent; (iv) files any petition or answer seeking, consenting to, or acquiescing in, reorganization, arrangement, composition, liquidation, dissolution or similar relief, under any present or future statute, law or regulation; (v) files an answer admitting or failing to deny the material allegations of the petition against it for any such relief; or (vi) discontinues business.

ARTICLE VI
REMEDIES ON EVENT OF DEFAULT

6.1 **DECLARE NOTE DUE.** Upon the occurrence of an Event of Default as defined in this Agreement, the Note or the Loan Documents, Lender may declare the entire unpaid balance of the Note and all other indebtedness of Borrower to Lender, including but not limited to accrued interest, fees and other costs to be immediately due and payable without presentment, protest or further demand or notice of any kind, all of which are hereby expressly waived. Lender may, in addition to declaring the entire unpaid balance of the Note immediately due and payable, exercise each and every right and remedy granted to Lender under this Agreement, the Note, the Loan Documents and under any other applicable law or at equity. The rights, remedies, powers and privileges provided for in this Agreement shall not be deemed exclusive but shall be cumulative and shall be in addition to all other rights, remedies, powers and privileges in Lender's favor at law or in equity.

6.2 RIGHT OF SETOFF. Following an Event of Default, to the extent permitted by applicable law and under the CARES Act, Lender shall have a right of setoff against any and all of Borrower's accounts with Lender, including but not limited to any balance of any deposit, trust or agency account, or any other bank account with Lender. Lender may administratively freeze all such accounts to protect its rights under this Agreement.

6.3 RELATIONSHIP TO STATE LAW. Notwithstanding any other provision of this Agreement, the Note or the Loan Documents, if any provision of applicable law requires that Borrower be granted a longer notice period or a greater opportunity to cure, that provision of law shall control; provided, however, that the applicable notice period set forth in this Agreement, the Note or the Loan Documents shall run concurrently with the notice period required by law.

6.4 NO WAIVER. Neither the failure nor delay on the part of Lender to exercise any right, remedy, power or privilege under this Agreement, the Note or the Loan Documents upon the occurrence of any Event of Default or otherwise shall operate as a waiver thereof or impair any such right, remedy, power or privilege of Lender. No course of dealing between Lender and Borrower shall operate as or be deemed to constitute a waiver of Lender's rights under this Agreement, the Note or the Loan Documents or affect the duties or obligations of Borrower thereunder.

ARTICLE VII MISCELLANEOUS

7.1 INTEGRATED AGREEMENT. This Agreement, together with the Note and Loan Documents, constitute the entire understanding and agreement of the parties as to the matters set forth herein. The Loan Documents shall be construed as integrated and complementary of each other, and as augmenting and not restricting Lender's rights, powers, and remedies. The Loan Documents supersede all prior statements, agreements and understandings between the parties with respect to the Loan.

7.2 AMENDMENTS AND APPROVALS. No amendment of any provision of this Agreement, the Note, or any of the Loan Documents, nor consent by Lender to Borrower for any departure thereof, shall be effective unless the same shall be in writing and signed by Lender and Borrower.

7.3 NOTICES. Any and all notices, elections or demands permitted or required to be given under this Agreement, the Note and the Loan Documents shall be in writing, signed by or on behalf of the party giving such notice, election or demand, and shall be deemed to have been properly given and shall be effective upon being personally delivered, or upon being deposited in the United States mail, postage prepaid, certified with return receipt required, and shall be deemed to have been received on the earlier of the date shown on the receipt or three (3) business days after the postmarked date thereof, to the other party at the address of such other party set forth below or such other address within the continental United States as such other party may designate by specifically designating as a notice of change of address and given in accordance herewith. No notice of change of address shall be effective until the date of receipt thereof. Personal delivery to a partner or any officer, partnership, agent or employee of such party at said address shall constitute receipt. Rejection or other refusal to accept or inability to deliver because of changed address of which no notice has been given shall also constitute receipt. Any such notice, election,

demand, request or response shall be addressed as follows:

If given to Lender: **FIRST-CITIZENS BANK & TRUST COMPANY**
100 E. TRYON ROAD, DAC 90
ATTN: SBA LOAN OPERATIONS
RALEIGH, NORTH CAROLINA 27603

If given to Borrower: STONEY POINT FIRE DEPARTMENT, INC.
7221 STONEY POINT RD
FAYETTEVILLE, NC 28306-8005

7.4 **GOVERNING LAW AND PARTIES BOUND.** This Agreement, the Note and the Loan Documents shall be governed by and construed in accordance with the laws of the State of North Carolina. However, in the event that the enforceability or validity of any provision of this Agreement, the Note or the Loan Documents is challenged or questioned, such provision shall be governed by which whichever applicable state or federal law would uphold or enforce such challenged or questioned provision. Borrower waives any objection which they may have based on lack of personal jurisdiction, improper venue or forum non conveniens.

7.5 **NO ASSIGNMENT BY BORROWER.** No commitment or other agreement issued by Lender to Borrower relating to the Loan nor any of Borrower's rights under this Agreement, the Note or the Loan Documents shall be assignable by Borrower without the express prior written consent of Lender in its sole and absolute discretion.

7.6 **SEVERABILITY.** In the event that any clause or provisions of this Agreement, the Note or the Loan Documents is held to be invalid, illegal or unenforceable by any court of competent jurisdiction, the invalidity of such clause or provision shall not affect the validity, legality or enforceability any of the remaining portions or provisions of this Agreement, the Note or the Loan Documents. If feasible, the offending provision shall be considered modified so that it becomes legal, valid, and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Agreement, the Note or the Loan Documents, as the case may be.

7.7 **INCONSISTENCY WITH OTHER LOAN DOCUMENTS.** In the event of any inconsistency between provisions contained within this Agreement, the Note and the Loan Documents, it is intended that the provisions of this Agreement shall be controlling.

7.8 **FORCE MAJURE.** If Lender is delayed, hindered, or prevented from performing any act required under this Agreement by reason of pandemic, war, governmental restrictions, civil commotion, shortage of labor or materials, strikes, fire, or any other reason beyond the control of Lender, the performance of such act shall be excused for the period of delay.

7.9 **COUNTERPARTS.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such separate counterparts shall together constitute but one and the same instrument.

7.10 JOINT AND SEVERAL LIABILITY. If there is more than one Borrower, the liability of each Borrower under this Agreement shall be joint and several.

7.11 DEFINED TERMS. Capitalized words and terms have the meanings given to them in this Agreement, the Note and the Loan Documents. All references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and words and terms used in the plural shall include the singular, as the context may require.

7.12 SURVIVAL. All covenants, agreements, representations and warranties made by Borrower in connection with the Loan shall survive the execution and delivery of this Agreement, the Note and the Loan Documents.

7.13 CAIVRS. Lender is required by the Debt Collection Improvement Act of 1996 and by the SBA to comply with the provisions of 31 U.S.C. §3711 and report information relating to the extension of the Loan to consumer or commercial reporting agencies or bureaus, as appropriate (collectively, the "Reporting Agencies"). The Borrower acknowledges this requirement and further, by execution of this Loan Agreement, agree that the Lender may in the future report further information concerning the Loan, including delinquent payments, other Loan defaults, or charge offs to Reporting Agencies. This information may be reflected in reports issued by Reporting Agencies. Further, Borrower acknowledges and agrees that if the small business defaults on the SBA-guaranteed loan and SBA suffers a loss, Lender is required to report any Loan charge offs to the Department of Treasury's delinquent debtor databases, including without limitation, to the Credit Alert Interactive Voice Response System ("CAIVRS") and Debt Check, which may affect their eligibility for further financial assistance.

7.14 SUCCESSORS AND ASSIGNS. All representations, warranties, covenants, and agreements by or on behalf of Borrower contained in this Agreement, the Note and the Loan Documents shall bind Borrower's successors and assigns and shall inure to the benefit of Lender and its successors and assigns.

7.15 WAIVER BY BORROWER. In connection with any proceeding under this Agreement, the Note and Loan Documents, Borrower waives (i) presentment for payment, demand, notice of demand, notice of non-payment, protest and notice of protest of the Note; and (ii) all rights to claim or recover attorney's fees and costs in the event that Borrower is successful in any action to remove, suspend or prevent the enforcement of a judgment entered by confession.

7.16 INDEMNIFICATION OF LENDER. Borrower agrees to indemnify, defend, and hold Lender and its officers, directors, employees, and agents harmless from and against any and all claims, suits, obligations, damages, losses, costs, expenses (including, without limitation, reasonable attorneys' fees), demands, liabilities, penalties, fines, and forfeitures of any nature whatsoever and whenever made that may be asserted against or incurred by Lender or its officers, directors, employees, and agents arising out of, relating to, or in any manner occasioned by, (i) this Agreement, the Note and the Loan Documents; (ii) a breach by Borrower of this Agreement, the Note or the Loan Documents; (iii) any dispute as to the applicability, eligibility or determination of forgiveness of the Loan under the CARES Act; or (iv) the exercise of the rights and remedies granted to Lender under this Agreement, the Note or the Loan Documents. The provisions of this Section 7.16 shall survive

the payment of the Note and the expiration, cancellation, or termination of this Agreement.

7.17 LENDER EXPENSES. Borrower agrees to pay upon demand any and all of Lender's reasonable costs and expenses, actually incurred, in connection the enforcement of this Agreement, the Note and the Loan Documents, whether or not an action or claim is filed. Such Lender costs and expenses include, but are not limited to, Lender's reasonable attorneys' fees and legal expenses incurred in connection with litigation, alternative dispute resolution proceedings, bankruptcy proceedings, appeals, anticipated post-judgment collection services and any fees or costs as may be directed by a court of competent jurisdiction. All such reasonable expenses actually incurred or paid by Lender as set forth herein will become part of the indebtedness secured by the Note and are payable on demand.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

The parties have executed and entered into this Agreement as of _____.

LENDER:
FIRST-CITIZENS BANK & TRUST
COMPANY

BY: _____
JULIE ADOLPHSEN

TITLE: VICE PRESIDENT

BORROWER:
STONEY POINT FIRE DEPARTMENT, INC.
A NORTH CAROLINA entity

BY: _____
FREDDIE L. JOHNSON SR.

TITLE: CEO

BY: _____

TITLE: _____

U.S. Small Business Administration

U.S. Small Business Administration

**NOTE**

SBA Loan #	18537773-03
SBA Loan Name	STONEY POINT FIRE DEPARTMENT, INC.
Date	
Loan Amount	\$148,400.00
Interest Rate	1.00%
Borrower	STONEY POINT FIRE DEPARTMENT, INC.
Operating Company	N/A
Lender	FIRST-CITIZENS BANK & TRUST COMPANY

1. **PROMISE TO PAY:**

In return for the Loan, Borrower promises to pay to the order of Lender the amount of ONE HUNDRED FORTY EIGHT THOUSAND FOUR HUNDRED AND NO/100 DOLLARS (\$148,400.00), interest on the unpaid principal balance, and all other amounts required by this Note.

2. **DEFINITIONS:**

"Collateral" means any property taken as security for payment of this Note or any guarantee of this Note.

"Guarantor" means each person or entity that signs a guarantee of payment of this Note.

"Loan" means the loan evidenced by this Note.

"Loan Documents" means the documents related to this loan signed by Borrower, any Guarantor, or anyone who pledges collateral.

"SBA" means the Small Business Administration, an Agency of the United States of America.

3. **PAYMENT TERMS:** Borrower must make all payments at the place Lender designates. The payment terms for this Note are:

This Note will mature two years from date of first disbursement of this Note.

The interest rate on this Note is one percent (1.00%) per year. The interest rate is fixed and will not be changed during the life of the loan.

No payments are due on this loan for 6 months from the date of first disbursement of this loan. Interest will continue to accrue during the deferment period.

Borrower must pay principal and interest payments of \$8,351.42 every month, beginning seven months from the month this Note is dated; payments must be made on the same day as the date of the Note in the months they are due.

Lender will apply each installment payment first to pay interest accrued to the day Lender receives the payment, then to bring principal current, then to pay any late fees, and will apply any remaining balance to reduce principal.

Loan Prepayment: Notwithstanding any provision in this Note to the contrary:

Borrower may prepay this Note. Borrower may prepay 20 percent or less of the unpaid principal balance at any time without notice. If Borrower prepays more than 20 percent and the Loan has been sold on the secondary market, Borrower must:

- a. Give Lender written notice;
- b. Pay all accrued interest; and
- c. If the prepayment is received less than 21 days from the date Lender receives the notice, pay an amount equal to 21 days' interest from the date lender receives the notice, less any interest accrued during the 21 days and paid under subparagraph b., above.

If Borrower does not prepay within 30 days from the date Lender receives the notice, Borrower must give Lender a new notice.

Non-Recourse. Lender and SBA shall have no recourse against any individual shareholder, member or partner of Borrower for non-payment of the loan, except to the extent that such shareholder, member or partner uses the loan proceeds for an unauthorized purpose.

Loan Forgiveness: Borrower may apply to Lender for forgiveness of the amount due on this loan in an amount equal to the sum of the following costs incurred by Borrower during the 8-week period beginning on the date of first disbursement of this loan:

- a. Payroll costs
- b. Any payment of interest on a covered mortgage obligation (which shall not include any prepayment of or payment of principal on a covered mortgage obligation)
- c. Any payment on a covered rent obligation
- d. Any covered utility payment

The amount of loan forgiveness shall be calculated (and may be reduced) in accordance with the requirements of the Paycheck Protection Program, including the provisions of Section 1106 of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) (P.L. 116-136). Not more than 25% of the amount forgiven can be attributable to non-payroll costs.

All remaining principal and accrued interest is due and payable 2 years from date of Note.

Late Charge: If a payment on this Note is more than 15 days late, Lender may charge Borrower a late fee of up to 4% of the unpaid portion of the regularly scheduled payment.

4. **DEFAULT:** Borrower is in default under this Note if Borrower does not make a payment when due under this Note, or if Borrower or Operating Company:
 - A. Fails to do anything required by this Note and other Loan Documents;
 - B. Defaults on any other loan with Lender;
 - C. Does not preserve, or account to Lender's satisfaction for, any of the Collateral or its proceeds;
 - D. Does not disclose, or anyone acting on their behalf does not disclose, any material fact to Lender or SBA;
 - E. Makes, or anyone acting on their behalf makes, a materially false or misleading representation to Lender or SBA;
 - F. Defaults on any loan or agreement with another creditor, if Lender believes the default may materially affect Borrower's ability to pay this Note;
 - G. Fails to pay any taxes when due;
 - H. Becomes the subject of a proceeding under any bankruptcy or insolvency law;
 - I. Has a receiver or liquidator appointed for any part of their business or property;
 - J. Makes an assignment for the benefit of creditors;
 - K. Has any adverse change in financial condition or business operation that Lender believes may materially affect Borrower's ability to pay this Note;
 - L. Reorganizes, merges, consolidates, or otherwise changes ownership or business structure without Lender's prior written consent; or
 - M. Becomes the subject of a civil or criminal action that Lender believes may materially affect Borrower's ability to pay this Note.

5. **LENDER'S RIGHTS IF THERE IS A DEFAULT:** Without notice or demand and without giving up any of its rights, Lender may:
 - A. Require immediate payment of all amounts owing under this Note;
 - B. Collect all amounts owing from any Borrower or Guarantor;
 - C. File suit and obtain judgment;
 - D. Take possession of any Collateral; or
 - E. Sell, lease, or otherwise dispose of, any Collateral at public or private sale, with or without advertisement.

6. **LENDER'S GENERAL POWERS:** Without notice and without Borrower's consent, Lender may:
 - A. Bid on or buy the Collateral at its sale or the sale of another lienholder, at any price it chooses;
 - B. Incur expenses to collect amounts due under this Note, enforce the terms of this Note or any other Loan Document, and preserve or dispose of the Collateral. Among other things, the expenses may include payments for property taxes, prior liens, insurance, appraisals, environmental remediation costs, and reasonable attorney's fees and costs. If Lender incurs such expenses, it may demand immediate repayment from Borrower or add the expenses to the principal balance;
 - C. Release anyone obligated to pay this Note;

- D. Compromise, release, renew, extend or substitute any of the Collateral; and
- E. Take any action necessary to protect the Collateral or collect amounts owing on this Note.

7. WHEN FEDERAL LAW APPLIES:

When SBA is the holder, this Note will be interpreted and enforced under federal law, including SBA regulations. Lender or SBA may use state or local procedures for filing papers, recording documents, giving notice, foreclosing liens, and other purposes. By using such procedures, SBA does not waive any federal immunity from state or local control, penalty, tax, or liability. As to this Note, Borrower may not claim or assert against SBA any local or state law to deny any obligation, defeat any claim of SBA, or preempt federal law.

8. SUCCESSORS AND ASSIGNS:

Under this Note, Borrower and Operating Company include the successors of each, and Lender includes its successors and assigns.

9. GENERAL PROVISIONS:

- A. All individuals and entities signing this Note are jointly and severally liable.
- B. Borrower waives all suretyship defenses.
- C. Borrower must sign all documents necessary at any time to comply with the Loan Documents and to enable Lender to acquire, perfect, or maintain Lender's liens on Collateral.
- D. Lender may exercise any of its rights separately or together, as many times and in any order it chooses. Lender may delay or forgo enforcing any of its rights without giving up any of them.
- E. Borrower may not use an oral statement of Lender or SBA to contradict or alter the written terms of this Note.
- F. If any part of this Note is unenforceable, all other parts remain in effect.
- G. To the extent allowed by law, Borrower waives all demands and notices in connection with this Note, including presentment, demand, protest, and notice of dishonor. Borrower also waives any defenses based upon any claim that Lender did not obtain any guarantee; did not obtain, perfect, or maintain a lien upon Collateral; impaired Collateral; or did not obtain the fair market value of Collateral at a sale.

10. STATE-SPECIFIC PROVISIONS

ALASKA - The Mortgagor or Trustor (Borrower) is personally obligated and fully liable for the amount due under the Note. The Mortgagee or Beneficiary (Lender) has the right to sue on the Note and obtain a personal judgment against the Mortgagor or Trustor for the satisfaction of the amount due under the Note either before or after a judicial foreclosure of the Mortgage or Deed of Trust as under AS 09.45.170-09.45.220.

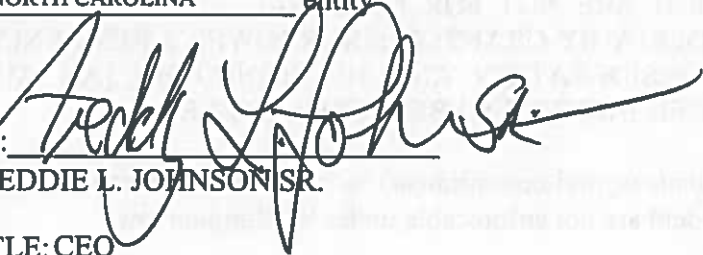
WISCONSIN – Each Borrower who is married represents that this obligation is incurred in the interest of his or her marriage or family.

MARYLAND, DELAWARE, OHIO, VIRGINIA AND PENNSYLVANIA - POWER TO CONFESS JUDGMENT. EACH BORROWER HEREBY EMPOWERS ANY ATTORNEY OF ANY COURT OF RECORD, AFTER THE OCCURRENCE OF ANY EVENT OF DEFAULT HEREUNDER, TO APPEAR FOR SUCH BORROWER AND, WITH OR WITHOUT COMPLAINT FILED, CONFESS JUDGMENT, OR A SERIES OF JUDGMENTS, AGAINST SUCH BORROWER IN FAVOR OF THE LENDER OR ANY HOLDER HEREOF FOR THE AMOUNT OF THE OBLIGATIONS AND AN ATTORNEY'S COMMISSION OF THE GREATER OF 10% OF SUCH PRINCIPAL AND INTEREST OR \$10,000 ADDED AS A REASONABLE ATTORNEY'S FEE, AND FOR DOING SO, THIS NOTE OR A COPY VERIFIED BY AFFIDAVIT SHALL BE A SUFFICIENT WARRANT. EACH BORROWER HEREBY FOREVER WAIVES AND RELEASES ALL ERRORS IN SAID PROCEEDINGS AND ALL RIGHTS OF APPEAL AND ALL RELIEF FROM ANY AND ALL APPRAISEMENT, STAY OR EXEMPTION LAWS OF ANY STATE NOW IN FORCE OR HEREAFTER ENACTED. EACH BORROWER HEREBY ACKNOWLEDGES THAT THE OBLIGATIONS ARE SOLELY FOR THE PURPOSE OF ACQUIRING OR CARRYING ON A BUSINESS, PROFESSIONAL OR COMMERCIAL ACTIVITY, AND NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES. NO SINGLE EXERCISE OF THE FOREGOING POWER TO CONFESS JUDGMENT, OR A SERIES OF JUDGMENTS, SHALL BE DEEMED TO EXHAUST THE POWER, WHETHER OR NOT ANY SUCH EXERCISE SHALL BE HELD BY ANY COURT TO BE INVALID, VOIDABLE, OR VOID, BUT THE POWER SHALL CONTINUE UNDIMINISHED AND IT MAY BE EXERCISED FROM TIME TO TIME AS OFTEN AS THE LENDER SHALL ELECT UNTIL SUCH TIME AS THE LENDER SHALL HAVE RECEIVED PAYMENT IN FULL OF THE OBLIGATIONS AND COSTS. NOTWITHSTANDING THE ATTORNEY'S COMMISSION PROVIDED FOR IN THE PRECEDING PARAGRAPH (WHICH IS INCLUDED IN THE WARRANT FOR PURPOSES OF ESTABLISHING A SUM CERTAIN), THE AMOUNT OF ATTORNEYS' FEES THAT THE LENDER MAY RECOVER FROM A BORROWER SHALL NOT EXCEED THE ACTUAL ATTORNEYS' FEES INCURRED BY THE LENDER.

MISSOURI - Oral or unexecuted agreements or commitments to loan money, extend credit or to forbear from enforcing repayment of a debt including promises to extend or renew such debt are not enforceable, regardless of the legal theory upon which it is based that is in any way related to the credit agreement. To protect you (Borrowers(s)) and us (Creditor) from misunderstanding or disappointment, any agreements we reach covering such matters are contained in this writing, which is the complete and exclusive statement of the agreement between us, except as we may later agree in writing to modify it.

11. **BORROWER'S NAME(S) AND SIGNATURE(S):** By signing below, each individual or entity becomes obligated under this Note as Borrower.

BORROWER:
STONEY POINT FIRE DEPARTMENT, INC.
A NORTH CAROLINA entity

BY: 
FREDDIE L. JOHNSON SR.
TITLE: CEO

BY: _____

TITLE:

LOAN DISBURSEMENT STATEMENT

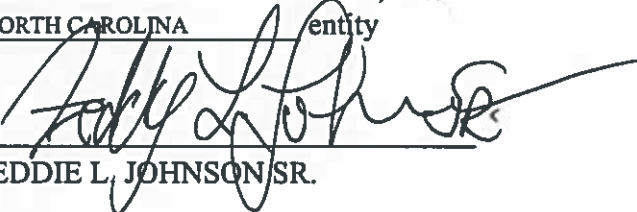
BORROWER: STONEY POINT FIRE DEPARTMENT, INC.
LENDER: FIRST-CITIZENS BANK & TRUST COMPANY
LOAN: \$148,400.00
SBA LOAN #: 18537773-03

\$148,400.00	Disbursement to Borrower to retain workers and maintain payroll or make mortgage interest payments, lease payments, and utility payments.
--------------	---

Borrower has reviewed and approved this Loan Disbursement Statement as true and correct and authorizes Lender to disburse the Loan as set forth above. The Note and Loan Agreement of even date are hereby incorporated by reference into this Loan Disbursement Statement and shall survive the execution and delivery thereof. Borrower agrees that should any inadvertent errors or omissions later be discovered in this Loan Disbursement Statement, it shall promptly execute such corrective documents and remit such sums as may be required to adjust or correct such errors or omissions.

Borrower has executed and delivered this Loan Disbursement Statement as of _____.

BORROWER:
STONEY POINT FIRE DEPARTMENT, INC.
A NORTH CAROLINA entity

BY: 
FREDDIE L. JOHNSON SR.

TITLE: CEO

BY: _____

TITLE:

Stoney Point Board of Directors Minutes May 19, 2020

Enclosure # 6 Page 1 of 8 – Destruction of un-serviceable FF. Gear

04/23/2020

DISPOSAL OF STONEY POINT'S CAIRNS 10-10 FIRE HELMETS

INVENTORY #	PRICE	DATE	COLOR
HEL102	\$200.00	08-01-2004	YELLOW
HEL62	\$180.00	02-01-2003	RED
HEL92	\$175.00	07-01-1999	BLACK
HEL129	\$175.00	06-07-2006	BLACK
HEL128	\$175.00	06-07-2006	BLACK
HEL65	\$155.00	06-01-1997	WHITE
HEL02	\$180.00	02-01-2006	BLACK
HEL122	\$175.00	03-01-2006	BLACK
HEL11	\$175.00	01-01-2002	BLACK
HEL80	\$155.00	06-01-2002	BLACK
HEL71	\$155.00	06-01-1997	BLACK
HEL127	\$175.00	06-07-2006	BLACK
HEL115	\$175.00	03-01-2006	BLACK
HEL13F	\$0.00	01-01-1995	YELLOW (WEST AREA)
HEL13H	\$0.00	01-01-1995	YELLOW (WEST AREA)
HEL27	\$180.00	04-25-2001	BLACK
HEL130	\$175.00	06-07-2006	BLACK

NATIONAL FIRE PROTECTION ASSOCIATION (NFPA) 1851, STANDARD ON SELECTION, CARE, AND MAINTENANCE OF PROTECTIVE ENSEMBLES FOR STRUCTURAL FIRE FIGHTING AND PROXIMITY FIRE FIGHTING. THE STANDARD REQUIRES THAT ANY ELEMENT (HELMET, HOOD, GLOVES, BOOTS, TURNOUT COAT, AND TROUSERS) OF THE PPE ENSEMBLE BE REMOVED FROM SERVICE AFTER TEN YEARS FROM THE DATE OF MANUFACTURE.

Conroy
5/15/20
[Signature]

Lt. Hughes 04-24-20
[Signature]

Stoney Point Board of Directors Minutes May 19, 2020

Enclosure # 6 Page 2 of 8 – Destruction of un-serviceable FF. Gear

04-25-2020

DISPOSAL OF STONEY POINT'S TURE OUT GEAR

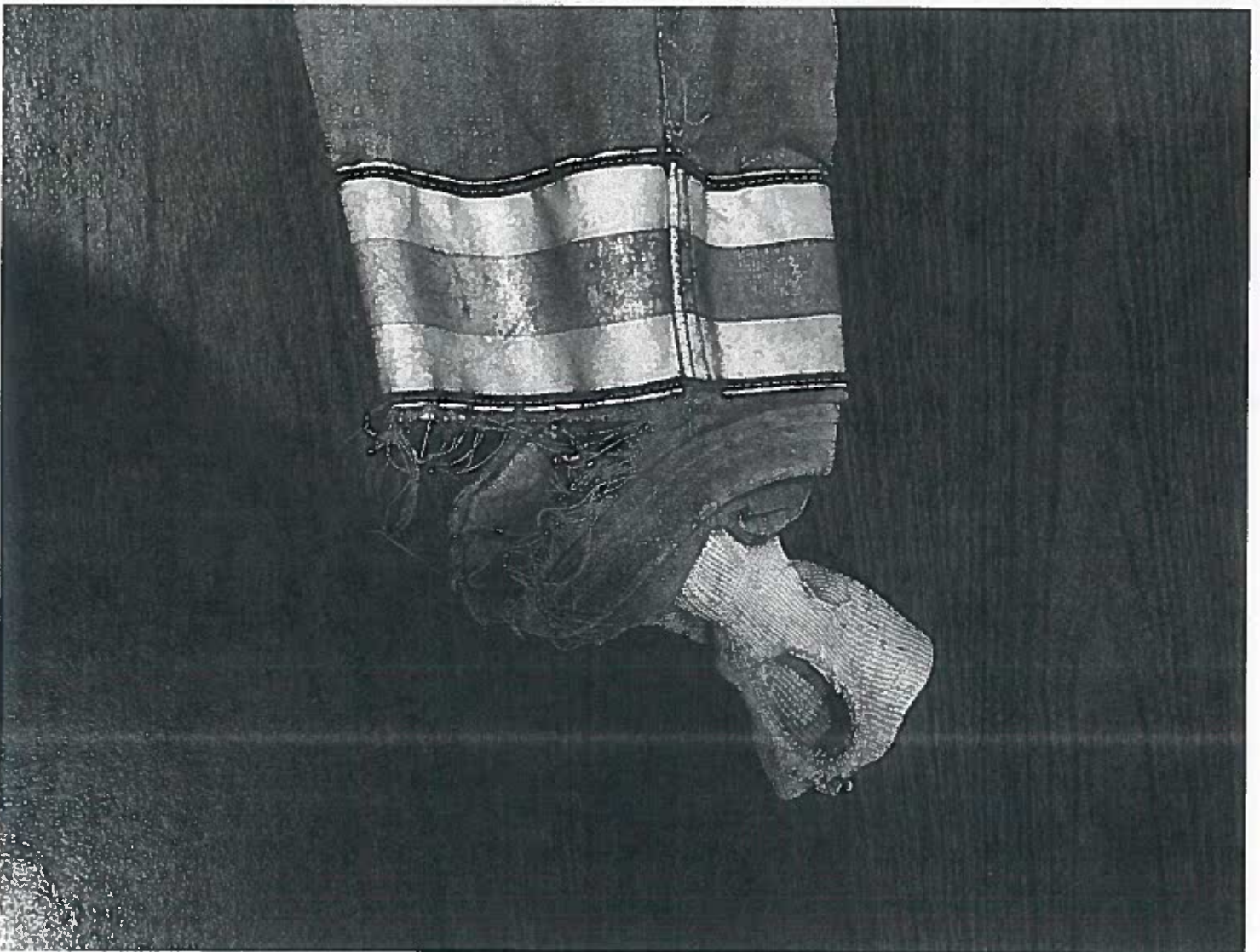
INVENTORY #	DATE	REASON	PRICE
BOOT16B	2016	HOLES	\$100.00
BOOT29	1997	HOLES	\$75.00
BOOT232	2005	HOLES	\$225.00
COAT1216	2013	DRY ROT AND HOLES	\$1081.00
COAT1204	2013	DRY ROT AND HOLES	\$1081.00
COAT1009	2010	DRY ROT AND HOLES	\$75.00
PANT1204	2013	DRY ROT AND HOLES	\$880.00
PANT1008	2010	DRY ROT AND HOLES	\$750.00
PANT1236	2012	DRY ROT AND HOLES	\$880.00
PANT3003A	2003	DRY ROT AND HOLES	\$700.00
GLOV1211	2012	DRY ROT AND HOLES	\$65.00
GLOV1404	2014	DRY ROT AND HOLES	\$25.00
GLOV1603	2016	DRY ROT AND HOLES	\$80.00
TOTAL			\$6017.00

LT. JORDAN HUGHES

*Good for DISPOSAL by BOR.
ON MAY 19, 2020
[Signature]*

Stoney Point Board of Directors Minutes May 19, 2020

Enclosure # 6 Page 3 of 8 – Destruction of un-serviceable FF. Gear

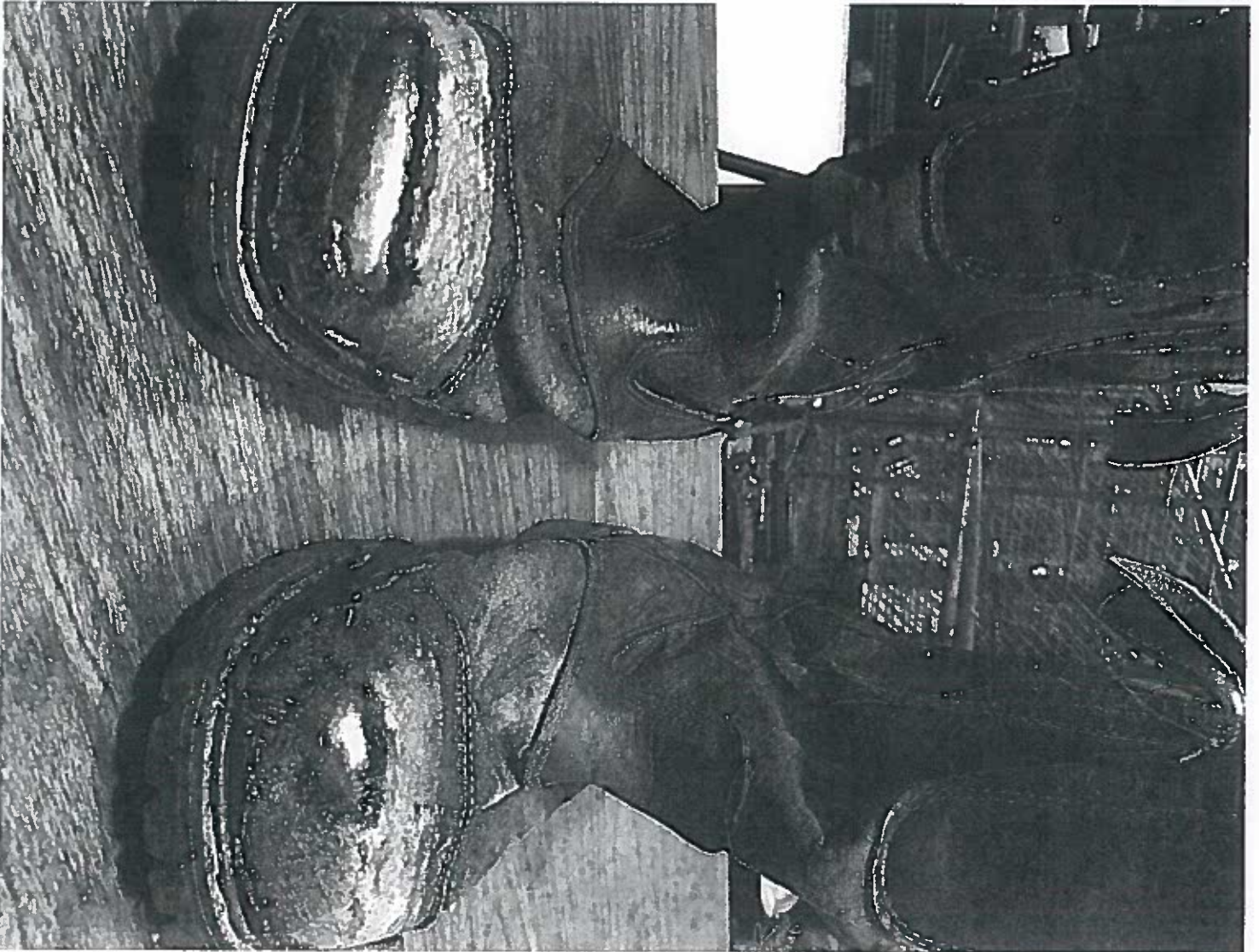






Stoney Point Board of Directors Minutes May 19, 2020

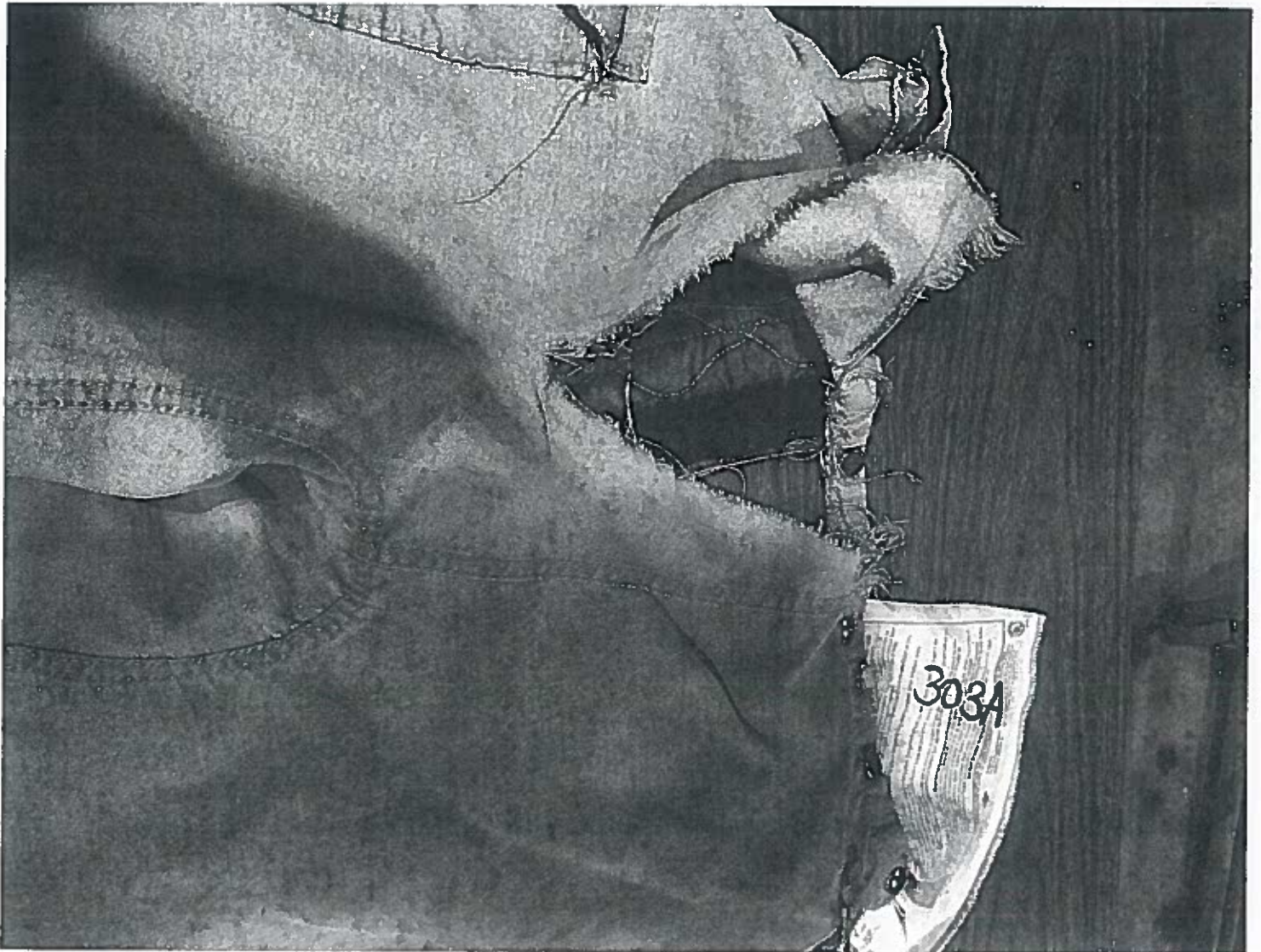
Enclosure # 6 Page 6 of 8 – Destruction of un-serviceable FF. Gear





Stoney Point Board of Directors Minutes May 19, 2020

Enclosure # 6 Page 8 of 8 – Destruction of un-serviceable FF. Gear



Every smile
you've brought
to my heart,
every wise word
of encouragement
you've shared,
every time
you've been there for me
when I needed you most...

...makes me even more grateful
for the gift of your friendship
in my life.

Thank you so much
for everything you have
done for my family.
We greatly appreciate
everything you have made
possible for our family

- The Howes



what
you do
matters



Thank
You

FOR YOUR
EXPRESSION
OF SYMPATHY

Stoney Point Board of Directors Minutes May 19, 2020

Enclosure # 7 Page 2 of 4 - Various Citizens Thank You Notes

A lot.



Thank you for always
being there for us.

Friends of Stoney Point
Fire District
(Arden Forest Area)

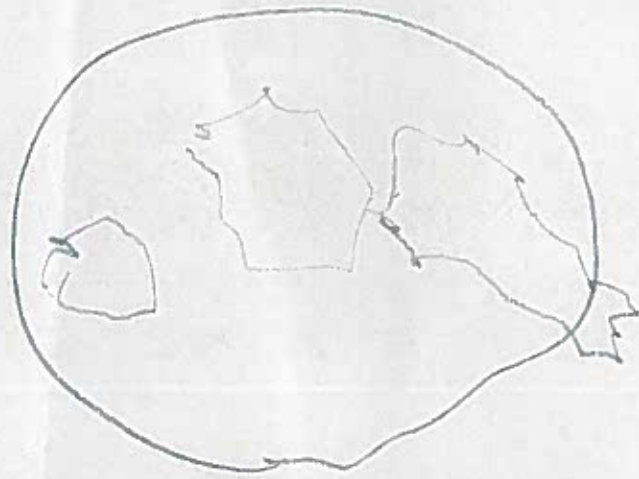
Chief,

Thank you for all
your kind gestures
during this difficult
time. We appreciate
all your thoughtfulness

LOVE,
Eddie,
Civils

"Twice Family"





Dear Firefighters,
Thank you for keeping our
community safe, for everyone in our
town. Thank you for teaching us
about fire safety and helping
those in need in our town. Thank
you for letting me have my 3rd

birthday party at your fire station.

Thank you,

Weston Monter