

**APFA
QUARTERLY EXECUTIVE COMMITTEE MEETING
MARCH 31, 2003**

Y=Yes
N=No
P=Pass
A=Abstain
N/A=Absent
PXY = Proxy Vote

Resolution Tally Sheet

Resolution: #5
Maker: Lanning
Second: Walters
Date: 3/31/03
Time: 2055

	Yes	No	Pass	Abs	N/A
Lenny Aurigemma		/			
Ted Bedwell		/			
Kim Boyett		/			
Mario St. Michel		/			
Cheryl Walters		/			
Treasurer		/			
Secretary		/			
Vice President		/			
President					/

YES: 8 NO: ABSTAIN: ABSENT: 1

Status: PASSED: () FAILED: (/) TABLED: () WITHDRAWN: ()

WHEREAS, the APFA Constitution, Article VII, Section 3, requires that the APFA Executive Committee review Article VII charges for timeliness, specificity and validity; and,

WHEREAS, Kevin H. Brekke, by letter dated December 5, 2002, alleged that APFA President John Ward violated Article III Section 6.B. of the APFA Constitution and engaged in “malfeasance/gross negligence,” citing statements in Issues 2, 4, 7 and 9 of Volume 5 of SkyWord and asserting that Mr. Ward has failed to conduct the affairs of the APFA in accordance with the Constitution and Policy Manual because it is incumbent upon Mr. Ward, as APFA’s Chief Executive Officer, to ensure that APFA Officers enforce the obligations of their offices, that Mr. Ward has been fully aware of the severity and extent of “the dues delinquency crisis, ” but has failed to ensure that the Treasurer exercised the authority of that office by implementing mandatory procedures pertaining to dues delinquencies specified in the Constitution and Policy Manual, has “failed to stop” the Dues Committee and Budget Committee from implementing procedures for which it they have no authority, has “failed to stop” the Treasurer from substituting and implementing proceedings that contravene Art. IV Sec. 3 of the Constitution and Sec. 2.A. of the Policy Manual, or from transferring the authority of the Treasurer’s office to a subordinate committee, that Mr. Ward is ultimately answerable for the management of APFA and has a fiduciary duty of care to exercise prudent business judgment and can be

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held liable for negligence or mismanagement, that “the duration and magnitude of the dues arrears situation clearly shows gross negligence” by Mr. Ward, which “had denied the membership the use of several hundred thousand dollars over the course of several years” and “the loss of tens of thousands of dollars of potential investment interest,” and that by executing a line-of-credit that was subsequently drawn upon in excess of \$400,000, “has cost the membership nearly \$40,000 in unnecessary interest expense,” causing a total financial loss to the membership that “easily exceeds \$80,000, that gross negligence “carries with it personal liability,” and that Mr. Ward “should be held personally liable for restitution of the losses suffered by the membership as a result of his actions.”

THEREFORE BE IT RESOLVED, that the charges filed by Mr. Brekke against APFA President John Ward are sufficiently specific.