# MINUTES South Carolina Auctioneer's Commission Board Meeting 10:00 A.M., November 6, 2006 Synergy Business Park 110 Centerview Drive, Kingstree Building, Room 111 Columbia, South Carolina

# Meeting Called to Order

Mr. Blocker announced that public notice of this meeting was properly posted at the S. C. Auctioneer Commission office, Synergy Business Park, Kingstree Building and provided to all requesting persons, organizations, and news media in compliance with Section 30-4-80 of the South Carolina Freedom of Information Act.

James G. Blocker, Chairman, of Walterboro, called the meeting to order at 10:00 a.m. Other members present included: George Martin, Vice Chairman, of Pelzer; Archie Moody, of Darlington; and Patsy Towery, of Columbia.

Staff members participating in the meeting included: Mike Anderson, Manager, Office of Investigations; Sharon Dantzler, Deputy General Counsel; Sandra Dickert, Administrative Assistant; Kent Lesesne, Attorney; Lenora Miles, Administrator, Linda Owens, Administrative Assistant; and Brett Simms, Investigator.

Members of the public attending the meeting included: Ivan Broadwell, Tracy Davis, Charles Easler, II, Tracy Flynn, E. LeRoy Nettles, Sr., Ben Steverson, and Buddy Watts.

# Pledge of Allegiance

All present recited the Pledge of Allegiance

# Invocation

Mr. Blocker delivered the invocation.

# **Approval of Excused Absences**

Fred Mullis, of Lancaster, was granted an excused absence.

# Approval of the August 21, 2006 Meeting Minutes

# <u>MOTION</u>

Mr. Martin moved the Board approve the minutes of the August 21, 2006 meeting as presented. Mr. Moody seconded the motion, which carried unanimously.

# Chairman's Remarks – James Blocker

Mr. Blocker welcomed everyone to the meeting.

# Administrator's Remarks – Lenora Addison-Miles

Advisory Opinions, If Needed, Office of General Counsel Legislative Update, If Needed, Legislative Liaison Office There were no advisory opinions or legislative update given during this meeting.

Mrs. Miles stated there are currently 1,062 licensed auctioneers and 157 auction firms. She further stated the last exam was administered on September 8, 2006. She went on to say 15 auctioneer candidates took the exam, of which 11 candidates passed. She noted the average score was 75, with a high score of 90 and a low score of 53. She noted the next exam is scheduled for December 8, 2006.

# **Unfinished Business**

There was no unfinished business for discussion during this meeting.

# New Business

# Reconsideration of Denial of Renewal

a. Charles R. Easler

Mrs. Miles stated the Commission denied the renewal of Mr. Easler's license during the August 21, 2006 meeting based on failure to provide satisfactory compliance with the following conditions of the original order from August 2005. She went on to say the denial was based on failure to comply by not conducting auctions as an auction firm until further order, provide evidence of satisfactory completion a four hour business ethics course in addition to the regular continuing education requirement with the 2006 renewal, and not submitting a current credit report to demonstrate progress in resolving all debts with his renewal application.

Charles Easler and LeRoy Nettles, Esq. appeared before the Commission at this time.

Mr. Nettles presented the members with a copy of an order from the Court of Common Pleas in regard to the matter of the Bank of Greeleyville versus Charles R. Easler, II. He stated the order dismissed, with prejudice, the bank's claims.

The Commission then reviewed Mr. Easler's credit report. Mr. Nettles presented the members with an Order of Dismissal (without prejudice) in regard to the Anderson Brothers Bank and evidence that the federal tax lien has been resolved.

Mr. Easler spoke on his own behalf. He stated he asked Sandy Houston who in turn asked Buddy Watts to assist him with conducting auctions. He further stated Mr. Watts assisted him with all four auctions. He asked for clarification on the firm license. Mr. Blocker stated the Commission's intent was to remove Mr. Easler from the financial portion of the firm and that Mr. Easler would be just a bid caller or employee of a firm.

Mr. Easler stated he took an online continuing education course for the business ethics course that ran out after three hours and 20 minutes. He further stated he did not take another course and figured another 40 minutes would not be destructive.

Mrs. Dantzler asked Mr. Easler if the Easler and Son Auction Firm submitted an application for a firm license. Mr. Easler replied negatively. He stated he and Mr. Watts submitted an application as a 'doing business as' or 'dba' firm.

# <u>MOTION</u>

Mr. Martin made a motion, seconded by Mr. Moody and unanimously carried, that the Commission discuss this matter in executive session.

# Review/Approval of Renewals

# a. James Wesley Flynn

Mr. Flynn's license expired on June 30, 2006. On August 9, 2006 staff mailed lapsed license letters, along with cease and desist orders, to all licensees who had not renewed. On September 25, 2006 and September 26, 2006 staff received information and several telephone calls indicating Mr. Flynn may be continuing to operate without a valid license. On September 26, 2006 another cease and desist order was mailed via certified mail to Mr. Flynn. Mr. Flynn's 2007 renewal form was received on October 3, 2006. It was postmarked by September 30, 2006. Mr. Flynn was notified staff could not approve his renewal as information had been received indicating that he may have continued to practice without a valid license.

James Wesley Flynn appeared before the Commission at this time and was sworn to give correct testimony. Mr. Flynn stated he conducts book sales the first Friday of every month and he has an auction firm that conducts general merchandise auctions every Saturday night. He further stated that due to the lack of individuals he has been conducting auctions the first Friday of every month. He went on to say he did not renew his license by June 30, 2006 and he did not conduct an auction during July 2006 or August 2006. He continued by saying he attempted to renew his license online during the first part of September 2006; however, since it was past June 2006 he was unable to do so. He said he had scheduled an auction for approximately September 15, 2006 and passed around fliers regarding the auction. He stated he mailed his renewal application once he discovered he could not renew his license online. He further stated he also listed auctions on auctionzip.com and admitted to conducting the auction on September 15, 2006. He explained that a book sale is where one seller is booked for one night. He said he completed his continuing education in March 2006 with Larry Meares.

# <u>MOTION</u>

Mrs. Towery moved the Commission discuss this matter in executive session. Mr. Martin seconded the motion, which carried unanimously.

# b. Michael F. Johnson

Mrs. Miles stated Mr. Johnson's licensed expired on June 30, 2006. She further stated on October 18, 2006 the Commission received a letter from Mr. Johnson stating he was unable to attend continuing education courses due to his health. She noted he is asking for the Commission's approval for a waiver of his continuing education requirement and allow him to renew his license. She went on to say Mr. Johnson mailed documentation indicating he has chronic respiratory failure and is permanently disabled as well as other medical conditions. She noted Mr. Johnson was unable to attend the meeting due to his health.

# <u>MOTION</u>

Mrs. Towery made a motion, seconded by Mr. Martin and unanimously carried, that the Commission renew Mr. Johnson's license, however, that his license be placed in inactive status and that he not be allowed to conduct an auction until such time as he has completed the required continuing education.

# Review/Approval of Application via Examination

a. Tracy Davis

On August 25, 2006 the Commission received an auctioneer application from Tracy L. Davis. Ms. Davis passed the exam in September 2006; however, her credit report reflects collection accounts totaling \$1,346. She has not provided a written explanation on these accounts.

Ms. Davis appeared before the Commission at this time and was sworn to give correct testimony. Ms. Davis stated there are two accounts with the Greenville Hospital Systems and she has made arrangements to have this money garnered from her income taxes. She went on to say she would contact the other creditors to remedy those accounts.

# <u>MOTION</u>

Mr. Moody moved the Commission discuss this matter in executive session. Mr. Martin seconded the motion, which carried unanimously.

# Approval of CE Course

a. Evans Education Center

# Easements, Profits & Licenses in Land

Ann Evans of Evans Education Center is requesting the Commission's approval of a continuing education course entitled Easements, Profits & Licenses in Land. Evans Education Center previously offered this course through the Tennessee Auctioneer Commission. Terry Evans is scheduled to be the speaker.

Mrs. Miles noted that the Commission has previously approved four other courses taught by Evans Education Center.

# <u>MOTION</u>

Mr. Moody made a motion, seconded by Mrs. Towery and unanimously carried, that the Commission accept.

# 2005-2006 Continuing Education Audit

Mrs. Miles stated staff conducted a random continuing education audit on September 20, 2006. She further stated 98 individuals were randomly selected for the audit, of which five individuals were exempt due to being in their first year of licensure. She went on to say licensees were asked to submit proof of their continuing education hours by October 25, 2006 and as of this date staff has not received responses from four individuals. She went on to state that the notices were not mailed via certified mail.

# <u>MOTION</u>

Mr. Martin moved the Commission draft a letter to those individuals directing them to cease and desist conducting auctions until such time that documentation has been submitted showing proof of their continuing education. Mr. Moody seconded the motion.

Mr. Broadwell stated he has discontinued issuing continuing education certificates since most of the individuals lose the certificates. He noted that when the auctioneers do not have to post their continuing education hours and that there is a chance they would not be audited the Commission would see more of the auctioneers dodging the continuing education requirement. He suggested the Commission continue with requiring the auctioneers posting their hours. Mrs.

Dantzler stated it is much more expensive for the Commission to post continuing education hours.

Mr. Moody suggested including a statement in the next renewal form stating possible sanctions against those who have not complied.

# <u>MOTION</u>

Mr. Martin moved the current system remain in effect. Mrs. Towery seconded the motion, which carried unanimously.

#### **Discussion Items**

There were no discussion items for this meeting.

#### **Public Comments**

Charles Easler stated whatever the Commission's decision in regard to his request he would ask that the Commission lift the probationary status from his individual license. He noted it is difficult to obtain licensure in other states with the probation status.

Buddy Watts spoke on Mr. Easler's behalf.

#### **Executive Session**

The Commission entered executive session at 11:25 a.m. to seek legal advice on matters discussed.

#### Return to Open Session to Report on Executive Session MOTION

Mr. Moody moved the Commission return to public session. Mr. Martin seconded the motion, which carried unanimously.

Mr. Blocker noted for the record that no motions were offered or made during executive session.

#### Charles Easler MOTION

Mr. Moody made a motion, seconded by Mrs. Towery and unanimously carried, that Mr. Easler remain on probation for a period of three years, that he complete a full four-hour continuing education course on business ethics and he act as a contract auctioneer only in compliance with original motion.

#### James Wesley Flynn MOTION

Mr. Martin moved the Commission fine Mr. Flynn \$500 dollars and that he provide evidence of his continuing education prior to the renewal of his license. Mr. Moody seconded the motion, which carried unanimously.

Tracy Davis

# <u>MOTION</u>

Mrs. Towery made a motion, seconded by Mr. Moody and unanimously carried, that the Commission grant Ms. Davis probationary licensure as a contract auctioneer during which time she can be a bid caller under a licensed auctioneer or firm until such time as she can provide a satisfactory plan to deal with her other financial obligations on her credit report.

# HEARING

In the Matter of: Phillip John Wolfe and Catbecca, Inc.

This proceeding was recorded by a court reporter in order to produce a verbatim transcript if requested in accordance with the law.

# Adjournment

The November 6, 2006 meeting of the SC Auctioneers Commission adjourned at 1:30 p.m.