MINUTES

South Carolina Auctioneer's Commission Commission Meeting 10:30 A.M., November 26, 2007 Synergy Business Park 110 Centerview Drive, Kingstree Building, Room 108 Columbia, South Carolina

James Blocker, chairman, of Walterboro, called the meeting to order at 10:47 a.m. Other members present for the meeting included: George Martin, vice chairman, of Pelzer; Wendell Christopher, of Roebuck; Archie Moody, of Darlington; and Patsy Towery, of Columbia.

Staff members participating in the meeting included: Lenora Addison-Miles, Administrator; Joseph Connell, Litigating Attorney; Sandra Dickert, Administrative Assistant; Shirley Robinson, Hearing Advice Attorney; Maurice Smith, Investigator; and Sheridon Spoon, Deputy General Counsel.

Members of the public attending the meeting included: Ivan Broadwell, Kenneth Dover, Charles Easler, Steven Ellison, Joseph Exum, Irving Fields, Eric Gore, Rex Goss, James Phillips, and David Wright.

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.

Pledge of Allegiance

All present recited the Pledge of Allegiance.

Invocation

Mr. Blocker delivered the invocation.

Hearing

In the Matter of William Wendell Burdette and The Auction Company, Respondent and James Phillips, complainant

The agenda was deviated to accommodate the hearing in the matter of William Wendell Burdette and The Auction Company, Respondent and James Phillips, complainant as the first order of business.

The hearing was taken by a court reporter in order to produce a written transcript should one be necessary.

MOTION

Ms. Towery moved the Commission enter executive session to seek legal advice in this matter. Mr. Moody seconded the motion, which carried unanimously.

MOTION

Mr. Martin made a motion, seconded by Mr. Moody and unanimously carried, that the Commission return to public session.

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

MOTION

Mrs. Towery stated that the respondent violated the practice act and moved that Mr. Burdette be fined \$2,000.00 prior to re-licensure and that Mr. James Phillips, the complainant, be allowed to recoup \$689.50 from the recovery fund. Mr. Moody seconded the motion, which carried unanimously.

Approval of Excused Absences

All members were present for the meeting.

Approval of the August 20, 2007 Meeting Minutes *MOTION*

Mr. Moody made a motion, seconded by Mr. Christopher, the Commission approve the minutes of the August 20, 2007 meeting as written.

Chairman's Remarks - James Blocker

Mr. Blocker welcomed Mr. Christopher back to the Commission. Mr. Blocker asked if the Commission could order a plaque for Mr. Fred Mullis. He also asked staff to contact Mr. Mullis to see if he could attend the annual convention in January 2008 for acceptance of the plaque.

Mr. Blocker welcomed three students of the Midlands Technical College auction class to the meeting. The members attending the meeting included Rex Goss, Irving Fields, and David Wright.

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 the November 26, 2007 meeting.

Mrs. Addison-Miles welcomed Mr. Christopher to the Commission and stated staff looks forward to working with him. She publicly thanked Mr. Mullis for his time and service to the Commission and wished him well.

Mrs. Addison-Miles stated there are currently 1,041 auctioneers and 157 auction firms licensed through June 30, 2009.

Mrs. Addison-Miles stated the last auctioneer exam was administered on September 7, 2007. Seventeen auctioneer candidates took the exam and all candidates passed the exam. The high score was 84, the low score was 71, and the average score was 79. She noted the next auctioneer exam is scheduled for December 7, 2007.

Mrs. Addison-Miles stated the NALLOA seminar will be held at Lake Tahoe, Nevada, January 27-30, 2008 and would be held in conjunction with the National Auctioneer Association Winter Symposium.

Mr. Maurice Smith asked the members for guidance in reference to two complaints involving real estate auctions by the use of telephonic or electronic means.

Unfinished Business

There was no unfinished business to be discussed during this meeting.

New Business

1. <u>Approval of IRC Report</u>

There was no IRC Report to present during this meeting.

2. <u>Review/Approval of Applications via Examination</u>

a. Kenneth Dover

On August 27, 2007 the Commission received an auctioneer license application from Kenneth Dover. Mr. Dover passed the exam in September 2007. Mr. Dover answered no to the question asking, "Are there any unpaid judgments of debt now outstanding against you?". However, Mr. Dover's credit report reflects he has outstanding debts totaling \$7,421.00. Since Mr. Dover's application could not be processed in a normal manner he was notified, in writing, that he was scheduled to appear before the Commission during this meeting to answer any questions the members may have.

Mr. Dover offered the following testimony.

The tax liens reflected on Mr. Dover's credit report were through a retail business he has. He presented the Commission with documentation showing he has resolved those liens. He has mailed a letter to the credit bureau asking the bureau to research some of the matters listed. Five of the matters were medical which he was unaware were on the report. He is a Spartanburg County magistrate and sits on the county insurance program.

MOTION

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

b. Steven Ellison

On August 20, 2007 the Commission received an auctioneer license application from Steven Ellison. Mr. Ellison passed the exam in September 2007. Mr. Ellison answered no to the question asking, "Are there any unpaid judgments of debt now outstanding against you?" However, Mr. Ellison's credit report reflects \$2,225.00 in unpaid accounts. He provided a written explanation for the Commission's review.

Mr. Ellison offered the following testimony.

Mr. Ellison has a history of medical problems which pertain to some of the accounts on his credit report. He was unaware of some of the accounts listed on the report. He has

documentation showing the payment of all accounts with the exception of one account in which he is currently making monthly payments.

MOTION

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

c. Joseph Exum, III

On August 23, 2007 the Commission received an application for reinstatement from Joseph Exum. Mr. Exum's auctioneer license lapsed on June 30, 2006. He passed the exam in September 2007. His credit report reflects collection and charged off accounts. His written explanation was included with his application for the members' review.

Mr. Exum offered the following testimony.

Mr. Exum has been licensed as an auctioneer since 1993. He inadvertently allowed his license to lapse in 2006. He was involved in a real estate company which took up all of his time. His credit report includes two active accounts that he currently holds. He presented documentation showing one account is being paid. He and his brother serve as executors of his father's estate and they believe the other accounts listed on the report belonged to his father. He and his brother are working with an estate attorney to research and handle any outstanding matters in regard to his father's estate. He was unaware these issues existed. He has sent notification to the credit bureau asking the company to research the items. He has also sent individual letters to the companies that he feels are incorrect. He has taken the appropriate continuing education classes in 2006 and 2007. He was not aware that his license lapsed in 2006 until he attempted to renew it this year. At one time he was licensed in Georgia and North Carolina.

MOTION

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

Recess

The Commission recessed at 12:10 p.m. and returned to public session at 12:20 p.m.

Executive Session

MOTION

Mrs. Towery moved the Commission enter executive session to discuss the above license application matters. Mr. Moody seconded the motion, which carried unanimously.

Return to Public Session

MOTION

Mrs. Towery made a motion, seconded by Mr. Martin and unanimously carried, that the Commission return to public session.

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

Kenneth Dover Steven Ellison Joseph Exum, III

MOTION

Mr. Moody moved the Commission approve Kenneth Dover, Steven Ellison, and Joseph Exum, III for licensure. Mr. Christopher seconded the motion, which carried unanimously.

- a. Michael Harper Dealing with Lien Issues to Prevent Closing Problems
 Michael Harper is requesting approval to teach a course entitled 'Dealing with Lien Issues to
 Prevent Closing Problems'. The Commission has previously approved Mr. Harper as an
 instructor. The course is to be presented during the state association convention in January
 2008. He made a slight change to the title as the Commission had previously approved this
 course to be taught as a real estate course.
- b. Christie King Preparing Your Business for the Next Generation Christie King is requesting approval to teach a course entitled 'Preparing Your Business for the Next Generation' during the state association convention in January 2008. Ms. King included a resume and a course outline with her request.

<u>MOTION</u>

Mrs. Towery made a motion, seconded by Mr. Martin and unanimously carried, that the Commission approve Mr. Harper's and Ms. King's requests.

c. Terry Evans – Ethics and Standards of Practice for Auctioneers

Terry Evans is requesting approval of a course entitled 'Ethics and Standards of Practice for Auctioneers'. Mr. Evans is an approved instructor and provider and has included a course outline and his resume.

MOTION

Mr. Martin moved the Commission approve Mr. Evans' request to teach Ethics and Standards of Practice for Auctioneers. Mr. Moody seconded the motion, which carried unanimously.

d. Will Hearn – Benefit Auctions and Personal Property Appraisals (MTC) Will Hearn is seeking approval as an instructor for Midlands Technical College. He indicates the main focus of teaching would center on side benefits of the auction profession, such as 'Benefit Auctions' and 'Personal Property Appraisals'.

<u>MOTION</u>

Mrs. Towery recused herself from voting in this matter.

Mr. Moody made a motion seconded by Mr. Martin and unanimously carried, that the Commission approve Mr. Hearn as an instructor to teach Benefit Auctions and Personal Property Appraisals at Midlands Technical College.

e. Jennifer Church - Ivan Broadwell Educational Seminars

Jennifer Church is seeking approval as an instructor for the Ivan Broadwell Educational Seminars. She would be teaching the courses that have already been approved by the Commission.

MOTION

Mr. Martin moved the Commission approve Ms. Church as an instructor. Mr. Moody seconded the motion, which carried unanimously.

4. <u>Guidelines for Assessing Civil Fines and Sanctions</u>

Mrs. Addison-Miles and Mr. Ivan Broadwell, IRC Chairman, discussed the guidelines for assessing civil fines and sanctions for handling disciplinary matters with the Commission members. She further stated the guidelines would assist the investigators and the IRC in disciplinary matters.

MOTION

Mr. Martin moved the Commission approve the guidelines as presented. Mrs. Towery seconded the motion, which carried unanimously.

5. Continuing Education Audit (July 1, 2006 – June 30, 2007)

Staff conducted a random continuing education audit on October 17, 2007 of ten percent of the currently licensed auctioneers. Audit letters were mailed on October 18, 2007 to one hundred two licensees. The letter instructed licensees to submit copies of continuing education documents or certificates no later than November 20, 2007. The letter also stated that failure to comply may result in license suspension or revocation. As of this day 15 individuals have not responded. She noted none of the letters have been returned to staff.

Mrs. Addison-Miles stated last year the Commission authorized staff to send Cease and Desist Orders, via certified mail, to those individuals who had not responded to last year's audit. Upon receipt of the letters those individuals responded and all had received continuing education credits.

The Board authorized staff to send Cease and Desist Orders via certified mail to the 15 individuals who have not responded to the continuing education audit.

MOTION

Mr. Martin moved the Commission authorize Mrs. Addison-Miles to send a consent order to those individuals who have informed the Commission they have not received continuing education be fined \$500.00 and require those individuals to provide proof of continuing education prior to licensure. Mrs. Towery seconded the motion, which carried unanimously.

The Board authorized staff to send a consent order fining those individuals who indicated they had continuing education on the renewal form and obtained continuing education after the license was renewed.

Public Comments

Mr. Charles Easler stated he was asking permission to seek licensure as a firm. The consent order which he entered in 2006 states he is under probation for three years and will remain under probation for another two years. The consent order also states he must conduct auctions as an employee of an auction firm.

The Commission asked Mrs. Addison-Miles to send Mr. Easler a copy of the consent agreement as a reminder of the parameters of his probation.

Adjournment

The November 26, 2007 meeting of the SC Auctioneers' Commission adjourned at 1:47 p.m.