MINUTES

South Carolina Auctioneer's Commission
Board Meeting
9:30 A.M., February 25, 2008
Synergy Business Park
110 Centerview Drive, Kingstree Building, Room 108
Columbia, South Carolina

Meeting Called to Order

James Blocker, chairman, of Walterboro, called the meeting to order at 9:45 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; Sharon Dantzler, Deputy General Counsel; Linda Owens, Administrative Assistant; and Shirley Robinson, Hearing Advice Attorney.

Members of the public attending the meeting included: Ivan Broadwell, Julie Baker-Belk, Angela Carter, Charles Easler, Rebecca Frierson, Leon Flood, Dallas Matthews, and Eugene Poore.

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.

Executive Session

MOTION

Mr. Martin moved the Commission enter executive session for legal advice. Mr. Moody seconded the motion, which carried unanimously.

Return to Public Session

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

Pledge of Allegiance

All present recited the Pledge of Allegiance.

Invocation

Mr. Blocker delivered the invocation.

Approval of Excused Absences

All members were present.

Approval of the November 26, 2007 Meeting Minutes and the January 22, 2008 Conference Call Meeting Minutes

MOTION

Mr. Moody made a motion, seconded by Mr. Martin and unanimously carried, that the Commission approve the minutes of the November 26, 2007 meeting and the January 22, 2008 conference call meeting as submitted.

Chairman's Remarks – James Blocker

Mr. Blocker welcomed everyone to the meeting.

Administrator's Remarks – Lenora Addison-Miles

Mrs. Addison-Miles stated there are currently 1,061 licensed auctioneers and 159 auction firms. She further stated these licenses are valid through June 30, 2009.

Mrs. Addison-Miles stated the last examination was administered on December 7, 2007. She said there were 18 auctioneer candidates. She stated 17 of the candidates passed the exam. She further stated the average score was 82, with a high score of 90 and a low score of 68. She went on to say the next exam is scheduled for March 14, 2008.

Mrs. Addison-Miles stated each of the members should have received a memorandum regarding the 2008 Statement of Economic Interest Forms. She further stated the memorandum gave the Commission members the website address for the State Ethics Commission. She noted this year the Commission members have the option of filing electronically or printing the form, completing and mailing it to the State Ethics Commission. She noted the deadline for filing the form is April 15, 2008 and late filing will result in penalties beginning at \$100. She stated the Commission members also should have received the 2007 Record of Travel Statement which details expenses for which the members were reimbursed by the agency. She asked the members that if they did not receive any of this information to inform her by the end of the meeting so she could obtain copies of the information.

Unfinished Business

There was no unfinished business for the February 25, 2008 meeting.

New Business

1. Approval of December 19, 2007 and January 17, 2008 IRC Reports

Mr. Broadwell briefed the Commission members on the IRC Reports of December 19, 2007 and January 17, 2008.

MOTION

Mr. Martin moved the Commission approve the December 19, 2007 and the January 17, 2008 IRC reports. Mrs. Towery seconded the motion, which carried unanimously.

December 19, 2007

Dismissals

2004-3 2007-6 2007-7 2007-9 2007-10 2007-12 2007-13 2007-14 2007-15

Dismissal – Cease and Desist 2007-17 2007-19 2007-20

Formal Complaint 2007-18 2007-21

Letter of Caution 2007-16

January 17, 2008
Formal Complaint

2008-2

2. Review/Approval of Applications via Examination

a. Angela Carter

On November 26, 2007 the Commission received an auctioneer license application from Angela Carter. Ms. Carter passed the auctioneer exam in December 2007. Her credit report reflects four unpaid accounts. Ms. Carter has provided a written explanation in regard to the accounts. Staff notified Ms. Carter in writing that the Commission would be reviewing her application during this meeting and that she should appear to answer any questions the Commission members may have.

Angela Carter appeared before the Commission at this time and offered the following testimony.

Ms. Carter's credit has not been in good shape for the last few years. She was involved with an individual whom she trusted who left her with the bills. She is in the process of doing what she can to pay the bills and is making payments on the bills each month.

MOTION

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

b. Leon Flood

On November 26, 2007 the Commission received an auctioneer license application from Leon Flood. Mr. Flood passed the auctioneer exam in December 2007. His credit report reflects charged off and collection accounts. Mr. Flood has provided the Commission with a written statement in regard to his credit report. Staff has received faxed documentation from William Oswald and a letter from James Reynolds supporting Mr. Flood for licensure. Staff notified Mr. Flood in writing that the Commission would be reviewing his application during this meeting and that he should appear to answer any questions the Commission members may have.

Leon Flood appeared before the Commission at this time and offered the following testimony.

Mr. Flood and his wife moved to South Carolina to care for an ailing family member in Summerville. He and his wife then moved to Columbia and he began work as a pastor at a small church. He also gained employment at a boat shop several years ago. He was laid off after the shop closed two weeks prior to Christmas. After his job loss at the boat shop he was unable to find employment at another location. His wife became ill with a brain tumor and

without insurance, their financial situation became devastating. He hopes he can develop an auction business to recover financially. He and his wife are contacting creditors through the Carolina Credit Care Association to make payment arrangements. Since his wife's surgery and recovery she has been unable to work as a CNA agent as she had been prior to her illness.

MOTION

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

c. Dallas Matthews. Jr.

On November 26 2007 the Commission received an auctioneer license application from Dallas Matthews, Jr. Mr. Matthews passed the auctioneer exam in December 2007. He answered 'no' to question 12, which asks if he has any unpaid judgment or debt; however, his credit report reflects six unpaid accounts. Staff notified Mr. Matthews that the Commission would be reviewing his application during this meeting and that he should appear to answer any questions the Commission members may have.

Dallas Matthews appeared before the Commission at this time and offered the following testimony.

Mr. Matthews has gone through a divorce, a business failure and a bout with cancer within the past few years. He has been a licensed real estate agent for the past four and one-half years. He held an auctioneer's license in 1988 or 1989. He answered 'no' to the question asking about unpaid judgments or debts because he does not have any outstanding judgments. He is not disputing any of the outstanding debts when he is able to make the payments; however, he is paying family and friends first.

MOTION

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

d. Eugene Poore – Builders Realty, LLC

On October 22, 2007 the Commission received an auction firm license application, from Builders Realty, LLC. The application reflects Mr. Eugene Poore as the applicant responsible for the firm. Mr. Poore answered 'no' to question 12 which asks if there are any unpaid judgments or debts; however, Mr. Poore's credit history reflects unpaid collection accounts. Staff has received documentation showing one of the accounts has been paid. There are no actual judgments against Mr. Poore. Staff notified Mr. Poore that the Commission would be reviewing his application during this meeting and that he should appear to answer any questions the Commission members may have. Mr. Poore has also applied for an auctioneer license via reciprocity.

Eugene Poore appeared before the Commission at this time and offered the following testimony.

The unpaid collection accounts on Mr. Poore's credit report are disputed. He is a forensic investigator for mortgage fraud, a general contractor, an appraiser, pool builder, and a real estate broker in South Carolina and North Carolina. He believes the bills are fraudulent and should not have been placed on his credit report. He believes he answered the question

regarding unpaid judgments truthfully as he does not have any unpaid judgments, however, he did not realize the question included outstanding debts.

MOTION

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

3. Review/Approval of Applications via Reciprocity

a. Julie Baker-Belk

On November 19, 2007 the Commission received a reciprocity auctioneer license application from Julie Baker-Belk. Ms. Baker-Belk is a licensed auctioneer in North Carolina. Mrs. Baker-Belk's credit report reflects one unpaid judgment. She has provided a written statement in regards to the items on her credit report. Staff has received additional documentation indicating the judgment has been deleted from Ms. Baker-Belk's credit report. Staff notified Mrs. Baker-Belk in writing that the Commission would be reviewing her application during this meeting and that she should appear to answer any questions the Commission members may have.

Julie Baker-Belk appeared before the Commission at this time and offered the following testimony.

The judgment has been on Ms. Baker-Belk's credit report for several years. She has written letters to the New Haven, Connecticut office of the business to research what the judgment was on. She went to the Union County Courthouse to research the judgment and found there was no judgment listed. She felt it was a fraudulent charge and dismissed it until she applied for an auctioneer's license. She again contacted the Connecticut office and discovered the judgment was in regard to a bloodhound puppy. She has never been to or lived in Connecticut and has never had bloodhounds. She disputed the charge with Equifax and received the documentation removing the judgment.

There are also three charged off accounts on Ms. Baker-Belk's credit report. She was a cosigner on one account. In her opinion, she believes the BP/Citi account was an item used in her husband's business in which she co-signed. She loaned her Sears credit card to her brother-inlaw who purchased a lawn mower and then could not pay for the lawn mower. She is attempting to negotiate a settlement on the account.

She has been licensed as an auctioneer in North Carolina since July 1999. She has been conducting auctions with her own company since 2001.

MOTION

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

b. John D. Flaugher, III

On November 19, 2007 the Commission received a reciprocity auctioneer license application from John D. Flaugher, III. He is applying for licensure by reciprocity from Pennsylvania. Mr. Flaugher answered 'no' to question 12 which asks if there are any unpaid judgments; however, his credit report reflects unpaid accounts. Staff notified Mr. Flaugher in writing that the Commission would be reviewing his application during this meeting and that he should appear to answer any questions the Commission members may have.

John Flaugher did not appear at this meeting and has not provided any explanation or documentation in regard to the accounts on his credit report.

MOTION

Mr. Moody moved the Commission deny the application until such time as Mr. Flaugher petitions to appear before the Commission. Mrs. Towery seconded the motion, which carried unanimously.

4. CE Audit Consent Agreement - Joel Holcombe

Joel Holcombe is a registered auctioneer who applied for renewal of his registration on May 7, 2007. At the time of his renewal Mr. Holcombe indicated on the renewal form that he had completed the required continuing education hours. During a random continuing education audit Mr. Holcombe submitted documentation that reflected he took his continuing education class on September 25, 2007. By letter dated October 31, 2007 the Commission's office notified Mr. Holcombe of the discrepancy found on his renewal notice and the documentation submitted regarding his continuing education course. Mr. Holcombe did not respond to the Commission's letter and the Commission, during its November 26, 2007 meeting, voted to issue Mr. Holcombe a consent agreement imposing a fine for providing false information on his renewal. A consent agreement was mailed to Mr. Holcombe on December 13, 2007.

In a letter received December 27, 2007 Mr. Holcombe requested that he be allowed to appear before the Commission to present further information regarding this matter.

In a letter received December 27, 2007 James Givens, an auctioneer, requested that he be allowed to appear before the Commission to speak on Mr. Holcombe's behalf.

Mrs. Addison-Miles spoke with Mr. Holcombe by telephone at which time she informed him he would be placed on the agenda for this meeting; however Mr. Holcombe did not appear at this meeting.

MOTION

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

5. Petition to End License Probation – Charles Easler

In an order dated November 9, 2006 the SC Auctioneers Commission placed Charles Easler on probation for three years from the date of reinstatement of his license. During the time in which Mr. Easler is under probation, he is not allowed to conduct auctions except as an employee of, or contracted with, another licensed auctioneer or auction firm and, under no circumstances, is he to conduct auctions under his own license.

In February 2008 the Commission received a letter from Mr. Easler asking that he be placed on the agenda to seek the Commission's approval to be released from the Commission's order dated November 9, 2006.

Charles Easler appeared before the Commission at this time and offered the following testimony.

Mr. Easler has an offer to conduct an auction from a school board and an offer from an individual to conduct an auction on equipment; however, since his license is on probation he is unable to conduct the auction. He is asking the Commission to release him from probation so he may apply for an auction firm license to conduct these auctions. He has been working for several individuals in Georgia and Alabama, has conducted charity auctions for the firemen in Charleston, and has been assisting with farm auctions. He has also been conducting online auctions in Iowa and Alabama. He has conducted sales with Rebel Auction, Black Warrier Auctions, Godley Auctions, and two other auction firms.

MOTION

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

6. Request for Special Examination – John F. Davis

On February 13, 2008 the Commission received a letter from John F. Davis of Trademark Properties, Inc. The letter states his company is conducting an auction in Charleston which will be recorded for television on March 14, 2008, which is the scheduled exam date. He is asking the Commission to approve a special exam date so he may conduct the auction should he pass the exam. Staff received his completed application on February 22, 2008.

<u>MOTION</u>

Mr. Moody moved the Commission allow Mr. Davis to take the exam on a special date pending a satisfactory credit report and SLED report. Mr. Martin seconded the motion, which carried unanimously.

Hearing

In the Matter of Melvyn Duane Salter, Respondent and Mendel Fallaw, Larry Mason, John Riddick III, Anne Gouldin, complainants

This hearing was continued to a later date.

Public Comments

There were no public comments made during the February 25, 2008 meeting.

Executive Session

MOTION

Mr. Martin made a motion, seconded by Mrs. Towery and unanimously carried, that the Commission enter executive session.

Return to Public 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 and no votes were taken during executive session.

Angela Carter Leon Flood Dallas Matthews, Jr. Julie Baker-Belk

MOTION

Mrs. Towery made a motion, seconded by Mr. Martin and unanimously carried, that the Commission approve these applications subject to two years probation, with the condition that these individuals provide a credit report to the Commission on an annual basis at their own expense to show they are making progress on the payment of the debts.

Eugene Poore - Builders Realty, LLC

MOTION

Mr. Christopher moved the Commission grant licensure to Mr. Poore. Mr. Moody seconded the motion, which carried unanimously.

CE Audit Consent Agreement – Joel Holcombe

<u>MOTION</u>

Mr. Moody moved the Commission order Mr. Holcombe pay a \$500 fine for providing false information to the Commission regarding his continuing education. Mr. Martin seconded the motion, which carried unanimously.

Petition to End License Probation - Charles Easler

MOTION

Mr. Christopher made a motion, seconded by Mr. Moody and unanimously carried, that the Commission deny this request.

Election of Officers

NOMINATION

Mr. Moody nominated Mr. Blocker as chairman. There being no other nominations, Mr. Blocker was elected chairman by acclamation

NOMINATION

Mr. Christopher nominated Mr. Martin as vice chairman. There being no other nominations, Mr. Martin was elected vice chairman by acclamation.

Adjournment

The February 25, 2008 meeting of the S.C. Auctioneer's Commission adjourned at 12:50 p.m.