#### **MINUTES**

# South Carolina Auctioneer's Commission Board Meeting 10:00 A.M., November 16, 2009 Synergy Business Park 110 Centerview Drive, Kingstree Building, Room 108 Columbia, South Carolina

#### 1. Meeting Called to Order

James Blocker, chairman, of Walterboro, called the regular meeting of the Auctioneers' Commission to order at 10:01 a.m. Other members participating in the meeting included: George Martin, vice chairman, of Pelzer; Wendell Christopher, of Roebuck; and Patsy Towery, of Columbia.

Staff members participating in the meeting included: Lenora Addison-Miles, Administrator; Sharon Dantzler, Deputy General Counsel; Sandra Dickert, Administrative Assistant; Melissa Jones, Program Assistant; and Angie Scott, Program Assistant.

Members of the public attending the meeting included: Charles Easler, Louis Hilton, Jr., Theresa Harley, and Scott Oglesby.

#### A. Public Notice

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.

#### B. Pledge of Allegiance

All present recited the Pledge of Allegiance.

#### C. Invocation

Mr. Blocker delivered the invocation.

## 2. Approval of Excused Absences *MOTION*

Mrs. Towery made a motion the Commission excuse Mr. Moody's absence. Mr. Martin seconded the motion, which carried unanimously.

#### 3. Approval of the August 17, 2009 Meeting Minutes

Mr. Blocker noted one correction to the minutes of the August 17, 2009 meeting. He noted the motion regarding James Reid Leonard, III reflected Mr. Martin made and seconded the motion. He believes Mr. Christopher seconded the motion.

#### **MOTION**

Mr. Martin made a motion the Commission approve the August 17, 2009 meeting minutes as amended. Mr. Christopher seconded the motion, which carried unanimously.

#### 4. Chairman's Remarks – James Blocker

Mr. Blocker welcomed everyone to the meeting and thanked staff for preparing for the meeting.

#### 5. Administrator's Remarks – Lenora Addison-Miles

#### A. <u>Advisory Opinions, If Needed, Office of General Counsel</u>

#### B. Legislative Update, If Needed, Legislative Liaison Office

No advisory opinions or legislative update were given during this meeting.

Mrs. Addison-Miles stated 17 auctioneer candidates took the exam administered on September 4, 2009. She further stated 14 candidates passed the exam, with the average score being 81. She noted the high score was 92 and the low score was 65. The next exam is scheduled for December 4, 2009.

Mrs. Addison-Miles stated as of November 13, 2009 there were 987 auctioneers currently licensed and 148 firms licensed through June 30, 2011. On October 29, 2009 cease and desist orders were mailed to 40 auction firms and 202 auctioneer licensees who did not renew licensure. She noted the licenses are now lapsed and the last day to renew licensure was September 30, 2009.

#### 6. Unfinished Business

There was no unfinished business for discussion during this meeting.

#### 7. New Business

#### A. <u>CE Exemption Request – Jerry Hanks</u>

On September 25, 2009 the Commission received an auctioneer's license renewal from Jerry Hanks. With his renewal application, Mr. Hanks included a letter seeking the Commission's approval to be exempt from continuing education as a result of unforeseen medical reasons from the past two years.

Mrs. Addison-Miles stated Mr. Hanks submitted his renewal form on September 25, 2009 along with the request for exemption as well as a statement from Mr. Hanks' physician.

Mr. Hanks did not appear during this meeting.

#### **MOTION**

Mrs. Towery made a motion the Board discuss this matter in executive session. Mr. Martin seconded the motion, which carried unanimously.

#### B. Reinstatement Request – William H. Vaughan, Jr.

On September 30, 2009 William H. Vaughan, Jr. contacted Mrs. Addison-Miles during which time he asked to be placed on the agenda to discuss the reinstatement of his license or be able to do a late renewal without taking the exam due to extenuating circumstances.

Mrs. Addison-Miles stated she is unsure of the extenuating circumstances as Mr. Vaughan had stated he would be attending the meeting. Mr. Vaughan did not appear during this meeting.

The Commission tabled this matter until such time as Mr. Vaughan appears before the members.

#### C. Review / Approval of Application via Examination

i. Louis Hilton, Jr.

On May 15, 2009 the Commission received an auctioneer license application from Louis Hilton, Jr. Mr. Hilton's credit history report reflects an unpaid student loan. In a letter of explanation, Mr. Hilton states he co-signed a student loan for his son to attend school. Mr. Hilton passed the exam in June 2009.

Ms. Dantzler swore Mr. Hilton to give correct testimony.

Mr. Hilton stated his son lost his job and was unable to make payments. He further stated his son is now working and is now making payments on the loan. He is unsure how much his son has repaid on the loan.

#### MOTION

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

#### ii. Charles N. Maxwell

On August 14, 2009 the Commission received an auctioneer license application from Charles N. Maxwell. Mr. Maxwell's credit history report reflects several collection accounts.

Mrs. Addison-Miles stated Mr. Maxwell has asked that his application be deferred to the February 2010 meeting to allow him time to resolve some of the matters on his credit report.

#### iii. Nikkia R. Nesbitt

On August 17, 2009 the Commission received an auctioneer license application from Nikkia R. Nesbitt. Ms. Nesbitt's credit history report reflects several collection accounts and two R9 accounts. Ms. Nesbitt's criminal history report reflects a misdemeanor charge and conviction for a fraudulent check. Ms. Nesbitt passed the auctioneer's exam in June 2009.

Ms. Nesbitt did not appear during this meeting and the Commission took no action on the application during this meeting.

#### iv. Theresa Harley (Bubba's Place)

On October 20, 2009 the Commission received an auction firm license application from Bubba's Place. The application reflects Theresa Harley as the owner of the auction firm. Ms. Harley's credit history report reflects several unpaid collection accounts.

Ms. Dantzler swore Ms. Harley to give correct testimony.

Ms. Harley stated she was unaware of the unpaid collection accounts until she applied for an auctioneer's license. She is currently paying on the accounts and has paid the AMCA account in full. She has spoken with the remaining three collection agencies and will have these matters resolved.

#### **MOTION**

Mrs. Towery made a motion the Commission discuss this matter in executive session. Mr. Christopher seconded the motion, which carried unanimously.

#### D. Review / Approval of Application via Reciprocity

#### i. Scott Oglesby

On September 9, 2009 the Commission received a reciprocity auctioneer license application from Scott Oglesby. Mr. Oglesby is seeking reciprocal licensure from Florida. Mr. Oglesby was disciplined by the Florida Real Estate Commission for renewing his license without the proper continuing education. His credit history report reflects one unpaid collection account and one federal tax lien.

Ms. Dantzler swore Mr. Oglesby to give correct testimony.

Mr. Oglesby stated in 2005 he worked for a Florida real estate firm and was traveling the country pretty heavily. He began taking a continuing education course online; however, he did not complete the course on time. Several months later he realized he did not complete the course. He contacted the Real Estate Commission and paid a fine. In the end he did complete the course. A few years later he formed his own real estate/auction company and is currently licensed in six states.

Mr. Oglesby stated during that same time period he was going through personal problems and owed back taxes from 2005. His CPA advised him not to pay the back taxes and to take the loss carried by the back taxes. The following year he was unemployed for a short time while forming his own company. He questioned his CPA, regarding the back taxes, who informed him there was no problem. He was unaware of the tax lien until he received a letter from the SC Auctioneers' Commission. He had a copy of the tax return submitted earlier this year, which showed a carry back and a letter from the CPA to the IRS to ensure the carry back applies to the shortage from 2005.

#### <u>MOTION</u>

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

#### E. Review / Approval of Auction Firm Application

i. Charles R. Easler (Worldnet Auctions Inc.)

On November 10, 2009 the Commission received an auction firm application from Worldnet Auctions, Inc. The application reflects Charles R. Easler as the auction firm owner. Mr. Easler's license had been previously placed on probation until November 9, 2009 and further order of the Commission. The previous order, dated November 9, 2006, stated Mr. Easler could not conduct auctions except as an employee of an auction firm or as a contractual employee of another auctioneer.

Ms. Dantzler swore Mr. Easler to give correct testimony.

Mr. Easler stated he is seeking the Commission's approval for a firm license. He has a chance to conduct auctions for two different farmers. He has made substantial progress in payments to accounts listed on his credit report since he last appeared before the Commission.

#### MOTION

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

#### F. 2007-2009 Continuing Education Audit

Mrs. Addison-Miles stated continuing education letters to ten percent of the licensees were mailed on October 29, 2009 requesting copies of continuing education certificates to be submitted by November 9, 2009 for eight hours of continuing education obtained between July 1, 2007 and June 30, 2009. Follow up letters were mailed on November 6, 2009 to 17 individuals who had not responded. As of this dated there are four individuals who had not responded to the audit: Joseph Baldwin, Jr., Ronnie Barton, B. Peter Clark, and Michael Gambrell.

Mrs. Addison-Miles stated Tim Howard renewed his license online on May 25, 2009 at which time he indicated he had completed the required eight hours of continuing education. Mr. Howard was randomly selected to submit continuing education certificates, which showed he had completed only one course for four hours. The class was taken on June 3, 2009 which was after he had renewed licensure and stated he had completed the required continuing educations courses. Mr. Howard then submitted a letter stating he did not take the continuing education course due to health reasons. He remains four hours short of the required eight hours of continuing education.

#### **MOTION**

Mr. Martin made a motion Mr. Howard cease and desist from the practice of auctioneering until he completes the continuing education and presents proof of said continuing education to the Commission. Mrs. Towery seconded the motion, which carried unanimously.

Mrs. Addison-Miles stated H. Dennis Ashley and Phillip Gilstrap renewed licensure; however, neither individual had sufficient continuing education at the time of renewal. She noted both of these individuals were also included in the audit and have since shown proof that they have completed the required number of continuing education hours.

#### **MOTION**

Mrs. Towery made a motion the Commission direct Mrs. Addison-Miles to handle Mr. Ashley and Mr. Gilstrap as in previous years with a pre-approved consent agreement and a fine of \$500.00. Mr. Christopher seconded the motion, which carried unanimously

#### G. Approval of Proposed 2010 Meeting Dates

The Commission reviewed the following proposed 2010 meeting dates:

February 22, 2010 May 17, 2010 August 16, 2010 November 15, 2010

Mrs. Towery noted she has a conflict with the August 16, 2010 meeting date. Following a brief discussion the Commission asked that the August 2010 meeting be moved to August 23, 2010.

#### **MOTION**

Mr. Christopher made a motion the Commission approve the proposed 2010 meeting dates as amended. Mrs. Towery seconded the motion, which carried unanimously.

#### 8. Public Comments

No public comments were made during this meeting.

### 9. Executive Session

#### **MOTION**

Mr. Martin made a motion the Commission enter executive session to seek legal counsel. Mr. Christopher seconded the motion, which carried unanimously.

#### 10. Return to Public Session

Mr. Blocker noted for the record that no official action was taken during executive session.

Jerry Hanks

**MOTION** 

Mrs. Towery made a motion the Commission issue Mr. Hanks licensure, that the license be immediately placed under suspension until such time as he completes his continuing education requirements. Mr. Christopher seconded the motion, which carried unanimously.

#### Lewis Hilton, Jr.

#### **MOTION**

Mr. Martin made a motion the Commission issue Mr. Hilton a license which is to be placed under probation for one year until the student loan is paid. Mrs. Towery seconded the motion, which carried unanimously.

#### Theresa Harley (Bubba's Place)

Mr. Christopher made a motion the Commission issue Ms. Harley a license, which is to be placed under one year probation. Mr. Martin seconded the motion, which carried unanimously.

#### Scott Oglesby

#### **MOTION**

Mr. Martin made a motion the Commission issue Mr. Oglesby a license. Mr. Christopher seconded the motion, which carried unanimously.

#### Charles R. Easler (Worldnet Auctions Inc.)

#### **MOTION**

Mr. Christopher made a motion the Commission approve Worldnet Auctions for licensure, with the license to be placed under probation and that Mr. Easler report to the Commission within 35 days any auctions he holds and show proof he has made settlement to his seller. Mr. Martin seconded the motion, which carried unanimously.

#### 11. Adjournment

#### **MOTION**

There being no further business to be discussed at this time Mrs. Towery made a motion the meeting be adjourned. Mr. Martin seconded the motion, which carried unanimously

The November 16, 2009 meeting of the SC Auctioneer's Commission adjourned at 11:45 a.m.