

## MINUTES

## NORTH CAROLINA AUCTIONEER LICENSING BOARD

August 14, 2017

The North Carolina Auctioneer Licensing Board met on Monday, August 14, 2017 in the Fuquay-Varina Office. The meeting was called to order at 10:10 a.m. Members present were Chairman Gary Boyd, Vice Chairman William B. Lilly, Jr., Lisa L. Brown, Daniel H. DeVane and Susan R. Holder. Also present were Charles F. Diehl, Executive Director, Becky Stewart, Administrative Officer and Ralph Southerland, Investigator. Chairman Boyd welcomed Assistant Attorney General Rana Badwan with the NC Department of Justice, Reba Burleson President of the AANC Auxiliary and Phil Burleson.

Chairman Boyd inquired of each member if there were any known conflicts of interest or an appearance of conflicts with respect to any matters coming before the Board during this meeting. Member Holder recused herself from consideration of the Probable Cause recommendations due to her attendance and participation in the Probable Cause Subcommittee meeting. Other members stated there were none.

**Minutes of the meeting held on July 17, 2017 were approved as recorded on motion by Member Holder. Member DeVane seconded the motion which carried unanimously.** Then Ralph Southerland provided the investigative case log update as follows: eight (8) active cases and zero (0) cases under appeal.

At this time the Board considered the Probable Cause Subcommittee recommendations and the following motion was made: **Vice Chairman Lilly made a motion to accept the Probable Cause Subcommittee recommendations. Member DeVane seconded the motion which carried unanimously.** Member Holder recused herself from consideration of the Probable Cause recommendations due to her attendance and participation in the Probable Cause Subcommittee meeting. Then Director Diehl reported on the Ad Violations and other Informal Staff Investigations

for the month of July.

Next Director Diehl presented the financial information concerning the individual month of July. Following review **Member Brown made a motion to accept the financial information for the month of July. Vice Chairman Lilly seconded the motion which carried unanimously.** Then Director Diehl reported that the auditors will be in the office Thursday, August 24 and Friday, August 25 to perform the yearly audit.

At this time Director Diehl provided an update on the mortgage loan. He also reported that the board's current database is approximately 15 years old and is no longer compatible with all current software, and that an investment in updating the system will be needed at some point. After a discussion, **Member DeVane made a motion to pay off the mortgage loan on the building. Member Brown seconded the motion which carried unanimously.**

Next Director Diehl provided each board member with memos dated April 7, 2017 and respectively July 18, 2017 relating to an IRS directive that impacts the way members of the State's boards and commissions are classified and paid. The Office of State Human Resources, Office of State Budget and Management, and Office of State Controller have interpreted the IRS directive to mean that as of January 1, 2017 all board and commission members who receive per diem are employees for employment tax purposes and are subject to income and social security/medicare tax withholdings. Director Diehl reported that staff polled several boards regarding their take on this directive. The NC CPA Board disagrees with the OSC's interpretation and has requested an advisory opinion by the State Auditor. After a discussion **Member DeVane made a motion to wait and not implement this directive until a formal advisory opinion has been received by the State Auditor. Member Brown seconded the motion which carried unanimously.**

At this time Director Diehl presented to the board for review and consideration a draft "Request for CE Proposals for Year 2018/2019." Following a discussion **Vice Chairman Lilly**

**moved to approve the draft “Request for CE Proposals” and instructed staff to submit the “Request for CE Proposals” to all Board approved CE Sponsors. Member DeVane seconded the motion which carried unanimously.**

Next Director Diehl provided an update on Board Counsel. The Attorney General’s Office has not assigned the board permanent counsel, but it will be forthcoming. Additionally due to the Attorney General’s Office budget cuts, the compensation for legal counsel pay might differ in that instead of an hourly rate it could potentially be a percentage of the attorney’s overall compensation cost, based on their time dedicated to representing NCALB. Director Diehl also informed the board there is an appeal of a license denial decision, with the hearing scheduled at the next board meeting on September 11, 2017. The Attorney General’s office will provide counsel.

Following the review and approval of applications for licensing, the Board confirmed the next regular meeting on Monday, September 11, 2017, at 10:00 a.m. in the Fuquay-Varina office. **Vice Chairman Lilly made a motion to adjourn the meeting with Member DeVane seconding the motion which carried unanimously.**

The meeting adjourned at 11:05 a.m.

Respectfully Submitted,

Becky J. Stewart  
Administrative Officer