

MINUTES OF THE STATE AUCTIONEERS COMMISSION
OHIO DEPARTMENT OF AGRICULTURE Seminar Room B
8995 E. MAIN STREET, REYNOLDSBURG, OH 43068
January 15, 2010

PRESENT:

Commissioner James Milleson
Commissioner Gary Cain
Commissioner Steve Remias
Commissioner David Schnaidt
Commissioner Lori Kiko

Jim Patterson, Assistant Attorney General
Donna Brinker Potter, Administrative Assistant III

Members of the Public:

Chris Davis, OAA
David Jones, OAA
Bill Stepp, OAA
Harry Grafton

Meeting called to order @ 9:31am with the pledge of allegiance. All members of the commission are present. Chairman Schnaidt welcomed the members of the public attending and new commissioner, Lori Kiko. He asked her to introduce herself to everyone. Commissioner Kiko stated that she is a 3rd generation auctioneer and real estate agent from the Canton area. She stated that the majority of their auctions are conducted within a 60-80 mile radius. She said that she mostly handles real estate auctions as a broker, but that they do personal property and some livestock auctions. She has been in the business for 27 years. Commissioner Cain stated that this is the third generation of Kikos to serve on the commission.

Chairman Schnaidt asked the commission if they had a moment to review the minutes of the last meeting. Commissioner Cain moved to approve the minutes as written. Commissioner Remias seconded. No further discussion noted. Motion carried by an affirmative vote of all members.

The next item on the agenda was the review of the auction schools tabled from the last meeting. She stated that the Florida Auction Academy, Reppert's, and Mendenhall all had missing items from their application and that the commission had tabled them to give them opportunity to get the missing information submitted for this meeting. Ms. Potter stated that they had received responses from Florida and Reppert's and everything appeared to be in order. She stated that Mendenhall had failed to provide the missing information. She stated that she did not know if the commission wanted to table the Mendenhall application a second time or not. Commissioner Schnaidt stated that he personally felt that they have been given the opportunity and did not see need the need to table it another time. Commissioner Cain stated that if they do not approve them at the meeting, they could reapply. He felt that they had enough time to apply. Chairman Schnaidt seeing no other discussion asked for a motion. Commissioner Remias moved approve Florida and Reppert. Commissioner Cain seconded. No further discussion noted. Motion carried by an affirmative vote of all members. Chairman Schnaidt asked for a motion regarding Mendenhall. Commissioner Cain moved to not approve the school until the curriculum is up to date and the police background checks are provided. Commissioner Kiko seconded. No further discussion. Motion carried by an affirmative vote of all members.

The next item discussed on the agenda was the Spring Seminar/education fund request received from the OAA. Commissioner Schnaidt stated that they had a request from the OAA for an ATS designation course to be in cooperation with NAA. He stated that they needed to talk about the request, spring seminar and the fund balance. He stated that if they did not approve this request, the need to look for possible topics etc for the Spring Seminar. Chairman Schnaidt asked if

everyone had a chance to look over the request. Commissioner Cain asked Chris Davis if he had any comments. Chris Davis stated that you have to bring a lap top, more hands on, may not be as well attended due to technical requirements. He said if the dollars are there, it is a good designation. At this time, Chairman Schnaidt asked the members of the public to identify themselves for the record. He then asked for any other discussion regarding the education fund request. He stated that he had a couple of thoughts. His first concern was that the CES designation course he attended had a larger attendance and when he came out of that class, he was glad he didn't pay for it. He said that, personally, the only thing he gained from the course was three letters to list after his name. He stated that he had question over the value for their dollar. He said that he is a NAA member, and that he has heard that the CAI is wonderful, but, he had concerns over the other programs if they were worth it from a fiscal standpoint. He felt that there might be other programs the auctioneers would gain more from by attending. Commissioner Milleson stated that he was concerned with the \$180.00 per person price. Chris Davis stated that no one could predict the final attendance. Chairman Schnaidt said that they needed to continue to look at the bang for the buck and they need to look at the numbers of who can benefit. For example, he felt that the classes offered at the OAA Winter Convention was money better spent. He felt dollar for dollar the money was dead on. He felt that the attendees would benefit greatly and that the ATS seminar was too limiting in the number of people who could benefit. David Jones stated that one of his issues is that there is a segment left out when you have to bring a lap top.

Commissioner Cain stated that technology is a part of the business and that it is not going away. He felt a course such as this is needed, but it is such a thin slice of the segment that will gain anything from the course. He felt only the techies would take advantage of the class. Lori Kiko stated that she paid for and took the CES designation at a different time. She stated that she felt that it was a worthwhile class. She took a way one thing and implemented it and has gained a great benefit. She even encouraged the other agents in her office to take the course. She stated that the NAA puts a lot into the courses particularly the CAI. She could not speak for the quality of the other courses, but that they needed to take good look. She felt that the designations are important and any kind of extra technology can learn will help. She felt that it was crucial for the younger people in the business to have the training to get to the next level. Chris Davis stated that for the commission's information, Barry Baker negotiated the original price down from NAA. He did not think that it was a money maker for the NAA. He stated that he agreed with Lori and that they are looking at a group of new business owners. They are able to do more with technology and he felt that it was a worthwhile course. Chairman Schnaidt asked if there was a way to spin off on the seminar and put something together with the OAA using the technology as a basis and they could give an overview to a larger group. He felt that they could give them a base and that if they choose to they could then go on their own to get the ATS designation. He recommended maybe getting Auctionzip.com to come and make a seminar that would be a lot less expensive. Commissioner Remias wanted to know if it would be more cost effective to incorporate it in with the summer convention. Chris Davis stated that if they added 2-3 days to a convention it makes it hard for the attendees to carve out that amount of time. Commissioner Kiko stated that AARE was done that way and they had 25-30 people attend. Donna Potter clarified that the request was in lieu of the summer convention. Chairman Schnaidt asked if they do not proceed with the ATS, would there be enough time to put together a spring seminar for this fiscal year. Donna Brinker Potter responded that she did not know. There had been some recent changes in procedures at ODA which made her uncertain of turn around time. All printing has to go through State Printing and she was unaware of how long that would take. Commissioner Cain expressed with the ATS, he was not sure that they would not be overdoing it for a very small portion of the licensees. He stated that they have a duty to serve as many people as they can. Chris Davis asked that if they did not approve the request would there still be time for a request

for their summer convention. Donna Brinker Potter stated that there should be enough time. The request could be reviewed at the April meeting. Gary Cain stated that most of the attendees are usually OAA members. Chris Davis wanted to clarify if the commission was seeking to do something in conjunction with them or if they wanted to do their own seminar in addition to the OAA seminar. Chairman Schnaidt stated that he liked the idea and he asked the OAA to put something together. He liked the idea of a tech aspect to the seminar. Commissioner Kiko stated that the NAA may have speakers/courses available that are one day courses. Chairman Schnaidt stated that they needed to be careful when inviting outside companies, they do not want to focus just on one company. David Jones stated that if they do it as a two day seminar, that with an overnight stay, they might loose people. He asked about doing it on separate days rather than consecutive. Commissioner Cain stated that he rather do it in one session rather than spread out. Chairman Schnaidt stated that he felt that it would be harder to get people back for the other dates. Chris Davis clarified that they wanted to do something this fiscal year or are they trying to do two. Chairman Schnaidt stated that he would like to see something this summer; he felt the benefit was if they did a joint seminar, the ODA facilities could be utilized. Commissioner Remias stated that he would like to see the AARE class. Commissioner Milleson stated that there were not enough monies available to cover the total cost of the request. Commissioner Milleson stated that he would like to see them combine the seminar with the bid calling contest to get more people involved and to send the notices out electronically because mailing is too expensive. It was discussed whether email was feasible or not. Chris Davis stated that on a personal level, he felt that it was better to mail the notices because people just do not read their email. He wanted to know if it was done in conjunction with the bid call whether it would be funded from the current fiscal year or the next and if it was the next what happened to the current year spending authority. Jim Patterson asked for a break to discuss the matter with the fiscal department.

Break at 10:26a.m. Meeting resumed at 10:44a.m.

Chairman Schnaidt recognized Jim Patterson. Mr. Patterson stated that he appreciated the time to go and find some answers; based on his conversation with the fiscal department, there were accounting reasons for not recommending spending funds in the next fiscal year. OBM reported that even if the funds are committed in one fiscal year and spent in the next, there is a good chance that it would not be approved by downtown and due to accounting reasons he did not recommend it. Chairman Schnaidt thanked Mr. Patterson for getting the information. He stated that it seemed to him that we should make it a one day seminar this year. Chris Davis stated that it would eliminate Commissioner Milleson's idea, but that he liked the idea and they should keep it in mind for future years. Chairman Schnaidt stated that the timing is good for the OAA to put something together. He'd like to see a large part dealing with tech and it would be for the greater good just not at a designation course level. He stated that he was open to partnering with the OAA to put the seminar together. He asked for further discussion. Having none, he asked for a motion. Commissioner Cain moved to deny the education fund request received. Commissioner Remias seconded. No further discussion noted. Motion carried by an affirmative vote of all members. Chris Davis said the OAA would come back with a new request for the April meeting. Chairman Schnaidt stated that he hoped that the OAA understood the reason behind the denial and that they would like to partner, but would like to spin the seminar in a different way.

The next item on the agenda is the enforcement update. Jim Patterson explained the enforcement procedures and administrative process for the benefit of the new commission member and for a review of the other commissioners. Commissioner Milleson asked if the complaint had to be written or verbal and whether or not the department accepted anonymous complaints. Donna Potter stated that per 4707.16 the complaints needed to be in writing and the department did accept anonymous complaints. The department can upon its own motion investigate a matter and

occasionally, she would refer an investigation based on verifiable information received via the telephone. Jim Patterson stated that if a complaint comes in unsolicited that there is a question as to whether or not it was shielded from public records request. If a complaint form is received as a result of the request of the department due to an investigation, that it is protected from release. However, the protection no longer exists once the investigation is complete it becomes a public record. Commissioner Remias asked if the department prioritized complaints. Donna Potter responded that all complaints are processed equally and assigned to an investigator if complaint contains prima facia evidence that a violation has occurred. Commissioner Cain stated that as commissioners, they get calls and if they comment people think that they are making a ruling and that you need to be extremely careful before commenting. Jim Patterson stated that he could see how people could get confused, but that it is important to remind them that the commission only serves in an advisory capacity to the department. ODA has the direct enforcement capacity. Commissioner Kiko asked why it was different from the real estate board. Jim Patterson stated that the legislature set it up that way and that most of the boards at ODA were advisory in capacity. Commissioner Kiko stated that it seemed the most common violations were on the contracts and ads. She felt that the statute was a bit vague and could they get a copy of the regulations involved otherwise, how are the licensees supposed to know the violations. Jim Patterson stated that the notice of hearing letter that is sent to a licensee is intended to be very specific it will list the statute and rules then it will list the facts and refers to specifically which law or rule was violated. The attempt is to specifically point out the violation and what occurred. Commissioner Milleson stated that for the next meeting they should prepare to discuss contracts and the applicable statutes.

Chairman Schnaidt asked for any other business. With no other business before the commission, Chairman Schnaidt asked for a motion to adjourn; Commissioner Cain so moved. Commissioner Milleson seconded. No further discussion. Motion carried. Meeting adjourned at 11:52am.

Approved Chairman