

**State Brand Board**  
**Minutes of the Meeting**  
**January 4, 2012**

The South Dakota State Brand Board met on January 4, 2012 at the State Brand Board office in Pierre, SD. Chairman Mark Kimball called the meeting to order at 10:30 a.m. Members present were Wanda Blair, Bart Blum, and Curt Mortenson. Others present were Harold Deering, Larry Stearns, Wray Shouldis, Scott Rechtenbaugh, DCI, Jim Murphy, Dan Holloway and Blair Dunn.

Mortenson moved and Blair seconded the motion to adopt the agenda with the agenda item Board Elections deleted. Motion carried.

Blair moved and Blum seconded the motion to approve the minutes for the November 3, 2011 meeting. Motion carried.

Director's Report: Stearns reported that in November 2011, there were 53 brand applications, 19 new brands, 44 transfers, 4 re-recorded brands and 3 brand books sold. For December, 2011, there were 46 applications, 25 new brands, 45 transfers, 7 re-recorded brands and 8 brand books sold. Applications are current.

Included in the meeting packet were:

1. The Nov-Dec 2011 reports of cash balances, revenues and expenses, for the Brand Board.
2. Director's Report
3. Brand Inspection Report
4. Hold information
5. Letter from Ag in the Classroom
6. Salary Scenarios

Director's Report: The director reported that The SD Brand Board and SD Dept of Agriculture are hosting the 2012 International Livestock Identification Association conference on July 22-25, 2012 at the Civic Center Holiday Inn in Rapid City. We have Temple Grandin scheduled for presentations on July 23.

The director is completing the 2012 report to the legislature. Platte, Sheridan and Gordon Livestock Auctions are now set up as shipper's agents. Our office has scanned in 205,000 market tallys and has renewed efforts to begin running electronic tally sheets at St. Onge Livestock following fall run. Pat and Bart Blum celebrated their 50<sup>th</sup> wedding anniversary last weekend.

Chief Brand Inspector's Report: Shouldis reported that for November 2011, we inspected 340,172 head. There were 211,589 head inspected at livestock markets; 299 in locker plants; 128,284 head inspected locally, with 2,223 head held for proof of ownership. For December 2011, 203,282 head were inspected at livestock markets, 283 head at locker plants and 41,791 head inspected locally for a total of 245,356 head. There were 2,359 holds. The total for the first six months of this fiscal year is 934,738 which is 35,000 ahead of last years total.

For Nov/Dec 2011, there were 11 new holds for \$21,366 that came into the office. These holds involved 14 cows, 4 heifers, 2 steers, 2 bulls, and 2 horses. Six holds were paid out on 5 cows and 1 heifer for \$3,409. For the two months, there were 75 recovered stray reports filed involving 120 head of livestock: 33 steers, 16 heifers, 32 cows, 33 calves 6 bulls and 1 horse.

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Mortenson said he was surprised that the inspections numbers were up. Comments were made on the movement of livestock and factors that may influence those numbers such as dry weather, heifer retention and high cattle markets. Kimball asked if the stray statistics could be broken down to separate the numbers recovered at livestock auction and local inspections.

Investigators Report: Scott Rechtenbaugh reported that in the last 3 months there were 7 road check conducted with 3 citations and 4 warnings issued. The investigators are actively working on follow-up investigations on several cases. He has set a goal of personally meeting with all of the full-time inspectors. Mortenson asked what would be the procedure for enforcement if the penalty for leaving the brand area changes from a Class 2 misdemeanor to a Class 1 misdemeanor. Rechtenbaugh said that instead of arresting the person on the spot and risk leaving the livestock unattended, that the arrest could be postponed and turned over to the state's attorney.

Financial Report: Stearns gave the financial report. He presented a chart showing the cost of the 5 percent bonus proposed by Governor Daugaard. The cost to the Brand Board could be between \$40,000 and \$42,000. The Board asked for scenarios for two, three and five percent bonuses for their information.

Legislation Discussion: The Board briefly discussed the upcoming legislative session.

Hold Hearing #BB104: This hold was for \$456.44 on one black heifer calf delivered as an estray with a blotched brand which sold at Mobridge Livestock Market on October 14, 2010. No one came forth to claim this calf. Mortenson moved to escheat the funds to the Livestock Theft and Prevention Fund. Blair seconded the motion which passed.

Hold Hearing #BB105: This hold was for \$807.21 on a black steer with an unregistered brand delivered to Lemmon Livestock Market on October 27, 2010 as an estray. As no one came forth to claim the steer, Mortenson moved and Blair seconded the motion to escheat the funds to the Livestock Theft and Prevention Fund. Motion carried.

Hold Hearing #BB115: This was a hold for \$492.83 on an estray black cow delivered to Gordon Livestock Auction on October 16, 2010. No one could prove ownership on this cow. Blair moved and Blum seconded the motion to escheat the funds to the Livestock Theft and Prevention Fund. Motion carried.

Open Comment: There were no comments.

The meeting recessed for lunch at 11:45 a.m. and resumed at 1:00 p.m.

Administrative Rules discussion:

Duplicate Certificate Fee: The director said there is a need to increase the fee to replace a lost certificate. The current fee does not pay the cost of issuing a replacement. As this decision requires an administrative rules hearing, Blair moved to start the procedure to take this request to an administrative rules hearing. Blum seconded the motion which carried.

Brand Inspection Fee: Following a brief discussion, Mortenson moved to start the procedure to take this decision to an administrative rules hearing. Blair seconded the motion which carried.

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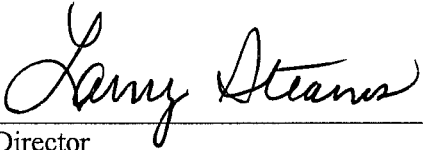
The next meeting was set for March 28, 2012 at 10:30 am CDT with the administrative rules hearing in the afternoon at the Matthew Training Center in the Foss Building.

Blair moved and Mortenson seconded the motion to move into executive session at 1:45 pm pursuant to SDCL 1-25-2 (3) for legal issues. The motion carried. The meeting came out of executive session at 1:55 p.m.

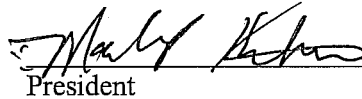
Blum moved and Blair seconded the motion to adjourn. The motion carried and the meeting adjourned at 1:55 p.m.

Respectfully submitted,

Larry Stearns



Director



President

These minutes were filed for the record on 3-28-2012.