

# State Brand Board

## Minutes of the Meeting

### August 1, 2012

The South Dakota State Brand Board met on August 1, 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, Nathan Sanderson, Ron Fravel, Doug Paxton, Silvia Christen, Katie Konda, Jerry Vogeler, Jamie Crew, and Jeff Hunt.

Blair moved and Blum seconded the motion to adopt the agenda. Motion carried.

Blair moved and Mortenson seconded the motion to approve the minutes for the May 15, 2012 meeting and June 27, 2012 administrative rules hearing. Motion carried.

Director's Report: Stearns reported that in May 2012, there were 152 brand applications, 56 new brands, 61 transfers, 8 re-recorded brands and 2 brand books sold. For June, 2012, there were 68 applications, 48 new brands, 40 transfers, and 11 brand books sold. For FY2012, there were 838 brand applications made, 407 new brands, 491 transfers, 87 re-recorded brands and 78 brand books sold. Conflict checks on brand applications are about two weeks behind because of the large number of applications.

Included in the meeting packet were:

1. The June 2012 report of cash balances, FY2012 reports of revenues and expenses, for the Brand Board.
2. Minutes of the May 15, 2012 meeting and June 27, 2012 administrative rules hearing
3. Director's Report
4. Brand Inspection Report
5. Hold Hearings Information

The director reported that the interim legislative rules review committee met and approved our proposed rules. They were submitted to the Secretary of State's office and will be enacted on September 1, 2012. He also said that the SD Brand Board, SD Department of Agriculture and DCI hosted the 2012 International Livestock Identification Association conference on July 22-25, 2012 in Rapid City at the Civic Center Holiday Inn. Temple Grandin spoke and approximately 40 brand inspectors attended the inspector training session. The Blair Ranch hosted the barbeque that evening at the Blair Ranch. As usual, this conference is a great place for networking with other states. We have received a lot of good comments on the inspector training. We will try to hold a training session in the Winner area later this summer.

In addition, the St Onge L/S tally software is running well. Ed is working with ASI to integrate with their software for the market office. We have been able to import the data into our state network and update monthly brand information online. The cancelled brands list from the 2010 renewal period is now available at the Brand Board office. These brands must be applied for and go through a conflict check as any other brands that have been applied for.

Chief Brand Inspector's Report: Shouldis reported that for May 2012, we inspected 102,018 head; 46,984 at livestock markets, 360 at locker plants and 54,674 head inspected on locals. For June 2012, there were 47,885 inspected at livestock markets, 450 at lockers and 27,015 on local inspections for a total of 75,350. There were 1,129 holds in May and 3,837 holds in June 2012.

**State Brand Board**  
**Minutes of the Meeting**  
**August 1, 2012**

For May/June 2012, there were 4 new holds for \$4,645 that came into the office. These holds involved 3 cows and 1 steer. Three holds were paid out on 2 cows and 1 heifer for \$2,762.

For FY2012, there were 1,570,970 head inspected, 1,038,435 head at livestock markets, 4,339 at lockers and 528,970 on local inspections. For FY 2012, there were 53 holds come into the office for \$68,918. These consisted of 38 cows, 9 heifers, 1 calf, 27 steers, 2 bulls and 15 horses. Forty-five holds were paid out for \$59,248 on 33 cows, 6 heifers, 1 steer, 2 bulls, and 14 horses. There were 22 holds in hold hearings retained in the theft and prevention fund consisting of 6 cows, 1 calf, 1 steer 2 bulls and 14 horses for \$7,034.

For FY2012, we had 227 recovered stray reports filed on 389 head consisting of 90 steers, 96 cows, 77 heifers, 104 calves, 17 bulls and 5 horses. Shouldis reported that the fall run has started and approximately one-half of the yearlings have moved because of the drought. Mortenson said that there is a lot of silage being cut in eastern South Dakota and there will probably be a lot of cows moving to the feed.

Investigators Report: Scott Rechtenbaugh is away for training, so the investigators report will be issued when he returns.

Financial Report: Stearns gave the financial report. For FY2012, the Board received \$1,429,084 in receipts and \$1,691,930 in expenses. For brand inspection, there were \$1,319,577 in receipts and \$1,298,631 in expenses for FY2012. He explained that there was a deficit of \$22,923 in the brand inspection budget, mainly due to increased numbers of local cattle inspections and the bonus paid to full-time employees in March 2012. The complete financial statements will be posted online.

Proposed FY2014 Budget: Following an explanation of the proposed budget by the director, Mortenson moved to approve the FY2014 budget of \$1,796,268. Blum seconded the motion which passed on a roll call vote of: Blair, yes; Blum, yes; Mortenson, yes; and Kimball, yes. This budget is submitted to the Governor's office via the Department of Agriculture and the Bureau of Finance and Management and presented to the legislature for approval.

Open Comment: Nathan Sanderson, from the Governor's Office, said the interim legislative rules review committee hearing went well with Silvia Christen present to support the administrative rules on behalf of the SD Stockgrowers. He also added that the Governor's office has been working with the Department of Agriculture on drought issues and a website has been created to make information available to the public. <http://www.drought.sd.gov/>

Mortenson moved and Blair seconded the motion which passed to move into executive session at 11:15 a.m. pursuant to SDCL 1-25-2 (1) personnel issues and (3) for legal issues. The motion carried. The meeting came out of executive session at 11:30 a.m.

Hold Hearing #BB118: This hold was dismissed as an owner has claimed and is providing proof of ownership on the animal.

Hold Hearing #BB135: This hold was for \$719.15 on one black cow which sold at Winner Livestock Market as an estray on June 10, 2011. Mortenson moved and Blair seconded the motion to defer the hold to the next meeting. The motion passed.

Hold Hearing #BB146: This hold was for \$1,188.14 on one black steer which sold at Ft Pierre Livestock

State Brand Board  
Minutes of the Meeting  
August 1, 2012

Market on October 22, 2011. Following testimony by Jeff Hunt and discussion by the Board, Blair moved and Blum seconded the motion pay the hold over to Mr. Hunt. The motion passed on a roll call vote of: Blair, yes; Blum, yes; Mortenson, yes; and Kimball, yes.

The meeting recessed for lunch at 12:15 p.m. and resumed at 1:30 p.m.

Discussion of Legislative Proposals: The Board discussed a number of legislative proposals which included:

1. Considering a service fee for local inspections.
2. Considering a permit to move cattle from a west river pasture to the owner's east river ranch.
3. A shipper's permit to obtain a local inspection at a willing in-state open market.
4. Horse inspection options.
5. Considering a permit to move livestock across the Missouri River for recreational purposes.
6. Order buyer options.


After an active discussion, the Board decided to make the decision of which proposals to take to the legislature at the September 5<sup>th</sup> meeting.

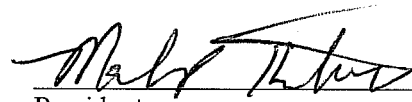
The next meeting was set for Wednesday, September 5, at 10:30 a.m. CDT.

Blair moved and Mortenson seconded the motion to adjourn. The motion carried and the meeting adjourned at 2:30 p.m.

Respectfully submitted,

Larry Stearns

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
President

These minutes were filed for the record on 9-5-2012.