

State Brand Board
Minutes of the Meeting
May 27, 2010

The South Dakota State Brand Board met on May 27, 2010 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, Tom Conger, Mark Kimball, and Bart Blum. Others present were Harold Deering, Larry Stearns, Wray Shouldis, Shorty Zilverberg, Shad Stromer, Karen Webber-Boyer, and Blair Dunn.

Blair moved that the agenda be adopted. Blum seconded the motion which passed.

Blair moved and Conger seconded the motion to approve the minutes for the April 20, 2010 meeting. Motion carried.

Director's Report: Stearns reported that in April, 2010, there were 86 applications, 11 new brands, 410 transfers and 9 brand books sold. To date in May 2010 there have been 8 applications, 27 new brands, 6 transfers, 102 re-recorded brands and 2 brand books sold. He reported that they were about 2 weeks behind on brand application due to the renewals. The director also praised the efforts of the office staff in handling the renewal process.

Included in the meeting packet were:

1. The April 2010 reports of cash balances, revenues and expenses, for the Brand Board.
2. Director's Report
3. Investigator's Report
4. Brand Inspection Report
5. Request from Ag in the Classroom
6. Receipt of Sales Sign
7. Wyoming Agreement

The director reported that we have scanned nearly 90,000 tallys in the office. We are getting back into full swing. The office staff processed 23,900 renewals that were postmarked on or before May 1. We have processed about 100 re-records with more coming in daily. Following the last meeting, letters were sent to George Fairbanks; to Kjerstad Cattle Company acknowledging their wish to drop their registered feedlot status; Mr. Mraz about his hold hearing; and to the LMA in the event that no one could attend their convention. A \$30 charge for bad checks policy was instituted May 1. The full-time inspectors were in the office to sign up for their health insurance. A number of issues were discussed. Brand inspector trainings are scheduled for the end of June. Board members are invited to attend the training session in their area. Finally, the bid notice for the 2010 Brand Book has been released.

Inspector training and ways to make it more effective were discussed. A one-day training session in the Pierre office was discussed for local inspectors following their work at livestock markets with the full-time inspector.

Investigators Report: Zilverberg reported that in April, 2010, there were 16 total cases reported. Of these, there were four stolen cases, 1 missing case, 1 stray case, 2 violation cases, and 8 complaint/info cases. One case is still active. Thirteen head of livestock were reported stolen, one head missing with one stray case. One case was reported by office personnel, one was reported by brand inspectors, none by a witness, three by victims, and eleven by other agencies. He reported that there were 12 head recovered by the owner, and one by investigation. He also reported on that Joe Varner pled no contest to a charge of grand theft in the Watertown case. Sentencing will be on June 23. Kimball commended

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Zilverberg on a job well done for his part in the case.

Chief Brand Inspector's Report: Shouldis reported that for April 2010, we had 64,153 head inspected at livestock markets; 228 in locker plants; 31,098 local inspections for a total of 95,479 head and 2,368 head held for proof of ownership. The total inspected through April 2010 is 1,356,205 compared with 1,271,060 for the same period last year.

In April 2010, there were 5 holds for \$2,578.88 consisting of 4 cows, 1 bull, and 1 horse received into the brand office. Thirty-two strays were returned to owners in April 2010 consisting of 6 cows, 2 calves, 3 steers, 18 heifers, 1 bull and 2 horses. Since the last meeting, six holds were paid out for \$18,429.14. These consisted of 28 cows, and 1 horse. A discussion of where the cattle are coming from was held.

Financial Report: Stearns presented the status of the finances and talked about the remainder of the year. After a brief discussion Blair moved that the Bureau of Finance and Management move \$20 thousand into salaries and benefits from the Brand Board Administrative Subfund to cover salaries for the remainder of the year. This is to make up for the salaries paid for the additional 100,000 head of livestock that local inspectors have inspected this year. Blum seconded the motion and it passed. Conger asked if there were any mandates in budgeting for the 2012 fiscal year. Blum asked about the cost and revenues per head for the inspection program.

Order Buyer Rule Request: A lengthy discussion was held about the conditions for the use of the proposed ownership transferring privilege for order buyers. Conditions for its use; qualifications for the licensed and bonded order buyers; length of time; permit fee; and consequences for the abuse of the privilege were discussed. The proposal was tabled until later in the meeting.

The meeting was recessed for lunch at 12:00 and resumed at 1:05 pm.

Hold Hearing BB064: A no brand black heifer with a blue ear tag was sold as an stray at St. Onge Livestock on November 20, 2009. Blum moved to escheat \$401.98 to the Theft and Prevention Fund. Blair seconded the motion which passed.

Hold Hearing BB035: A black cow sold at Presho Livestock on November 20, 2009 carrying 4 brands none of which were registered in South Dakota. As none of the out of state brand owners have claimed the cow, Conger moved to escheat \$428.92 to the Theft and Prevention Fund. Blair seconded the motion which carried.

Highway Signage: Once again this item was tabled as the DOT has been too busy with flooded roads in SD this spring to look into the proposed joint-powers agreement.

Ag in the Classroom: Blum moved and Conger seconded the motion to give a grant of \$1,000 to Ag in the Classroom. The motion carried.

Order Buyer Rules Request: Discussion resumed on the order buyers' request. After the different aspects were discussed, Conger moved and Blum seconded the motion to set the fee at \$250, put a 24 hour limit after the cattle sell at the livestock market on the use of the privilege and to set a \$100 fee on the transportation permit passed earlier. The motion carried. Blair moved and Blum seconded the motion to proceed to an administrative rules hearing for these two rules proposals; the order buyers request and rodeo transportation permit approved at the November 18, 2009 meeting. Motion carried. Deering will

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put the rules into the final format to proceed to an administrative rules hearing and the director is to start the process.

Receipt of Sales Notice: The request made by the inspectors tabled at the last meeting that a notice will be posted at livestock auction markets where market clearances will be issued exactly as the name appears on the Buyer's Invoices. If the buyer wants another name on the clearance, the order buyer's name would appear first along with the name they wish to have added. Conger moved and Blair seconded the motion to approve the notice. The motion carried.


Wyoming Reciprocal Agreement: The Memorandum of Agreement for Livestock Brand Inspection was presented. This document is the same as the reciprocal agreements with Nebraska and North Dakota. It has not been updated for several years. Conger moved and Blum seconded the motion to adopt the agreement. Motion carried.

The meeting moved into executive session at 1:45 p.m. The motion was made by Blum to come out of executive session at 2:15p.m. A tentative meeting date was set for the last week of July when the rules hearing would be held. Blair moved and Blum seconded the motion to adjourn at 2:15 p.m.

Respectfully submitted,

Larry Stearns


Director


President

These minutes were filed for the record on 7-29-10.