

# State Brand Board

## Minutes of Meeting

January 20, 2009

The Brand Board met on January 20, 2009 at the State Brand Board office in Pierre, SD. Chairman Kimball called the meeting to order at 1:00 p.m. Members present were Mark Kimball, Wanda Blair, Bart Blum, Tom Conger, and Curt Mortenson. Other present were Harold Deering, Larry Stearns, Shorty Zilverberg, Karen Webber-Boyer, Jim Murphy and Craig Sargent.

Agenda: Conger requested a discussion on livestock seizures be added to the agenda. Conger moved the agenda be adopted with the addition; Blair seconded the motion which carried.

Minutes: Mortenson moved and Blum seconded the motion to approve the minutes.

Directors Report: Stearns reported that in December 2008, there were 86 applications, 30 new brands, 44 transfers and 9 books sold. In January 1-15<sup>th</sup>, there have been 26 new applications, 18 new brands, 13 transfers and 0 brand books sold. There are fewer than 10 applications to be processed.

Included in the meeting packet were:

1. The November and December 2008 reports of revenues, expenses and cash balances or the Brand Board accounts for FY2009.
2. The North Dakota Reciprocal Agreement for review and signing.
3. Copies of the current and proposed organizational structure.
4. Copy of the proposed bill on Brand Board Elections.

The director reported that the Tri-State Livestock News has received good comments on the publishing of the Brand Board Missing/Stolen Report. He also reported on a conference call of ILIA members held the previous week that used a new interactive software package called Think-Tank. The software was very useful and allowed all participants to participate in offering solutions to common brand and livestock identification problems. Stearns also added that the investigator's retirement bill was being followed through the legislature.

The WSLIA Conference is to be held in Reno in March and Stearns asked the Board for their input as to sending a delegate with the Governor's cut in out of state meeting travel. Mortenson moved to send Zilverberg to the conference as he is the secretary of the regional group and he is in line to be vice-president. Mortenson also asked Karen Webber-Boyle if she knew how the SDDA was handling travel justification procedures. Conger seconded the motion which carried.

The director reported that the Nebraska Reciprocal agreement is in place. He also added that ERC has a software package in development that can be used in livestock markets to assist inspectors develop talleys and market clearances. The board discussed the possibility of a pilot program to test the efficiency of the program and the effect on man hours.

Investigator's Report: Zilverberg reported that in November 2008, there were 20 total cases reported. Of these, 5 were stolen cases, 3 were missing cases, 3 stray cases, 5 violation cases, and 4 complaint/info cases. Nine cases are still active. Twenty-three head of livestock were reported stolen and 39 head reported missing. Six cases were reported by office personnel, three cases were reported by brand inspectors, five by victims, two by witnesses, and four by other agencies. In December 2008, there were

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13 total cases reported. Of these, 5 were stolen cases, 3 were missing cases, 0 estray cases, 3 violation cases, and 2 complaint/info cases. Eleven cases are still active. Fifty-three head of livestock were reported stolen and 9 head reported missing. Two cases were reported by office personnel, four cases were reported by brand inspectors, three by victims, one by witnesses, and three by other agencies.

Zilverberg also reported that Kelly Jensen pled guilty to not getting a change of ownership inspection and that there are 5 cases pending with state's attorneys. Mortenson asked as to the status of the bull case and with the large number reported stolen, were they from one particular area. The chief investigator replied that the arraignment was held on the bull case and the stolen reports were from scattered areas. Kimball asked what other agencies are involved? Zilverberg said that they are county sheriffs.

Brand Inspection Report: Shouldis reported that there were 231,832 head inspected in November. Of these, 160,059 were market inspections, 71,421 local inspections, 352 were inspections at locker plants. There were 1,759 held for proof of ownership. This compares to 315,348 head in 2007. In December 2008, there were 131,792 head inspected; 93,005 in sales barns, 38,539 locally inspected 250 head at lockers and 3,284 head held for proof of ownership. This compares with 218,092 in 2007. The six-month total head inspected is 887,251 compared with 833,162 the previous year. For the first six months of FY2009 there have been 654,180 hd inspected at livestock markets, 231,422 hd locally inspected, and 1,649 inspected at locker plants for the total of 887,251 head. The discussion was held on projected numbers of cattle moving in the future.

Blum asked if the meal reimbursement policy had changed or have the inspectors learned to live with it. Stearns reported that the policy is on set by IRS and has been in effect for the last 5 years. The daily wage for part-time inspectors had been adjusted to compensate.

Brand Inspection Fund: Stearns explained the financial reports. He said that we are in line with reported expenses from the contracting agency for the previous year. He also explained reallocations in budget items.

### Hold Hearings:

Hold # 561 – Mortenson moved that the funds for an estray black cow originating from the Parmelee area with no recorded brand and no brand calf selling at Martin LS on December 3, 2007 for \$1,490.49 escheat to the Livestock Ownership and Theft Prevention Fund. Conger seconded the motion which passed.

Hold #2766 – Mortenson moved, seconded by Blair that \$620.40 for the sale of 1 estray black cow with no recorded brand from the Ridgeview area selling at Ft Pierre LS on December 15, 2007 escheat to the Livestock Ownership and Theft Prevention Fund. Motion carried.

Conger made that comment that looking at the dates of the holds, that Shouldis is showing a more timely process at clearing holds. The director reported that Shouldis is following up on holds with phone calls and letters and clearing a great deal of them that way.

Open Comment: Jim Murphy wanted the holds dates and barns on those where hearings were just held. Blum commented on an article in the *Beef Magazine* on horse abandonment and asked that the director follow up on the online survey. Blum also commented that having no kill plants will kill the industry. Blair said that they had 2 horses abandoned at their place. Craig Sargent asked for an update on the status of a stolen calf. Zilverberg left the meeting to discuss this case with Sargent.

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ND Reciprocal Agreement: Stearns presented a copy of the new agreement for approval and signature. This agreement removes the SD Stockgrowers name from the earlier agreements. Conger moved that the Board accept the agreement. Blum seconded the motion which carried. Conger added that the ND Board be brought up to speed and made a part of the legislatively approved reciprocal agreement.

Organizational Chart: Mortenson moved that a new organizational chart be approved; Blair seconded the motion which carried.

Legislative Update: The Director gave a report on proposed legislation that affects the Brand Board. The first is HB1107, a bill proposing the Brand Board's selection by election. He explained how its adoption would affect the work load in the Brand board office and costs to run such an election. He asked what position the Board would take on this bill. The Board concluded that it would not be appropriate for the Board to take a position on this bill.

The next is a proposed bill approving hot iron branding of numbers for identification purposes. The Board determined that these brands would be in conflict with many existing brands which already contain numbers. Shouldis said that you see this at sales barns daily and those producers using a hot iron brand for id purposes sign an affidavit to prove ownership. The Board did not support this bill.

Kimball brought up the need to make a situation in Platte a little more consumer friendly. A barn owner is moving roping cattle in and out of the brand inspection area. This person is getting an inspection but wonders if it would be possible to get a permit to move these without an inspection. Mortenson said that we currently grant a permit for horses, but not for bulls. Possibly there could be an opportunity to provide a lifetime permit for rodeo stock and bulls shipped for purposes of semen collection. The Board agreed that this would be something for the Board to look to for next year. Deering has a draft of a rule for rodeo stock.

The meeting recessed at 2:25 and resumed at 2:30 pm.

Kimball brought up a questionnaire that was sent out to the brand inspectors asking their feelings about the program to date and whether or not they are receiving satisfactory support and supplies from the office.

Animal Seizure Policies: Conger said that we have been exposed to the seizing of horses recently for abuse. He asked how the inspection process works in these cases. Is this a change of ownership or change of custody? If the person is not the owner of the horses only the caretaker and these are sold or put up for adoption, when does a change of ownership occur and how do we treat the change of ownership. We need to set a procedure for our inspectors to use under these circumstances. Martinez added that time is of essence in developing a procedure. Recently, 18 head of horses were given to the Rapid City Humane Society for adoption. The owner relinquished ownership. The Chief Brand Inspector was available to give the proper paper work to the Humane Society in this case. There is soon to be a roundup of malnourished horses in Shannon County.

Election of Officers: Blum moved that the officers remain as is with Mark Kimball as President and Curt Mortenson as Vice-President. Conger seconded the motion which carried.

Conger moved and Blair seconded the motion to go into executive session at 2:45 to discuss legal and personnel issues. Motion carried.

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Conger moved and Mortenson seconded the motion to come out of executive session at 3:40 pm.

Next meeting date was set at February 25, 2009.

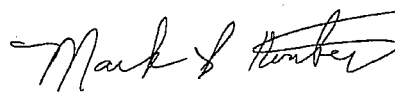
Blum moved the meeting adjourn. Blair seconded the motion which carried. The meeting was adjourned at 3:45 pm.

Respectfully submitted,

Larry Stearns



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Director



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President

These minutes were filed for the record on 2-25-09.