

# State Brand Board

## Minutes of Meeting

The Brand Board met on July 23, 2008 at the State Brand Board office in Pierre, SD. Chairman Kimball called the meeting to order at 10:00 a.m. Members present were Mark Kimball, Bart Blum, Tom Conger, and Curt Mortenson. Other present were Harold Deering, Larry Stearns, Shorty Zilverberg, Wray Shouldis, Jim Reed, Ken Fox, Jim Murphy, Karen Webber-Boyle, and Jerry Vogeler.

Agenda: Conger asked to add legislative proposals to the agenda. Conger moved to approve the agenda with additions; Blum seconded the motion and it carried.

Minutes: Mortenson moved that minutes for the June 18, 2008 meeting be approved; Conger seconded the motion and it carried. Conger moved to approve the June 23 Conference Call minutes; Blum seconded the motion and it carried.

Conger moved that the meeting go into Executive Session to discuss personnel issues at 10:08 am. Mortenson seconded the motion and it carried. Conger moved the meeting come out of Executive Session at 10:47. Mortenson seconded the motion and it passed.

Directors Report: Stearns reported that in June 2008 there were 78 applications; 55 new brands; 43 transfers; and 5 brand books sold. There were 4 new holds. To date in July, 2008, were 60 applications; 16 new brands; 11 brand transfers; and 6 brand books sold. There were 24 holds for July. This is the entire packet of uncleared holds that were held by the Stockgrowers. Also there are less than 10 new applications waiting to be processed. Included in the packet are the June monthly reports of expenses, revenues, and cash balances for the Brand Board and year-end report for each. Stearns reported that the new server, computer and scanner are in place from ERC Computing. Also included was a thank you from Ag in the Classroom for the grant given them and a preliminary FY 2010 budget for the Brand Board.

Investigator's Report: Zilverberg reported that for June 2008, there were 11 total cases – 1 stolen case, 1 missing livestock case, 2 estray livestock cases, 4 violations, and 3 complaint/informational cases. One case was reported by office personnel, 3 were reported by the Stockgrowers, 1 by brand inspectors, 0 by witnesses, 2 by the victim, and 4 reported by other agencies.

Brand Inspection Report – The brand inspection report was given by Jim Reed. He reported that there were 137,929 head inspected in June 2008 compared with 68,338 in June 2007. The 12-month count was 1,462,267 in the preceding 12 months and 1,498,186 inspected in the 12-month period for 2006-2007. A total of 2,255 head were held for proof of ownership at the sales barns for June, 2008. Strays returned or paid to brand owners for June 2008 included 2 horses, 3 steers, 1 heifer, 5 cows, 2 calves, and 1 bull for a total of fourteen head. The larger than usual number of inspections for June was attributed to ending the books for brand inspection by the Stockgrowers.

Conger gave a brief report on the informational meetings held in Belle Fourche and Union Center on July 17. He felt both meetings were constructive with the main topic in Belle Fourche being man-power and in Union Center, animal identification.

Stearns reported on the three office spaces that are available for the staff to move as the office grows. Mortenson accompanied the director on a tour of the spaces earlier in the week. Mortenson moved to ~~take the office space in the Kelley Building which is the other end of the building in which the office is currently housed.~~ Conger seconded the motion. Mortenson commented that of the three he had seen, this was the only one that would provide sufficient office space and was the most desirable setup. The motion carried.

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During the open comment period, Fox asked if the Board was conducting background checks on new hires. Stearns commented that for the present, there were no formal checks being conducted, but when the program was up and running, that checks would be considered. Fox also asked if the budgets were public information. Deering is to check into that issue.

### Legislative Issues:

Shipping agreements – Conger asked what changes could be made and how much leeway there is in the statutes that would allow the Board to make some adjustments in that system. The thought is that it would be easier to comply with the law if the office staff could issue permits when there is not a shippers' agent in the area. Other issues involved would be access and hours of service.

Authorized Bill of Sale – Currently an authorized bill of sale can be used when 5 head or less are sold and not leaving the brand inspection area. Several other alternatives are to be examined as it is not cost effective to inspect a small number of livestock. Other bill of sale options will be discussed.

Horse Brand Inspection – The Board will discuss requirements and needs for horse inspection with Wray Shouldis and Jim Reed and look at other alternatives.

Minimum Inspection Fee – A minimum fee or surcharge for inspections will need to be examined to make inspection of small numbers of livestock cost effective for the Board and inspectors. Several neighboring states are using an inspection surcharge.

Ability of Board to Levy Administrative Fines – Authority to do this will be discussed again.

The meeting was recessed for lunch at 11:50 am.

The meeting resumed at 1:00 pm. A conference call to discuss the FY2010 budget approval was scheduled for August 11, at 1:00 pm. Copies of the proposed budget will be sent to the board by the Friday prior to the call.

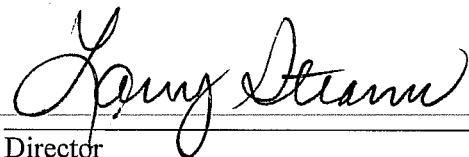
Conger asked for permission to meet with Shouldis, Zilverberg and Stearns to look at possible policy changes and bring them to the Board. This was granted.

Mortenson thanked the Director, Wray Shouldis and Shorty Zilverberg and staff for a good job in getting the inspection program started

Conger moved the meeting adjourn at 1:25 pm. Blum seconded that motion that passed. The meeting was adjourned.

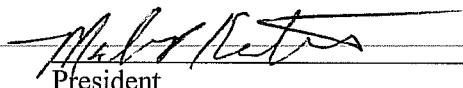
Respectfully submitted,

Larry Stearns



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Director



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President

These minutes were filed for the record on

8/20/2008