

# State Brand Board Minutes of the Meeting September 7, 2011

The South Dakota State Brand Board met on September 7, 2011 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, Curt Mortenson and Scott Vance. Others present were Harold Deering, Larry Stearns, Wray Shouldis, Shad Stromer, Guy DiBenedetto and Dan Satterlee from DCI and Robert Anderson.

Blair moved and Blum seconded the motion to adopt the agenda which passed.

Mortenson moved and Blair seconded the motion to approve the minutes for the July 27, 2011 meeting. Motion carried.

Director's Report: Stearns reported that in July 2011, there were 47 brand applications, 22 new brands, 21 transfers, 8 re-recorded brands and 3 brand books sold. For Aug, 2011, there were 20 applications, 30 new brands, 46 transfers, 12 re-recorded brands and 13 brand books sold. Applications are current.

Included in the meeting packet were:

1. The July-Aug 2011–FY2011 reports of cash balances, revenues and expenses, for the Brand Board.
2. Director's Report
3. Brand Inspection Report

The director reported that the 2013 budget approved at the last meeting had been submitted to the state. Amy and Chris Hathaway had a 7 lb 2 oz baby girl on August 15<sup>th</sup>. They are all doing well. ERC Computing has nearly completed the software for electronic tallys. Test and implementation will be starting soon at St. Onge L/S. The director also reported that the investigators are in the last month of their 12-week training program with the DCI. This will be complete in early October. Board members Scott Vance and Wanda Blair and the director will be speaking to the Brand Committee at the Stockgrowers Convention in Rapid City later in September. The Brand Office has been receiving a number of calls on handling paperwork on cattle coming into SD from Texas, Oklahoma and New Mexico.

Investigators Report: Stromer updated the Board on the progress of the training that he and Zilverberg are working through. He talked about 4 pending investigations and also said that he is looking forward to road checks when their training is complete. Dan Satterlee said that the DCI is looking forward to building a relationship with the brand inspectors. A section of the inspector training next year could be a session on the type of information needed for reporting infractions and writing reports.

Chief Brand Inspector's Report: Shouldis reported that for July 2011, we inspected 51,748 head. There were 38,696 head inspected at livestock markets; 362 in locker plants; 12,690 head inspected locally, with 2,804 head held for proof of ownership. For August 2011, 25,442 head were inspected at livestock markets, 185 head at locker plants and 27,019 head inspected locally for a total of 52,646 head. There were 2,332 holds. For July/August 2011, there were 11 new holds for \$3,686 that came into the office. These holds involved 2 cows, 2 steers and 8 horses. Six holds were paid out on 2 cows, 1 heifer, 1 calf and 3 horses for \$1,748.

Financial Report: Stearns presented the financial report for July and August 2011. He explained that at this time of the year, expenses generally exceed revenue. Mortenson asked Vance and Shouldis if they felt that there would be much heifer retention with the calf market as high as it is.

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Legislative Proposals: The Board discussed the following proposed legislation:

Shipper's Permits: This proposal would allow west river cattle to be taken to an in-state open market to obtain a local inspection on a shipper's permit with certain conditions. Mortenson moved that a draft be distributed to interested livestock groups for discussion. Blair seconded the motion which passed.

Fee Approval for Order Buyer Rule Change: This proposal would set a maximum fee that the brand office could charge for allowing licensed and bonded order buyer to assign livestock on a market clearance. A rule hearing would be needed to approve the rule change and set the fee for this privilege. After discussion Mortenson moved to not proceed with this proposal. Blum seconded the motion which passed.

Inspector Mileage: Blair moved and Vance seconded the motion to distribute this proposal to interested parties for discussion. This proposal would give the Brand Board authority to increase mileage reimbursement to brand inspectors to reflect the increased cost for fuel and maintenance.

Surcharge on Local Inspections: This proposal would allow the Board to impose a surcharge for local inspections. The proceeds would go to the brand inspectors giving them an increase in compensation for performing local inspections. Mortenson moved that drafts are distributed to interested parties for feedback. Blair seconded the motion which carried.

The meeting recessed for lunch at 11:55 am and resumed at 1:00 pm.

Hold Hearing #BB077: This hold involved an estray black baldy cow sold at Belle Fourche L/S. As no one came forward to claim to this cow, Mortenson moved and Blum seconded the motion to escheat the \$302.26 to the Theft and Prevention Fund. Motion carried.

Hold Hearing #BB084: This hold involved an estray black bull sold at the Belle Fourche L/S Exchange. Blair moved and Mortenson seconded the motion to escheat the \$1,565.07 to the Theft and Prevention Fund. Motion carried.

Hold Hearing #BB091: This hold involved an estray red cow sold at Winner L/S. Blum moved and Blair seconded the motion to escheat the \$695.53 to the Theft and Prevention Fund. Motion carried.

Hold Hearing #BB093: This hold was for an estray black cow sold at Mobridge L/S. Blair moved and Mortenson second the motion to escheat the \$554.28 to the Theft and Prevention Fund. Motion carried.

Hold Hearing #BB097: This hold was for a no brand estray black bull sold at Belle Fourche L/S. When no one claimed this bull, Blum moved and Blair seconded the motion to escheat the \$576.00 to the Theft and Prevention Fund. Motion carried.

Hold Hearing #BB 47: This hold involving 3 horses sold at Gordon L/S was tabled at the last meeting. No one came forward to claim these animals. Blair moved and Mortenson seconded the motion to escheat the \$293.04 to the Theft and Prevention Fund.

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Legislative Proposals (continued):

Penalty for Leaving the Brand Area: This proposal would change the charge for leaving the brand area from a Class 2 Misdemeanor to a Class 1 Misdemeanor. Mortenson moved and Blum seconded the motion to forward this proposal to interested parties for feedback. Motion carried.

Transportation Permit: This proposal is to change the fee structure for letting a permit to moved recreational livestock to move back and forth across the Missouri River. The exception and fee are both subject to a rules hearing. Blum moved and Mortenson seconded the motion to distribute this proposal to interested parties for feedback. Motion carried.

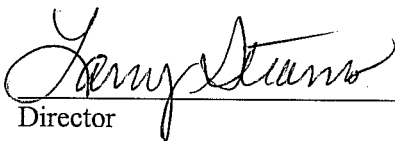
Before moving into Execution Session, the Board set the next meeting date for Thursday, November 3, 2011 at 10:30 a.m.

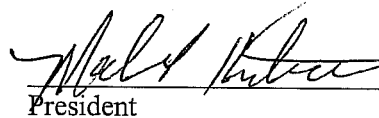
Mortenson moved and Blair seconded the motion to move into executive session at 2:00 pm pursuant to SDCL 1-25-2 (1) personnel issues and SDCL 1-25-2 (3) legal issues. The motion carried. The meeting came out of executive session at 2:10 p.m.

Blair moved and Vance seconded the motion to adjourn. The motion carried and the meeting adjourned at 2:10.

Respectfully submitted,

Larry Stearns

  
Director

  
President

These minutes were filed for the record on 11-3-2011.