South Dakota State Brand Board Agenda

December 19, 2024 11:00 a.m. MT

1444 Fountain Plaza Dr. Rapid City SD

Join Zoom Meeting

https://state-sd.zoom.us/j/99020761748

Meeting ID: 990 2076 1748 Audio only - Dial 1 669 900 9128

Call to Order

Adopt Agenda

Action Items:

- A. Minutes: Regular Meeting November 14, 2024
- B. Financial Report

Reports:

- A. Brand Enforcement
- B. Brand Inspections
- C. Director's Report

Open Comment

Request to Register Character Brand - Robb Nelson

Holds: SDCL 40-21-17 Ownership not established

Legislation for 2025

Schedule Next Board Meeting

Executive Session: SDCL 1-25-2 (1& 3) personnel and legal

Adjourn

This agenda is subject to change without prior notice.

Notice is further given that any individuals with disabilities who will require a reasonable accommodation to participate in the board meeting should submit a request to the SD Brand Board or 1-800-877-1113 (Telecommunication Relay Services for the Deaf). Please request the accommodations no later than **2 business days prior to the meeting** to ensure accommodations are available.

South Dakota Brand Board Meeting Minutes November 14, 2024

The South Dakota Brand Board met on November 14, 2024, in Rapid City, SD. Members present were Scott Vance, Lyle Spring, and Haven Stuck. Jake Longbrake arrived at 11:36 a.m. Brand Board staff and others present were Debbie Trapp, Robert Haivala, Bret Leigh Nance, Matt Clair, Amy Hatheway, Owen Olson, Adam Masters, Isaac Cadet, Cindy Longbrake, Raydelle Sperle, Doris Lauing, Mathew Bogue.

Pres. Vance called the meeting to order.

Motion by Stuck to adopt agenda, second by Spring. Motion carried.

Motion by Stuck to adopt the Rules Hearing Meeting Minutes for the hearing held October 3, 2024, second by Spring. Motion Carried.

Motion by Stuck to adopt the Regular Brand Board Meeting Minutes of the October 3, 2024 meeting, second by Spring. Motion caried.

Director Trapp presented financial information as of October 31, 2024. Fund Balance - Brand Fund \$1,287,967.03; Brand Inspection Fund \$189,633.01; Theft Prevention Fund - Ownership to be established - \$259,898.99, Unrestricted - \$73,286.90. Motion by Stuck to approve Financial Report as presented, second by Spring. Motion carried.

Investigator Masters presented the Brand Enforcement Report. Master introduced Investigators Owen Olson and Isaac Cadet. Road Checks – 16 separate road checks have been performed since June resulting in 84 stops – at various locations. Shipper violations have decreased from last year. Investigator Cadet reported he worked a shift at Tilford Port of Entry station and a sheriff's office has requested training. Attorney Haivala added that a Network of Prosecutors has been formed which meet monthly and he could present Brand Board concerns if needed. Investigator Olson advised his goal is to build relations with tribal authorities.

Director Trapp presented the Brand Inspection Report for October 2024: Livestock Markets – 59,231 head, Locker Plants 291 head, Locals – 61,608 head, Lifetime Horse Permits – 146 head, for a total of 121,276 head; Year to Date Lifetime Horse Permits are 951 as compared to the Total for Fiscal 2024 at 1,168 Lifetime Permits. Year to date inspection numbers rank 4th highest out of the past seven years.

Director Trapp gave the Director's report: Brand Renewal process is in full swing – 23,000 brand renewal notices have been mailed out with the remaining 5,000 to be mailed on 11/18/24; Processing brand renewal payments creates an extra work load for the staff - Brand renewal payments can also be made online; Brand Transfers tend to increase during brand renewal periods; Brand applications received July 1 – Oct 31, 2024 are 153 with 126 approved applications; Received several requests from producers who would like to leave the ownership

South Dakota Brand Board Meeting Minutes November 14, 2024

inspection area on a shippers permit to go to a veterinarian clinics, located outside the inspection area, for non-emergency services; Continuing to work on electronic local inspection forms; Pres Vance and myself meet with staff from Department of Agriculture and Natural Resources (DANR) and the Governor's office to discuss the need for legislation to generate additional revenue; Testified at the Interim Rules Committee Hearing on Administrative Rules changes regarding Lifetime Travel Permit Fee and updating statutes listed as Law Implemented on the rules – the Committee approved the rule change – Rules were submitted to the Secretary of State's office; Need to upgrade 2-3 computers as they are not compatible with Windows 11; Thank you to the Investigators for coordinating road check locations and for their service.

Open Comment: Longbrake stated he was asked why individuals need to get inspections on a horse that is branded with that individual's brand; Pres. Vance reported on the meeting with DANR which was to discuss increasing the maximum (CAP) on inspection fees and new service fee; Raydelle Sperle asked if a rules hearing would be needed to set the inspection fee if the CAP was increased - it was stated that a rules hearing is required to set the fee amount.

Annual Conflict of Interest Disclosure per SDCL 3-23: No conflict of interests was reported by board members.

The following holds, which have exceeded one year form the date of sale and ownership has not been established, were reviewed:

BB 574 Ft Pierre Livestock – Blk Cow - \$1,161,37; BB 598 Ft. Pierre Livestock – BWF Cow - \$614.09; BB 610 Martin Livestock – Unbranded Stray Horses - \$2,483.81; BB 620 Ft Pierre Livestock - Unbranded Stray Calf - \$1,016.59; BB 643 St Onge Livestock – Black Cows - \$1,829.93; BB 695 Ft Pierre Livestock – Blk Hfr Calf - \$358.62; BB 699 Mobridge Livestock – Sorrel Gelding - \$506.31; BB 708 Mobridge Livestock – Stud Horse - \$123.76; BB 709 Mobridge Livestock – Blk Hfr Calf - \$702.67. Motion by Spring to transfer funds from the holds reviewed to Unrestricted as ownership was not established, second by Stuck. Motion carried.

Discussed possible legislation – the "Cap" (maximum) would need to be increased before a rules hearing to increase the inspection fees could be held, new service fee for inspections - No action taken.

Motion by Spring to implement the new Lifetime Travel Permit fee of \$40.00 on January 1, 2025, second by Stuck. Motion carried.

Next Brand Board meeting is set for December 19, 2024, at 11:00 am MT in Rapid City, SD.

No action taken on salary policy for Lifetime Travel Permits.

Pres. Vance declared a 5-minute recess at 1:05 p.m.

South Dakota Brand Board Meeting Minutes November 14, 2024

Motion by Stuck to enter executive session pursuant to SDCL 1-25-2 (1 & 3) personnel and legal at 1:11 p.m., second by Longbrake. Motion carried. Came out at 2:29 p.m.

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| As no other business came before the board, Pr | es. Vance declared the meeting adjourned. |
| Scott Vance, President | Debbie Trapp, Executive Director |
| These minutes were filed for the record on | |

South Dakota Brand Board

November 30, 2024

| | Balance |
|-----------------------------|--------------------|
| Brand Fund | \$ 1,252,433.53 |
| Inspection Fund | \$ 145,493.79 |
| Theft Prevention Fund | |
| Ownership to be established | \$ 255,885.67 |
| Unrestricted | \$ 73,286.90 |
| TOTAL | \$ 1,727,099.89 |

Brand Fund

Monthly Revenue and Expense FY 25

| | July | | Aug | | Sept | | Oct | Nov | FY to Date |
|-----|------|----------|-----|-----------|------|----------|----------------|----------------|-----------------|
| Rev | \$ | 9,232 | \$ | 75,974 | \$ | 7,497 | \$ 5,664 | \$ 22,808 | \$ 121,174 |
| | | | | | | | | | |
| Ехр | \$ | 41,693 | \$ | 244,493 | \$ | 20,368 | \$ 47,477 | \$ 52,759 | \$ 406,791 |
| | | | | | | | | | |
| Net | \$ | (32,462) | \$(| (168,519) | \$ | (12,871) | \$ (41,813) | \$ (29,951) | \$ (285,617) |

(August Expense - Transferred \$200,000 to Brand Inspection Fund)

Monthly Revenue and Expense FY 24

| | July Aug | | Sept | Oct | | Nov | FY to Date | | |
|-----|----------|----------|--------------|----------------|----------------|-----|------------|----|----------|
| Rev | \$ | 7,349 | \$ 52,989 | \$ 5,158 | \$ 6,313 | \$ | 10,414 | \$ | 82,223 |
| | | | | | | | | | |
| Exp | \$ | 30,041 | \$ 31,079 | \$ 43,362 | \$ 19,310 | \$ | 34,565 | \$ | 158,357 |
| | ŭ | | | | | | | | |
| Net | \$ | (22,692) | \$ 21,910 | \$ (38,204) | \$ (12,997) | \$ | (24,151) | \$ | (76,134) |

Brand Inspection Fund

Monthly Revenue and Expense FY 25

| | July | | Aug | | Sept | | Oct | | Nov | FY to Date | | |
|-----|----------------|----|-----------|----|---------|----|-----------|----|---------|------------|-----------|--|
| Rev | \$ 91,046 | \$ | 77,284 | \$ | 89,205 | \$ | 62,517 | \$ | 478,662 | \$ | 798,714 | |
| Exp | \$ 158,271 | \$ | 233,397 | \$ | 92,505 | \$ | 181,966 | \$ | 344,247 | \$ | 1,010,385 | |
| Net | \$ (67,224) | \$ | (156,113) | \$ | (3,300) | \$ | (119,449) | \$ | 134,415 | \$ | (211,671) | |

| Number | | | | | | |
|-----------|--------|--------|--------|---------|---------|---------|
| Inspected | 82,626 | 49,480 | 82,664 | 121,276 | 312,929 | 648,975 |
| Expense / | | | | | | |
| Head | \$1.92 | \$4.72 | \$1.12 | \$1.50 | \$1.10 | \$1.56 |

Monthly Revenue and Expense FY 24

| | | July | | Aug | Sept | Oct | Nov | | FY to Date |
|-----------|----|----------|----|-----------|-----------------|---------------|-----|---------|-----------------|
| Rev | \$ | 93,776 | \$ | 60,219 | \$ 77,147 | \$ 109,872 | \$ | 233,534 | \$ 574,548 |
| Ехр | \$ | 145,902 | \$ | 181,280 | \$ 219,466 | \$ 87,799 | \$ | 206,114 | \$ 840,561 |
| Net | \$ | (52,126) | \$ | (121,061) | \$ (142,319) | \$ 22,073 | \$ | 27,420 | \$ (266,013) |
| Number | T | | _ | | | | | | |
| Inspected | | 78,546 | | 54,971 | 66,368 | 99,888 | | 242,217 | 541,990 |
| Expense / | | | | | | | | | |
| Head | | \$1.86 | | \$3.30 | \$3.31 | \$0.88 | | \$0.85 | \$1.55 |

Theft Prevention Fund

Restricted - Amount Held for Others FY 25

| | | | | | | | | | | | _ | |
|------------------------------|------|--------|-----|---------|------|-------|-----|---------|----|---------|----|---------|
| | July | | Aug | | Sept | | Oct | | | Nov | FY | to Date |
| Received | \$ | 15,079 | \$ | 1,457 | \$ | 2,019 | \$ | 6,345 | \$ | 111 | \$ | 25,011 |
| Paid to Owner | | | \$ | 4,999 | | | \$ | 7,495 | \$ | 4,124 | \$ | 16,619 |
| Ownership not Established | | | | | | | | | | | | |
| Net | \$ | 15,079 | \$ | (3,542) | \$ | 2,019 | \$ | (1,151) | \$ | (4,013) | \$ | 8,392 |

Unrestricted FY 25

| | July | Aug | | , | Sept | Oct | N | VoV | FY | to Date |
|---------------------------|----------------|-----|--------|----|------|---------|----|-----|----|----------|
| Unrestricted Proceeds* | \$ | \$ | 16,681 | | | | | | \$ | 16,681 |
| Expenses | \$ 176 | \$ | _ | \$ | _ | \$ _ | | | \$ | 176 |
| Operating Transfer Out | \$ 50,000 | | | | | | | | \$ | 50,000 |
| Net | \$ (50,176) | \$ | 16,681 | \$ | - | \$ - | \$ | - | \$ | (33,496) |

^{*} Unrestricted Proceeds = holds that ownership was not established + Interest earned

SD BRAND INSPECTION REPORT

Current and Previous Fiscal Year December 10, 2024

FY2025

| | | ÷ | 1 12020 | | | |
|----------------|-----------|---------|-------------|----------|-----------|-------|
| | | | | HORSE | | |
| | LIVESTOCK | | LOCAL | LIFETIME | TOTAL | |
| MONTH | MARKETS | LOCKERS | INSPECTIONS | PERMITS | INSPECTED | HOLDS |
| July - 24 | 52,374 | 648 | 29,320 | 284 | 82,626 | 1,301 |
| August - 24 | 24,844 | 375 | 23,952 | 309 | 49,480 | 94 |
| September - 24 | 40,497 | 200 | 41,755 | 212 | 82,664 | 167 |
| October - 24 | 59,231 | 291 | 61,608 | 146 | 121,276 | 402 |
| November - 24 | 227,786 | 311 | 84,744 | 88 | 312,929 | 750 |
| December - 24 | | | | | - | |
| January - 25 | | | | | - | |
| February - 25 | | | | | - | |
| March - 25 | | | | | - | |
| April - 25 | | | | | _ | |
| May - 25 | | | | | _ | |
| June - 25 | | | | | _ | |
| TOTALS | 404,732 | 1,825 | 241,379 | 1,039 | 648,975 | 2,714 |

FY2024

| | | | TEVAT | | | |
|----------------|-----------|---------|-------------|----------|-----------|--------|
| | | | | HORSE | | |
| | LIVESTOCK | | LOCAL | LIFETIME | TOTAL | |
| MONTH | MARKETS | LOCKERS | INSPECTIONS | PERMITS | INSPECTED | HOLDS |
| July - 23 | 52,233 | 1,118 | 24,993 | 202 | 78,546 | 2,652 |
| August - 23 | 18,450 | 468 | 35,895 | 158 | 54,971 | 1,423 |
| September - 23 | 35,189 | 394 | 30,694 | 91 | 66,368 | 113 |
| October - 23 | 58,723 | 231 | 40,853 | 81 | 99,888 | 445 |
| November - 23 | 204,392 | 375 | 37,361 | 89 | 242,217 | 488 |
| December - 23 | 221,283 | 328 | 73,648 | 39 | 295,298 | 1,063 |
| January - 24 | 86,354 | 537 | 79,199 | 58 | 166,148 | 1,270 |
| February - 24 | 83,208 | 544 | 73,153 | 96 | 157,001 | 797 |
| March - 24 | 92,609 | 416 | 47,467 | 68 | 140,560 | 2,610 |
| April - 24 | 64,638 | 403 | 30,174 | 66 | 95,281 | 3,466 |
| May - 24 | 51,239 | 450 | 33,996 | 51 | 85,736 | 2,045 |
| June - 24 | 45,733 | 208 | 44,989 | 169 | 91,099 | 1,688 |
| TOTALS | 1,014,051 | 5,472 | 552,422 | 1,168 | 1,573,113 | 18,060 |

SD Brand Inspection Report Inspection History and Averages December 10, 2024

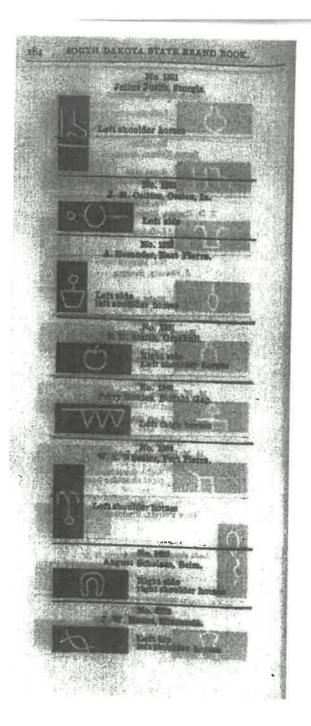
Year to Date Comparison

| | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 | FY 2025 | Average |
|-----------|---------|---------|---------|---------|---------|---------|---------|---------|
| JULY | 83,583 | 93,628 | 75,331 | 94,457 | 99,088 | 78,546 | 82,626 | 86,751 |
| AUGUST | 47,231 | 48,247 | 52,620 | 76,117 | 40,359 | 54,971 | 49,480 | 52,718 |
| SEPTEMBER | 60,114 | 60,610 | 84,866 | 97,974 | 73,970 | 66,368 | 82,664 | 75,224 |
| OCTOBER | 121,295 | 141,646 | 143,327 | 134,789 | 111,860 | 99,888 | 121,276 | 124,869 |
| NOVEMBER | 338,570 | 289,587 | 250,789 | 338,154 | 271,593 | 242,217 | 312,929 | 291,977 |
| DECEMBER | | | | | | | | |
| JANUARY | | | | | | | | |
| FEBRUARY | | | | | | | | |
| MARCH | | | | | | | | |
| APRIL | | | | | | | | |
| MAY | | | | | | Ъ. | | |
| JUNE | | | | | | | | |
| Total | 650,793 | 633,718 | 606,933 | 741,491 | 596,870 | 541,990 | 648,975 | 631,539 |

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Brand Board Meeting 12/19/2024

The Holds listed below have exceeded one year from sale date with no ownership established.

| | | | Number | 700 | ic date with no ownership established | |
|--------|-------------------------|--------------------|---------|------------|---|--|
| Hold # | Livestock Market | Livestock | of Head | Amount | Status | |
| BB 602 | Ft Pierre Livestock | Older Black Cow | 1 | \$883.51 | Shipperd has not made any effort to clear. Brand is not registered in SD, WY, MT or ND. | |
| BB 605 | Belle Fourche Livestock | Calf | 1 | \$790.24 | Shipper not claiming. Brand not registered in SD or WY | |
| BB 653 | Ft Pierre Livestock | Steer | 1 | \$1,087.20 | Shipper believed he had ownership paperwork but no proof of owership has been received. Brand registered in ND - spoke with brand owner - he does not run black hided calves. | |
| BB 743 | Mobridge Livestock | Red Cow | 1 | \$764.94 | Shipper has not provided any proof of ownership. Brand not registered in SD, MT, ND, WY | |