

**STATE BOARD OF STOCK INSPECTION****Tuesday, April 21, 2020, 7:00 a.m.****Conference Call**

Members Present: David Mendenhall, President; Kathie Riley, Vice President; Daniel McCarty, Secretary-Treasurer; Erik Mohrlang, Board Member.

Members Absent: Kory Kessinger, Board Member

Staff Present: Chris Whitney, Brand Commissioner; Brenda Pierce, Colorado Brand Board; Deb Vernon, Supervisor/Technology Development Coordinator.

Guests Present: Kellee Mitchell, Colorado Livestock Association; Nita Howard, Colorado Beef Council.

Call to Order: The meeting was called to order by President David Mendenhall. Mr. Mendenhall requested approval of the March 17, 2020 meeting minutes. Kathie Riley moved to approve the minutes. Erik Mohrlang seconded the motion. The motion carried.

Financial Statements: The financials were presented to the Board. Mr. Whitney reported that month-to-month head counts are up 34,000 and year-to-date head counts are up 36,000. We continue to closely track the amount by which monthly operating expenses exceed monthly operating revenues (revenue from inspection, brand transactions, etc. not taking into account brand assessment revenues). We conservatively estimate that shortage to be approximately \$135,000 per month. If that trend holds over the next 22 months (April 2020 through January 2022), when the next assessment period begins, our current cash balance of approximately \$6.6 million will be reduced by \$3 million, meaning that we would begin the next assessment period with approximately \$3.6 million. That would be a solid financial foundation from which to conduct the 2022-2026 assessment. Over the past couple of years the Department of Agriculture has helped us cover some of our expenses by providing Ag Management Funds. Due to the financial strains the Coronavirus is placing on the Department of Ag it is likely that there will not be as much money available from Ag Management Funds to assist the divisions within the Department in the future. Divisions that receive general funds from the Legislature may receive more assistance from Ag Management Funds if there is a reduction in their general funds allocations in future years. The Division has submitted two separate Budget and Legislative Request Proposals. We are asking for \$90,000 to help fund the 2022 Brand Assessment. If granted, the funds would be used to hire a part-time employee, pay for postage to mail the notices and receipts, to pay for printing the notices, receipts and envelopes and to purchase a folding/stuffing machine. Our second request is for \$32,160.00 to \$40,736.00 to purchase replacement tablets and printers. Deb Vernon, Technology Development Coordinator, and Rich Medina have discussed a plan that would have us replacing somewhere between one-fifth and one-fourth of our tablets and printers each year. This would mean between fifteen and nineteen tablet printer combinations each year. Based on our most recent purchase, the cost of the tablets and printers combinations was \$2,144.00.

Brand Commissioner's Report: As of March 31, 2020 there were ten employees between 140 and 200 hours of comp time and one employee between 201 and 240 hours of comp time. The comp time balance decreased by 622 hours from the February 2020 balance. There are no known Coronavirus cases in the Brand Division. The instructions given to our personnel has been to continue to do the job as usual but at the same time try as much as possible to follow social distancing guidelines, wearing facemasks/bandanas, using hand sanitizer, etc. We have had a few instances where producers have been concerned about our employees coming on their property to perform inspections but we have assured the producers we will follow all safety recommendations and we have been able to accommodate producer's requests and still perform the required brand inspections. Some of our inspectors have expressed concerns about customers handling the tablets. Those concerns were resolved by the inspectors having sellers/transporters sign the printed copy of the inspection certificate in the inspectors' presence and noting that in the "Notes" section of the electronic certificate. Kathie Riley is term limited. Ms. Riley's term is up in May 2020. Ms. Riley has been working to identify qualified candidates who might be interested in serving on the Board as a representative of the horse industry. The names have been relayed to Mr. Whitney and to Jenifer Gurr, Chief Administrative Officer for the Department of Agriculture. Ms. Gurr will help them file their applications with the Governor's office.

Personnel/Administrative Report: Nancy Bachman and Dennis Williams retired effective March 31, 2020. Their replacements are in place and working. Nicole Taylor will transfer to the Longmont District. No current employees requested a transfer to the Denver District to fill the vacancy that will be created when Ms. Taylor transfers. We have advertised for a new hire to replace her. Supervisors Terry Florian and Jim Easthouse have done a good job covering the respective areas in the Longmont and Denver inspection areas while we look for the new inspector. Brand Inspector Jim Ellison transferred to the Delta inspection area to fill the open position created when Dennis Williams retired. The part-time position that was held by Jim Ellison in the Kremmling District will be left vacant for the time being. Supervisor Mike Walck will determine what his needs are in that area in the near future.

Public Livestock Market License Renewal: All public livestock market licensees must be renewed annually by April 30. We have received renewal applications and license fees for twenty-three livestock markets. There are approximately ten current licensees that have not completed the application process. There are no requests for permanent sale day changes. As long as there are no requests made by the remaining renewing applicants that require Board action, Mr. Whitney requests permission from the Board to renew those licenses. Dan McCarty made a motion to renew the livestock market licenses applications for the licensing year that runs May 1, 2020 through April 30, 2021 and allow Mr. Whitney to renew the remaining licenses as long as there are no significant changes to the license applications. Erik Mohrlang seconded the motion. Motion carried.

Certified Feedlot Report: There were thirteen certified feedlot audits completed and paperwork submitted since the February 2020 Board meeting. Audit number one was off eight head, audit number two was off nine head and audit number eleven was off one head. Audit numbers three, four, five, six, seven, eight, nine, ten, twelve and thirteen balanced to zero.

Alternative Livestock Report: Three alternative livestock certificates were written in the month of February 2020 for twenty-four head of elk. Ginny Corkery has asked all alternative livestock licensees to provide their calf inventories. With Nancy Bachman's retirement, Ginny Corkery has taken over the administration of the program.

DISTRIBUTION OF INSPECTION DATA AND LITERATURE TO BOARD MEMBERS:

- (a) Volume of Estrays Handled Monthly
- (b) New Brands, Transfers, and Delinquent Assessments Paid

Estray Fund: In March 2020 \$2,638.17 was deposited into the Estray Fund. \$2,574.72 was for proceeds of sale on six head of cattle, horses and/or sheep. \$63.45 was for interest received on certificates of deposit. Six certificates of deposit matured during the month of March 2020. The new interest rates are not known at this time.

New Business: Kathie Riley notified those in attendance that the Colorado Unwanted Horse Alliance has funds available through grants for people who are seeking assistance in caring for their horses due to the financial hardships placed on horse owners as a result of the Coronavirus.

David Mendenhall stated that the dates for the Colorado Cattlemen's Association convention have been moved to July 31, 2020 and August 1, 2020.

Kellee Mitchell reported that the Colorado Livestock Association has not determined whether or not they will hold their convention this year. The CLA board will make that determination at their next board meeting.

Next Meeting: Upon motion made, seconded and adopted, the next meeting will be held by conference call on Tuesday, May 19, 2020 commencing at 7:00 a.m.

Adjournment: Upon motion made by Kathie Riley and seconded by Dan McCarty the meeting adjourned.

Approved. Not Signed.

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President

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Secretary/Treasurer

**REPORT OF ESTRAYS HELD AND PROCEEDS DEPOSITED**  
**MARCH 2020 DEPOSITS**

<b>INSPECTOR</b>	<b>DESCRIPTION</b>	<b>ADVERTISED/ SALE BARN HOLD</b>	<b>WHOM TAKEN FROM OR REPORTED BY</b>	<b>AMOUNT HELD</b>
CANTERBURY, LOGAN	1 BLK HFR ➡ LH, 1 BWF HFR ➡ LH, 1 RED/WHT LONGHORN HFR ➡ LH, 1 RED/WHT LONGHORN COW ➡ LS, 1 BLK BROCK STR NOBR	ADVERTISED	JOE GRISENTI PENROSE, CO	RETURNED TO OWNER
MORTENSEN, DYLAN	1 BAY GELD NO BRAND	ADVERTISED	XX CATTLE CO ANTONITO, CO	\$118.29
SHORT, TERRY	1 PALOMINO MARE NO BRAND, 1 BLACK PONY MARE NO BRAND, 1 BUCKSKIN MARE NO BRAND	ADVERTISED	EL PASO COUNTY LAW ENFORCEMENT MONUMENT, CO	\$2,096.43
TAYLOR, NICOLE	1 BLACK/WHITE PAINT DRAFT MARE NO BRAND, 1 SORREL GELD NO BRAND	ADVERTISED	NICOLE TAYLOR/CARA WELLS HUDSON, CO	(\$70.00)