

**STATE BOARD OF STOCK INSPECTION****Tuesday, May 19, 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.

Guests Present: Charles Kooyman, Attorney General's Office; Kellee Mitchell, Colorado Livestock Association.

Call to Order: The meeting was called to order by President David Mendenhall. Mr. Mendenhall requested approval of the April 21, 2020 meeting minutes. Dan McCarty moved to approve the minutes. Kathie Riley seconded the motion. The motion carried.

Election of Officers: Following discussion, Erik Mohrlang moved that the following Board members be elected to the offices noted to serve a one-year term: President, Kathie Riley; Vice President, Dan McCarty; Secretary-Treasurer, Erik Mohrlang; Board Member, Kory Kessinger; Board Member, David Mendenhall. Dan McCarty seconded the motion. Motion carried.

Estrays: On February 22, 2019, brand inspector Deb Vernon investigated an abandoned bay stallion, branded cross strung connected cross on his left hip, left hind coronet. The horse was sold at La Junta Livestock Commission on March 13, 2019. Krystal (Lee) Kenney of Kimberly Idaho claims ownership of the horse and wrote the Brand Board a letter describing the basis of her claim and providing a purchase sheet from Cudd Quarter Horses, LLC of Woodward, Oklahoma which she asserts establishes her ownership of the horse. At its meeting on February 18, 2020, upon motion duly made and seconded, the Board tabled consideration of Ms. Kenney's request pending the receipt of additional information from Ms. Kenney, including a copy of the credit card receipt establishing that Ms. Kenney paid for the horse. Mr. Whitney has since received a copy of the credit card receipt establishing that the purchase price of the horse was charged to Ms. Kenney's personal credit card. Based on the evidence presented, David Mendenhall made a motion to release the proceeds of sale, \$630.52 less \$20.00, to Ms. Kenney. Erik Mohrlang seconded the motion. Motion carried.

On June 7, 2019 Enrique Faudou-Diaz consigned seven Holstein cross bulls and one Holsten cow, all no brands, to Centennial Livestock Auction Co. The proceeds of sale were held by Brand Inspector Supervisor Jim Easthouse for proof of ownership. Attached to the file are a copy of brand inspection certificate number 200-20181129-003 for seven head of cattle purchased by Alfredo Faudoa and a no brand dairy calf permit dated December 2, 2018 showing five head purchased by Alfredo Faudoa. We requested a letter/bill of sale from Alfredo Faudoa to Enrique Faudoa reflecting the change of ownership. Alfredo Faudoa currently resides in Mexico and is unreachable. Mr. Easthouse is confident that Enrique Faudoa

is the owner of the cattle. Based on the evidence presented Erik Mohrlang made a motion to approve the release of funds, \$1,605.08, less \$20.00 per head (\$160.00), per C. R. S. to Enrique Faudoa of 375 C R 29 Brighton, CO 80603. David Mendenhall seconded the motion. Motion carried.

Financial Statements: The financials were presented to the Board. Chris Whitney reported that our head count numbers are up over last year. The expenses and the pass through expenses have increased and our operating loss was greater than previous months. We are watching the expenses closely and will alert the Board if the expenses continue to increase. On a positive note, we continue to receive a steady stream of new brand applications. Legal fees are up considerably which is a function of the new billing procedure. The actual charges are averaged over the previous three years and we are billed that amount for the current year. In response to Erik Mohrlang's question about fuel contracts at the April 2020 meeting Brenda Pierce reported that we spoke with Department of Agriculture Purchasing Director Dan Huse about contracting with individual fuel companies for fuel purchases. The state approved contract for purchasing fuel is through Voyager Fleet Services. Currently we purchase our fuel using this service. Mr. Huse had not heard of any other state agency contracting with individual companies to purchase fuel so he did not know if that was possible. Mr. Huse stated he would look into it further and let us know. As of this meeting we have no new information.

Brand Commissioner's Report: As of April 30, 2020 there were nine 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 626 hours from the March 2020 balance. The Brand Division employees continue to be Coronavirus free. We have received a shipment PPE that will be distributed to employees.

Personnel/Administrative Report: Brand Inspector Supervisor Terry Florian has hired Kris Ruth to fill the vacant position in the Denver inspection district and we will employ John Shumaker at Arapaho Park Horse Track. As of June 30, 2020 brand inspectors will forfeit over 3,000 hours of annual leave time, of that time 1,000 hours are supervisor hours. So, everyone is working hard doing his/her part.

Certified Feedlot Report: There were six certified feedlot audits completed and paperwork submitted since the March 2020 Board meeting. Audit numbers two and four balanced to zero. Audit number one was off eleven head, audit number three was off fifty-three head, audit number five was off fifty head and audit number six was off one head. There was a change in management and bookkeeping processes at the facility represented on Audit 3 and Auditor Jim Easthouse feels that that is the cause of the discrepancy.

Alternative Livestock Report: One alternative livestock certificate was written in the month of March 2020 for seven head of elk.

#### 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 April 2020 \$4,074.14 was deposited into the Estray Fund. \$4,035.08 was for proceeds of sale on eight head of cattle, horses and/or sheep. \$39.06 was for interest received on certificates of deposit. No certificates of deposit matured during the month of April 2020.

Next Meeting: Upon motion made, seconded and adopted, the next meeting will be held by conference call on Tuesday, June 16, 2020 commencing at 7:00 a.m.

Adjournment: Upon motion made by David Mendenhall and seconded by Dan McCarty the meeting adjourned.

Approved. Not Signed.

\_\_\_\_\_  
President

\_\_\_\_\_  
Secretary/Treasurer

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

INSPECTOR	DESCRIPTION	ADVERTISED/ SALE BARN HOLD	WHOM TAKEN FROM OR REPORTED BY	AMOUNT HELD
BURK, KENNY	1 BAY ROAN APP MARE NO BRAND	ADVERTISED	DEBBIE REED PEYTON, CO	\$182.00
EASTHOUSE, JIM	1 JERSEY STEER NO BRAND	ADVERTISED	JOHN ANDREWS BERTHOUD, CO	\$401.38
EASTHOUSE, JIM	1 BAY WHITE MARE NO BRAND, 1 BAY OR DUN AND WHITE MARE NO BRAND	ADVERTISED	BEN AND TORY BROWN LIVERMORE, CO	\$430.82
FLORIAN, TERRY	1 GRAY MARE  LH	ADVERTISED	DENISE BARTON KERSEY, CO	\$989.32
CROW, CORY	1 BLK COW  LR, 1 BLK HFR CLF NOB	SALE BARN	JOHN ELLIOSN LA JARA, CO	\$1,375.00
ZIMMERMAN, MARK	1 BLK STR  LH (BLOTCH)	ADVERTISED	KONIG RANCH GROVER, CO	\$850.16