



Montana Board of Livestock Meeting Minutes

(This Meeting was Open to the Public & By ZOOM)

December 14, 2022

MT Department of Livestock Board Room #319
301 N. Roberts, Helena, Montana

Board Members Present

Gene Curry, Chairman (cattle producer)

Alan Redfield (cattle producer)

Ed Waldner (swine producer)

(Sue Brown was not present)

Greg Wichman (sheep producer)

Jake Feddes (cattle producer)

Nina Baucus (cattle producer)

Staff Present

Mike Honeycutt, EO

Brian Simonson, Deputy EO

Evan Waters, Centralized Services

Buddy Hanrahan, Centralized Services

Dale Haylett, Centralized Services

Tom Shultz, Centralized Services

Mike Spatz, Centralized Services

Darcy Alm, Milk & Egg Program

Jeff Jergens, Brands Enforcement

Donna Wilham, Adm. Assistant to EO

Dr. Marty Zaluski, State Veterinarian

Dr. Tahnee Szymanski, Animal Health

Dr. Greg Juda, Director, MVDL

Dr. Merry Michalski, Animal Health

Alicia Love, Meat & Poultry Inspection

Jay Bodner, Brands Enforcement

Ty Thomas, Brands Enforcement

Public Present

Rachel Cone, MT Farm Bureau Federation

Rachel Prevost, Montana Farmers Union

Beth Emter, MVMA

Dr. Doug Reedy

MEETING CALLED TO ORDER

(7:22) 8:02 AM

Chairman Gene Curry called the meeting to order at 8:02 AM

CALL TO ORDER AND INTRODUCTIONS

(7:22) 8:02 AM

Chairman Gene Curry called for BOL member introductions. All BOL members were present in the meeting room, except for Sue Brown:

- Nina Baucus, Cattle Representative
 - Ms. Baucus reported that they were getting snow this morning, not much, but they would take what they got

- She wished everyone a marvelous Christmas and a new year of blessing to every person they know
- Ed Waldner, Swine Representative
 - Mr. Waldner said they were getting snow and had gotten about a foot in different parts
 - Mr. Waldner reported that hog prices were pretty steady, but, there was a problem getting truckers, and even though they were on a weekly schedule to wean and move it had been getting to be a problem to get trucks to move them to California
 - Mr. Waldner announced that he had served on the BOL for 16 years, having been appointed by Governor Schweitzer, then served under Governor Bullock and now Governor Gianforte. He said he had decided that he would be retiring from the BOL, but would stay on the Board until Governor Gianforte found someone to replace him
 - Gene Curry thanked Ed Waldner and said all the livestock producers in the state thanked him. He said that thanks to Mr. Waldner and some other folks, there was a way better situation than what he had lived through at times on the BOL
- Jake Feddes, Cattle Representative from Manhattan
 - Mr. Feddes reported that all their calves were shipped and all his deliveries were done
 - Mr. Feddes said that he wasn't as excited about the snow as Nina Baucus was, as they would start calving in about 30 days and he was hoping it turned to Spring by then
 - Mr. Feddes was optimistic about the outlook for the cattle industry that was reported at the MSGA Convention the previous week. He said people were starting to realize how short the cattle numbers were nationally, but, he thought some leverage would be gained back in the cow/calf sector
 - Finding trucks, Mr. Feddes felt, would continue to be an issue. He said the Electronic Logging Device (ELD) mandates were discussed at the MSGA Convention, he said and with the agreement coming to an end in Fall of 2023, they're trying to figure out a way that producers can continue to haul cattle in an efficient and safe manner
- Greg Wichman, Sheep Representative
 - Mr. Wichman thanked Ed Waldner and said that Ed Waldner and Nina Baucus and some other BOL members brought what was a pretty ugly situation to a very good situation
 - The lamb market, Mr. Wichman said, was starting to perk back up and that at the Woolgrowers Convention held the previous week, there was good optimism
 - The snow was good, Mr. Wichman said, but, not the cold. He said they had to bump up to full feed
- Alan Redfield, Cattle Representative, south of Livingston
 - Mr. Redfield thanked Ed Waldner and said he had worked with Ed before he was on the BOL on some issues

- They've had a winter since about the first of November at his place, Mr. Redfield said, with over a foot and a half, back then, of soft snow. He said they had been on full feed for about three weeks
- Mr. Redfield said that there had been 60-mile-an-hour winds in Livingston, making drifts that he hadn't seen in years
- Gene Curry, Cattle Representative from Valier
 - Although it wasn't a lot of snow, Mr. Curry said they had snow on the ground for over a month. He said the long range weather reports looked like moisture was going to come back to their country
 - Mr. Curry said they were trying to build onto their feed lot
 - Having attended both the Farm Bureau and Stockgrowers Conventions, Mr. Curry said the optimism seemed to be universal for the future of the cow/calf and feeder industries
 - Mr. Curry wished everybody a Merry Christmas and safe travels, both on their way home and if they were doing any traveling over the holiday
 - Mike Honeycutt said that Sue Brown had said she would try to get on ZOOM where she could today as she had been dealing with some family and medical issues, especially with her husband
 - Mr. Honeycutt announced that Roy Hall, who had worked as a Sanitarian in the Milk & Egg program had passed away the week before. Mr. Hall had retired from the DOL in 2019

BOARD ADMINISTRATIVE ITEMS

(19:17) 8:14 AM

(19:17) 8:14 AM – BOARD APPROVAL OF BOARD MEETING MINUTES

Gene Curry entertained a motion to approve the minutes of the Montana Board of Livestock October 26, 2022 Meeting:

- Mike Honeycutt clarified a portion of the minutes during the Fiscal Bureau section of the October meeting stating that Brian Simonson had been talking about vacancy savings while looking at the budget for the year and was trying to call attention to the vacancy savings that were already out of the budget. He went on to say that Mr. Simonson said that if you're accounting for vacancy savings we would be in the hole, which was not true. The DOL was positive at the last budget and vacancy savings were taken off the top
- Gene Curry said the minutes would not be changed because that was what was stated

MOTION/VOTE

(19:26) 8:14 AM

Nina Baucus moved to approve the minutes from the Montana Board of Livestock October 26, 2022 Meeting. Alan Redfield seconded. The motion passed.

OLD BUSINESS

(22:55) 8:17 AM

(22:55) 8:17 AM – UPDATE ON GOVERNOR’S OGSM STRATEGIC MANAGEMENT AND EXECUTIVE OFFICER STRATEGIC GOALS

Mike Honeycutt reported on his last OGSM Meeting with the Governor that had been held of November 29, 2022:

- Mr. Honeycutt said that even though expenses were not exceeding budget, this was the time of year that the DOL was a little bit revenue-strapped as per capita and some other things didn’t start coming in until Spring, and last year had been a big revenue year because of rerecord
 - There was some expectation of down years in the DOL, Mr. Honeycutt said, because of the cattle cycle after the drought
- Mr. Honeycutt was able to report to the Governor that the DOL was pretty fully staffed, because at one point during the Summer, there had been upwards of 20 vacancies within the DOL
 - There was one vacancy in Milk & Egg and with the hiring back of a Sanitarian, the DOL was back to three Sanitarians on staff
 - The Meat, Milk & Egg Inspection Bureau was still trying to backfill Alicia Love’s EIAO position, one she left when she stepped into the Bureau Chief position. Also, in that Bureau the Label Specialist position still needed to be filled
 - There was just one opening in the Brands Enforcement Division
- 115,000 animals had moved through the markets in October, Mr. Honeycutt said, a more comparable number compared to 2020 and 2021 and big numbers were not expected like last year’s, because of the drought
- Mr. Honeycutt was able to report to the Governor that the pig carcass found near Lake Kooconusa, was not feral, but domestic
- The TB testing in the state was near completion
- The financial audit was a successful one, and Mr. Honeycutt was able to tell the Governor things were a lot better than some the DOL had in the past
- Mr. Honeycutt said that he did talk to the Governor about dealing with Trout Creek Schools and their ability to get milk
- The OGSM Meeting with the Governor was held before the IBMP meeting, and Mr. Honeycutt said he had a lot of uncertainty around that and the BLM grazing rules that would be coming out later this Summer
- Tedious negotiations were going on regarding the collective bargaining agreement with Meat Inspectors at the time of the OGSM meeting
- The six-month goals that had previously been set for the OGSM were doing really great,
- The Cooperative Interstate Shippers (CIS) Program had not sparked the interest that the DOL would have liked to have seen, with only one application being submitted this last year
 - There was a fair bit of confusion, Mr. Honeycutt thought, between the CIS Program and the Interstate Meat Compact Agreement with other states, adding that with the CIS Program, the DOL did not have to have agreements with other states to access out-of-state markets

- Jake Feddes said that education might help, but there were still some people who refuse to understand the necessity of having an inspection program. He said that even though he loved the idea of the CIS Program, their establishment decided not to take part in it because he could not find enough meat cutters or people to package boxes and ship them
- The CIS Program, Mr. Honeycutt explained, allowed an establishment to work with the same local Inspectors rather than USDA Inspectors
- There had been some communication materials, handouts and presentations worked on to help different audiences understand the different levels of Meat Inspection, Mr. Honeycutt said, and that Alicia Love had been part of a presentation in Butte with a group talking about marketing of beef. He added that he and Dr. Zaluski were asked to do a presentation at Stockgrowers about a year ago as well
- Mr. Honeycutt said that the one establishment that had applied for CIS may want to return to USDA, which would be a challenge for the DOL because of staffing in that part of the state
- Mr. Honeycutt reported that there were two plants in Montana that had a stated interest in going to USDA inspection and had been working on it for a year, which made it difficult for the DOL because, what do you do with the DOL employee if there were no plants to go to once those State-inspected plants went to USDA
- It was called to the attention of the Governor, Mr. Honeycutt said, that the DOL was going to work this Session, along with our other partners, regarding the cost escalation for the new VDL
- Dr. Zaluski had talked to Kansas, Texas and some other states that had Brucellosis import restrictions against Montana and was able to get movement with North Dakota on their Brucellosis regulations. USAHA pushed through a resolution among State Veterinarians that there really was not a need for those types of import restrictions because of the mitigation that was being done by Montana, Wyoming and Idaho to ensure they're not shipping Brucellosis out of those states
- Mr. Honeycutt said that there had been delayed implementation on the DOL switch over of the Brands system to make sure that was working during Fall Run. One thing the DOL wanted to do was spot check compliance on market consignment permits, but, Mr. Honeycutt hoped that once the computer system was implemented, the DOL would be better able to do those checks
- Mr. Honeycutt requested that the BOL think about new OGSM initiatives for the first six months of 2023, saying that the goal of trying to maintain market access for producers stayed the same, along with the four big strategies, including value-added processing within the state, effectively monitoring animal health within the state, maintaining the integrity of livestock identification and improving online and digital services and data collection for the DOL
- Mr. Honeycutt said that he was still tracking livestock slaughter numbers for the Governor and that, even though cull rates were much slower than they were last year, it did look like there was some increase in capacity that would outpace pre-cull rates

- Thanks to the Colonies, Mr. Honeycutt said there was a lot more slaughter of poultry than the state had in the past
- Sheep and goats continued to be a pretty good hunk of the pie, but didn't seem to be moving a whole lot at the moment, Mr. Honeycutt reported
- Compared to last year, the "Other" category, which included deer, elk, bison, etc., the slaughter of those types of species seemed to be much more diversified than in past years
- State-Inspected numbers made up a bigger piece of the pie compared to Custom Exempt numbers, Mr. Honeycutt said, because people were getting more into trying to retail-sell meat
- Custom Exempt facilities had increased, Mr. Honeycutt felt, because people had learned to access local products better, especially when meat shelves in stores were empty during COVID. He went on to explain that he thought 2021 increases were probably COVID-influenced and 2022 increases were due to culls due to drought influence, along with some supply chain issues
- Mike Honeycutt said that the DOL had gotten permission from the Budget Office to plus-up Meat Inspector wages when the DOL was having issues with recruitment retention. But, the Meat Inspectors also had a contract that was being negotiated which was set to expire in June of 2023
 - The National Labor Relations Act governed the dealing with salaries for organized employees, Mr. Honeycutt explained and said that the DOL was required to negotiate in good faith. The challenges with negotiating the Meat & Poultry salaries, he said, was tedious and becoming increasingly difficult because anything negotiating at this point was not going to be in the DOL appropriations moving forward
- Everything was pretty much in progress right now, Mr. Honeycutt reported, in working with Service Now, but said that the DOL was trying to complete, roll out and launch more online applications both internally and externally
- The Governor, Mr. Honeycutt said, was especially interested in agency organizational charts because he was really looking closely at the efficiency of the organizations. He said the DOL organizational chart had been streamlined and was fairly uncomplicated
- Mike Honeycutt said that he would like to have the priorities for the first half of 2023 ready to present at his first OGSM Meeting of the new year. Gene Curry said all of the easy changes have been picked off and it was going to be difficult to figure out how we were going to keep making improvements
 - Mr. Honeycutt said that working through the Legislature would take a big part of the first half of 2023

NEW BUSINESS

(55:35) 8:57 AM

Mike Honeycutt reported to the BOL that he was not certain of the number of game farms in the state that sold meat, although he said there had been no new operations. He said that all those that had been permitted since the Legislature put the moratorium in place would be able to continue to operate until they no longer existed

(56:43) 8:59 AM – INTRODUCTION OF NEW VETERINARIANS

Dr. Merry Michalski, the new Emergency Preparedness Veterinarian for the DOL, introduced herself:

- Dr. Michalski said that she had been out of Vet school in Colorado since 2013 and had started in private practice with small animals. Although she said she had very limited large animal experience, she was learning a lot from great teachers, and she was enjoying it for the three months she had been at the DOL
- Although Dr. Michalski said she had been focused more on the Brucella Canis program and the High-Path Avian Influenza response of the DOL, she said she had gone out and had done a lot of Brucellosis testing with bison and also had gotten to do TB testing
- Dr. Zaluski said that Dr. Michalski had really embraced the regulatory medicine side of things and had done really well in the field working around the chute with bison and cattle, but they were being a little more judicious in making sure she had some experience in working with the DOL for a few days before they just cut her loose
- Regarding a question on CWD and CJD in people, Dr. Zaluski said that, at least so far, he did not think there was a link between the diseases
- Mike Honeycutt said that FWP had their Veterinarians that dealt with diseases in wildlife and the DOL pretty much stayed confined to the diseases in domestic livestock. The VDL did add CWD testing to hopefully provide a faster turn-around time within the state
- Dr. Zaluski said there were about a dozen alternative livestock facilities with an appreciable number of elk or deer in the state and those folks were subject to CWD monitoring requirements, testing all mortalities for CWD that are 12 months of age and older
- Dr. DeGroot was in Colorado and was not available on ZOOM

EXECUTIVE OFFICER UPDATES TO BOARD AND DISCUSSIONS

(1:04:19) 9:06 AM

Mike Honeycutt said that he would be bringing in Mike Spatz, the new HR Officer, to get involved with the BOL meetings and give updates on things going on in Human Resources

(1:06:03) 9:08 AM UPDATE - 2023 LEGISLATIVE PROCESS UPDATE – POLICY AND BUDGET

Mike Honeycutt gave an update of what had been going on with the upcoming Legislature:

- Mr. Honeycutt went through the workings of the Legislative bill search and tracking online tool he had been utilizing and would continue to utilize through the Legislative Session that the BOL could access as well
- Representative Julie Dooling, Mr. Honeycutt said, was carrying the DOL bill regarding removing the triplicate requirement for paper forms and that she had submitted the paperwork for it
- Representative Joe Read, who was part of the Section C Subcommittee and had a lot of background with veterinary issues, would be carrying the indemnity bill for the DOL
- Representative Ross Fitzgerald was carrying the DOL bill to extend the sunset on the Wildlife Services appropriation, which had been combined by Legislative Services to the Livestock Loss Board's sunset as well
 - Representative Ross Fitzgerald was also carry the DOL bill requiring producers to gather their own animals when disease testing
- Mr. Honeycutt explained that Representative Greg Kmetz, a freshman Legislator from eastern Montana, was carrying a Department of Revenue bill to revise penalties and interest for livestock per capita fees, but, what it actually did was to combine the reporting and payment date for per capita fee, making them due on the same day
 - Mr. Honeycutt said that about 80% of people already report and pay at the same time
- Representative Kenneth Walsh was carrying the DOL garbage feeding bill that had been introduced
- Senator Becky Beard was carrying the DOL bill to revise aerial hunting requirements
- Senator Greg Hertz, Mr. Honeycutt said, would carry the DOL bill revising the non-amenable species list, in regards to Meat Inspection, because they're not required under the Federal Act
- Senator Wendy McKamey would be carrying the guard dog bill for the DOL, as Mr. Honeycutt explained, being a sheep producer he felt she would better be able to explain that issue a lot better than most
- Mr. Honeycutt said that Senator Daniel Salomon was one of about two people left in the Legislature who knew anything about milk, and he was going to carry the DOL bill regarding changes in Milk Control policy
- The custom exempt revisions the DOL needs to change to be in line with the Federal Meat Inspection Act, were put into a bill that Representative Josh Kassmier would carry for the DOL
 - Representative Kassmier also agreed to carry the DOL bill that would repeal the Livestock CrimeStoppers Commission
- The livestock markets revisions bill that would clean up the satellite video auction, would be carried by Representative Brandon Ler
- Representative Mark Nowland would be carrying the bill to update the outdated language regarding Chief Meat Inspector for the DOL
- Alan Redfield said that he had spoken to Representative Kassmier who said he had a spot for dealing with penalties and fines and would just need to give him specifics on that

- Mr. Honeycutt said that both Representatives Kassmier and Ler were part of the Brands Committee and were talking about if there were things that needed to be done on the Brands side
- One example of a possible change Mr. Honeycutt shared was setting a minimum time of how long a person had to own a brand before it could be sold as some people pick up brands just to try and resell them, and having those on the books creates a conflict
- Another example Mr. Honeycutt gave was people who register an active brand, but do not own livestock, and, with brands being property, limiting how people could use or obtain property needed to be done Legislatively or, it could possibly be listed as an ornamental brand
- One bill that did not make it through the Governor's process, Mr. Honeycutt said, was the predator control statutes using the word "destruction" in them. Other bills that did not move forward were any of the bills on open range and herd districts. Mr. Honeycutt said that there were too many questions on some of those
- Mr. Honeycutt said that he used his Legislative bill search and tracker tool every day, not only to see what was happening with bills, but to see if there was anything new. He added that he could look at bill progress not just for the DOL, but for other agencies as well, such as those having to do with delisting Grizzly Bears or Country of Origin Labeling
- Alan Redfield said that he not only watched the bills, but also looked at who was carrying certain bills
- Mike Honeycutt said that a request to fine someone who did not pay their per capita would be in the wheelhouse of the Department of Revenue (DOR), not the DOL to introduce a bill on that
- Mr. Honeycutt said he had received some explanation from the DOR about fines and penalties, and that was that enforcement of those was hard, as if the fines and penalties were too stiff, it might discourage people from being honest
- Alan Redfield added that you are in the DOL system though
- Mr. Honeycutt said there were several placeholder bills that could be filled with a specific bill later. One placeholder bill, tagged as agriculture, not Livestock, regarding Meat, was by Senator Kenneth Bogner
- Mike Honeycutt said that the DOL was working on the big document that was handed out to Legislators, breaking down the DOL budget to the very granular level and those decision packages we are looking to get into HB2. The Section Subcommittee would be the first to hear that and then it would be move to full appropriations
- The DOL plans to pay attention to HB5 as well, because that was where that augment for the new VDL, covering the cost escalation, would be found
- The DOL also planned to pay attention to HB10, where the State IT plan was found
- When deciding on which day to schedule future BOL meetings, Mike Honeycutt said that until the Session was done, that Tuesdays and Thursday were typically the days that House and Senate Ag met. He added that transmittal would be sometime in March

(1:23:43) 9:26 AM BOL Discussion on Per Capita Penalties

The BOL discussed a question and comment on per capita fees and if there was any way to “put teeth” into non-payment of those:

- Gene Curry asked how many producers did the DOR know of that owned livestock or had in the past and hadn't paid their per capita fees
- Mr. Honeycutt explained that once you reported livestock, you were in the system as a livestock owner and you would get billed. If that bill was ignored, it went into the offset as debt, and if you ever earn refunds from the state somewhere, that debt comes out of that refund before you get your check
 - It was the producer's responsibility, if they no longer own livestock, to put in a reporting form that said “0” livestock
- The DOL's project of finding horse owners that had not paid per capita a couple years ago was done by hand. But, in the future, it could be done by technology, which would make it easier
- The DOL had no legal ability to deny someone service who had not paid per capita
- One way to bring up the subject of per capita to producers that the BOL discussed, was when Inspectors checked animals or letters could be sent to the person who had their animals checked, or having a presence of DOL staff at rodeos and horse shows
- Mr. Honeycutt said that the DOR had all the tools to do collections around the state, including those for per capita and that it would complicate it if the DOL took the collection process on themselves

(1:40:37) 9:43 AM Discuss Penalties and Fines for Livestock Violations

Per Alan Redfield's request, the BOL discussed changing the penalties and fines for livestock violations:

- Mike Honeycutt shared that in a 1910 document the Montana Stockgrowers had published in 1910, that had probably gone out to all of their members at that time, the indemnity that was being paid to livestock owners who might have to have an animal put down for disease was basically the same amount in our law now...\$100
- Mr. Honeycutt said there was a Legislator who was willing to look at the fines and penalties the DOL was currently charging, because some of those had not been changed for maybe 50 or 60 years. The BOL needed to give that Legislator some direction on what they would like to do with those numbers
- Alan Redfield said that perhaps some of the penalties and fines were in rule already, but, if not, there might be a way to move the ones listed in statute into rule, because the ones listed in statute must go through the Legislature to change them
 - Mike Honeycutt said that he was not sure if civil and criminal penalties could be in rule
- Nina Baucus suggested that since the Brands must be reviewed every 10 years, that maybe the fines and penalties could be reviewed regularly as well

- Mr. Redfield said that one of his highest priorities of fines was for importation failure, the CVIs, for roping and feeder cattle. Mike Honeycutt said the fine for that violation could be no more than \$500, according to statute
- Jake Feddes said that the importation CVI penalty should be high enough that nobody dared to do it, because the penalty would potentially put them out of business
- Greg Wichman said penalize them the value of the load or penalize them a minimum fee or so much a head, whichever would be more
- Alan Redfield said whenever a fine is issued, half of it goes to the County Attorney for the cost of the prosecution. But, he said that it's easy to bring a horse into Montana and never be inspected
- Jake Feddes said, how about a penalty of \$5,000 or \$500/head, whichever was greater

MOTION/VOTE

(1:57:26) 9:59 AM

Jake Feddes moved that the fine for bringing cattle, or livestock in general, into Montana without a CVI, be made a minimum of \$5K, or \$500/head, whichever was greater. Nina Baucus seconded. The motion passed.

- Mike Honeycutt clarified that the fine would be for all livestock that required import and health certificates and would also include shelter dogs and cats
- Alan Redfield said in the bill introduction, include the animals that need to be in the title
- Mike Honeycutt said that he did not know if the BOL wanted to deal with penalties in Brands dealing with movement inspections and grazing permits since they were misdemeanors. He said that some penalties were a fine and time in jail and some had no penalty specified
- Gene Curry told the BOL members that if there were any more penalties they wanted to deal with to contact Mike Honeycutt with those

(2:07:13) 10:09 AM RECESS

(2:07:14) 10:21 PM RECONVENE

EXECUTIVE OFFICER UPDATES TO BOARD AND DISCUSSIONS

(Continued)

(2:07:15) 10:21 AM

(2:07:15) 10:21 AM BIENNIAL LEGISLATIVE FINANCIAL AUDIT

Mike Honeycutt said that he and Brian Simonson had attended the meeting regarding the Legislative Financial Audit, which had been held the previous Friday:

- The two recommendations given to the DOL in the Financial audit were both around depositing money in the right account at year-end, Mr. Honeycutt said,

and that one account was overstated and one account was understated, but, all the money was there

- In response to the audit recommendation, Mr. Honeycutt said the DOL had committed to improve internal controls, our check sheets that were used at the end of the year to check for those types of issues, and make sure everything had been deposited where it was supposed to be deposited

(2:09:37) 10:24 AM HUMAN RESOURCES UPDATES

Mike Spatz, Human Resource Officer for the DOL, introduced himself and distributed handouts to the BOL

(2:10:25) 10:24 AM Statewide Recommendations on Employee Telework Options and Implementation

Mike Spatz gave an update on the current state of Telework in the DOL:

- In review, Mr. Spatz told the BOL that the Telework Options had been offered and that total eligible numbers for the DOL staff to participate in that Option were small and that, as of right now, there were six DOL employees utilizing telework through the State Talent System
- Mr. Spatz said that for employees that might ask for a day or two days randomly, the DOL could be as accommodating as they could to allow that, but, the management responsibility was to make sure the actual work getting done was appropriate
- Mr. Honeycutt said that there was no employee in the DOL who was eligible for five days of telework. Mr. Spatz said the numbers range from one to three days in the DOL right now
- Mr. Spatz explained that telework was optional. He said that if the employee did choose to telework, the State supplied only the laptop and any other equipment needed to do their job was to be supplied by the employee. The telework request that got reviewed and approved by management was tracked through the State's Talent System. Managers also had resources available for training materials to discuss telework with employees and help them manage employees that were teleworking
- Mike Honeycutt said that materials available to help managers work with telework employees gave them tips on how to stay in touch with those employees, especially if those employees were not accustomed to that type of monitoring, because it might happen more often than if the employee were in the office. Mr. Spatz said that Manager pre-discussions before telework were encouraged with the employee of their expectations

(2:18:22) 10:32 AM Staff Openings and Recruitment

Mike Spatz reported that vacancies in the DOL had been getting filled pretty well:

- The DOL, according to Mr. Spatz, was actively recruiting for four positions posted on the website, with an offer going out after today, to an applicant for one of those

- Mr. Spatz reported that six new people had been hired since the October BOL meeting. Three positions had been newly-vacated with one future vacancy coming up, due to a retirement, at the end of December
- The Brands Enforcement Division Helena office was fully staffed, according to Mr. Spatz. The Meat Inspection unit was fully staffed as well, with the exception of one position being strategically left vacant for now. Mike Honeycutt said that position would hopefully be able to be filled by a person in a different location

(2:19:52) 10:34 AM Statewide Process for End-of-Year Evaluations

Mike Spatz reported that as of November 1, 2022, Year-End Performance Evaluations were happening for DOL staff through the Talent System:

- As of right now, Mr. Spatz said that there had been a 70% completion rate, with those evaluations, due by the end of December, with the employee/manager meeting due to be completed by January 18, 2023. Employee response to the meeting were due by January 31, 2023. Mr. Spatz said if there was disagreement with the comments from the employee/manager meeting to go to the Manager, then the Supervisor and then encouraged DOL employees to come to his office if they had no success with those persons
- Mr. Spatz said that in 2023, employees were going to be asked to create work-related goals for their positions and there would be messaging coming out on that at the beginning of the year

(2:22:32) 10:37 AM Proposed Statewide Employee Salary Increases

Mike Spatz said there had been an exciting announcement made by the Governor and the Public Employee's Unions:

- Mr. Spatz said that a proposal came out for the State Pay Plan, covering the '24-'25 biennium, covering wages, health benefits and a couple other one-time payments
- The proposal came out, Mr. Spatz said, to address some of the challenges State workers and Montanans were facing with inflation and market issues
 - The proposal includes a \$1.50/hour, or a 4% raise to base pay, whichever was greater, on July 1st of each year of the upcoming biennium
 - The proposal would freeze health insurance costs until 2025
 - A full-time employee would get a one-time lump sum payment of \$1,040 in the proposal
- Mike Honeycutt explained that in the last biennium, the pay plan had been very conservative, employees going one of those years without a raise. With inflation and the State making more money than anticipated, this proposed State Pay Plan, listed in HB13, would do a little bit of making up the end and bottom. This Governor's proposal would still have to be passed by the Legislature
- Because of this proposal, Mr. Honeycutt said he was telling Managers to wait on salary conversations until it is seen what comes out of the Legislature for the Pay Plan

(2:28:00) 10:42 AM PREPARATION FOR EXECUTIVE OFFICER EVALUATION

Mike Honeycutt wanted to call the BOL's attention to the Executive Officer Evaluation time frame:

- Mr. Honeycutt said that typically, the Executive Officer Evaluation happened in January. This year, the Evaluation was held on January 26, 2022
- Items that Mr. Honeycutt said he would be prepared to report on during the 2023 were items the BOL had given him previously, during his 2022 Evaluation
 - What was the DOL doing regarding competitive salaries
 - What was the DOL doing to cross-train employees
 - Per Capita compliance
 - Being prepared for the 2023 Legislature and Red Tape
 - Getting the DOL more fully staffed
 - Keeping the VDL moving forward
 - Building a better connection with MSU
- Mr. Honeycutt said if there were other things the BOL wanted him to be prepared to report on, that they could give them to him as they thought about them, so he could be prepared to answer their questions or provide any documentation
- Gene Curry said that he had gotten some other options on the evaluation forms from the Governor that he hadn't completed yet and he would send them out to the BOL for their review and critique so it could be sent to Mike before the next BOL meeting. Mr. Curry said the evaluation forms also needed to be filled out by the BOL and brought to the next BOL meeting

(2:33:02) 10:47 AM IBMP UPDATE

Mike Honeycutt gave the BOL an update on the IBMP (Interagency Bison Management Plan):

- Mr. Honeycutt said that he and Dr. Marty Zaluski participated in the Winter IBMP Meeting, held in West Yellowstone about two weeks ago
 - The purpose of the Winter IBMP Meeting, Mr. Honeycutt said, was to try to agree on a Winter Operations plan for the season when the bison start to migrate out of Yellowstone Park and how to manage that
- The count of Yellowstone bison, Mr. Honeycutt said, was the highest count it had ever been at 6,013. With a reproduction rate of that herd figured to be 14%, there should be between 800 to 900 bison calves that survive this year, adding to next year's bison population
- Yellowstone, according to Mr. Honeycutt, did not want to commit to a specific removal target for those bison, partially because that target had always failed. Last year's target was 1,100, but only 50 ever got outside of the Park
 - Mr. Honeycutt said that Yellowstone believed that they could cull up to 25% of the herd without doing genetic viability, damage to the herd and its behavior. Mr. Honeycutt said that he wanted some language put in the plan that if a target wasn't going to be set and only an upper limit was set, there needed to be some language about maximizing opportunity
- The Nez Perce Tribe did not like Mr. Honeycutt's request to add some language to the agreement and wanted to cut that number down, Mr. Honeycutt thought, it was just 10% as a maximum. Mr. Honeycutt said that

number would manage for an increasing population of bison, which the DOL and FWP felt should be managed for a decreasing population. Every other partner, except for FWP and the DOL, expressed their wishes to increase the population

- By the end of the day, Mr. Honeycutt said they had not gotten past the first paragraph of the agreement because of the disagreement between the partners and they all walked away with no new Operations Plan
- There was a lot of language added to the agreement from the Forest Service that Mr. Honeycutt said he and Dr. Zaluski were uncomfortable with
 - In the past, when bison were hazed on Forest Service, the DOL would notify them that the hazing was going to be done and that the DOL might be taking trucks, snowmobiles or other vehicles down those closed roads and trails. But, in the language the Forest Service added to the agreement, the DOL would have to notify the Forest Service and get a travel variance from them, which Mr. Honeycutt fears would never be given
 - If bison were co-mingling with cattle on Forest Service, the current language in the agreement said the DOL would haze and separate them, Mr. Honeycutt said. But, the Forest Service wanted language put into the agreement that talked about stopping and trying to figure out if there was something else that could be done. Mr. Honeycutt said the DOL's job was to separate those animals
 - Mr. Honeycutt said he had a concern with institutionalizing some things from the Custer-Gallatin National Forest Plan that he didn't think needed to be in an Operations Plan for how to work together over the next few months
 - Allowing the bison to disperse across the larger landscape was in direct conflict with State law
- Mr. Honeycutt said that he and Dr. Zaluski spent two hours the day before with an IBMP Facilitator whose job was to gather concerns and what language would be acceptable by all parties, and find a document that all could agree on, but, Mr. Honeycutt said the likelihood of success on that was very limited
- The Northern Management Area, the Gardiner Basin, was what Mr. Honeycutt said he worried about more, because earlier this week, there were 150 bison in Zone 2 and no hunters there yet. He said more Zone 3 private-landowner conflict was expected, Yankee Jim Canyon, a place where bison figure out a way to get to a place where no one is. They're spreading out over the landscape towards Cinnabar Basin and then they're going to come back over Tom Meyer and then come down into the area where the DOL had to proactively manage them
- FWP, Mr. Honeycutt said, was also working on plans as well, preparing for this winter. Sometimes, Mr. Honeycutt said, when the hunters get active, the bison will run back to the Park

- The 6,000 or so bison currently in Yellowstone was not the number set by the Record of Decision of IBMP in the year 2000. The number stated then was a population of 3,000 bison in the Park
 - Mike Honeycutt said the reason that number had gotten so high was because of mild winters, hunting pressures and other things that discouraged the bison from every leaving the Park for the hunt, so, the population continued to grow. Eventually, though, the bison would migrate out of the Park to find resources and would have to be dealt with
- FWP had a list of State-licensed hunters, Mr. Honeycutt said, and would get more hunters down there if they weren't getting other hunters to deal with the situation and he added that it was preferred that hunters harvest the bison rather than staff harvest them
 - Mr. Honeycutt said that the DOL was working with FWP on how they could be more nimble to get hunters when there were bison in Zone 3, the area up towards Paradise Valley, the Emigrant/Pray area. He explained that FWP, in the past, had told the DOL that their season was over in March and they weren't going to allow hunting past that time, when the bison were out in June. Another problem was if the hunter on the list was from Libby and couldn't get to the bison in time and FWP would say they wouldn't call a hunter on the list who lived closer, because they said they had to go in order of their hunter list
- The Stephen's Creek bison trap had been a challenge with the Tribal Treaty Tribes who did not want the operations of that trap to begin until they've had their opportunity to hunt. The problem, Mr. Honeycutt said, was that once a bison walked past the trap and if it wasn't taken, the opportunity to trap it was gone
- Mr. Honeycutt reported that the Park had a plan to trap 600 bison for the purpose of getting 250-qualified animals into their quarantined program, because of the infection rate. The balance of those trapped that tested Brucellosis-positive would go to slaughter
 - The CSKT typically participated in that Park program where the meat of the slaughtered bison goes to the Tribe
- Mr. Honeycutt said that in talking with Tom McDonald, who used to be the Fish and Game Manager for CSKT and was now their Tribal Chairman, he believed they've never maximized their hunting opportunity and that the Tribes could take up to 600 or 700, to 1,000 bison
 - It had been very difficult to see the Tribes maximize their hunting opportunity, Mr. Honeycutt said, sometimes because there had been a mish-mash of different tribes coming down and some not there on the right day. He said there were also times where the bison just stood on the other side of the boundary looking at the hunters, knowing right where to stop
- Mike Honeycutt reported that there were public safety concerns with the gut piles left after the bison hunt, and said that FWP, the Greater Yellowstone

Council and different groups had coordinated to get places for them to be disposed of

- Not all tribes had a treaty to hunt, Alan Redfield said, such as the Blackfeet people and the Crow tribe. Mike Honeycutt said though, that for the Tribes that do hunt, there was not a cap on the quota they could take, because their treaties gave them rights to wildlife from Yellowstone
- If an agreement on the Winter Operations Plan wasn't reached, Mr. Honeycutt said it would revert to either the 2020 plan or the 2021 plan. He said that the 2021 plan was more acceptable to him as it still had language in there about managing for a stable and decreasing population and the harvest numbers were up to 1,100. The 2020 plan has numbers of harvesting 500 – 700, and still had language in it about managing for a stable and decreasing population

ANIMAL HEALTH & FOOD SAFETY DIVISION REPORTS

(2:57:02) 11:11 PM

(2:57:02) 11:11 PM – VETERINARY DIAGNOSTIC LABORATORY

Mike Honeycutt explained that Dr. Juda would be joining the BOL meeting earlier than normal today because of a commitment he had that afternoon:

- Dr. Juda, Director of the Montana Veterinary Diagnostic Lab, introduced himself, announcing that the VDL operated on MSU's campus in Bozeman

(2:58:01) 11:12 AM – Operational and Lab Staffing Update

Dr. Greg Juda gave the BOL an overview on the latest operational numbers:

- Peak season was coming to a close for both CWD and Brucella testing, Dr. Juda said
- For the seven-week peak season of CWD, test numbers were slightly higher than last year, probably because of samples that came in from North Dakota. Dr. Juda said that it was interesting to note though, that the number of CWD tests in 2022, just from Montana, significantly decreased from 2021 numbers
 - Dr. Juda said that turn-around time compared to 2021 was decreased, going from 11 days last year to 7-8 days this year.
- A rotating schedule was put in place for VDL staff that were cross-trained to assist in testing, along with a Public Health Fellow working full-time during that period, and Dr. Juda felt that helped decrease the stress level on VDL staff this year
 - A post-season meeting would be held, Dr. Juda said, with North Dakota and FWP, to gather their feedback and see if services provided by the VDL were adequate and what could be improved for next year
 - The CWD percentage for Montana was just over 3%, so far, with more samples that were expected to come into the VDL because of some additional shoulder seasons and special hunts to come. One special hunt was scheduled for the Ruby Valley where there tended to be a propensity of CWD in the whitetail population, Dr. Juda said
 - Typically, Dr. Juda said, the highest numbers of positives were found in whitetail deer for the last three years. He thought that the FWP dashboard

broke down the testing information in terms of elk versus mule deer versus whitetail deer

- Dr. Juda reported that there were reduced numbers of Brucella tests that had been run so far this year, a little less than 12,000 tests fewer than the previous year. Dr. Zaluski and Dr. Juda hypothesized about the reduction in Brucella test numbers
 - Due to the drought and shortage of hay, not only was there a greater sell-off of cattle herds, but a reluctance by producers to build their herds back up
 - Mike Honeycutt said those numbers would probably not be as high as they were for several years, especially in the Beaverhead County area where drought was experienced longer than in other areas, and which is where a lot of the Brucella testing would come from

Dr. Greg Juda gave a report on the VDL's staffing efforts, along with some general updates:

- Dr. Juda reported that a Temporary Worker whose employment had been approved during the October BOL meeting, had her last day of employment on November 28, 2022. The Temp basically saved the VDL, Dr. Juda said, during a time when they were looking to add people, and her employment was a "rousing success"
- There had been four vacancies at the VDL during that October BOL meeting, but, Dr. Juda said that all had been hired
 - James Touriano was hired as a Shipping and Receiving Clerk in the front office started on November 2, 2022
 - Raylan Hagan filled the second Shipping and Receiving Clerk position and would be starting on December 19, 2022
 - Nathaniel Antonioli filled the Molecular Diagnostic Lab Technician position and started on October 18, 2022
 - Courtney Cast filled the Clinical Pathology Lab Technician position and began her employment on November 1, 2022
- Dr. Erica Schwarz passed her Virology Specialty examination and was now an Official Diplomant with the College of Veterinary Microbiologists that is certified in Virology
- Dr. Juda explained that the historical pass rate for this examination was 18% and that this was the second exam she had to pass to become fully Board-Certified. The year prior, she passed her general Micro exam
- Dr. Juda reported that the two Clinical Pathology Chemistry Analyzers (Immulite and Dimension), purchased in 2005 or 2006, were drawing close to their effective life and had recently had a significant increase in the number of repairs needed. Siemens, the OEM manufacturer, would not longer offer service agreements on them after the current maintenance contract expired in September 2023
- Cost of the current maintenance contract for both Analyzers was \$26,000, but, Dr. Juda said that just in the last three months, there had been \$14,700 in repairs made and about \$4,700 worth of preventative maintenance done. He said that

the Immulite Analyzer just went down again a couple days ago and it would need to be repaired again

- Cost of two new analyzers would be around \$80,000 for one and upwards of \$100,000 for the other one. At the time of EPP submissions, Dr. Juda said, the machines appeared to be in good repair, and so they were not figured into the VDL budget requests
- With this situation, Dr. Juda said that he had met with Dr. Zaluski, Brian Simonson and Evan Waters to discuss different funding scenarios. One that possibly could be used was the proprietary funding mechanism, which would be an unknown until the end of the year and see how much money would be left
- It was also unknown, Dr. Juda said, whether maintenance on a new analyzer would be higher or lower, but there were some companies who offered a one-year manufacturer's warranty for free when you purchased the instrument
- Mike Honeycutt said that the preference for the proprietary fund would be to put equipment on a capital replacement schedule versus running it until it breaks down and then try to figure out what to do then. Because of having to operate within the authority given by the Legislature, if the VDL got into an emergency crisis situation with an analyzer, other things might have to be deferred to get that done
- Dr. Juda said he did not believe that those two analyzers were specifically budgeted within the construction budget of the new VDL. But, when those new analyzers were purchased, they would be moved into the new VDL when it opened

(3:20:47) 11:35 AM – Out-of-State Travel Request

Dr. Greg Juda requested that the BOL approve out-of-state travel for a Milk Lab employee to attend the 2023 NCIMS (National Conference on Interstate Milk Shipments) in April 2023:

- Dr. Juda said that the conference was recommended for people in the milk regulation industry, and so, the request was for Erin Burns, the Lab Evaluation Officer to attend
- Although it was not a regulatory requirement to attend, Dr. Juda said that the FDA and NCIMS recommended that anybody in the dairy industry attend, as it was a chance to learn more about the regulations of milk production, the US Grade A Milk Program and advances in the dairy industry. He added that he also thought that it was a great means of programming staff education within the field and just maintaining a high level of professionalism for the VDL staff
- The last person to attend this conference, Dr. Juda said, was Julie Armstrong, who had retired about a year and a half ago
- Because Milk Lab staff were doing regulatory testing to maintain the ability to move Montana milk across state lines, Rosemary Hickey, one of the DOL's Sanitarians, would also be attending the conference, rather than Alicia Love, the Bureau Chief of the Milk, Egg and Meat Inspection Bureau
- Funding to send Erin Burns to the conference would come out of the general Lab travel budget bucket, Dr. Juda said

MOTION/VOTE

(3:24:29) 11:38 PM

Ed Waldner moved to approve travel for Erin Burns to attend the 2023 National Conference on Interstate Milk Shipments on April 3-7, 2023 in Indianapolis, IN. Jake Feddes seconded. The motion passed.

PREDATOR CONTROL

(3:27:27) 11:41 AM

Mike Honeycutt announced that Dalin Tidwell of USDA Wildlife Services, was not going to be present at the BOL meeting today as he was on leave this week and had submitted a written report:

- Mr. Honeycutt said that Wildlife Services was liking the new helicopter and had cleared up the issue of it being underpowered
- The report said that Wildlife Services got their funding agreements in place and were ready to do another year of work. Mr. Tidwell said in the report that he was hopeful that the DOL would be able to get the additional funding requested to the Legislature
- Mr. Tidwell's report said that he had been traveling around to the different organization meetings and meeting with producers

(3:28:44) 11:43 PM LIVESTOCK LOSS BOARD (LLB) PREDATION CLAIMS REPORT AND GENERAL UPDATES

Mike Honeycutt said that George Edwards, Livestock Loss Board, had also submitted a report to the BOL and included in it, this time, the numbers on unpaid claims:

- Mr. Honeycutt explained that unpaid claims were those where people had a confirmed kill, submitted a claim to the LLB, but had not paid per capita, and so, they did not get their claim paid
 - Examples of those unpaid claims included three horses killed in Lake County, no money dispersed; six sheep in Gallatin County, no payments made
- Greg Wichman said there had been a fraudulent claim submitted where someone tried to alter the number of animals and that there was legal activity going on that claim
- Gene Curry commented that at the last BOL meeting he shared that they ended up being short quite a few cattle coming off summer pasture that was next to Glacier Park and that they were relatively confident that it was either grizzly bears, wolves or both, as that seemed to be consistent with other livestock producers in the area
 - Mr. Curry explained that unfortunately, with no carcass to confirm the kill of their cattle, they're out any predation claim money. But, he said that his message to the Federal people when he gets a chance to talk to them was that there was a wolf pack moving up and down the Front
- Nina Baucus said that sheep people seem to be checking their sheep all the time, but cow folks put their animals out on grazing leases and only go in so often

to drop salt and she said maybe we should recommend a weekly check on their livestock

- Mr. Curry explained that on the Front, off the reservation, a Range Rider had been hired, but he got injured and was not there all summer and that in their case, losses were greater this year than in the past
- Greg Wichman talked about multipliers in other states where if you have five confirmed but eight missing, you get paid for eight, and suggested that Montana start looking at adding multipliers for those missing animals

(3:35:41) 11:50 AM LUNCH

12:04 PM EXECUTIVE SESSION

(3:35:47) 12:38 PM RECONVENE

Gene Curry announced that there was no action needed as a result of the Executive Session

ANIMAL HEALTH & FOOD SAFETY DIVISION REPORTS (Continued)

(3:35:52) 12:38 PM

(3:36:06) 12:38 PM – ANIMAL HEALTH BUREAU

Dr. Tahnee Szymanski, Animal Health Bureau, introduced herself

(3:36:14) 12:38 PM – Request to Hire a Compliance Technician

Dr. Tahnee Szymanski requested that that the BOL approve hire of a Compliance Technician:

- Dr. Szymanski explained that the Compliance Technician position had been vacated after the Brucellosis Compliance position was filled from an internal candidate
- The Compliance Technician position would handle answering phones, being one of the primary persons on the call center, and would also deal with import/export CVIs and checking compliance on those for additional follow up as needed

MOTION/VOTE

(3:36:46) 12:39 PM

Alan Redfield moved to approve the hire of a Compliance Technician in the Animal Health & Food Safety Division. Greg Wichman seconded. The motion passed.

(3:37:06) 12:40 PM – Request to Purchase RFID Readers

Dr. Tahnee Szymanski requested that that the BOL approve the purchase of five new model RFID readers:

- Dr. Szymanski said that the money to purchase the readers would come from a cooperative agreement from USDA that received on an annual basis and expired on March 31st of each year
 - Dr. Szymanski explained that towards the end of the cooperative agreement cycle, depending on how much money was left, sometimes the DOL did some bigger purchases of equipment...a chute at one time and a Veterinary box on another occasion
 - Some equipment purchases for the DOL, Dr. Szymanski said, were written into the umbrella agreement, particularly the larger equipment purchases
 - Dr. Szymanski said that these ADT funds from USDA could not be utilized to clean up the Yellowstone Bison hunt gut piles, but were a narrow scope that pertained specifically to Animal Disease Traceability, systems that captured Animal ID and capture movement data
- Some of the wands that the DOL had been using were being retired
- Dr. Szymanski explained that the updated RFID readers would either be used out in the field with staff Veterinarians, or by Brand Inspectors, and at times, they might be loaned out to private Veterinarians to help with the electronic capture of data rather than having to hand enter that data
- The State of Montana receives an allocation of about 650,000 free RFID tags each year that can go out to private Veterinarians, Dr. Szymanski said, adding that Montana was one of the states that used all of their allocated tags each year
- Jakes Feddes said that a lot of producers were using the RFID tags already and soon, all were going to be required to use them. Ed Waldner said they had been using RFID tags for 8 or 9 years and that was the only way to go
-

MOTION/VOTE

(3:42:22) 12:45 PM

Jake Feddes moved to approve the purchase of five RFID readers as presented by Dr. Tahnee Szymanski. Alan Redfield seconded. The motion passed.

(3:44:01) 12:46 PM – Out-of-State Travel Report – Carcass Management Tabletop, Las Cruces, New Mexico

Dr. Tahnee Szymanski reported on the carcass management tabletop exercise she attended in Las Cruces, New Mexico:

- Dr. Szymanski said that New Mexico had requested that someone from Montana present at the exercise, which was funded through a NADPRP (National Animal Disease Preparedness and Response Program) grant. She said that along with herself, an individual from Kansas also presented their state's perspectives on the subject
- Although New Mexico faced different challenges than Montana, there were some common threads between the two states. Dr. Szymanski said her biggest victory

of attending the exercise was being able to see the format for their carcass disposal plan, which provided a great template to apply to Montana going forward

- Nina Baucus questioned about Brucellosis gut piles disposal
 - Dr. Szymanski said in the Yellowstone bison hunts, to her knowledge, it was not specifically the DOL's authority to manage those. But, she said there had been conversations and attempts to get dumpsters in those areas so they could be cleaned up
 - Dr. Zaluski said the gut piles from those hunts were a challenge, but were not really the jurisdiction of the DOL. He said that there were some safety concerns for the public as well, because the piles attracted grizzly bears.
 - Dr. Zaluski said that the area of the Park near where the hunt takes place, the calving-age bison had a sero-prevalence of about 68% and that bison calves being born have a 2/3 chance of coming out as sero-positive
- It was explained by Dr. Zaluski that if DOL personnel had to harvest a bison, typically, the bison was on private property and the animal was loaded onto a truck and either taken to a landfill or the carcass was salvaged and taken to a Food Bank

(3:49:50) 12:52 PM – Discussion of Brucellosis Testing Reimbursement Rate at Markets

Dr. Tahnee Szymanski said that the BOL had requested she come back with more information regarding the reimbursement rate for Veterinarians at Livestock Markets:

- Dr. Szymanski reviewed the list of current rates for Veterinarians doing Brucellosis testing in different settings, pointing out that testing larger groups of animals, 51+ were paid the lowest rate, while smaller groups of animals, 1-10, were paid the highest rate. Market testing rates were similar to the lowest rate paid at \$6/head but an additional \$1/head chute fee was added to that. Dr. Szymanski added that in some cases, the Veterinarian testing at the market would keep the entire \$7/head testing fee, but, in some cases would give \$1/head to the Commission Company
- There were inefficiencies reported to Dr. Szymanski from Livestock Market Veterinarians who said that if there were 250 head to test, that animals were penned back by the Cosignor to maintain separation, and because of that, animals were brought to the Veterinarian in very small groups. Also, not all animals were checked in the sale at the same time, not even the same day
- Approximately 12,000 market tests were run on an annual basis, Dr. Szymanski said, with a cost of reimbursement of \$85,000. Total reimbursements in the state of Montana was about \$656,000, or 15% of our total cost
- Dr. Szymanski's proposal was to move the Market Veterinarians reimbursement to \$8.50/head tested at the yard and create a separate Commission Company reimbursement of \$1/head for animals that were run through the market
- Dr. Szymanski believed the original reimbursement amounts had been set in 2009, when the program started and had a small adjustment in 2018-2019 when the VDL updated the Brucellosis testing costs, due to the transition to the FP test

- Dr. Doug Reedy whose practice was responsible for the Dillon Sale Barn, reiterated what Dr. Szymanski said about the dramatically slow pace of testing at the sale barn due to the logistics of moving the livestock to and from pens, which affected him being able to schedule other work during that time frame and could be very unprofitable
 - Dr. Reedy said that most of the animals at the sale barn were card tested, which was time-consuming and labor intensive, requiring a Vet Tech be with him, gathering data, putting in tags, and he had to block out time for them also. Although there was no charge for the testing at the VDL, the Veterinarian had to prepare tubes and those tubes needed to be shipped in large coolers to the VDL
 - It had been almost a decade, Dr. Reedy reported, since there had been any adjustment in the ranch bleeding fees, which, with inflation, had made that less profitable every year
 - Because of the slowness of testing at the sale yards, Dr. Reedy said that even at a \$10/head reimbursement, it still didn't compensate for how much slower the yard testing was, probably 50% or more slower than testing done on a ranch. He felt that if the chute fee the producer gets charged at the yard went away through compensation to the yard itself, he thought it would be worthwhile because he didn't want people to have a bad attitude about testing and try to circumvent it
 - Dr. Reedy said his rule of thumb was if the reimbursement at the ranch was \$6/head, with it taking twice as long at the market, the Veterinarian reimbursement should be \$12/head
- Dr. Szymanski said that funding for the Brucellosis program in Montana came from two categories: General fund money from the Legislature called DSA funding for the State Brucellosis program and cooperative agreement funds from USDA
 - All of the Veterinary reimbursements, which cost about \$650,000/year, come out of general fund and all of the VDL test costs, about \$370,000, come out of the Federal cooperative agreement
 - Dr. Szymanski pointed out a document called DSA By the Numbers, which showed how the program had grown in size and cost each year since its inception due to things like periodic expansions, of which there had been five, adding new herds and testing and that was why they had consistently asked the Legislature each session for growth in funds from them. She said that they had successfully been able to argue with USDA to expand the size of the Umbrella Cooperative Agreement
- A breakdown of expenses for the Veterinarian who was doing on-ranch Brucellosis testing and those doing Market Brucellosis testing would be highly variable, Dr. Szymanski said, due to some bringing varying number of staff, some bringing their hydraulic chute and some not, some utilizing different methods for blood collection
- Alan Redfield said that the Veterinarian at his sale barn said to raise the reimbursement rate a buck or two, basically, because of the cost of the materials.

Gene Curry said that according to the Livestock Market Veterinarian who spoke today, it's not all associated to cost, but it was time and inconvenience as well

- Dr. Zaluski suggested two conversations happen before making a decision about fee changes: 1. How smooth was the movement of animals going through the market to be available for testing; 2. The fees had not been updated for thirteen years
- Dr. Zaluski said that he did not think the BOL and DOL could put themselves into the shoes of making cost calculations until a few more Veterinarians were heard from
- Dr. Tahnee Szymanski suggested that if the Market Veterinarian reimbursement rate changed, that the Field Veterinarian reimbursement rate be changed as well, even at a later date
 - Dr. Szymanski said that if the Market Veterinarian rate was the one changed today, that she could try and capture some cost estimates from Veterinarians and bring that information to a future BOL meeting
- In regards to tubes and needles, Dr. Szymanski said that the squeeze tubes were frequently provided to Veterinarians, but now the “Cadillac” collection method was a star-studded bleeder where the syringe that collected the blood also served as the tube, but, they were expensive to purchase
- Mike Honeycutt reported that the DOL had put in an increase already for the DSA, as they did at every Session and that he thought it was sufficient for covering the increased reimbursement fee for the Market Veterinarian, even at the \$10.50 high rate, because it would be around a 5% net change. He said there might also be some Federal umbrella dollars that could contribute to making up any differential
- When a concern was raised regarding what the DOL would do if no Veterinarian wanted to cover the testing at the Markets, Mike Honeycutt said that he thought one of the requirements to be a licensed livestock market was that they had to have a Veterinarian, and so he assumed the markets themselves paid their Yard Vet to be the person on call for them
 - Dr. Szymanski said that at markets such as Sidney, Chinook and Great Falls, they rarely test animals for Brucellosis. But, those Veterinarians who serve at markets that do DSA testing, which was part of a larger conversation, because for most Veterinarians, it was not a profitable venture, but one they do out of a sense of giving back to their community
- Greg Wichman suggested adding a friendly amendment to tie the current motion to any future increases in the base rate

MOTION/VOTE

(4:14:07) 1:17 PM

Alan Redfield moved to increase the reimbursement paid for the Market Veterinarian testing rate to \$8.50/head for 11-50 animals. Greg Wichman seconded.

AMENDED MOTION/VOTE

(4:23:54) 1:27 PM

Alan Redfield moved to increase the reimbursement paid for the Market Veterinarian testing rate to \$8.50/head, tying that to the On-Ranch Veterinarian testing rate for 11-50 animals, dollar for dollar. Greg Wichman seconded. Nina Baucus voted no. The motion passed.

Dr. Tahnee Szymanski said that she would make the fee changes just voted on effective January 1, 2023

(4:28:43) 1:31 PM – Out-of-Country Travel Report – National Pork Board – Poland, Belgium, Germany

Dr. Marty Zaluski reported on the recent European African Swine Fever (ASF) workshop he attended, through the National Pork Board, to the countries of Poland, Belgium and Germany:

- Dr. Zaluski said that he had left a week early to spend time with family in southeast Poland, where he was able to brush up on his Polish and after that, the workshop group spent six days in three countries, followed by a ZOOM update from Romania after the group was back
- Attendees to the workshop included pork producers from South Dakota, Missouri and elsewhere, Pork Board Veterinarians and State Animal Health Officials
- Approaches in dealing with feral swine really varied from country to country, with Denmark building a 50-mile pig fence to prevent incursion of wild boars from Germany into Denmark as that could compromise their exports and agriculture industry. Countries that ASF had come were losing approximately \$15/carcass
- Romania had ASF in their wild boars and a high rate of it in their commercial facilities, Dr. Zaluski said, to the extent that no other countries in the EU would accept Romanian pork. ASF had decreased Romanian sow numbers by about 40%, when, before ASF, they had been on a trajectory to go up
- Although Belgium never had a case of ASF in their domestic swine, he said that no country had ever recovered all of their exports they had prior to ASF coming in, specifically, the market for China remained closed
- Dr. Zaluski said he came away thinking that if ASF got into the wild, feral swine in the South, the US would be living with it for decades. He added that if ASF came to the US, he would guess that not just pork, but all commodities would be affected
- Dr. Zaluski reported that ASF was now in the Western Hemisphere for the first time in decades. ASF was in Haiti, and with the people and product movement a high threat, USDA had established Puerto Rico as a protection zone for ASF with barriers created between them and the mainland
- ASF virus could last for months in cured hams and carcasses, Dr. Zaluski said, and that in Europe, the primary spread of ASF was through human movement, migrant workers and people throwing out sandwiches and cured meat and wild boars eating that refuse and creating a pocket of ASF miles from the actual concentration of the disease

- If Canada ever got ASF, Dr. Zaluski said that a border fence between us and them might certainly be a conversation that would occur
- Pigs were not migratory, Dr. Zaluski said, and unless they're dispersed, they stick in small areas. A poster from Germany says it, the virus is not the problem, you are
- Cooking would kill the ASF virus, Dr. Zaluski explained, but, cured meats were not cooked. To disinfect the virus, you must cook the pork to a certain level, but then, you're reducing the palatability and tenderness of the pork
- ASF was close to 100% lethal in animals that were infected, Dr. Zaluski said, although, wild boar in Europe had habituated themselves a little bit to it. The disease spreads slowly, and affected pigs, most of the time, have an opportunity to spread it before they die

(4:40:40) 1:43 PM – MEAT, MILK & EGG INSPECTION BUREAU

Alicia Love, Meat, Milk & Egg Inspection Bureau Chief, introduced herself. She attended the BOL meeting by ZOOM

(4:41:04) 1:43 PM – Hours of Operation Communication to Meat and Poultry Plants

Alicia Love said that the BOL had first discussed the Hours of Operation situation back in April and again during the November meeting and that she had composed a letter for the BOL's review, to distribute to industry regarding that situation:

- Ms. Love reported that when plants cancelled their inspection without notice, like some had, it negatively impacted her ability to manage her staff's time efficiently
- The letter Ms. Love presented to the BOL today was a rough outline of how the DOL would handle noncompliance in cases of Hours of Operation
- In reviewing the Code of Federal Regulations, Ms. Love said there was not a clear way to fine plants for lost time and resources to the State if an Inspector went for an inspection and found the facility closed during operating hours, with no notice
- Ms. Love felt that the best way to tackle those issues would be, if a plant were to not give adequate notice, but some level of notice, a violation would be issued to them, and, if that became a consistent problem they could face closure due to having so many violations of the same nature. If a plant provided no notice and was not accessible for inspection, they would be suspended for not allowing the Inspector access to the facility during operating hours
- Dr. Zaluski said that the DOL had not been consistent, or, he thought, strong enough regarding the situation which had resulted in a wastage of resources
- Jake Feddes said there was a level of distrust between a lot of plant owners and Meat & Poultry Inspection, and every time there had been a suspension, he received a call from the plant owner and others, wondering what the State was doing. He said this letter was a very important document that needed to go out because plants needed to give the DOL adequate notice if they're not going to be there for inspection

- Mr. Feddes said to be careful in using the words “suspension” and “closure” in the letter, as some plants just hear those words from the DOL and are not hearing “give them notice”
- Alicia Love listed her main goals with the letter
 - It had come to her attention that the issue hadn’t been handled consistently among her staff and that was why just some plants were just coming into the limelight with the issue. This letter would level the playing field going forward and would lay out the expectation of the DOL and that the DOL would adhere to it
 - Ms. Love also wanted to reiterate to the industry that suspension actions were not at the discretion of the Inspector or Area supervisor and were decision made by herself, oftentimes in consultation with Dr. Zaluski and Mr. Honeycutt
- Ms. Love said that part of the documentation of plant schedules came from an Hours of Operation form that all plants filled out and then that form got approved by herself to ensure that adequate staff was available to meet the schedule. She said that the DOL was supposed to get adequate notice, in writing, if a plant cancelled an inspection and then they were to put in a request for additional inspection
 - Ms. Love shared that she had developed a written process for employees on handling communications when plants needed changes to the schedule saying that the Inspectors were to submit weekly reports to her, so that there was accountability on the DOL staff side as well
- Alan Redfield suggested a cover letter be added to the letter Ms. Love had presented saying that there had been problems on both the DOL side and the industry side and this was how we want to handle it in the future
 - Mr. Honeycutt shared a story of a past Inspector’s inconsistencies with a plant cancelling a slaughter day, but the Inspector not making note of that to the DOL
- Mike Honeycutt said that the letter to the industry clearly states that the actions of the State mentioned were not a discretionary thing or being upset with someone, but something that was actually required by law, by their Grant of Inspection and something that was set forward in Federal law that the State had to meet or exceed

MOTION/VOTE

(4:52:46) 1:55 PM

Alan Redfield moved to send a letter to State-inspected Meat and Poultry plants in Montana regarding hours of operation, as presented by Alicia Love, along with an additional cover letter, formulated by Alicia Love, Dr. Marty Zaluski and Mike Honeycutt, as discussed by the BOL. Jake Feddes seconded. The motion passed.

(5:00:32) 2:03 PM – Request to Hire Two Positions

Alicia Love reported that she was doing really well with Inspection staff vacancies, but was needing permission to fill two vacancies in her office staff:

- Ms. Love said that there was just one Inspector vacancy in her Bureau, but she was holding off filling it due to some plant activity that could change the need
- In the Helena office, Ms. Love reported that the Label Specialist that had been hired in the Spring requested to return to field work and so, the Label specialist position was needing to be filled
- Also in the Helena office, Ms. Love said that Bonnie Marceau, a Compliance Technician who had been with the Bureau for 11 years, left on November 18, 2022. Ms. Marceau provided direct support to Ms. Love and also tracked reports and deposits, answered phones and sent invoices

MOTION/VOTE

(5:02:30) 2:05 PM

Ed Waldner moved to approve the hire of a Label Specialist and a Compliance Technician in the Meat, Milk & Egg Inspection Bureau. Jake Feddes seconded. The motion passed.

(5:02:48) 2:05 PM – Request to Contract a Sanitation Rating Officer (SRO) for Milk Plant Ratings

Alicia Love explained the need for the BOL to approve contracting a Sanitation Rating Officer to conduct State ratings in plants in the Bozeman area:

- Ms. Love said that due to the workload and lack of staffing, one Sanitarian, Rosemary, had been doing milk plant inspections in the Bozeman area, and because of that, would not be able to do State ratings for those same plants
- Ms. Love explained that hiring a contract SRO from out of state (Idaho) to do the ratings had been done in the past and that there was money in the budget to cover the expense of it

MOTION/VOTE

(5:03:51) 2:06 PM

Alan Redfield moved to approve contracting a Sanitation Rating Officer (SRO) to conduct the bi-annual State rating at the Billings Meadow Gold Dairy and single service container plants, tentatively scheduled for the week of January 23, 2023. Greg Wichman seconded. The motion passed.

(5:04:16) 2:07 PM – Rule Change Proposal to ARM 32.8.202

Alicia Love said that allowing an exemption from the 12-Day Rule, ARM 32.8.202-Time From Processing that Fluid Milk May Be Sold for Public Consumption, had been discussed at the last BOL meeting, but was tabled until this month:

- Ms. Love reminded the BOL that there had been discussion at the previous BOL meeting regarding a school that was not able to get a jobber to deliver milk to their school and not able to get properly dated milk, and because of that, it was brought before the BOL to allow an exemption to the 12-day rule when situations like that would arise
- Although Ed Waldner said the situation had been taken care of, Gene Curry said that he hoped the BOL would never have to address an issue like that again with no ability to grant relief and hoped that the BOL would be able to solve the problem by providing an exemption
- Ed Waldner said that the school should have gone to the processors first and told them of the situation and that with Montana not restricting any milk to come into the state, they could have gotten milk out of Idaho
- Alan Redfield said that the 12-Day Rule would not have to be touched if the school milk situation was set up the way it had been for restaurants with two dates on the packaging
- Mike Honeycutt pointed out that because the school was selling the milk, it was a retail sale and that they would have to comply with the 12-Day Rule unless they were exempted from that. By Montana rules, if the school was selling the milk in which it was packaged, there has to be a Montana sell-by date on it
- Dr. Zaluski reminded the BOL that the Superintendent of the school that spoke at the last BOL meeting said that bulk serving containers of milk were not an answer for 2nd and 3rd graders, but that they needed the cartons, which did not create a big mess
- Jake Feddes questioned whether allowing an exemption like the one requested would potentially open a Pandora's Box where possibly the Legislature could say, well, the BOL can give an exemption to the rule, so, we don't need the rule at all
- Gene Curry felt that allowing the exemption would be advantageous, especially if the 12-Day Rule would come before the Legislature and a school testified to them about their problems with being able to get milk for the kids
- Alan Redfield reported that in talks he had with Senator Hertz trying to get items delivered to his store in Thompson Falls, that Senator Hertz said they can't get beer, pop and several other things delivered there, that it wasn't just milk deliveries
- Mr. Honeycutt explained that the rule said that cartons to be so offered for sale in Montana had to be dated with Montana's 12-day dates and they just can't go to another state and get it and serve it for sale. The rule also said that if the date was past 12-days that the milk was to be not offered for sale, unless otherwise agreed upon
- Ed Waldner said that the 12-Day Rule applies for milk coming into Montana, but, if the milk was ultra-pasteurized, it was exempt from that, because there was a 30-day rule for it
- Gene Curry said that #3 in the rule only spoke about removal of the milk and not whether or not the milk could come from somewhere else. Dr. Zaluski cautioned that not providing guidelines in #3 might provide a wider gate and a much more slippery and scarier slope

- With no consensus between BOL members, Chairman Curry tabled the proposed rule change discussion for the second time, hoping to get some input from the dairy industry
- Ed Waldner said he was put on the BOL to protect the 12-Day rule from going down and the Swine Representative position was the one open at the time he was appointed

Jake Feddes requested a discussion regarding changes in Appendix A & B:

- Mr. Feddes questioned why his plant had only been given a week's notice before the changes to Appendix A & B would go into place and that those changes would be significant
- Alicia Love explained that a notice to the Meat Inspectors about the changes to Appendix A & B came out last Spring and that those changes would be effective that week
 - Ms. Love reported that she had instructed all of her staff to let all of their plants know that the change was coming and to start being prepared for it. Throughout the year, she said her staff had been directed to share the changes in Appendix A & B information with their plants
 - She said she also directed staff during their weekly meeting, to share with their plants that USDA had a series of webinars scheduled in September 2022 for both Inspectors and Plant Operators to get clarification on the changes
 - After Ms. Love returned from her conference in Minneapolis, she said she brought with her a summary sheet that Iowa had put together, listing a summary of those changes. She said she directed her staff to share those in an MOI (Memorandum of Interview) with all their plants
- Jake Feddes said that even though their Inspector had changed numerous times, their Regional Supervisor never said anything about it. But, he said, kudos to the Compliance Officer who last week, brought up the changes, which Mr. Feddes said threw everybody for a loop. That Compliance Officer sat down for 2 ½ - 3 hours with staff going over the changes.
 - Mr. Feddes added, however, that another plant in the region was pretty upset about the situation
- Ms. Love said that there were a number of times she had communicated with her staff about those changes coming and if there was a failing on that communication, she would make it a top priority to look into how and why that happened
 - Dr. Zaluski said that the MOIs, weekly summaries of conversations that Inspectors had with their establishment owners, could be looked at to see whether those Appendix changes were discussed
- Mr. Honeycutt said that he appreciated having a Meat Processor on the BOL because a weak point in the Meat Program, at times, had been because of trust issues and plant owners not always raising their concerns to the DOL. But, with Mr. Feddes on the BOL, the BOL was able to talk about concerns, like the one brought up today

(5:31:02) 2:34 PM RECESS

(5:31:05) 2:46 PM RECONVENE

BRANDS ENFORCEMENT DIVISION

(5:31:19) 2:46 PM

Jay Bodner, Brands Enforcement Division Administrator, introduced himself and also introduced Jeffrey Jergens, newly hired District 5 Investigator, who would be covering, Glacier, Liberty, Pondera and Toole Counties:

- Mr. Jergens, who had just started work at the DOL two days earlier, had been a Local Brand Inspector in that area and had also worked for the Toole County Sheriff's Office. Mr. Bodner added that Mr. Jergens had also completed firearms qualifying that day
- Mr. Jergens said that he knew Gene Curry already. Gene Curry said he was happy to have Mr. Jergens on board and wished he could have been on board for Fall Run. Ed Waldner said he was looking forward to having Mr. Jergens work in the area

(5:33:20) 2:48 PM REQUEST TO HIRE

Jay Bodner requested the BOL approve the hire of three vacant positions in the Brands Enforcement Division:

- Mr. Bodner reported that the District 4 District Investigator position, covering Carbon, Stillwater and Sweet Grass Counties, had become vacant due to an employee leaving
- The District 14 District Investigator position, covering, Cascade, Teton and the northern portion of Lewis and Clark County had become vacant due to an employee retiring after 30 years
 - Mr. Bodner reported that Paul Johnson was retiring because he wanted to be full-time law enforcement and said that December 30th would be Mr. Johnson's last day
- The Livestock Inspector position in the Billings market became vacant due to an employee retiring after nearly 40 years

MOTION/VOTE

(5:35:02) 2:50 PM

Nina Baucus moved to approve the hire of a District 4 Investigator, a District 14 Investigator and a Livestock Inspector 1 for Billings, in the Brands Enforcement Division. Alan Redfield seconded. The motion passed.

(5:25:22) 2:50 PM TRAVEL REQUEST FOR FY23

(5:35:25) 2:50 PM Western States Livestock Rural Enforcement Association (WSLREA) Annual Conference

Jay Bodner requested approval from the BOL for three Brands Enforcement Division staff to attend the WSLREA Annual Conference in March:

- The Western States Livestock Rural Enforcement Association annual conference was scheduled for March 7-9, 2023 in Reno, Nevada
- The conference, according to Mr. Bodner, consisted of multiple agencies, multiple states and also Canada, who came together to discuss how to reduce theft, strays, issues that each entity faces and common ways to reduce those issues
- Requested attendees from the DOL to attend would be Jay Bodner, Ty Thomas and Travis Elings, who was not only an area Supervisor for the DOL, but Past-President of the WSLREA as well
- Because this conference was one the DOL typically attended, there was money in the budget to cover the conference, hotel registration and some per diem for the three, at an estimated cost of just a little over \$2,500

MOTION/VOTE

(5:37:19) 2:52 PM

Ed Waldner moved to approve out-of-state travel for Jay Bodner, Ty Thomas and Travis Elings to attend the Western States Livestock Rural Enforcement Association Annual Conference in Reno, Nevada, March 7-9, 2023. Jake Feddes seconded. The motion passed.

(5:37:34) 2:52 PM BRANDS ENFORCEMENT UPDATE

Jay Bodner said that he had a few more items he wanted to touch on for the Brands Enforcement Division:

- Mr. Bodner said he was glad that Jeffrey Jergens, newly hired District Investigator, was able to meet the BOL today. He said that the vacancy for that district had been hard to try and fill
- Mr. Jergens was a local in the area and Mr. Bodner said that one of the first things he'd be working on was Local Inspector audits, which would give him a chance to meet some of those Inspectors he didn't know
- There had been some internal staff shuffling, Mr. Bodner reported, with Brenna Brunt filling the Market Compliance Specialist position and Julie Nilges filling Brenna's previous Brands Lien position and Holly Berry filling Julie's previous Cattle Compliance Technician position. The Helena office was now fully staffed
- Jay Bodner reported that Ty Thomas, Brian Simonson and himself had made an Eastern Montana Livestock Market swing, visiting the Livestock Auction Markets in Lewistown, Glasgow, Glendive and Miles City

- The trip allowed those DOL staff to not only meet those they hadn't yet had a chance to meet, but to receive feedback from those Market staff on the new market system
- Mr. Bodner said that previously, he had been to the Great Falls market with some computer consultants and had also met Mr. Kamps from the Three Forks Market and the Supervisor at the Ramsey Market, but he still needed to visit those markets, plus a few more
 - Jake Feddes reported that he had received a good review from Mr. Kamps who really liked the new computer software and thought it would be much more efficient and work better for them in the Market
- Jay Bodner reported that most of the Markets were positive on the new software. He added that in addition, there was going to be a mobile app for Brands that was not quite built yet, but, that he felt, was going to be useful for Brands staff, and that the general public would have availability to use that as well
- The initial start date to replace the Fort Supply system was set for March, but, Mr. Bodner felt that was a little aggressive, as that new software had not been completed yet for testing
- Mr. Bodner explained that it was not desired to test the new software during a live sale at the markets, but instead to utilize the information from a previous day's sale, plugging it into the new system
- Mr. Bodner said that the average numbers of animals each fiscal year, from 2013-2019 that went through the markets was around 635,000, but those numbers had gone up, he felt, due to tough drought conditions, with fiscal year 2020 where that number was 709,000, fiscal year 2021 was 798,000 and in fiscal year 2022, the number was 899,000
 - Fiscal year 2023, as of right now, was down about 34% from the previous year, a big decline, Mr. Honeycutt said, due to all the culls from the previous years
 - Jay Bodner reported that hay prices had not come down dramatically and he did not feel that producers were necessarily in a position to get back into full inventory yet
- Jay Bodner said that he enjoyed attending the Montana Stockgrowers Association annual convention, along with the Montana Cattlemen's and Montana Farm Bureau conventions as well and was able to raise people's awareness of all the information available on the DOL website, especially in regards to the Brands Enforcement Division portion of that website
- Mr. Bodner reported that the Brands Enforcement Division was going to be starting some dealer audits at the beginning of the year, who would be randomly selected. Letters would be sent out the first week in January to the dealers selected for the first set of audits, giving them at least 30 days to gather information and it was expected that once the audit was done, results would be available within 45 days
 - Market and Dealer licenses were due to expire in May and letters would be sent out in March to remind them of the need to renew. There were around 374 Dealers and agent names on that list, Mr. Bodner said

- In the letter, Mr. Bodner said that they were going to include a statement saying that they would be listed on the DOL website. Mr. Honeycutt said that having your name on the website list would indicate that you were licensed and bonded
- Mr. Bodner said that having a bigger presence at rodeos was on tap for next rodeo season, not only for contestants, but for stock contractors as well, to make sure they were in compliance
 - Most folks at the NILE, Mr. Bodner said, were very familiar with the show and had all of their paperwork. Regarding Fairs and 4H kids, Mr. Bodner said there was probably still some education to be done regarding bills of sale, etc., and, it was a good learning experience for those kids as they try to educate before writing out tickets, and they would certainly do that.

CENTRALIZED SERVICES DIVISION REPORTS

(6:01:48) 3:18 PM

Brian Simonson introduced himself and spoke about his recent trip to the Livestock Markets with some other DOL staff, talking about the need in some of the markets for better desks and chairs

(6:03:08) 3:18 PM – FISCAL BUREAU

(6:03:08) 3:18 PM – Request to Hire Accounting Technician Position

Brian Simonson requested BOL approval on hiring an Accounting Technician in the Centralized Services Division:

- Mr. Simonson explained that the DOL Payroll Accounting Technician recently took a job in the Department of Commerce that was a more specialized position with more pay for her
- The Accounting Technician position had already been posted, but no interviews had not been conducted as of yet

MOTION/VOTE

(6:03:35) 3:19 PM

Greg Wichman moved to approve the hire of an Accounting Technician in the Centralized Services Division. Jake Feddes seconded. The motion passed.

(6:03:54) 3:19 PM – November 30, 2022 State Special Revenue Report

Brian Simonson explained the State Special Revenue report for November 30, 2022:

- What goes up must come down was the theme of the numbers for New Brands and Transfers and Rerecord, Mr. Simonson said, with some pretty big deltas from one year to the next
 - The New Brands and Transfers budget number of \$34,000 compared to last year's nearly \$600,000 number was normal, Mr. Simonson said,

- explaining that last year, we were at the end of a 10-year cycle and this year, we were at the beginning of that cycle
- Mr. Honeycutt explained for the new BOL members that the 10-year cycle was a rerecord cycle and that the funding received during a rerecord year was amortized over a 10-year period
 - Mr. Simonson also explained that the Rerecord numbers were also normal, adding that the \$329,000 was right on track, being about 40% of what the budget was
 - The difference in the Market Inspection fees between '21 and '23 was about a 2/3 reduction, Mr. Simonson said, and added that he thought revenue was lagging because of what was going through the markets, and it was expected to be about 50% of what came through last year
 - Mr. Simonson explained that so many cattle had gone through the market, but the receipts of those cattle were about three weeks or a month behind in getting put into the books
 - The \$1.5 million budgeted would not be reached, Mr. Simonson said, meaning that a correction would most certainly have to be made from the cash balances in Brands that had built up over the last few years
 - The DOL was earning around \$100,000 more than the previous year in Investment Earnings because the interest rate had increased to 3.5%, a nearly 20x great return on the investment. The Rerecord dollars from last year were put into a short-term investment program
 - Mr. Simonson said Per Capita Fee numbers were down but, he didn't expect to see much movement in the Per Capita Fee numbers until February and March
 - The Milk Inspection numbers were down \$26,000, Mr. Simonson said, partially due to the timing of a deposit, and partially due to a reduction in dairies since the previous year
 - Mike Honeycutt explained that although Milk Inspection Assessment numbers were down due to losing dairies, the milk production volume was not down, meaning that the production had gone to other people and that there might need to be adjustments made to caps because more producers were now hitting the monthly cap because of their increased production
 - Egg Grading numbers were right on track
 - Lab Diagnostic Fees were still down nearly \$22,000 for the past two months, which was still tracking normally compared to the previous year. Mike Honeycutt added that even with CWD testing numbers up, with 12,000 fewer Brucella tests, that was to be expected
 - The Volunteer Wolf Donation funds were doing just a little better than the previous year, and Brian Simonson said that maybe those are settling out on what a normal year might look like

(6:14:05) 3:29 PM – December 2022 Through June 2023 Expenditure Projections

Explanation was given regarding some numbers reported by Brian Simonson during the previous month's minutes that were confusing to some BOL members:

- Nina Baucus reported that the previous month's minutes were worded by Mr. Simonson that the \$130,000 Personal Services number listed did not have the 5% vacancy savings considered, so that number should actually be \$500K in the hole. She requested that the wording be explained
- Mr. Simonson said that when reporting to the BOL the previous month, he should not have mixed the budget numbers with the projections in his conversation, because those numbers go up and down as the year goes on. He said he was trying to tell the BOL that was the first time they had seen the FY23 budget, and the State, through the Pay Plan, took a 5% cut of that budget. But, in the projection numbers, the \$130,000, had already been figured into those

Brian Simonson continued his Expenditure Projections report for the period, December 2022 through June 2023:

- Personnel was projected to be nearly \$25,000 underspent on authority, Mr. Simonson explained, partly because Evan Waters had worked in better actual and anticipated vacancies in the DOL for the rest of the year
- There were some big positives in Personnel for Milk Control, Shielded Egg and the Import Office
- Mr. Simonson said to note that \$170,000 of the carryforward was included on the Personnel number
- The \$66,000 number listed in Operations was a function of the Meat & Poultry Inspection Bureau, Mr. Simonson explained, with traveling and gasoline driving that number
 - Dr. Zaluski, according to Mr. Simonson, had a program that would be coming on line to optimize how much windshield time Meat & Poultry people were having and that a \$200,000 EPP request for more Personnel would be the fix submitted to the Legislature. Another part of it, he said, is that routes would be optimized geography-wise
 - Mr. Honeycutt went on to explain that there was a lot of travel and overnight stays in hotels to cover routes, especially last Spring when the Meat & Poultry Inspection Bureau had so many vacancies. The hope was that a fuller staff would cut down on those expenses
- Besides the Meat & Poultry Inspection Bureau, other negative numbers in the DOL were found in the VDL, Mr. Honeycutt said, and that they would have to make some more money somewhere, but to remember that some expenditures were one-time-only purchases, such as equipment, and that as we move through the months, those things would start to sort themselves out
- The VDL had three different funding mechanisms, Mr. Honeycutt said, the general fund, because of the public health/zoonotic components of it, the proprietary fund, that could be used to cover the purchase of say, a blood analyzer mostly being used for non-livestock animals, such as dogs and cats and per capita funding, covering items that were not zoonotic, but were critical to the livestock industry
- On the Operations side, Mr. Simonson said that the \$76,000 excess for contracts was primarily a placeholder for Shield Egg expected growth, built into the system

- Another placeholder was in Rent, Mr. Simonson explained, with the \$88,500 number, a known item in CSD, with Rent always running about \$100,000 to the positive
- The \$38,500 in Repair and Maintenance was due to a lot more repair and maintenance earlier in the year at the VDL
- The \$52,000 in Milk Control was due to a third FTE rather than just two
- The \$64,672 in Diagnostic Lab Fees was probably a very realistic number, Mr. Simonson said, and something that was also seen last year at the end of the year
- Mr. Simonson explained that in the Transfers numbers, a little over \$100,000 was sent to the Department of Revenue for collecting per capita fees each year, and some money went to elk collaring. He added that the Wildlife Services transfer was not in HB2, and so, it was not part of the budget

(6:27:33) 3:42 PM – November 30, 2022 Budget Status Report

Brian Simonson said that now that we were five months into the fiscal year, there were some comparisons that might be meaningful:

- Mr. Simonson explained that the \$34,000 in Salaries and \$54,000 listed in Overtime were better than last year at this time and that those numbers were nearly all contributed to the Fall Run in Brands
 - Although many hours were spent on the Tuberculosis situation, it was explained that Federal dollars were utilized for those expenses
- The \$145,000 listed in Benefits for the DOL, Mr. Simonson shared, was attributed to getting a two-month break from paying medical and dental insurance by the State
- The \$268,000 listed in Contracts was a little ahead of the previous year and was mostly for DSA testing, with some Lab testing, and a little more Legal than the previous year included in that number
- The \$36,982 in Supplies was almost entirely CSD, with new management now on board in the Purchasing area
- The Rent listing of \$38,931 was entirely a timing issue with the Lab having paid nothing in rent as of November 30, 2022
- Because of bigger repairs last year than this year, the Repair and Maintenance numbers were listed at \$43,970
- The computer replacement last year ended up in Other Expenses for a while, Mr. Simonson explained, and that was why that number was listed at \$32,526, a number that would fix itself soon
- Under the Fund section, Mr. Simonson explained that due to a financial audit finding, Evan Waters changed the order of how funds were pulled out and expenses were attached, and so, the numbers listed for General Fund, Per Capita Fees and Diagnostic Laboratory Fees were artificial and would, for the most part, balance out
- Due in a large part to reduced operation activity, the Brands Inspection numbers were down \$44,000

- The amounts listed in Milk Inspection and Milk control were plussed up some, Mr. Simonson said, due to an additional employee in each of those categories
- Currently, Personal Services were 38% expended with 41% of the Payroll complete. Operations were 38% expended with 34% of the budget year left, Mr. Simonson commenting that supplies and State billing had been front-loaded in the first part of the year
- ITSD had already been billed \$166,000, about 45% of the entire year's budget, because of computer licenses, ServiceNow and other services that the Department of Administration does. Mr. Simonson said that it was budgeted for, but those expenses happened earlier in the year

COMMENTS FROM THE PUBLIC ON NON-AGENDA ITEMS/COMMENTS FROM PRODUCER ORGANIZATIONS

(6:35:18) 3:50 PM

Gene Curry made a request for comments from the public:

- Mike Honeycutt said that Rachel Prevost of the Montana Farmers Union, was the only "public" left on ZOOM
- Rachel Prevost reported that Director Honeycutt would be giving a DOL update to Montana Farmers Union members during their Legislative Drive-In on January 3-4, 2023 in Helena and invited BOL members to attend. She added that on January 3, 2022, the Montana Farmers Union would be hosting a Montana Food lunch in the Capitol Rotunda

SET DATE FOR THE NEXT BOARD MEETING

(6:36:23) 3:51 PM

Gene Curry requested that the BOL decide on a date for the next BOL Meeting:

- Mr. Curry reminded the BOL that with Legislative Session going on, Tuesdays and Thursday would not work best for a meeting day and asked if Wednesday, January 25, 2023 would work
- Mike Honeycutt said that setting the January BOL meeting for the 25th would be consistent with the previous January's meeting, which had been held on the 26th, adding that if the Section C Appropriations Subcommittee scheduled the DOL budget hearing for that same day, the BOL meeting could be rescheduled
- Jake Feddes said he would be calving on January 25th, but could come and attend the meeting right after his night calving shift
- It was suggested to arrive at the meeting early to assure finding a parking spot
- The next BOL meeting was set for Wednesday, January 25, 2023

MEETING ADJOURNED

(6:39:18) 3:54 PM


Gene Curry, Chairman