Board of Livestock Meeting

Agenda Request Form

From: George Edwards	Attached Agency: Livestock Loss Board	Meeting Date: 9/16/20

Agenda Item: Consent Agenda

Background Info: Attached is year to date death loss claim numbers and 2019 figures for the same time period of January through August. Claims are coming in slower this year compared to last year. In fact, we are still receiving loss claims from March at this time. Some of the Madison County claims are reduced this year due to ranchers not using pastures where grizzly caused loss was high last year.

Beginning in August claims have started to come in at a steady rate which is typical for the board. The majority of all claims are received by the board from September through December.

LLB issued $80,000 in federal funds to nine grantees and $58,881 in state funding to nine grantees for loss prevention projects. The board issued $34,056 to Wildlife Services for grizzly bear and wolf investigations as well as their joint effort with the board for loss prevention projects.

Any money exceeding $300,000 in the board's death loss fund rolls over into the loss prevention fund at the end of each state budget year. A point to note is that this board received $35,000 for wolf caused livestock loss payments earlier this year. This has allowed the board to have additional state funding for loss prevention projects. The board typically receives between $30,000 to $35,000 from a federal grant each year which is used for wolf caused death loss payments. Money from the federal grant helps to increase rollover funds each year. No federal money is available for grizzly bear caused losses.

State funding for grants is from excess funding from the death loss claims fund. This year the rollover from this fund was $55,410. Prior years did not generate enough money for the board to issue loss prevention grants. The total amount accumulated from the past several years and this year was $103,263. All available money was issued during the board's August 11th board meeting.

Recommendation:

Time needed:	Attachments:	Yes		Board vote required?		No

September 2020 BoL

Montana LLB
PO Box 202005
Helena MT 59620
www.llb.mt.gov

George Edwards
Executive Director
(406) 444-5609
gedwards@mt.gov

Counties	Cattle	Sheep	Goats	Guard	Horse	Llama/Swine	Totals	Payments
Beaverhead	4	2					6	$4,220.54
Carbon	16						16	$14,379.74
Cascade	2						2	$1,841.36
Flathead		5					5	$1,121.31
Gallatin	2						2	$1,761.30
Glacier	22					3	25	$21,400.56
Granite	1	1					2	$1,413.47
L&C	3						3	$2,932.17
Lincoln			2				2	$368.00
Madison	7	16		2			25	$10,978.25
Missoula	1	1				1	3	$1,465.29
Park	1						1	$1,100.00
Pondera	6	11					17	$8,240.81
Powell	12						12	$10,661.06
Sanders			2				2	$531.25
Teton	6						6	$5,934.24
Totals	83	36	4	2	0	4	129	$88,349.35
Jan-Aug 2019	70	102	22	2	2	8	209	$137,411.92

Wolves

Confirmed	20	19		2		
Probable	2					
Value	$19,560.42	$3,320.97		$2,060.00		
Owners	14	3		1		

Grizzly Bears

Confirmed	49	6				3
Probable	2	5				
Value	$51,678.61	$2,234.65				$900.00
Owners	28	1				1

Mtn Lion

Confirmed	1	3	2			1
Probable		3	2			
Value	$811.92	$1,404.08	$899.25			$600.00
Owners	1	3	2			1

Board of Livestock Meeting

Agenda Request Form

From: Chad Lee	Division/Program: Milk Control Bureau	Meeting Date: 9/16/2020

<u>Agenda Item:</u> **Milk Control Bureau – Update (Consent Agenda)**

Background Info:
- Payment Received from Dean Foods Bankruptcy Estate
- Legislative Performance Audit
- Emergency Rule MAR 32-20-309
- Dairy Farmers of America – Forward Contracting
- August 28, 2020 Producer Committee Meeting

Recommendation:

Time needed:	Attachments:	Yes X	No	Board vote required?	Yes	No **X**

<u>Agenda Item:</u>

Background Info:

Recommendation:

Time needed:	Attachments:	Yes	No	Board vote required	Yes	No

<u>Agenda Item:</u>

Background Info:

Recommendation:

Time needed:	Attachments:	Yes	No	Board vote required:	Yes	No

<u>Agenda Item:</u>

Background Info:

Recommendation:

Time needed:	Attachments:	Yes	No	Board vote required:	Yes	No

<u>Agenda Item:</u>

Background Info:

Recommendation:

Time needed:	Attachments:	Yes	No	Board vote required:	Yes	No

Milk Control Bureau Submission for Board of Livestock September 16, 2020 Meeting Consent Agenda

Payment Received from Dean Foods Bankruptcy Estate

On August 31, 2020, the Dean Foods bankruptcy estate paid the Department of Livestock Milk Control Bureau $32,351.71. This is full payment as per the Opt-in Agreement filing by the Milk Control Bureau provided for by the Administrative Claims Consent Program for Dean Foods. The amount received as 80% of the amounts owed to the Pool Settlement Fund, milk control assessment, and milk inspection assessment for March and April. The bureau (consulting with the Chair of the Board of Milk Control, department management, Montana legal counsel, and outside legal counsel) entered into the Opt-in Agreement because the Dean Foods bankruptcy estate was administratively insolvent, meaning it did not have enough assets to cover its administrative liabilities. The vast majority of creditors with administrative claims entered into the same opt-in agreement. The largest share of the payment was allocated to the Pool Settlement Fund. When the Dean Foods bankruptcy estate did not pay the Pool Settlement Fund when due in May, the pooling calculations caused pool producers to receive a lower price for their milk than they otherwise would have. Now that the payment has been received, pool producers will receive a higher price for their milk than they otherwise would have.

Legislative Performance Audit

The department was informed in late July that the Legislative Audit Division (LAD), following completion of its assessment phase, will be performing a performance audit on the Milk Control Bureau and the Board of Milk Control. The audit scope likely will be comprehensive. Considerable amounts of information were provided to LAD in June and August. Much of the information requests and questions received have focused on the pooling calculations.

Emergency Rule MAR 32-20-309

The emergency rule MAR 32-20-309 pertaining to milk dumped due to COVID-19 pandemic market conditions was no longer in effect after August 6, 2020. Fortunately, the emergency rule was only used for two truckloads of milk in April 2020.

Dairy Farmers of America – Forward Contracting

Dairy Farmers of America (DFA) made inquiries to the bureau about whether Montana law is compatible with allowing pool producers to utilize DFA's forward contracting program, which offers producers an option to manage price risk. Participation in DFA's program is voluntary. Legal analysis to guide decisions by the Board of Milk Control will need to be performed to determine whether a policy decision, rule change, or statute change are necessary to allow DFA to offer such contracts to Montana producers that are members of DFA. Industry input will also guide board consideration. The chair of the Board of Milk Control and legal counsel have been informed of the conversation.

August 28, 2020 Producer Committee Meeting

The Producer Committee approved a quota transfer at its August 28, 2020 meeting. The meeting was the first meeting for Shane Leep, a producer delivering milk to Darigold – Bozeman. Potentially there will be another vacancy on October 1, 2020. The committee chair, David Miller, retired from Montana Correctional Enterprises (the prison dairy) at the end of August. When it occurs, that vacancy must be filled by a producer delivering milk to Darigold – Bozeman unless there are no such applicants.

Board of Livestock Meeting

Agenda Request Form

From: Martin Zaluski, DVM, Acting Milk and Egg Bureau Chief	Division/Program: Animal Health/ Milk and Egg Bureau	Meeting Date: **September 16, 2020**

Agenda Item: **General Updates - consent agenda items**

FSMA training grant awarded

Request to FDA to delay BTU rating due to COVID-19

Loss of another dairy

Recommendation:

Time needed:	Attachments:	Yes	No	Board vote required?	Yes	No

Agenda Item:

Recommendation; Approve

Time needed:	Attachments:	Yes	No	Board vote required	Yes	No

Agenda Item:

Background Info:

Recommendation:

Time needed:	Attachments:	Yes	No	Board vote required:	Yes	No

Agenda Item:

Recommendation:

Time needed:	Attachments:	Yes	No	Board vote required:	Yes	No

Agenda Item:

Background Info:

Recommendation:

Time needed:	Attachments:	Yes	No	Board vote required:	Yes	No

September 2020 Consent agenda items for the Milk & Egg Bureau:

1. FSMA training grant awarded: We were able to secure a grant for online training from FDA & AFDO Manufactured Food Training for Alex Dachs to complete FSMA (Food Safety Modernization Act) training in the amount of $800. This course is a prerequisite for other training Alex will receive in the (hopefully) near future as he works toward becoming a Safety Ratings Officer (SRO) with the Milk Program.

2. Request to FDA to delay BTU rating due to COVID-19: The Bureau has prepared a 2nd request for leniency regarding NCIMS regulations due to COVID-19 restrictions. We have a State rating of a BTU (bulk tank unit) in the Bozeman area due September 10, 2020. Due to the retirements at the end of 2019, we only have one remaining SRO who happens to inspect the BTU in question and, therefore, cannot complete the rating. We contacted our cohorts in Idaho, and they had agreed to assist us. Unfortunately, with the increase in COVID-19 cases, the Governor of Idaho has restricted travel for all Idaho State employees. We are requesting to delay the rating as far as December in the hope that we will be able to get assistance by that time.

3. Loss of another dairy: We have, sadly, lost another of our smaller producers. It was reported to us that their herd of approximately 75 head was shipped to a farm in Minnesota. This is the 5th dairy lost this calendar year, leaving us with 51 dairies for all milking groups.

Market License Transfer and Sale of Central Montana Livestock Auction, Inc DBA Lewistown Livestock Auction

September 8, 2020

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DEPARTMENT OF LIVESTOCK
PO BOX 202001
HELENA, MONTANA 59620-2001

DEPARTMENT OF LIVESTOCK (406) 444-7323
ANIMAL HEALTH & FOOD SAFETY DIVISION (406) 444-2043
BRANDS ENFORCEMENT DIVISION (406) 444-2045
FAX (406) 444-1929

September 8, 2020

Board of Livestock
Helena, MT 59620

Dear Members,

Please accept this report as my due diligence findings from my examination of the materials provided by the current owners, Lyle and Jan Allen (sellers) of the Central Montana Livestock Auction, LLC DBA Lewistown Livestock Auction and by the prospective buyers, Kyle and Jodie Shobe, encompassing Lewistown Livestock, Inc. and Shobe Properties, LLC in support of their purchase and request for transfer of the Lewistown Livestock Auction's market license.

1. On August 28th, 2020, the Allen's submitted a petition letter to request a change in name and ownership of license for Lewistown Livestock Auction in Lewistown, MT.

2. According to the draft sale and purchase agreement obtained August 28th, 2020, Kyle and Jodie Shobe will secure financing to purchase Lewistown Livestock Auction in its entirety contingent on the transfer of all required permits, licenses and permissions "necessary for Buyer to engage any business activity in which Seller engaged." The primary financing method will be seller financing through previous owner Lyle Allen. There are two separate Buy-Sell Agreements. The first is a contractual agreement for Shobe Properties, LLC to purchase the land and physical structure of the market. The second is for Lewistown Livestock, Inc to purchase the business to include the license.

3. In addition to the purchase agreement, the certified public accountants office of Bantz & Company, P.C., submitted both the buyers' and sellers' financial documentation.
   a. The balance sheet statement for both the sellers and the buyers meet the market financial requirements (MCA 81-8-234) that current and long-term assets exceed liabilities.

4. Other documentation the department has deemed necessary in the past for market transfers provided thus far include:
   a. Buyer proposed business plan including market sales schedule, financial settlement and credit granting policies, and key operations personnel. Buyer plans to maintain current key operations personnel and sale schedule.
   b. Copy of proposed tariffs (fees) for charges for services to be provided at the market and approved by USDA P&SP. There will be no changes to proposed tariffs from previous owners.

c. Documentation from the buyer for the establishment of a custodial account and means of securing payment transactions for livestock proceeds.
d. Documentation showing the entities are registered with the Montana Secretary of State to conduct business in the state of Montana.
e. A current livestock scale test report.

Respectfully submitted,

Abby Williams
Livestock Market Auditor
Montana Department of Livestock
301 N. Roberts
Helena, MT 59601
Office: 406-444-2788
Emal: abigail.williams@mt.gov

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August 27, 2020

Montana Department of Livestock
Attn: Abby Williams
Re: Petition for transfer of Livestock Market License #M12

Ms. Williams,

Central Montana Livestock Inc. is in the process of selling Lewistown Livestock Auction, including real estate, market facility, business, and Montana Livestock Market License #M12 to Lewistown Livestock Inc. and request the transfer of said license to Lewistown Livestock, Inc. as soon as possible.

Thank you,

Lyle Allen, President
Central Montana Livestock Auction Inc.

Kyle Shobe, President
Lewistown Livestock Inc.

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LEWISTOWN LIVESTOCK AUCTION – BUSINESS PLAN
Lewistown Livestock, Inc., Kyle & Jodie Shobe (Buyer)

Business Experience:

- Kyle Shobe has worked for Lewistown Livestock as an auctioneer and yard employee regularly since 2007. He has worked seasonally as an auctioneer for Glasgow Stockyards since 2011 and Sidney Livestock Market Center since 2015.
- In addition to his experience as a livestock auctioneer, Kyle is co-owner of Shobe Auction & Realty, Inc., a full-service auction and real estate company in Lewistown, MT.

Business Plan:

- Buyers intend to keep current business operations in place and are eager to move forward with a smooth transition into ownership of Lewistown Livestock Auction. Tariffs will remain in place as they currently are recorded with the Montana Department of Livestock (see attached tariff document).

Market Sales Schedule: Weekly sales every Tuesday.

Financial Settlements & Credit Granting Policies:

- All P&S regulations regarding settlement for both Consignors and Buyers will be strictly followed. No credit will be granted outside of normal business, based on rules set forth by Packers and Stockyards Administration and Montana Department of Livestock.

Key Operations Personnel:

- Owners & Operators – Kyle & Jodie Shobe
- Auctioneers – Kyle Shobe & Lyle Allen
- Office Manager – Terrena Fogle (current office manager)
- Yard Foreman – Casey Hillman (current yard foreman)
- Clerk – Leslie Colver (current clerk)
- Pen Back Supervisor – Jay Henderson (current supervisor)
- Consultants – Lyle & Jan Allen (current owners/seller)

Infrastructure:

- At this time, Buyer has no intentions of changing the infrastructure of the market.

Kyle Shobe

Jodie Shobe

Kyle Shobe   Jodie Shobe

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Lewistown Livestock, Inc. dba
Lewistown Livestock Auction
83 Stockyard Lane
Lewistown, MT 59457

Tariff No. 1

Effective:

Section 1.	**Selling Commission**			
	A.	Cattle		
		1.	Bulls 800 lbs and over by pound	2.95% gross sales $24.50/hd minimum
		2.	Females 800 lbs and over by pound	2.95% gross sales $17.50/hd minimum
		3.	All classes of cattle sold by pound or by the head	2.95% gross sales $12.50/hd minimum
		4.	Stock Cows sold by the head	3% gross sales $30.00/hd minimum
		5.	Cow & Calf Pairs	3% gross sales $35.00/pr minimum
		6.	Registered & Commercial Purebred Females sold by the head for breeding purposes	3% gross sales $35.00/hd minimum
		7.	Registered & Commercial Purebred Bulls sold by the head for breeding purposes	3% gross sales $45.00/hd minimum
		8.	Special breeder, consignment or dispersion sales	special arrangements
	B.	Hogs		
		1.	Weaner pigs sold by head	5% gross sales $2.50/hd minimum
		2.	Feeders and Butchers sold by pound	5% gross sales $5.00/hd minimum
		3.	Sows and Boars sold by pound or by head	5% gross sales $10.00/hd minimum
	C.	Sheep		
		1.	Sheep ordinary lambs	3.5% gross sales $3.50/hd minimum
		2.	Ewes with lambs at side sold as unit	3.5% gross sales $6.50/pr minimum
		3.	Breeding Ewes	3.5% gross sales $5.00/hd minimum
		4.	Breeding Bucks	3.5% gross sales $10.00/hd minimum
		5.	Special purebred, consignment or breeder sales	special arrangement
	D.	Horses & Mules		
		1.	Regular Sales, horses & mules sold loose	7% gross sales $20.00/hd minimum
		2.	Grade horses ridden or sold at halter	7% gross sales $25.00/hd minimum
		3.	Registered Horses	7% gross sales $30.00/hd minimum
		4.	Special purebred, consignment or breeder sales	special arrangement
Section 2.	**Yardage**			
	A.	Cattle		$1.00/hd

Section 3. Feed

A. Feed shall consist of hay for all cattle prior to sale day. After sale day, cows and bulls will be fed hay or straw.

B. All feeding in the market shall be done by the company. No feed of any kind may be brought to the market by others for their own use.

C. Feed charges for other than sale day shall be:

1.	Hay	$0.25 cwt on the animal weight
2.	Straw	$0.20 cwt on the animal weight
3.	Other Feed	actual cost plus 20% (special request)

Section 4. Insurance

A. The schedule of charges will be posted rates pursuant to an insurance policy on file at the livestock market and does not contain any charges retained by the market.

Section 5. Veterinary Services

A. The schedule of charges on all necessary veterinary services performed by an accredited veterinarian will be at postal uniform per head rates, pursuant to company agreements with the veterinarian performing such services and does not contain any charges retained by the market.

Section 6. Special or Unusual Services

A. Special sales & marketing service, such as involved in featured registered cattle and calf sales, purebred or breeder sales and dispersion sales, not usually required in handling livestock for sale and other than specified, will be charged for under special arrangement.

Section 7. Other Charges & Fees

A. Check Off money will be collected as stated by Federal and State law.

B. The schedule of charges on brand inspection, as authorized by the Brands Enforcement Division, Montana Department of Livestock.

C. Rendering Charge

1.	Cattle	current rate as posted
2.	Horses	$100.00/hd

D. Branding, Dehorning & Tipping

1. All facilities, labor, supplies, with irons provided by owners, will be supplied and performed by the company at the following rates:

2.	Branding cattle ordinary	$5.50/hd
3.	Branding bulls (all classes)	$5.50/hd
4.	Dehorning and tipping cattle ordinary	$15.00/hd
5.	Chute charge for other activities	$2.50/hd

Lewistown Livestock, Inc. dba
Lewistown Livestock Auction

By: ______________________________ Date: ____________________

Kyle Shobe, Owner

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Account Agreement

Date: 08/26/20

Internal Use TOTALLY FREE BUS 2200003571757

Institution Name & Address

FIRST BANK OF MONTANA, DIVISION OF GLACIER BANK
224 WEST MAIN
LEWISTOWN, MT 59457
(406) 538-7471
BY: JUDI SIPE LCB9849

Account Title & Address

LEWISTOWN LIVESTOCK INC
CUSTODIAL ACCOUNT FOR SHIPPERS PROCEEDS
PO BOX 1190
LEWISTOWN MT 59457-1190

Enter **Non-Individual Owner Information** on page 2. There is additional **Owner/Signer Information** space on page 2.

☐ If checked, this is a temporary account agreement.

Number of signatures required for withdrawal: 1.

Owner/Signer Information 1

Name	KYLE J SHOBE
Relationship	OFFICER
Address	
Mailing Address (if different)	
Gov't Issued Photo ID (type, number, state, issue date, exp. date)	- -
Other ID (description, details)	
Employer	
Previous Financial Inst.	
E-Mail	
Work Phone	
Home Phone:	Mobile Phone:
Birth Date:	SSN/TIN:

Ownership of Account

The specified ownership will remain the same for all accounts.

(For consumer accounts, select and initial.)

☐ Single-Party Account ______ ☐ Multiple-Party Account ______

☐ Sole Proprietorship or Single Member LLC ☐ Partnership
☐ LLC-enter tax classification (☐ C Corp ☐ S Corp ☐ Partnership)
☐ C Corporation ☒ S Corporation ☐ ______
☐ Trust-Separate Agreement Dated: ______
☐ ______

Beneficiary Designation

(Check appropriate ownership above - select and initial below.)

☐ Single-Party Account ______
☐ Single-Party Account with Pay-On-Death (POD) ______
☐ Multiple-Party Account with Right of Survivorship ______
☐ Multiple-Party Account with Right of Survivorship and POD ______
☐ Multiple-Party Account without Right of Survivorship ______
☐ ______ ______

Beneficiary Name(s), Address(es), and SSN(s)

(Check appropriate beneficiary designation above.)

Signature(s)

The undersigned authorize the financial institution to investigate credit and employment history and obtain reports from consumer reporting agency(ies) on them as individuals. Except as otherwise provided by law or other documents, each of the undersigned is authorized to make withdrawals from the account(s), provided the required number of signatures indicated above is satisfied. The undersigned personally and as, or on behalf of, the account owner(s) agree to the terms of, and acknowledge receipt of copy(ies) of, this document and the following:

☒ Terms & Conditions ☐ Truth in Savings ☒ Funds Availability
☐ Electronic Fund Transfers ☒ Privacy ☒ Substitute Checks
☐ Common Features ☒ Specific Account Details

☐ Agency Designation (See Owner/Signer Information for Agency Designation(s).)

Agency Designation (*select and initial*): ☐ Survives OR
☐ Terminates on disability or incapacity of parties.

The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.

(1): [X Kyle Shobe]
KYLE J SHOBE
I.D. # ______ D.O.B. ______

(2): [X Jodie Shobe]
JODIE E SHOBE
I.D. # ______ D.O.B. ______

(3): [X]
I.D. # ______ D.O.B. ______

(4): [X]
I.D. # ______ D.O.B. ______

Owner/Signer Information 2

Name	JODIE E SHOBE
Relationship	OFFICER
Address	
Mailing Address (if different)	
Gov't Issued Photo ID (type, number, state, issue date, exp. date)	- -
Other ID (description, details)	
Employer	
Previous Financial Inst.	
E-Mail	
Work Phone	
Home Phone:	Mobile Phone:
Birth Date:	SSN/TIN:

Owner/Signer Information 3

Name	
Relationship	
Address	
Mailing Address (if different)	
Gov't Issued Photo ID (type, number, state, issue date, exp. date)	- -
Other ID (description, details)	
Employer	
Previous Financial Inst.	
E-Mail	
Work Phone	
Home Phone:	Mobile Phone:
Birth Date:	SSN/TIN:

Owner/Signer Information 4

Name	
Relationship	
Address	
Mailing Address (if different)	
Gov't Issued Photo ID (type, number, state, issue date, exp. date)	
Other ID (description, details)	
Employer	
Previous Financial Inst.	
E-Mail	
Work Phone	
Home Phone:	Mobile Phone:
Birth Date:	SSN/TIN:

Important Account Opening Information. Federal law requires us to obtain sufficient information to verify your identity. You may be asked several questions and to provide one or more forms of identification to fulfill this requirement. In some instances we may use outside sources to confirm the information. The information you provide is protected by our privacy policy and federal law.

Non-Individual Owner Information

Name	LEWISTOWN LIVESTOCK INC
State/Country & Date of Organization	MT USA 08/07/2020
Nature of Business	LIVESTOCK AUCTION YARDS
Address	83 STOCKYARD LN LEWISTOWN MT 59457-0000
Mailing Address (if different)	PO BOX 1190 LEWISTOWN MT 59457-1190
Authorization/ Resolution Date	08/26/20
Previous Financial Inst.	
E-Mail	
Phone	(406) 538-3471
EIN:	Mobile Phone:

Account Description	Account #	Initial Deposit/Source
Checking	2200003571757	$ 50.00 ☐ Cash ☒ Check ☐
		$ ☐ Cash ☐ Check ☐
		$ ☐ Cash ☐ Check ☐

Services Requested

☐ ATM ☐ Debit/Check Cards (No. Requested: ______)
☐ ______ ☐ ______
☐ ______ ☐ ______

Backup Withholding Certifications

(If not a "U.S. Person", certify foreign status separately)

☒ By signing signature field (1) on this document, I certify under penalties of perjury that the statements made in this section are true and that I am a U.S. citizen or other U.S. person (as defined in the instructions).

☐ **Taxpayer I.D. Number - TIN:** 000-00-0000
The Taxpayer Identification Number (TIN) shown is my correct taxpayer identification number.

☐ **Backup Withholding.** I am not subject to backup withholding either because I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, or the Internal Revenue Service has notified me that I am no longer subject to backup withholding.

☒ **Exempt Recipients.** I am an exempt recipient under the Internal Revenue Service Regulations. Exempt payee code (if any) 5

FATCA Code. The FATCA code entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Changing Terms of Account

(Select and initial below.)

☐ Multiple-Party Account's Terms may be Changed by a Single Party ______
☐ Multiple-Party Account's Terms may be Changed Only by Agreement of All Parties ______

Other Terms/Information

Additional information provided with new account disclosures:
Fee Schedule
Important Information about FDIC Insurance Coverage
Business Electronic Funds Transfer Information (business accounts only)

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MONTANA SECRETARY OF STATE

Return Method: Email

February 26, 2020

GUEST SCP MT

CERTIFICATION LETTER

I, COREY STAPLETON, Secretary of State for the State of Montana, do hereby certify that

CENTRAL MONTANA LIVESTOCK AUCTION, INC.

filed its Annual Report for a Domestic Profit Corporation 2020 with this office and has fulfilled the applicable requirements set forth in law. By virtue of the authority vested in this office, I hereby issue this certificate evidencing the filing is effective on the date shown below.

Certified File Number: D100511 - 13554173
Effective Date: February 26, 2020

Next year's annual report will be due by April 15th.

Thank you for being a valued member of the Montana business community. I wish you continued success in your future endeavors.

Corey Stapleton
Montana Secretary of State

Extract generated on: September 01, 2020 11:08 AM
System Through Date: August 31, 2020

Principal Report

General Business Details

Business Identifier: D100511
Business Name: CENTRAL MONTANA LIVESTOCK AUCTION, INC.
Type: Domestic Profit Corporation
Status: Active Good Standing

Incorporators

Name: Not Entered
Business Mailing Address: Not Entered, Helena, Montana 59601, United States

Directors/Officers

Name: JANICE ALLEN
Business Mailing Address: #83 STOCKYARDS LN/BOX 1190, LEWISTOWN, Montana 59457, United States
Position: Treasurer

Name: LYLE R ALLEN
Business Mailing Address: #83 STOCKYARDS LN PO BOX 1190, LEWISTOWN, Montana 59457, United States
Position: Director

Name: LYLE R ALLEN
Business Mailing Address: #83 STOCKYARDS LN/PO BOX 1190, LEWISTOWN, Montana 59457, United States
Position: President

Name: JANICE ALLEN
Business Mailing Address: PO BOX 1190, LEWISTOWN, Montana 59457, United States

Position: Director

Name: JANICE ALLEN
Business Mailing Address: #83 STOCKYARDS LN/PO BOX 1190, LEWISTOWN, Montana 59457, United States
Position: Secretary

MONTANA SECRETARY OF STATE

Extract generated on: September 01, 2020 11:12 AM
System Through Date: August 31, 2020

Principal Report

General Business Details

Assumed Business Name Number: A016790
Assumed Business Name: LEWISTOWN LIVESTOCK AUCTION
Applicant Type: ABN
Status: Active Good Standing

Applicant Name

Name: CENTRAL MONTANA LIVESTOCK AUCTION INC (D100511)
Business Mailing Address: #30 STOCKYARDS LN/PO BOX 1190, LEWISTOWN, Montana, 59457, United States

MONTANA SECRETARY OF STATE

Return Method: Email

August 07, 2020

KRIS A. BIRDWELL
224 W MAIN ST
STE 511
LEWISTOWN MT 59457

CERTIFICATION LETTER

I, COREY STAPLETON, Secretary of State for the State of Montana, do hereby certify that

Shobe Properties, LLC

filed its Articles of Organization with this office and has fulfilled the applicable requirements set forth in law. By virtue of the authority vested in this office, I hereby issue this certificate evidencing the filing is effective on the date shown below.

Certified File Number: C1168922 - 14217298
Effective Date: August 07, 2020

Your company's annual report is due by April 15th of next year and each consecutive year thereafter.

Thank you for being a valued member of the Montana business community. I wish you continued success in your endeavors.

Corey Stapleton
Montana Secretary of State

MONTANA SECRETARY OF STATE

Extract generated on: September 01, 2020 11:09 AM
System Through Date: August 31, 2020

Principal Report

General Business Details

Business Identifier: C1168922
Business Name: Shobe Properties, LLC
Type: Domestic Limited Liability Company
Status: Active Good Standing

Managers/Members

Name: Jodie E Shobe
Business Mailing Address: 305 Snowy Mountain Drive, Lewistown, Montana 59457, United States

Name: Kyle J Shobe
Business Mailing Address: 305 Snowy Mountain Drive, Lewistown, Montana 59457, United States

8

MONTANA SECRETARY OF STATE

Return Method: Email

August 07, 2020

KRIS A. BIRDWELL
224 W MAIN ST
STE 511
LEWISTOWN MT 59457

CERTIFICATION LETTER

I, COREY STAPLETON, Secretary of State for the State of Montana, do hereby certify that

Lewistown Livestock, Inc.

filed its Articles of Incorporation with this office and has fulfilled the applicable requirements set forth in law. By virtue of the authority vested in this office, I hereby issue this certificate evidencing the filing is effective on the date shown below.

Certified File Number: D1168923 - 14217345
Effective Date: August 07, 2020

Your company's annual report is due by April 15th of next year and each consecutive year thereafter.

Thank you for being a valued member of the Montana business community. I wish you continued success in your future endeavors.

Corey Stapleton
Montana Secretary of State

Extract generated on: September 01, 2020 11:10 AM
System Through Date: August 31, 2020

Principal Report

General Business Details

Business Identifier: D1168923
Business Name: Lewistown Livestock, Inc.
Type: Domestic Profit Corporation
Status: Active Good Standing

Incorporators

Name: Kyle J Shobe
Business Mailing Address: 305 Snowy Mountain Drive, Lewistown, Montana 59457, United States

Directors/Officers

Name: Jodie E Shobe
Business Mailing Address: 305 Snowy Mountain Drive, Lewistown, Montana 59457, United States
Position: Director

Name: Kyle J Shobe
Business Mailing Address: 305 Snowy Mountain Drive, Lewistown, Montana 59457, United States
Position: Director

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OMB Control No. 0580-0015

U.S. DEPARTMENT OF AGRICULTURE
GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION
PACKERS AND STOCKYARDS PROGRAM

LIVESTOCK SCALE TEST REPORT

1 Page No.

2 Test Agency (Name, address, city, state, zip code, phone number, and e-mail address) State of Montana Weights & Measures Labor & Industry Helena MT 59620

3 Scale Owner Lewistown Livestock Auction

4 Address 83 Stockyard Lane

5 City Lewistown 6 County Fergus 7 State MT

8 Scale Manufacturer (Indicator) Cardinal 9 Model Number 210 10 Serial Number E 24807-0349

11 Type Indicator ☐ Beam ☐ Dial ☒ Digital ☐ Printer

12 Balance Indicator (Name)

13 Pit Depth 4 Ft. 14 Type Levers 5 15 Scale Capacity 20000 Lbs. 16 Scale Division (d) 5 Lbs.

17 Class of Scale ☐ Not Marked ☐ Marked III ☒ Marked III L

18 Platform Size 8 x 16 19 Platform Cap. 13000 Lbs.

20 Category of Livestock Weighed

21 Accessories: ☐ AZSM (auto-zero) ☐ Motion Detection ☐ Video Displays ☐ Scoreboard ☐ Scale & Computer are Interfaced ☐ Computes: Head/Average Weight

22 Access to Scale for Testing OK

23 Test Date (mm/dd/yyyy) 4-30-20

24 Last Test Date (mm/dd/yyyy) 11-7-19

25 Condition of:
a. Gates and Racks OK
b. Scale Deck OK
c. Scale Pit OK

26 Test Results ☒ Approved ☐ Condemned ☐ Rejected ☐ Other_____

Test Data

27 SR (Sensitivity Response) Or Discrimination Test

Zero Load = ____ Lb. Maximum Load = ____ Lb.

Test Weights Position (30a)	Test Weights Pounds (30b)	Balance Weights (Pounds) (30c)	Error Weights or Indicated Weight (30d)	Error Column 3 – 4 (Pounds) (30e)
Balance	0		0	0
2	2000		2000	0
Bal	0		0	0
E 3	5000		5005	+5
4			5005	+5
C			5005	+5
2			5010	+10
1			5010	+10
Bal	0		0	0
C	7000		7005	+5
C	10000		10010	+20

28 Motion Detection

Range = ____ Lb.

Test Weights Position (30a)	Test Weights Pounds (30b)	Balance Weights (Pounds) (30c)	Error Weights or Indicated Weight (30d)	Error Column 3 – 4 (Pounds) (30e)

29 AZSM (auto zero)

Range = ____ Lb.

31 Decreasing Load Test (Dial and Digital Scales Only)

Position	Pounds	Balance Weights		Indicated Weight	Error
C	10000			10005	+5
C	5000			5005	+5
Balance	0			0	0

32 Remarks Tested Inspected & Sealed

Backup Scale

33 Receipt of Report Acknowledged (Signature): Terrena Fogle

34 Scale Inspector (Signature): [signature]

Response is required in order to assure that tests and inspections have been made on scales to show their accuracy so that livestock may be weighed (9 CFR 201.72). Information held confidential (9 CFR 201.96).

Form P&SP-4200

Expires 11-30-2017

U.S. DEPARTMENT OF AGRICULTURE
GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION
PACKERS AND STOCKYARDS PROGRAM

LIVESTOCK SCALE TEST REPORT

OMB Control No. 0580-0015

1 Page No.

2 Test Agency (Name, address, city, state, zip code, phone number, and e-mail address): State of Montana Weights + Measures Labor + Industry Helena MT 59620

3 Scale Owner: Lewistown Livestock Auction

4 Address: 83 Stockyard Lane

5 City: Lewistown | 6 County: Fergus | 7 State: MT

8 Scale Manufacturer (Indicator): Cardinal | 9 Model Number: 205 | 10 Serial Number: E1#005-008

11 Type Indicator: ☐ Beam ☐ Dial ☒ Digital ☐ Printer

12 Balance Indicator (Name):

13 Pit Depth: 3.5 Ft. | 14 Type Levers: Full Electronic | 15 Scale Capacity: 50,000 Lbs. | 16 Scale Division (d): 5 Lbs.

17 Class of Scale: ☐ Not Marked ☐ Marked III ☒ Marked III L

18 Platform Size: 34 x 15 | 19 Platform Cap.: 46750 Lbs.

20 Category of Livestock Weighed: ALL

21 Accessories: ☐ AZSM (auto-zero) ☐ Motion Detection ☐ Video Displays ☐ Scoreboard ☐ Scale & Computer are interfaced ☐ Computes: Head/Average Weight

22 Access to Scale for Testing: OK

23 Test Date (mm/dd/yyyy): 4-30-20

24 Last Test Date (mm/dd/yyyy): 11-7-19

25 Condition of:
a. Gates and Racks: OK
b. Scale Deck: OK
c. Scale Pit: OK

26 Test Results: ☒ Approved ☐ Condemned ☐ Rejected ☐ Other____

Test Data

27 SR (Sensitivity Response) Or Discrimination Test: Zero Load = 7 Lb. Maximum Load = 7 Lb.

28 Motion Detection: Range = ____ Lb.

29 AZSM (auto zero): Range = 3 Lb.

Position (30a)	Pounds (30b)	Balance Weights (Pounds) (30c)	Error Weights or Indicated Weight (30d)	Error Column 3 – 4 (Pounds) (30e)
Balance	0		0	0
C	2000		2000	0
Bal	0		0	0
#5	5000		5000	0
6			5000	0
7			5005	+5
8			5005	+5
1			5000	0
2			5000	0
3			4995	-5
4			4995	-5
Bal	0		0	0
C	7000		7000	0
C	10000		10000	0

Position (30a)	Pounds (30b)	Balance Weights (Pounds) (30c)	Error Weights or Indicated Weight (30d)	Error Column 3 – 4 (Pounds) (30e)
BoBcat				

7940 + 10,000 = 17940

17940 - 10000 = 7940

31 Decreasing Load Test (Dial and Digital Scales Only)

Position	Pounds			Indicated	Error
C	10000			10000	0
C	5000			5000	0
Balance	0			0	0

32 Remarks: Tested Inspected + Sealed
Pacman Seal

33 Receipt of Report Acknowledged (Signature): Terrena Fogle

34 Scale Inspector (Signature): [signature]

Response is required in order to assure that tests and inspections have been made on scales to show their accuracy so that livestock may be weighed (9 CFR 201.72). Information held confidential (9 CFR 201.96).

U.S. DEPARTMENT OF AGRICULTURE
GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION
PACKERS AND STOCKYARDS PROGRAM

LIVESTOCK SCALE TEST REPORT

OMB Control No. 0580-0015

1 Page No.

2 Test Agency (Name, address, city, state, zip code, phone number, and e-mail address): State of Montana Weights + Measures Labor + Industry Helena MT 59620

3 Scale Owner: Lewistown Livestock Auction

4 Address: 83 Stockyard Lane

5 City: Lewistown — 6 County: Fergus — 7 State: MT

8 Scale Manufacturer (Indicator): Fairbanks — 9 Model Number: 12083 — 10 Serial Number: 9831F

11 Type Indicator: ☒ Beam ☐ Dial ☐ Digital ☐ Printer — 12 Balance Indicator (Name): Smiles

13 Pit Depth: 4 Ft. — 14 Type Levers: S — 15 Scale Capacity: 20000 Lbs. — 16 Scale Division (d): 5 Lbs.

17 Class of Scale: ☒ Not Marked ☐ Marked III ☐ Marked III L

18 Platform Size: 8 x 14 — 19 Platform Cap.: 13800 Lbs.

20 Category of Livestock Weighed: ALL

21 Accessories: ☐ AZSM (auto-zero) ☐ Motion Detection ☐ Video Displays ☐ Scoreboard ☐ Scale & Computer are Interfaced ☐ Computes: Head/Average Weight

22 Access to Scale for Testing: o/c

23 Test Date (mm/dd/yyyy): 4-30-20 — 24 Last Test Date (mm/dd/yyyy): 11-7-19

25 Condition of:
a. Gates and Racks: ok
b. Scale Deck: ok
c. Scale Pit: ok

26 Test Results: ☒ Approved ☐ Condemned ☐ Rejected ☐ Other

Test Data

27 SR (Sensitivity Response) Or Discrimination Test: Zero Load = 7 Lb. Maximum Load = 7 Lb.

Position (30a)	Pounds (30b)	Balance Weights (Pounds) (30c)	Error Weights or Indicated Weight (30d)	Error Column 3 – 4 (Pounds) (30e)
Balance	0	20	20	0
C	2000		22	-2
Bal	0		20	0
C 3	5000		17	+3
4			17	+3
C			15	+5
2			16	+4
1			17	+3
Bal	0		20	0
C	7000		17	+3
C	10000		15	+5

28 Motion Detection: Range = Lb.

29 AZSM (auto zero): Range = Lb.

Position (30a)	Pounds (30b)	Balance Weights (Pounds) (30d)	Error Weights or Indicated Weight (30d)	Error Column 3 – 4 (Pounds) (30e)
Dist	50	20	20	0
	75	15	15	0
	100	20	20	0
	200	20	20	0
	300	20	20	0
	400	20	20	0
	500	20	20	0
Bal	0	20	20	0

31 Decreasing Load Test (Dial and Digital Scales Only)

Balance

32 Remarks: Tested Inspected + Sealed Backup Scale

33 Recipient of Report Acknowledged (Signature): Tiffanie Fogle

34 Scale Inspector (Signature): [signature]

Response is required in order to assure that tests and inspections have been made on scales to show their accuracy so that livestock may be weighed (9 CFR 201.72). Information held confidential (9 CFR 201.96).

Board of Livestock Meeting

Agenda Request Form

From: Ethan Wilfore	Division/Program: Brands	Meeting Date: 9/16/20

<u>Agenda Item:</u> Staffing Update

Background Info:
- Update on vacant/filled positions
- Request to hire for District 9 (Dillon) Investigator
- Request to hire for District 4 (Columbus) Investigator
- Proposal/approval on plan for staffing Missoula Market

Recommendation: Grant requests to fill vacant positions

Time needed: 30 minutes	Attachments:	Yes X	No	Board vote required?	Yes X	No

<u>Agenda Item:</u> Re-record Update

Background Info:
- General Updates
- Update with legal opinion on email addresses and/or mobile phone numbers being required on brand request and re-record forms

Recommendation: None

Time needed: 15 minutes	Attachments:	Yes X	No	Board vote required	Yes	No X

<u>Agenda Item:</u> Brands Policy Update

Background Info:
- Review draft of proposed changes to policy
- Review timeline for policy to be completed
- Presentation by Brand Recorder on brand recording/conflict check process

Recommendation: None

Time needed: 75 minutes	Attachments:	Yes X	No	Board vote required:	Yes	No X

<u>Agenda Item:</u>

Background Info:

Recommendation:

Time needed:	Attachments:	Yes	No	Board vote required:	Yes	No

<u>Agenda Item:</u>

Background Info:

Recommendation:

Time needed:	Attachments:	Yes	No	Board vote required:	Yes	No

Missoula Market District

Overview

- Jody retires Oct 9th, 2020
- Currently 2 market districts – Dillon and Chinook
- Cattle numbers in Dillon, Chinook, and Missoula are similar

	2016		2017		2018		2019		2020	
	Cattle	Horses	Cattle	Horses	Cattle	Horses	Cattle	Horses	Cattle	Horses
Dillon	17842	13	17702	6	18960	16	18949	11	20834	8
Chinook	13812	8	15342	4	16069	5	16067	2	18262	0
Missoula	19977	398	20296	363	19570	454	19123	447	16467	343

Operational Overview

- Dustin Datisman (District Investigator) would manage the market
  - Dustin has worked in the Missoula market and has a good understanding of market operations
- Dustin would supervise the part-time inspector
- Operations would be very similar to the operations of the Dillon and Chinook markets
- If assistance is needed on sale days, Wes (District 15) can assist
- Support can also be sent from the Ramsay market if needed

Plan with Savings

- Current market supervisor salary + benefits - $71,000
  - Increase part time inspector hours from 20-24
    - Additional cost of ~ $260/month
  - Utilize extra savings to hire a part time employee at another market or:
  - Utilize extra savings to add additional short-term workers in other markets

PRESCRIBED PRACTICE FOR RECORDING, TRANSFERRING AND RERECORDING OF BRANDS

These rules are put into practice to implement the provisions of Title 81-1-102, MCA which allows the department to create and administer a program for recording, rerecording and transfer of livestock brands. The prescribed practices provide clarification and continuity of policies and procedures previously used as guidelines.

RECORDING AND TRANSFERRING OF BRANDS

All Montana brands must be issued through the Department of Livestock Helena Brand Office.

1. All forms or model letters issued for purposes of recording brands or clarifying brand recording requirements are considered part of the brand rules and practices of the Board of Livestock.
2. ~~The Department of Livestock, as one of its primary duties to the livestock industry, provides brands that are distinguishable with reasonable certainty from all other marks and brands.~~
    a. ~~Department employees have advanced opportunity to acquire desirable brands.~~
    b. ~~Employees shall not take unfair advantage of this opportunity, and may not record:~~
        i. ~~More than three brands at any time;~~
        ii. ~~Brands by phone;~~
        iii. ~~For others in any manner;~~
        iv. ~~Any brand which has not been available for recording less than sixty days;~~
    c. ~~Employees attempting to circumvent these rules are subject to disciplinary action.~~

Move to end of policy

3. Fees
    a. Brand fees are set by the Board of Livestock as authorized by statute. Current fees are available in ARM 32.2.404.
    b. Fees for new brands or transfers shall not be prorated.
    c. Fifty percent of the fee to record a new brand or transfer a brand is non-refundable.
        i. If an applicant fails to respond to Brand Office correspondence for a period of six months, the entire new brand or brand transfer fee becomes non-refundable.
4. Brand Owner Name
    a. The brand owner name on new brand applications and brand transfers must consist of individuals or entities with documentable proof of identity.
        i. Individuals must use legal names.
        ii. Per ARM 32.18.105, Businesses & trusts must be registered with Montana Secretary of State.
    b. Where multiple individuals or entities appear on a brand owner name, either "and" or "or" must be used between owner names per ARM 32.18.105. No other notation or description is allowed (ex. DBA, hyphens, commas, parentheses, in care of, "and/or").
    c. Legal Name Change
        i. A legal name change, such as for marriage, may be completed with a Name Change Affidavit and appropriate duplicate certificate fee.
5. Changes to brand image, species, or position require submission of a New Brand Application.
6. New Brand Applications:
    a. Application forms for new brands are available on the Department website and at the Helena Brand Office.

b. The application and appropriate fee must be submitted to the Brand Recorder for processing.
    i. The applicant must list brand choices in preferential order.
    ii. One application may contain up to three different species with one position each and Freeze Brand for cattle per ARM 32.18.109.
c. Applications will be processed in the order in which they are received.
d. Notwithstanding any other provision or policy, a brand will not be held or checked for conflicts by phone.
e. The Brand Recorder shall process the application in the following manner:
    i. Verify that the application is complete and the correct fee has been submitted.
        1. If incomplete, the entire application and fee are returned with instructions to correct the information and resubmit.
    ii. Deposit fee.
    iii. Check for conflicts in the order listed on the application.
        1. The first brand on the application that does not conflict with existing brands will be issued to the applicant.
    iv. Issue brand and/or communicate results with applicant:
        1. If none of the applicant's submissions are available, the Brand Recorder may check a similar brand for conflicts and offer it as an alternative.
        2. If an available brand was not on the original application, the applicant must complete a new application containing the exact image and location of the brand presented as available.
        3. The applicant will have 10 working days from the date of the offer letter to accept an available brand, whether it was submitted on the original application or offered as an alternative, after which the brand must be rechecked for conflicts. Response from the applicant must be postmarked no later than 10 working days from the postmark date on the offer letter.

7. Brand Transfers
    a. Brand transfer requests must be submitted to the Helena Brand Office with the appropriate fee.
    b. Transfer requests must be completed using the Assignment of Brand form, located on the reverse side of the current official brand certificate, or an approved Assignment of Brand included with the current official brand certificate.
    c. The Assignment of Brand must include the notarized signatures of the original owners as listed on the front of the official brand certificate;
    d. If the original owner of the transferring brand is deceased, a copy of the death certificate, personal representative papers, or appropriate documentation must be provided to complete the transfer;
        i. Certified copies may be required at the Department's discretion to ensure the authenticity of the documents.

CONFLICT CHECKING PROCEDURES

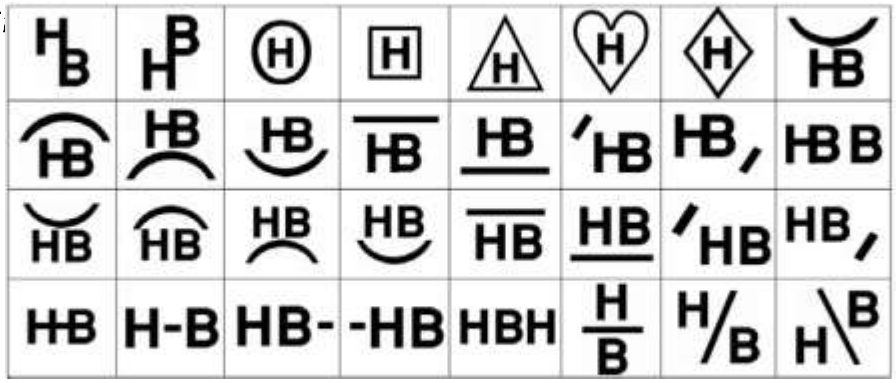
1. The following procedures apply only to newly issues brands.
    a. Brands previously recorded with the department prior to changes made to policy are

still valid until they are not rerecorded.

2. Upon receipt of a brand application, the Brand Recorder checks conflicts as follows:
    a. Verify that brand contains only acceptable characters.
        i. A, B, C, D, E, F, H, J, K, L, M, N, O, P, R, S, T, U, V, W, X, Y, Z,
        ii. 2, 3, 4, 5, 6, 7, 8, 9

iii. Box, Diamond, Heart, Triangle, Cross
iv. Bar, Slash, Quarter Circle

b. Verify that brand is in an acceptable format:
'H' and 'B' may be replaced with any acceptable character in i.-iii. (above) and/or rotated 90 degrees either direction. Triangle and Heart may be rotated 90 degrees either direction or
i



c. Check brand for open positions;

d. Check for brand recordings in the same or adjoining county on the same side;
   i. Rib or Shoulder and Hip shall not be considered a conflict, but rib and shoulder may be (Contact the District Investigator(s) in the area)

e. Check for state-wide conflicts.
May be rotated 90 degrees either direction or 180 degrees.

f. Check for Regional Character Conflicts
   i. May be updated by the Brands Review Advisory Committee as needed in between BOL meetings for final approval.

REGIONAL CHARACTER CONFLICTS

Conflicts listed below are evaluated in the same county and adjacent counties indicated on the brand application. If the figures in the character column are rotated, the conflicts listed would rotate the same as the character. Conflicts listed for characters with symmetry would be a conflict in all orientations for which the symmetry exists.

Character	Conflicts
A	Λ H R △
B	E K P R 3 8
C	G O 6 9 ᓚ ⊂
D	◊ O P ь □ ɔ ▷
E	F L Σ ɛ
F	E P ꟻ ʅ
H	+ M N Ч ɥ ⊢ ⊣ W
J	⅃ U ა
K	B H R X Y
L	E ⊥ V I ᒐ
M	m H N ო
N	H V
O	C D ◊ □
P	B D F R
R	B H K P A
S	5 8 Ƨ ᘔ
T	+ Y 7 ⌶ I
U	J V ᴗ

V	♡ U Y ▽ ∀ ◊ Ш X
Ш	ш H V ω N
X	H K + Y V
Y	K T ▽ V ∀ X
Z	2 7 ƨ ƽ L
2	Z 7 ƨ ዓ ♡
3	B Ǝ Σ 8
Ч	+ H Ⅎ 4
5	S 6
6	C G O
7	T > Z ꟻ I 2 ዓ
8	B 3 S
ዓ	Ↄ ¶ 7
◊	D O □ △ V Λ
♡	▽ V ω 2
□	◊ O
+	T X Ч H 4 I –
△	A Λ ⌓ L ◊ ♤
⌒	︿ — ∼
—	⌒ ︿ ∼
/	\ |

RERECORDING OF BRANDS

1. Each 10th year after 1921 is the year for rerecording marks and brands.
2. The brand owner is responsible for rerecording their brand(s) during the rerecord year.
3. Brands that are transferred during the rerecord year must pay a separate fee, per ARM 32.18.111(3).
4. If the department receives a rerecord notice which appears to be different than the previous recording, it shall verify the ownership or treat it as if it were a transfer of the brand.
5. Brands that are not rerecorded prior to the rerecord deadline expire and are no longer the property of the last recorded brand owner.
    a. For a period of 90 days following the rerecord deadline, only the last recorded brand owner may apply for an expired brand.
        i. Expired brands must pass the conflict check process.
        ii. Expired brands that do not meet the current policies for new brand applications will not be reissued.

BRANDS REVIEW ADVISORY COMMITTEE

1. This committee makes recommendations to the Brand Recorder to assist in the resolution of issues and conflicts including those not specifically addressed in the Department's brand recording practice statement.
2. The committee shall meet as necessary to review brand applications that have conflicts per Brand Recorder research.
3. The committee is made up of the executive officer, brands division administrator, assistant administrator, brands recorder, and district investigator.

SCATTER BRANDS

1. Scatter brands are defined as a single brand recording in which an image or images must be applied to multiple locations on a single animal.
2. The use of scatter brands is inconsistent with the department's policy and responsibility of providing easily recognized and distinguishable brands to all livestock owners.
3. Scatter brands will no longer be issued; those on record will be continued subject to their cancellation where possible.

FEEDLOT BRANDS

1. Feedlot brands may be available, subject to the following:
    a. the use of the brand is restricted to the specific feedlot registering the brand;
    b. the brand may be recorded on either hip near the tail head;
    c. the recorded feedlot brand cannot be less than 2" in height.

JAW & NECK BRANDS

1. Except for Department of Livestock Animal Health Division use, jaw and neck brands for cattle shall not be issued.

FREEZE BRANDS

1. Per ARM 32.18.109 Freeze branding of cattle may be allowed under the following conditions:
    a. All freeze brands must be registered with the department
    b. The owner must have a hot iron brand registered with the department to register a freeze brand
    c. The freeze brand must be identical in design and location to the owner's hot iron brand
2. Freeze brands will be issues on the same certificate and except on a new recording, will not be charged an additional recording fee
3. Freeze brands can only be sold or transferred along with the hot iron certificate

BRAND POSITION

1. Brands will be recorded by position.
    a. Each position shall be a separate brand.
    b. Positions are available on horses, cattle, hogs, bison and sheep:
2. Horse Positions: There are eight primary positions available on horses:
    a. left thigh or right thigh
    b. left shoulder or right shoulder
    c. left jaw or right jaw (not worked for conflicts unless requested)
    d. left neck or right neck (not worked for conflicts unless requested)
3. Cattle Positions: There are six primary positions available for cattle:
    a. left hip or right hip
    b. left rib or right rib
    c. left shoulder or right shoulder (not worked for conflicts unless requested)
4. Hogs: Brands on hogs will be by request only and issued on a case by case basis.
5. Bison Positions: There are four primary positions available for bison:
    a. Left or Right Hip
    b. Left or Right Rib
6. Sheep: Paint brands will be issued for positions on left/right rib, left/right hip, left/right shoulder and back
    a. Hot iron brands will be issued for positions requested

EMPLOYEE POLICY

1. The Department of Livestock, as one of its primary duties to the livestock industry, provides brands that are distinguishable with reasonable certainty from all other marks and brands.
    a. Department employees have advanced opportunity to acquire desirable brands.
    b. Employees shall not take unfair advantage of this opportunity, and may not record:
        i. More than three brands at any time;
        ii. Brands by phone;
        iii. For others in any manner;
        iv. Any brand which has not been available for recording less than ~~sixty~~ ninety days;
        v. Employees shall not profit in any way from the sale of a brand

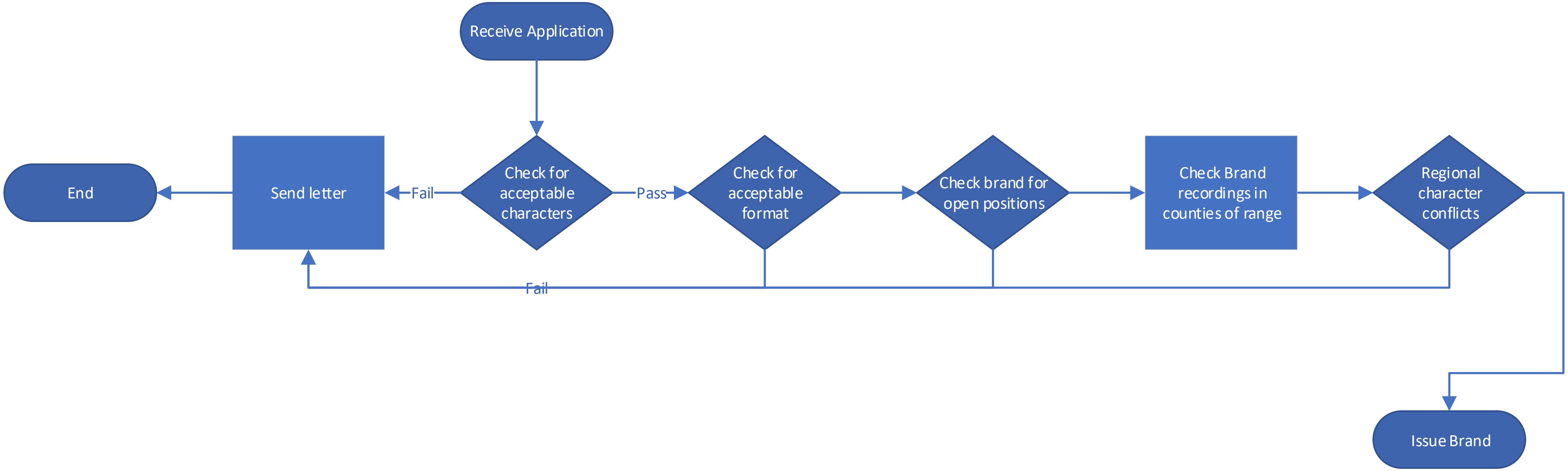
c. Employees attempting to circumvent these rules are subject to disciplinary action.

Brand Recording Process

Purpose

- MCA 81-3-103 requires brands to be “distinguishable with reasonable certainty from all other marks and brands”
- The current conflict check process is designed to ensure compliance with MCA 81-3-103 based on the guidelines provided by the current policy
- This process is crucial to protecting producers as well as DOL employees in the markets and in the field

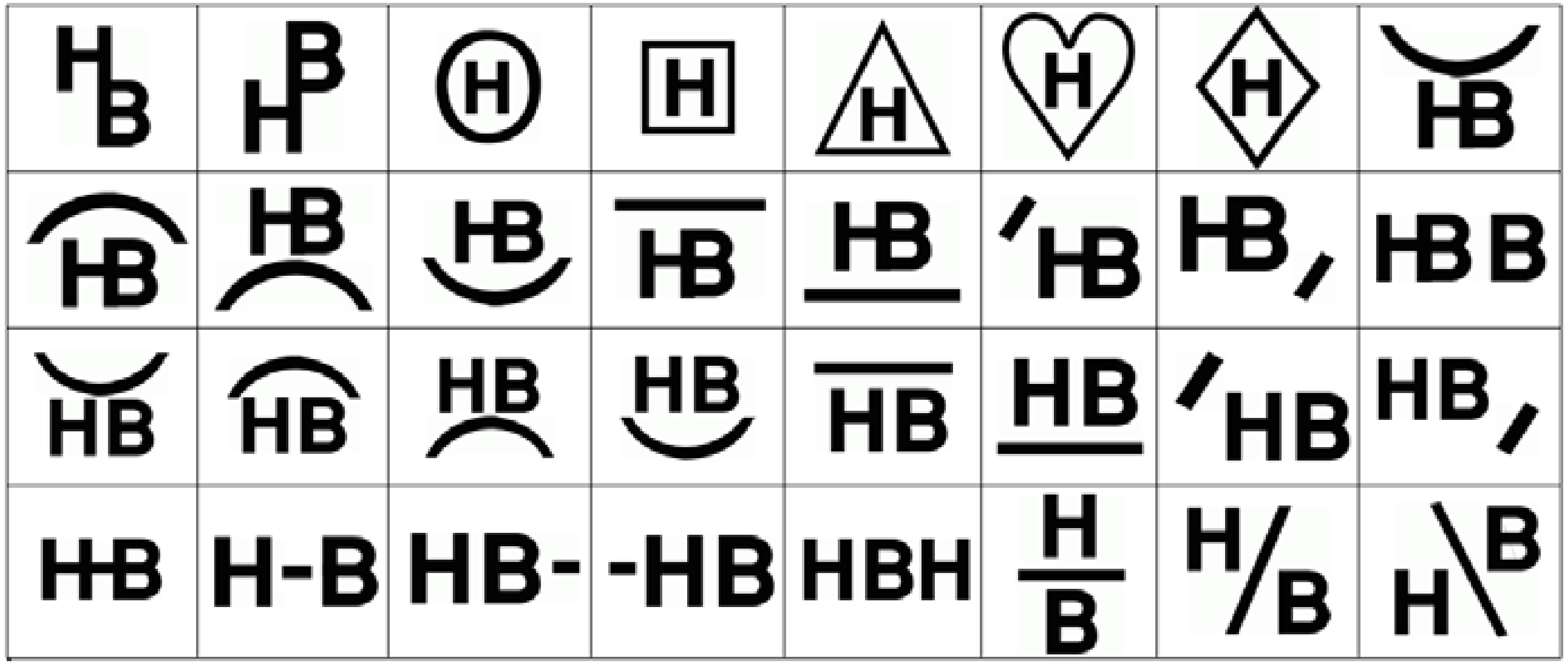
Conflict Check Workflow



Acceptable Characters

- i. A, B, C, D, E, F, H, J, K, L, M, N, O, P, R, S, T, U, V, W, X, Y, Z,
- ii. 2, 3, 4, 5, 6, 7, 8, 9
- iii. Box, Diamond, Heart, Triangle, Cross
- iv. Bar, Slash, Quarter Circle

Acceptable Formats



State-Wide Conflicts

- A = Λ
- C = ⊂
- E = ε
- L = ɭ
- P = ϱ
- S = 5
- Z = 2
- □ = ◊
- + = X
- Ч = 4
- ^ = ⌒

Regional Conflicts

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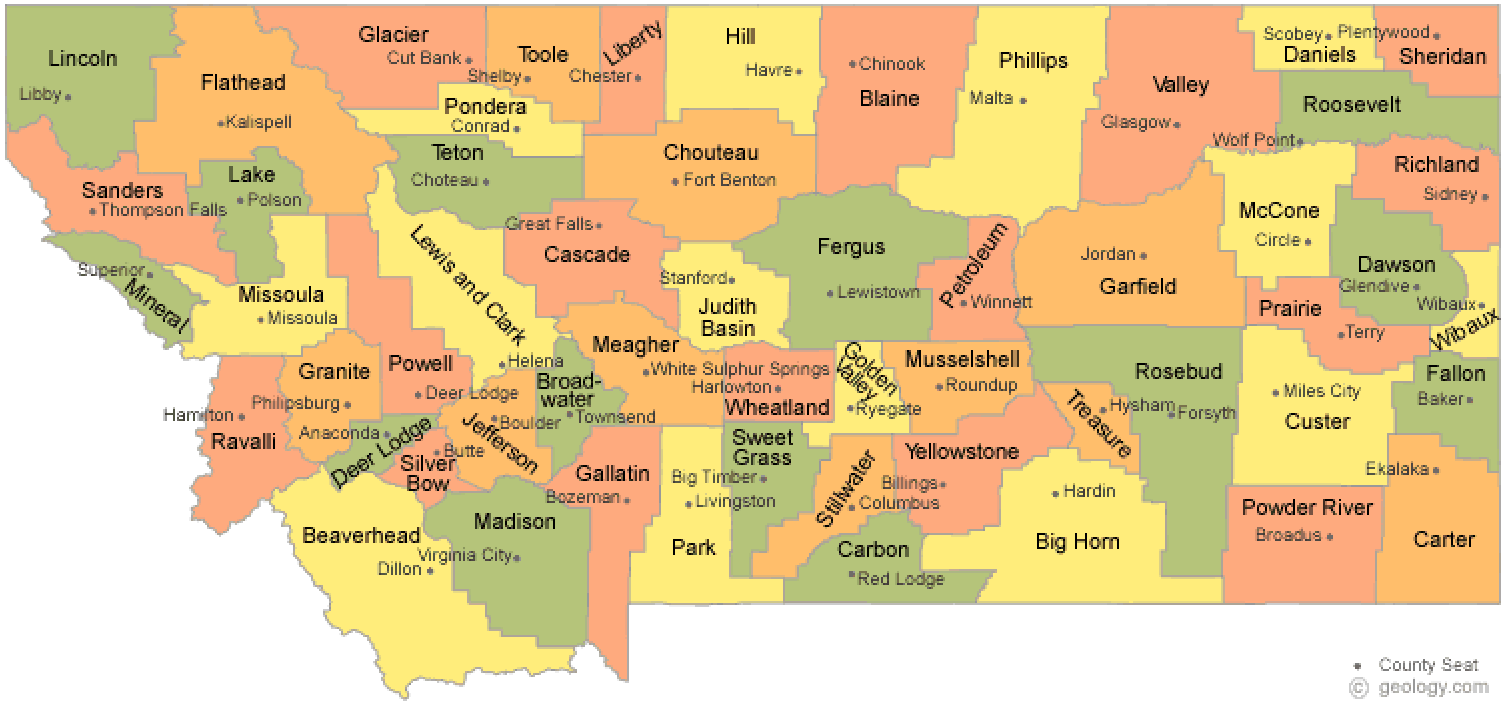
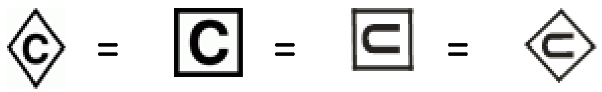
Counties of Range



Example:
Brand Request for Lewis and Clark County
Counties of range would be all adjoining counties which include:

Powell, Flathead, Teton, Cascade, Meagher, Broadwater, and Jefferson

Example Conflict Checks



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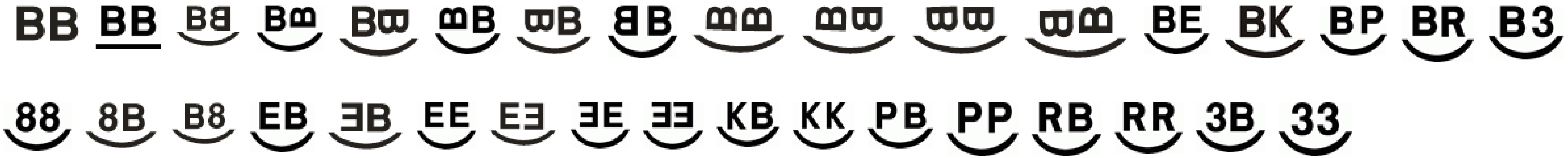


Example from Miles City Market


SN
E121

Board of Livestock Meeting

Agenda Request Form

From: Gary Hamel	Division/Program: Meat and Poultry Inspection	Meeting Date: **September, 2020**

Agenda Item: Administrative Rules – Labeling Rule

Labeling Rule

The comment period on the labeling rule has ended. Based upon comments received, the Meat and Poultry Inspection Bureau is proposing to the Board a three-year label review period rather than the original two-year period that was in the original version of the rule. The goal is to reduce regulatory burden on establishments by extending the period that labels would be active. A summary of the comments has been incorporated in the revised rule draft that is before the Board for consideration.

The Meat and Poultry Inspection Bureau is proposing a new rule to formalize longstanding department practices. The department has required and provided label approval for many years. This rule does not change the existing requirement that the establishment provide labels that fulfill its obligation to ensure meat and poultry products are properly marked, labeled, packaged, and not misbranded. The proposed rule would add a new component in (5) that provides a three-year acceptance period for labels, unless either the department provides a shorter acceptance period, or the manufacturing process or components are changed during the acceptance period. Previously, there was ongoing departmental review of approved labels.

Recommendation:

Time needed: 30 min	Attachments:	Yes X	No	Board vote required?	Yes X	No

Agenda Item: Request to Fill a Position -- EIAO

Background Info:

The Meat and Poultry Inspection Bureau is seeking permission from the Board to fill the EIAO/Audit Unit supervisor position. Dr. Emily Kaleczyc, the previous incumbent, accepted a veterinarian position with the USDA. Her last day with the department was August 21, 2020. Her departure leaves a critical service gap in the bureau. The position is a key component to maintaining Montana's "at least equal to" status.

Some of the duties of the EIAO are:

Compliance and labeling oversite
Bureau training and inspector development
Animal and carcass disposition
Scientific/subject matter expert
Industry outreach
Assess and review humane handling practices
Food safety assessments

The bureau had its 2020 FSIS audit postponed until 2021. Filling this position would enable the new incumbent to train for a significant period in preparation for the audit. It takes at least a year to fully train an individual to fill the role of EIAO.

Recommendation:

Time needed: 15 min	Attachments:	Yes	No X	Board vote required	Yes X	No

Agenda Item:

BEFORE THE DEPARTMENT OF LIVESTOCK
OF THE STATE OF MONTANA

In the matter of the adoption of NEW RULE I pertaining to label review	)))))	NOTICE OF PROPOSED ADOPTION NO PUBLIC HEARING CONTEMPLATED

TO: All Concerned Persons

1. The Department of Livestock proposes to adopt the above-stated new rule.

2. The Department of Livestock will make reasonable accommodations for persons with disabilities who wish to participate in the rulemaking process or need an alternative accessible format of this notice. If you require an accommodation, contact the Department of Livestock no later than 5:00 p.m. on xxx, 2020, to advise us of the nature of the accommodation that you need. Please contact the Department of Livestock, 301 N. Roberts St., Room 308, P.O. Box 202001, Helena, MT 59620-2001; telephone: (406) 444-9321; TTD number: (800) 253-4091; fax: (406) 444-1929; e-mail: MDOLcomments@mt.gov.

3. The rule as proposed to be adopted provides as follows:

NEW RULE I LABEL REVIEW (1) The label for a single ingredient product produced in an establishment under state inspection may be used on that product without prior review from the department.

(2) The label for a multiple ingredient product produced in an establishment under state inspection may not be used on that product unless the establishment has submitted the label for review and the label has been accepted by the department.

(3) Requests for label review must be submitted on an approved label application form containing all required information.

(4) Establishments must maintain a copy of all labels used on products that bear the state mark of inspection.

(5) The department's acceptance of a label is valid for ~~two~~ three years from the date the acceptance was issued unless the department provides a shorter time period in its acceptance. Establishments must resubmit labels for renewal after the acceptance period has expired.

(6) During the acceptance period, the establishment producing the label must ensure that the label is updated to meet all regulatory requirements following changes to the product formulation, processing procedures, regulation, or other events that may render the label noncompliant with applicable regulations.

AUTH: 81-2-102, 81-9-220, MCA

IMP: 81-9-220, 81-9-226, 81-9-228, 81-9-234, MCA

REASON: The Department of Livestock is proposing this new rule to formalize longstanding department practices. The department has required and provided label approval for many years. This rule does not change the existing requirement that the establishment provide labels that fulfill its obligation to ensure meat and poultry products are properly marked, labeled, packaged, and not misbranded. The proposed rule would add a new component in (5) that provides a three-year acceptance period for labels, unless either the department provides a shorter acceptance period, or the manufacturing process or components are changed during the acceptance period. Previously, there was ongoing departmental review of approved labels.

The department provides label review to assist establishments in producing labels that meet the federal regulations required for labeling of meat and poultry products. The department provides expert guidance to establishments about the labeling requirements that exist in federal regulations and policy documents. This guidance assists establishments that have limited resources to devote to the regulatory requirements of labeling.

Requiring label review for state inspected establishments is a departure from the labeling process used by the United States Department of Agriculture's Food Safety Inspection Service (FSIS). FSIS allows federally inspected establishments to produce and apply labels under a process known as "generic labeling." Generic labeling for federal establishments means that for most products the plant creates labels without any oversight from FSIS; FSIS only audits labels for accuracy and regulatory compliance after the label has been used. Many large, federally inspected establishments employ staff with regulatory expertise who work full-time on labels for the establishment. State inspected establishments may not have access to similar resources. Under generic labeling, if FSIS finds noncompliance on the label of a product in commerce, a recall committee would be convened to make a recommendation regarding the need for a recall. Recall recommendations can be costly to the establishment that produced the recalled product in time expended, production lost, and potential damage to relationships with customers.

The department expects that this proposed rule would protect public health, reduce the likelihood of recalls, and formalize the department's practices for labeling review.

4. Concerned persons may submit their data, views, or arguments either orally or in writing concerning the proposed action to the Executive Officer, Department of Livestock, 301 N. Roberts St., Room 308, P.O. Box 202001, Helena, MT 59620-2001, by faxing to (406) 444-1929, or by e-mailing to MDOLcomments@mt.gov to be received no later than 5:00 p.m., xxx, 2020.

5. If persons who are directly affected by the proposed action wish to express their data, views, or arguments orally or in writing at a public hearing, they must

make a written request for a hearing and submit this request along with any written comments to the above address no later than 5:00 p.m., xxx 2020.

6. ~~If the department receives requests for a public hearing on the proposed action from either 10 percent or 25, whichever is less, of the businesses directly affected by the proposed action; from the appropriate administrative rule review committee of the Legislature; from a governmental subdivision or agency; or from an association having not less than 25 members who will be directly affected, a public hearing will be held at a later date. Notice of the public hearing will be published in the Montana Administrative Register. Ten percent of those directly affected has been determined to be 4 persons based on there are currently 37 businesses that will be impacted by this rule.~~ The department has thoroughly considered the comments received. A summary of the comments received and the department's responses are as follows:

Comment #1: The commenter supports review of labels by the department but is concerned about the burden a 2-year reapproval timeline would put on the department's label specialist and worried that plants would be out of compliance and unable to produce those products if labels were not reapproved by the deadline.

Response: The department agrees that label review is an important service and thanks the commenter. Based on this comment and others received the department has amended the rule to extend the renewal period to three years.

Comment #2: The commenter feels that the 2-year renewal period is overly burdensome to state inspected establishments.

Response: The renewal process for labels with no changes will be very simple, and in order to reduce the burden on establishments the department has extended the renewal period to three years.

Comment #3: The commenter states that the federal labeling regulation is much easier than the proposed rule and that only labels with ingredient changes should be required to be resubmitted.

Response: The department feels strongly that label review is an important service for state inspected establishments, many of which do not have the resources to consult an outside expert on complicated label requirements. The department has found that many state inspected establishments are not aware of when an ingredient change occurs because suppliers don't usually announce changes to common spice mixes or other multi-component ingredients. This rule is intended to help make establishments more aware of when there is a need to update their labels. For labels with no changes, the renewal process will be very simple, and the department has extended the renewal period to three years to further reduce the burden on establishments.

7. The department maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by this agency. Persons who wish to have their name added to the list shall make a written request that includes the name, e-mail, and mailing address of the person to receive notices and specifies for which

program the person wishes to receive notices. Notices will be sent by e-mail unless a mailing preference is noted in the request. Such written request may be mailed or delivered to the contact person in #4 above or may be made by completing a request form at any rules hearing held by the department.

8. The bill sponsor contact requirements of 2-4-302, MCA, do not apply.

9. With regard to the requirements of 2-4-111, MCA, the department has determined that the adoption of the above-referenced rule will not significantly and directly impact small businesses.

BY: */s/ Michael S. Honeycutt*
Michael S. Honeycutt
Executive Director
Board of Livestock
Department of Livestock

BY: */s/ Cinda Young-Eichenfels*
Cinda Young-Eichenfels
Rule Reviewer

Certified to the Secretary of State June xx, 2020.

Board of Livestock Meeting

Agenda Request Form

From: Tahnee Szymanski, DVM	Division/Program: Animal Health Bureau	Meeting Date: September 2020

Agenda Item: Request to purchase captive bolt guns

Background info: The AHB was awarded a $25,371 grant through the National Animal Disease Preparedness and Response Program as part of the 2018 Farm Bill. The money is being offered to fund the purchase of 12 captive bolt guns and 10 euthanasia training activities, throughout the state. Each captive bolt euthanasia training will be a one-day course, presented to those expected to be involved in an animal health emergency, including local veterinarians and Montana Department of Livestock Animal Health and Brands personnel. Use of the penetrating captive bolt is an AVMA approved method of euthanasia for cattle, swine, sheep and cervids, which are all species that may be impacted by foreign animal diseases. The use of a penetrating captive bolt is also recommended in Montana's animal emergency response plan. During an animal disease outbreak, euthanasia may be an important management strategy to control the spread of the disease. This training seeks to better prepare animal health experts throughout the state on the most likely euthanasia method used during an animal health emergency.

Recommendation: Approve

Time needed: 5 minutes	Attachments:		**No**	Board vote required?		**Yes**

Agenda Item: Request to Purchase Annual Inventory of Trichomoniasis Tags

Background Info: The Animals Health Bureau provides Trichomoniasis tags to Deputy State Veterinarians. These tags are used to easily indicate and identify animals that have been Trich tested. These tags are sold to veterinarians at cost. The department purchases the tags for $1.41 each and they are sold to the veterinarians at $1.67. The increase is to compensate the department of the cost to package and ship out the tags. The price for Trich tags has been the same since 2017.

4000 green Trich tags at $1.41 each = $5,640.

Recommendation: Consent agenda

Time needed: N/A	Attachments:	**No**		Board vote required:		**Yes**

Agenda Item: Request to Purchase Dump Trailer

Background Info: The Bison Program would like to purchase a dump trailer. This would be 14' or 16' long trailer. The purpose of this trailer would be to transport a skid steer, and load and transfer carcasses of bison, cattle, horses and other livestock for removal. It is a concealed and discreet way to move carcasses out of the public eye. It would be useful to the Bison Program, Animal Health, and Brands Enforcement when the removal of a dead animal or animals is necessary and is more practical than a traditional pick-up flatbed or flatbed trailer. The cost of this trailer would be between $10,000-$12,000. An estimate from a dealer is included. The trailer would be paid for out of federal cooperative agreement funds.

Recommendation: Approve.

Time needed: 5 minutes	Attachments:		**Yes**	Board vote required:		**Yes**

Agenda Item: Request to Adopt Proposed Changes to ARM 32.3.221 Special Requirements for Alternative Livestock						
Background Info: The comment period on the proposed changes to ARM 32.3221 has closed. The Department received one comment in support of the proposed change. The proposal eliminates brucellosis testing requirements for importation of alternative livestock from outside of the Greater Yellowstone Area (GYA). At the 2017 United States Animal Health Association (USAHA) annual meeting, a resolution was passed supporting the elimination of this requirement. There have been no confirmed cases of brucellosis in alternative livestock outside of the GYA in the previous twenty years. The risk of disease in this population is low and therefore an interstate movement test is not required to protect the livestock population of Montana. 32.3.221 SPECIAL REQUIREMENTS FOR ALTERNATIVE LIVESTOCK (1) All sexually intact alternative livestock six months of age and older imported into Montana from states with a Designated Surveillance Area for Brucellosis must be ~~either~~ test-negative for brucellosis within 30 days prior to importation ~~or originate from a brucellosis certified free herd.~~ (a) The brucellosis test must be a type approved by the state veterinarian. **Recommendation:** Approve for final adoption of proposed changes.						
Time needed: 5 minutes	Attachments:	**No**		Board vote required:		**Yes**

Agenda Item: Request to Adopt Proposed Changes to ARM 32.3.211 Special Requirements for Poultry
Background Info: The comment period on the proposed changes to ARM 32.3.211 has closed. The Department received zero comments on the proposed change. The proposed changes are intended to provide consistency with the National Poultry Improvement Plan (NPIP) guidance. NPIP is a national poultry program that focuses on health and biosecurity. Many states, including Montana, allow NPIP participation to satisfy their import requirements. The proposed changes will bring consistency to the age of testing and will assure that poultry not enrolled in the NPIP program still satisfy disease testing requirements. Additionally, much of the paperwork associated with the NPIP program has transitioned to an electronic format which negates the need for an import permit for participants. The proposed changes to this rule will streamline the import process for the department and poultry producers, while maintaining health standards that are consistent with the USDA and other states. 32.3.217 SPECIAL REQUIREMENTS FOR POULTRY (1) Poultry, including hatching eggs, may enter the state of Montana provided they are transported or moved in conformity with ARM 32.3.201 through 32.3.211 and are accompanied by ~~a permit or~~ an official health ~~certificate~~ or other approved documentation ~~as herein specified~~. (2) Poultry and hatching eggs originating from hatcheries or premises participating in the national poultry improvement plan may be accompanied by a VS Form 9-3 in lieu of an official health certificate. (3) Poultry and hatching eggs not originating from hatcheries or premises participating in the national poultry improvement plan: (a) shall obtain a permit from the state veterinarian of Montana (b) must be accompanied by an official health certificate of the state of origin attesting that they are free of infectious, contagious, or communicable disease or exposure thereto; and (c) all poultry older than 4 months of age must be officially Pullorum tested with negative results within 30 days

(4) Poultry must not be vaccinated or exposed to a live virus vaccine within 30 days of the date of shipment into Montana

(5) Shipping crates in which poultry and hatching eggs are shipped into the state of Montana must be new or thoroughly cleaned and disinfected before using for shipment.

~~(2) Baby chicks and turkey poults 14 days of age, or younger, and hatching eggs:~~
~~(a) Any person, firm or corporation shipping baby chicks and/or turkey poults 14 days of age, or younger, or hatching eggs into the state of Montana shall first obtain a permit from the state veterinarian of Montana.~~
~~(b) A permit will authorize shipments during the season for which the permit is issued, unless revoked for cause.~~
~~(c) A permit will not be granted to ship baby chicks or turkey poults 14 days of age or younger, which have been vaccinated or exposed to a live virus vaccine.~~
~~(d) A permit will be issued only if the baby chicks, turkey poults, or hatching eggs (except waterfowl eggs) originate in flocks, and are distributed from hatcheries or premises, participating in the national poultry improvement plan or national turkey improvement plan or operating under the supervision of the poultry disease control authority of the state of origin and are officially classified as pullorum typhoid clean or of equal status, and are free of infectious, contagious or communicable disease or exposure thereto.~~
~~(e) Each container of baby chicks or turkey poults 14 days of age, or younger or hatching eggs, shipped into the state of Montana shall bear the official label or certificate showing the name and address of the shipper, the authority under which the Pullorum Typhoid tests were done, the Pullorum Typhoid clean classification of the product, and the Montana shipping permit number. The official label or certificate must be approved by the official state agency or, the livestock sanitary official of the state of origin.~~
~~(3) Started chicks, turkey poults, and poultry, except for immediate slaughter, over 14 days of age, must be accompanied by an official health certificate of the state of origin attesting that they are:~~
~~(a) free of infectious, contagious, or communicable disease or exposure thereto; and~~
~~(b) officially Pullorum Typhoid tested with negative results within 30 days or originate directly from an official pullorum typhoid clean flock, hatchery, and premise or a flock, hatchery, and premise of equal status as determined by the livestock sanitary official of the state of origin; and~~
~~(c) not vaccinated or exposed to a live virus vaccine within 30 days of the date of shipment into Montana.~~
~~(4) Shipping crates in which poultry and hatching eggs are shipped into the state of Montana must be new or thoroughly cleaned and disinfected before using for shipment.~~ (History: 81-2-102, 81-20-101, MCA; IMP, 81-2-102, 81-20-101, MCA; Eff. 12/31/72; AMD, Eff. 11/4/75; AMD, Eff. 6/5/76; AMD, Eff. 5/5/77; AMD, 1977, MAR p. 962, Eff. 11/26/77; AMD, 1/20/78; 1978 MAR p. 579, Eff. 4/25/78; AMD, 1978 MAR p. 1179, Eff. 8/11/78; AMD, 1979 MAR p. 844, Eff. 8/17/79; AMD, 1980 MAR p. 1713, Eff. 6/27/80.)

Recommendation: Approve for final adoption of proposed changes.

Time needed: 5 minutes	Attachments:	Yes	No X	Board vote required:	Yes X	No

Agenda Item: Update on Activity of the Interagency Bison Management Plan (IBMP)

Background Info:

Recommendation:

Time needed: 5 minutes	Attachments:	Yes	No	Board vote required:	Yes	No X

Agenda Item:

XB TRAILER SALES
575 Vaughn S. Frontage Rd
Great Falls, MT 59404

QUOTE

Date	Estimate #
9/3/2020	1246

Clay Vines
Great Falls, MT

406.552.1515
www.xbtrailer.com

Project

Item	Description	Qty	Rate	Total
92733-525	2021 Lamar Gooseneck Dump Trailer, 83" x 16', 14K GVW, Hydraulic Jack, 14 Ply Tires, Spare Tire, Ramps, Tarp, 7 Gauge Floor, 24" Sides, 12" on center Floor Crossmembers, 110V Trickle Charger, Sand Blasted and Charcoal Gray Powder Coating.	1	10,950.00	10,950.00

Total $10,950.00

Board of Livestock Meeting

Agenda Request Form

From: Gregory Juda			Division/Program: MVDL		Meeting Date: 9/16/2020	
<u>Agenda Item:</u> MVDL Operations Update						
Background Info: An overview of recent MVDL operations will be provided. Recommendation: N/A						
Time needed: 5 minutes	Attachments:	Yes X	No	Board vote required	Yes	No X
<u>Agenda Item:</u> Preliminary cost analysis for CWD ELISA testing						
The MVDL has performed a preliminary cost analysis of the supply and labor required for the projected CWD ELISA testing volume in 2020. A summary is attached. Recommendation: N/A						
Time needed: 10 minutes	Attachments:	Yes X	No	Board vote required:	Yes	No X
<u>Agenda Item:</u>						
Recommendation:						
Time needed:	Attachments:	Yes	No	Board vote required:	Yes	No

MVDL Operations Update
Date: 9/4/2020
Prepared by: Gregory Juda, Director MVDL

- Proficiency testing has been completed for the CWD IHC assay and submitted to NVSL. We are awaiting results from NVSL at the time of this report.
- Training for the CWD ELISA assay was conducted on 9/4. We have ordered the proficiency test and expect to perform the proficiency testing the week of 9/7.
- MSU will be replacing the floor tile in the prep room beginning the week of 9/14. The project is expected to take two weeks with the first week dedicated to removal of the existing tile and asbestos abatement and the second week dedicated to the installation of new tile.
- The MVDL is teaming up with the South Dakota and the University of Illinois veterinary diagnostics labs to submit a joint Farm Bill grant proposal. The proposal is focused on improvements to the VADDS laboratory information management system in areas including electronic test requisitions, results messaging, lab data capture, and data extraction.
- AAVLD performed an interim audit of the MVLD on 9/3 via webex. This audit was a follow up to the site audit performed in 2017 and subsequent requests for additional follow up information. The audit committee will report back to the AAVLD accreditation committee in October at which time the committee will make a decision on the accreditation status of the MVDL. We believe that the audit went well and expect a favorable decision from the committee on our AAVLD accreditation standing.
- The new autostainer for histology has been installed and qualified for operation and is now in use. The two new pathology microscopes have been installed and are now in use.

Cost Analysis for CWD Testing

Supply	Cost
Testing Kit (180 samples, 12 Control)	$ 1,100.00
2mL tube (0.0437/tube * 180)	$ 7.87
NSP waste container (2 required)	$ 6.75
TeSeE deepwell (2 required)	$ 11.60
Grinding tubes (180 required)	$ 112.80
Razor blades (200)	$ 39.34
Ovation tips (192)	$ 15.95
15mL conical tube (5)	$ 1.18
50ml conical tube (5)	$ 1.80
Calibration Syringe and needle (200)	$ 60.00
Total/180 samples	**$ 1,386.38**
Total/10,980 samples (2020 season estimate)	**$ 84,569.18**
Direct Labor 3FTE @ $23.49/hour for 12 weeks (burdened @ 35%)	**$ 45,664.56**
Total ELISA Cost	**$ 130,233.74**
Projected test fees for 10,980 samples	**$ 153,720.00**

Board of Livestock Meeting

Agenda Request Form

From: Martin Zaluski, DVM, Acting Milk and Egg Bureau Chief	Division/Program: Animal Health/ Milk and Egg Bureau	Meeting Date: **September 16, 2020**

Agenda Item: USDA Shielded Egg fee increase

1. Upcoming fee increase per USDA resident grading contract: Early in 2019 the Bureau was approached by our cohorts at USDA, AMS regarding fee restructuring for the shielded egg grading program. The program had been running in the red at the federal level for some time and they determined restructuring how fees were collected would be the fastest and easiest way to get the program funding back in line. Montana, however, was also one of a handful of States who were negotiating their own rates with plants rather than using the published federal rates. Along with updating changing how fees were calculated we were asked to charge the published federal rates. Because this change would cause a significant increase in fees charged to the plants, Montana, along with the other States making the change, negotiated to phase in the increase. The phase in period, Federal FY 2020 is ending September 20, 2020 and, per our contract, the fees will be increase to the published Federal rates as of October 1, 2020. The Board last discussed these fees in January when we implemented rule 32-19-302 to authorize the fees in rule.

Recommendation: Approve

Time needed: 10 minutes	Attachments:	Yes X	No	Board vote required?	Yes X	No

Agenda Item:

Recommendation; Approve

Time needed:	Attachments:	Yes	No	Board vote required	Yes	No

Agenda Item:

Background Info:

Recommendation:

Time needed:	Attachments:	Yes	No	Board vote required:	Yes	No

Agenda Item:

Recommendation:

Time needed:	Attachments:	Yes	No	Board vote required:	Yes	No

Agenda Item:

Background Info:

Recommendation:

Time needed:	Attachments:	Yes	No	Board vote required:	Yes	No

Accounting Code -
Vendor I.D. (TIN) -
Vendor DUNS Number -

Agreement No. 19-LPQAD-MT-0021

COOPERATIVE AGREEMENT
between the
AGRICULTURAL MARKETING SERVICE
UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C. 20250
(hereinafter called the Federal Agency)
and the
MONTANA DEPARTMENT OF LIVESTOCK
HELENA, MONTANA 59620
(hereinafter called the State Agency)

1. Title of Agreement: Federal-State Poultry Grading Service (State Trust Fund)

2. Objective: To provide nationwide cooperative grading service for:
   a. Voluntary grading of shell eggs, poultry, and rabbits, hereinafter called "grading service."
   b. Voluntary auditing of shell eggs, poultry, and rabbits, hereinafter called "auditing service."
   c. Regulatory surveillance inspection of shell egg handlers and records applicable thereto, hereinafter called "regulatory service."

3. Statement of Work: This cooperative agreement shall be carried out by the organizational units or officials of the Federal Agency and the Cooperator in the manner and subject to the conditions provided in the Statement of Work, Form AMS-20-2, attached hereto and made a part of this Agreement.

4. Legal Authority: Agricultural Marketing Act of 1946 as amended (7 U.S.C. 1621 et seq.) and applicable laws of the State of MONTANA.

5. Revision: This Agreement supersedes Cooperative Agreement No. 12-25-A-5359, effective October 1, 2010, between the Montana Department of Livestock and the Agricultural Marketing Service.

6. Effective Date: September 29, 2019

7. Approvals: the signatories hereby certify that they have authority to enter into said cooperative agreement.

This Agreement is hereby approved for the State Agency.

Done at Helena, Montana on 7/29/19
(City and State) Date

[signature]
Signature

Executive Officer
Title

This Agreement is hereby approved for the Federal Agency.

Done at Washington, D.C. on 6/24/19
Date

[signature]
Associate Administrator
Agricultural Marketing Service

Form AMS 20-2 (02-18)

STATEMENT OF WORK – COOPERATIVE AGREEMENT NO 19-LPQAD-MT-0021

This STATEMENT OF WORK is part of the Cooperative Agreement between the Federal Agency and the State Agency specified on page 1, effective September 29, 2019, and having the title of Federal-State Poultry Grading Service (State Trust Fund).

I. INTRODUCTION: Federal and State employees conducting activities under terms of this Agreement shall be as follows:

1. For the Federal Agency - Federal Supervisors, agricultural commodity graders, and other personnel employed by the Quality Assessment Division of the Livestock and Poultry Program of the Agricultural Marketing Service. Federal employees will be under the supervision of the Federal Agency.
2. For the State Agency – Officials of the State Agency and other personnel employed by the State Agency. No State Agency employees shall receive Federal appointments. Salaries, duties, and hours of work of State employees will be controlled by the State Agency unless provided otherwise in this Agreement. The State Agency will provide technical supervision, with Federal Agency oversight, of Federally licensed state graders. State employees will be under the administrative supervision of the State Agency

II. RESPONSIBILITIES:

A. The Federal Agency will:

1. Provide technical training guidance to qualified State Agency employees in accordance with Federal policies and procedures.
2. Supervise Federal employees and provide technical oversight to State Agency employees to assure correct interpretation and application of official USDA grade standards, regulations, specifications, and procedures.
3. Issue Federal licenses to qualified and trained State Agency employees to perform services conducted under terms of this agreement and provide USDA standards, specifications, instructions, certificates, stamps and other Federal items required for service.
4. Determine the amount and methods of supervision necessary to ensure all services are performed correctly.
5. Approve plant facilities, labeling, compounds and materials used with services provided.
6. Designate a representative to perform the required survey of plant facilities for Quality Assessment Division services.
7. Approve the assignment of available Federal and licensed State personnel.
8. Establish fees for grading and auditing services.
9. Bill and collect:
    a. The Federal Agency will bill the State Agency each billing cycle for 20 percent of the total revenue billed by the State Agency for all grading and auditing services rendered by State licensed employees to State Agency customers.
    b. The Federal Agency will bill the State Agency each billing cycle for 80 percent of the total revenue billed by the State Agency for all grading services rendered by Federal employees to State Agency customers.
    c. The Federal Agency will bill all fees and expenses for grading and auditing services rendered to other Agencies of the Federal Government, auditing services rendered by Federal Agency employees and specified national corporate accounts.
10. Reimburse:
    a. The Federal Agency will reimburse the State Agency each billing cycle for 80 percent of the total revenue billed by the Federal Agency for all grading services rendered by State licensed employees to Federal Agency customers.
    b. The Federal Agency will reimburse the State Agency the following costs for regulatory services:
        i. Salaries, fringe benefits, travel, per diem, and approved indirect costs for State employees during the period of their inspection service training.

ii. Claims from the State Agency (with detailed fiscal documentation) for inspection services performed by licensed State inspectors to include salaries for all regular, overtime and holiday hours worked, fringe benefits as mutually agreed upon in writing, and approved direct and indirect costs, if applicable

iii. Costs of regulatory services.

11. Maintain records of receipts from work performed, making them available for examination by a State Agency representative.
12. Assume the risks of collections due the Federal Agency for work performed under this agreement.

B. The State Agency will:

1. Use only USDA grade standards, regulations, specifications, procedures, and certificates in providing services.
2. Assign State Agency employees to attend technical training required by the Federal Agency and pay related salaries, travel costs, and per diem of the State Agency employees.
3. Assign and reassign each State Agency employee with the prior concurrence of the Federal supervisor. Relief and minor adjustments can be at the discretion of the State Agency.
4. Ensure an adequate number of staff are available to provide technical supervision of Federally licensed state graders.
5. Ensure state employees be provided the use of computers, required software, printers, and scanners in order to have access to email, web sites & portals, and electronically process certificates and related official documents.
6. Keep the Federal Agency informed of each State Agency employee's work assignments when they are performing Federal grading, certification, and/or audit services.
7. Make services available only on an hourly unscheduled (fee and audit) basis or a scheduled (resident) basis, described and provided for in the applicable regulations of the Federal Agency.
8. Furnish program reports required by the Federal Agency and retain the copies for the retention period required by the Federal Agency.
9. Perform the regulatory service. The State Agency may submit a request for the Federal Agency to handle such work when the State does not desire to do so.
10. Bill and Collect:
    a. All fees and expenses for services rendered except for grading and auditing services rendered to other Agencies of the Federal Government, auditing services rendered by Federal Agency employees and specified national corporate accounts. The State Agency will retain 80 percent of the total revenue billed each billing cycle for all grading and auditing services rendered by State licensed employees to State Agency customers and collected by the State Agency.
    b. For services rendered in the first year of this cooperative agreement - at a rate equal to 50% of the difference between the Federal Agency hourly billing rate listed in the Federal Agency regulations and the current State Agency rate plus $8.

       (State rate + $8) + ((Federal rate – (State rate + $8)) x .50)

    c. For services rendered in subsequent years of this cooperative agreement - at the Federal Agency hourly billing rate listed in the Federal Agency regulations.
    d. For actual cost of expenses for services rendered, where applicable.
11. Reimburse:
    a. The Federal Agency 20 percent of the total revenue billed for all grading and auditing services rendered by State licensed employees to State Agency customers and collected by the State Agency.
    b. The Federal Agency 80 percent of the total revenue billed for all grading service rendered by Federal licensed employees to State Agency customers and collected by the State Agency.
12. Each billing cycle, provide an accounting of the number of hours and amount of hourly fees and expenses billed, separated by service type: scheduled (resident), unscheduled (fee), and audit.
13. On an annual basis, provide an accounting of the State Agency's:
    a. Deposits to the State Trust Fund and expenditures from the State Trust Fund.
    b. State grader, supervisory, and administrative support hours worked separated by service type: scheduled (resident), unscheduled (fee), and audit.

14. Maintain records of receipts from work performed, making them available for examination by a Federal Agency representative.
15. Assume the risks of collections due the State Agency for work performed under this agreement.

C. <u>It is mutually agreed and understood that:</u>

1. The fees for grading and auditing services will be according to the regular schedule of fees and billing rates specified in the Federal Agency's regulations. The State Agency is not required to use all of the Federal rates listed in the regulations, but the State Agency may only use the listed rates. For example, the State Agency can choose to bill only at the Federal regular, overtime, and holiday rates and not use the night differential or Sunday differential rates. In addition, the State Agency can use its own rules about when to charge holiday, overtime, and night differential rates—even if that differs from how the Federal Agency charges the rate. For example, if the State Agency does not consider overtime to occur until after 12 hours have been worked, the State Agency may apply that rule. However, the rule must be justifiable; in other words, the State Agency could not charge only the overtime rate without ever charging the regular rate. The State Agency may not charge a different rate category other than those listed in the Federal regulations. For example, a State with a "shift differential" must charge that at either the Federal regular rate or a night differential rate.
2. A State customer is a company that the State bills for services. A Federal customer is a company that the Federal government bills for services.
3. User fees deposited to the credit of the State Trust Fund for work performed under this agreement will be used solely for expenses related to performing and supporting the services specified in this agreement. The funds can be used for overhead costs to support the program to include some State Government costs (e.g., information technology, human resources), but only the amount attributed to support the program. The amounts must be reasonable and supportable.
4. State Agency payments to the Federal Agency shall be by ACH or check (mailed to the address designated by the Federal Agency) and received by the due date specified on the invoice. Payments received after the due date will be subject to penalty and late fees. Federal Agency payments to the State Agency shall be by ACH or check (mailed to the address designated by the State Agency) and in accordance with the Prompt Payment Act.
5. Procedures and methods used for providing services shall be according to the Rules and Regulations of the Federal Agency, 7 CFR 56, 7 CFR 70 and 7 CFR 62. Fee and service related charges shall also be according to these regulations.
6. Product licensing of all State Graders will be the joint responsibility of the Federal and State Agency and will be conducted in accordance with current Federal licensing instructions.
7. Interpretation of the standards of USDA quality, grades, inspection, certification, operational requirements and procedures remain with the Federal Agency.
8. Certificates shall be Federal and be issued by the Federal Agency.
9. If the Federal Agency determines that the State Agency is unable or unwilling to provide adequate technical supervision, the amount of revenue that the State Agency retains will be reduced by 2 percent. The State Agency will retain 78 percent and reimburse the Federal Agency 22 percent of the total revenue billed for all grading and auditing services rendered by State licensed employees to State Agency customers and collected by the State Agency. The Federal Agency will reimburse the State Agency 78 percent of the total revenue billed by the Federal Agency for all grading services rendered by State licensed employees to Federal Agency customers.
10. The Federal Agency reserves the right to suspend or revoke any license when it deems such action to be for the good of the service; and will furnish the State Agency with a written statement of the reasons for any such action.
11. All applications for scheduled (resident) service provided for under this agreement and approved by the State Agency must have the concurrence of the Federal Agency. Each Agency will retain copies.
12. If this agreement is terminated:
    a. User fees deposited to the credit of the Federal Trust fund will continue to be available for disbursement as provided for in this agreement; and any remaining unobligated balance and any assets purchased from such account shall be available for use in any Quality Assessment Division program of the Federal Agency.
    b. User fees deposited to the credit of the State Trust fund, except a reasonable amount necessary to settle outstanding obligations, as documented by the state and agreed to by the Federal Agency, will be immediately transferred to any succeeding entity with which AMS has established a cooperative agreement. If no agreement is entered into with such

succeeding entity and grading and auditing services are then being provided in the State by the Federal Agency or by another department or agency with the Federal Government, all such funds or property will immediately revert to the Federal Agency for disposition into a Federal Trust Fund Account and made available for use in the State. If there is no Federal inspection provided in the State by the Federal Agency or by another department or agency within the Federal Government following 1 year from the termination of this Agreement, all remaining funds, interest accrued and/or property, less reasonable administrative costs, as documented by the State and agreed to by the Federal Agency, will be promptly distributed by the State on a pro-rata basis to persons or organizations who received Federal-State inspection service from the State within 3 years prior to the termination of this Agreement.

c. Reimbursement from Federal Appropriated Funds will be made on a prorated basis for that part of the Federal fiscal year during which the regulatory services were performed by the State Agency.

13. All aspects of this Agreement shall be executed in accordance with all applicable parts of USDA's Uniform Federal Assistance Regulation (7 CFR 3015 et seq.), or as they may be later revised, and successive published regulations, as appropriate which are hereby incorporated by reference and made part of this Agreement. The State Agency confirms that it understands and is bound by the above regulations.
14. As a condition of this award, the State Agency agrees to comply with and require sub-recipients to comply with the requirements contained in:
    a. Standard Form 424B, Assurances – Non-Construction Programs.
    b. Form AD-1047, Certification Regarding Debarment, Suspension, and Other Responsibility Matters – Primary Covered Transactions.
    c. Form AD-1048, Certification regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion – Lower Tier Covered Transactions. NOTE: The recipient is responsible for obtaining the signatures and retaining the certificates, if warranted, from lower tier recipients or contractors as defined in 7 CFR 3017.
    d. Form AD-1049, Certification Regarding Drug Free Workplace Requirements (Grants) Alternative 1 – For Grantees Other Than Individuals.
    e. Certification Regarding Lobbying. NOTE: The appropriate lobbying disclosure report form, SF-LLL, is available from Federal Agency if applicable.

    Exception to the above:
    Certification Regarding Lobbying is not required from recipients of a Federal contract, Grant, or cooperative agreement of $100,000 or less.

15. Equipment purchased from Federal funds for carrying out the purposes of this Agreement shall remain the property of the Federal Agency subject to removal or disposition at any time. Equipment purchased from State funds shall remain the property of the State Agency subject to its disposition.
16. Subject to the availability of funds in the Federal trust fund account and continuation of the necessary legal authority, this agreement shall continue in force until terminated by mutual consent or by either party giving written notice to the other 90 days in advance of a specified date of termination.
17. The Federal Agency will notify the State Agency at least one year in advance of any changes to the agreement that have a financial impact on either the State Agency or Federal Agency
18. All other details of operation under the terms of this Agreement shall be worked out to the mutual satisfaction of both parties and shall be confirmed in writing.
19. No member of Congress or Resident Commissioner shall be admitted to any share or part of this Agreement or to any benefit to arise therefrom, unless it be made with a corporation for its general benefit.
20. The Comptroller General of the United States or his duly authorized representative and accredited representative of the Federal Agency or cognizant audit agency shall have access to and the right to examine all records, books, papers, or documents related to the Agreement.
21. Each party to this Agreement shall be responsible for, and assume liability for, any decisions made by such party pursuant to this Agreement and any actions taken pursuant to such decisions. Furthermore, neither party shall be responsible for, and assumes no liability for, decisions made by the other party under the terms of the Agreement.

Equal Employment Opportunity and Civil Rights

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.

In support of the Department's policy, equal employment opportunity and civil rights for all employees and clients are an essential part of all programs administered by AMS. Cooperators are strongly encouraged to develop and support an equal employment opportunity and civil rights program in carrying out the partnership created with this cooperative agreement.

Board of Livestock Meeting

Agenda Request Form

From: **Brian Simonson**			Division/Program: **Centralized Services**		Meeting Date: **09/16/2020**	
Agenda Item: **HB10 ITS Project Update**						
Background Info: Report out on timeline of HB10 initiatives and seeking approval for a couple maintenance agreements. Recommendation: n/a						
Time needed: 15 Min	Attachments:	Yes X	No	Board vote required:	Yes X	No
Agenda Item: **2021 Legislative Budget Update**						
Background Info: Report out progress and news related to the budget process moving towards this legislative session. Recommendation: n/a						
Time needed: 10 Min	Attachments:	Yes	No X	Board vote required:	Yes	No X
Agenda Item: **Per Capita Fee (PCF) Rate Change Proposal**						
Background Info: This is an annual report including an estimated CY21 PCF maximum revenue increase and three PCF rate change proposals. The board will discuss and vote to set PCF rate for the 2020 calendar year reporting period. Recommendation: n/a						
Time needed: 15 min	Attachments:	Yes X	No	Board vote required	Yes X	No
Agenda Item: **August 31, 2020 State Special Revenue Report**						
Background Info: Report for month end comparisons of state special revenues. Recommendation: n/a						
Time needed: 10 min	Attachments:	Yes X	No	Board vote required:	Yes	No X
Agenda Item: **September 2020 through June 2021 Expenditure Projections**						
Background Info: Report expenditure projections by division and/or bureau and attached boards. Recommendation: n/a						
Time needed: 15 min	Attachments:	Yes X	No	Board vote required?	Yes	No X
Agenda Item: **August 31, 2020 Budget Status report**						
Background Info: Report expenditure to budget comparison report by division and/or bureau and attached boards. This report also compares current year expenditures to prior year expenditures. Recommendation: n/a						
Time needed: 5 min	Attachments:	Yes X	No	Board vote required	Yes	No X

Mr. Chair, members of the Board.

Today I will be speaking about our plans going forward with our HB10 project and asking for a Board vote on starting to expend the funding that was provided last session. Without the vote I cannot proceed with our internal processes with the Department of Administration to officially start the project and in turn will extend our timelines with our vendors as well.

When I initially proposed this to the Board for approval prior for legislative submission back in 2018, a large document was provided that laid out, in detail, the plan of unifying as many systems possible and also migrating current out of date applications that are not supported and were written in house by folks who have long since been gone from the department.

The end result is still the same, the path to the end has changed. Initially we were looking at full system replacements for the Milk and Egg application and the Meat and Poultry inspection application along with a possible change in our current Lab application. After extensive meetings with our current Vendors we have found that we can add “modules” to our existing applications which is a more cost-effective solution also allows us to add more functionality as well.

The breakdown in each area is as follows:

Milk and Egg

The migration from the old system into VADDS is already 75% completed. The remaining 25% of the integration is estimated at $7500 to complete this integration. There is a hardware cost of $7500 to allow the Sanitarians to have devices to enter in data in the field. There will be in annual maintenance agreement fee increase of $3000 added on the to the existing agreement for a total of $14,545 annually.

After completion, the data for all of Milk and Egg will be stored in one database with close to real time data from the Sanitarians to the Milk lab and Helena offices. Reporting and licensing will be coming from one source and support will be able to be maintained easier and more efficient from both Helena IT staff and back by vendor support when needed. Prior to this, there was a lot of manual entries, and two different systems had to be accessed in order to run reports or produce licenses.

Meat and Poultry

Our current vendor Acclaim (USAHerds) has held several meetings with our subject matter experts in Meat and Poultry and IT to review our needs based on our current system and what else we can add to increase functionality. With the new integration the department will be able to do the following in one system:

- capture and store licensing data
- print licenses
- search and create label data
- print label reports
- capture and store and query weekly slaughter reports
- capture and store custom exempt and meat depot inspections including capture violations
- capture and store poundage reports

- compliance investigations/inspections
- ability to link an incident to a license

This will also be able to be supported more efficiently by local IT with the backing of our vendor support when needed as well. The development costs including data migration from the old system to the new is estimated at $175,218. We are also in talks with the State of Missouri who is looking at doing the same as our Department so there may be some cost savings on any cross functional parts of the development that we may be able to split out so duplication is avoided. As for an annual maintenance agreement there will be no change in our current costs.

Brands

In meetings and conversations with both our vendor (Fort Supply) and internal employees we are looking at migrating our current Brands system which is provided by Axiom into Fort Supply so we have one system that all data will be stored and can be accessed from. Right now, there is a manual process for our Markets and Investigators to import the current Brand information from Axiom into Fort Supply for sale data and or investigation purposes. This migration would eliminate that manual process making it real time and one less application to support. Along with that we are looking at adding Electronic Brand inspections and a mobile brand lookup for both internal and external customers. Currently the mobile application has not been able to be supported since 2016.

The estimate to implement all the above is $266,000 and again it is still to be determined what the increase of our ongoing maintenance agreement will be.

Future

The remaining balance of the HB10 funds will go to implementing an application that will have the ability to allow internal employees to cross reference data across the three main areas of the department. Along with strict security this application will have, it will allow external customers abilities to look up information needed from the department. This application has yet to be vetted so I have no estimated on costs at this point.

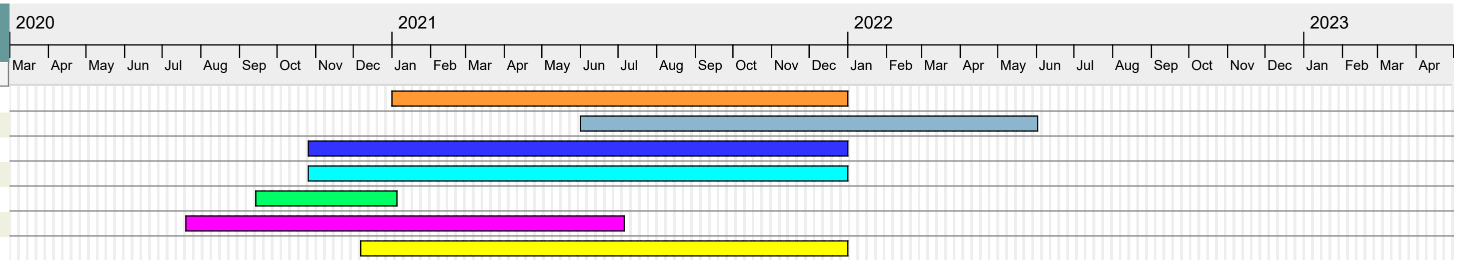
Quick reference of estimates

Estimates	
HB10 Funds	$1,300,000.00
Estimated expenditures	$456,218.00
Balance remaining	$843,782.00

Individual Vendor estimates	
Fort Supply Totals	$266,000.00
USAHerds Totals	$175,218.00
VADDS Totals	$15,000.00

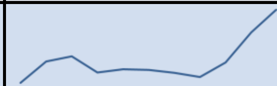
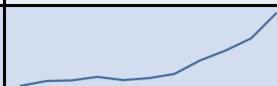
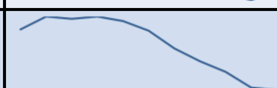
Gantt Chart

Name	Begin d...	End date
ReRecord	1/1/21	12/31/21
Fort Supply Brands Implementation	6/1/21	6/1/22
Fort Supply Brands Mobile application	10/26/20	12/31/21
Fort Supply Electronic Inspection	10/26/20	12/31/21
Milk and Egg Implementation	9/14/20	1/4/21
Meat and Poultry Implementation	7/20/20	7/5/21
CRM	12/7/20	12/31/21



MONTANA DEPARTMENT OF LIVESTOCK
PER CAPITA FEE RATES
REPORTING PERIOD 2021

Livestock Reported 2010-2020

Livestock Type	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Trending Graphics
Horses and Mules	73,003	73,148	73,812	73,485	71,630	73,334	63,724	57,532	55,087	52,678	54,180	
Cattle	1,724,046	1,749,454	1,788,423	1,797,032	1,794,917	1,863,790	1,886,155	1,880,995	1,881,101	1,888,950	1,960,296	
Domestic Bison	6,725	9,118	9,669	7,864	8,235	8,154	7,827	7,369	8,980	12,349	14,975	
Sheep	178,578	172,141	171,052	177,041	168,197	170,995	159,997	155,011	155,532	151,485	154,214	
Swine	81,861	82,821	90,572	90,499	85,672	81,224	85,128	83,654	77,322	81,930	87,114	
Goats	6,705	6,049	6,478	6,391	6,194	6,776	6,855	7,165	7,348	7,706	8,795	
Poultry	397,998	444,977	451,477	487,099	456,149	474,835	517,185	654,085	755,626	878,560	1,140,385	
Bees (Honey Bees as of 01/2018)	46,693	46,590	45,929	51,014	50,192	50,974	58,837	55,244	49,285	49,588	46,411	
Alternative Livestock	1,229	1,173	888	771	748	802	578	571	583	612	555	
Ratites	127	106	117	184	116	110	93	130	94	88	97	
Llamas and Alpacas	1,800	1,954	1,927	1,955	1,901	1,785	1,567	1,411	1,285	1,094	1,066	

MONTANA DEPARTMENT OF LIVESTOCK
PER CAPITA FEE COLLECTIONS
THREE YEAR AVERAGE
FY 2018 to 2020

THREE YEAR AVERAGE:

FY 2018		**4,947,967**
FY 2019		**4,893,743**
FY 2020		**4,975,214**
Three Year Total	**$**	**14,816,924**
Total Three Year Average	**$**	**4,938,975**
110% of Annual Average Maximum Revenue Increase	**$**	**5,432,872**
Less 2% Collection	**$**	**5,324,215**

Note: From State Fiscal Year 2018 through FY 2020 based on actual collections recorded on SABHRS as of September 8, 2020. The Department of Livestock has collected an average of $4,938,975 in per capita fee on livestock. In accordance with 15-24-922 (2) MCA, the maximum the Department of Livestock may collect is 110% of the previous three year average. The Board is statutorily limited to increase the per capita fee to no more than $5,432,872 in FY 2021. Based on headcount only - the maximum increase in revenue from FY 2020 to FY 2021 would be $457,658 ($5,432,872 - $4,975,214 = $457,658).

The Department of Revenue receives 2% for collecting this revenue. The total amount of revenue remaining after paying DOR would be $5,324,215.

MONTANA DEPARTMENT OF LIVESTOCK
Per Capita Fee Head Counts and Projected Revenue FY 2021

Scenario One : Across the Board Increase of 5.4%

LIVESTOCK CATEGORY	CY 2020 Head Counts	Present Rate FY 2020	Projected Revenue No Rate Change	Change in Present Rate*	Proposed Rate Per Category	Projected Revenue with Rate Changes
CATTLE	**1,960,812**	$2.29	$4,490,259	$0.12	$2.41	$4,725,557
SHEEP & GOATS	**163,009**	$0.54	$88,025	$0.03	$0.57	$92,915
HORSES & MULES	**54,187**	$5.85	$316,994	$0.32	$6.17	$334,334
SWINE	**87,114**	$0.78	$67,949	$0.04	$0.82	$71,433
POULTRY	**1,140,410**	$0.05	$57,021	$0.00	$0.05	$57,021
BEES	**46,411**	$0.41	$19,029	$0.02	$0.43	$19,957
LLAMAS	**1,066**	$9.73	$10,372	$0.53	$10.26	$10,937
BISON	**14,975**	$6.38	$95,541	$0.34	$6.72	$100,632
DOMESTIC UNG.	**555**	$26.33	$14,613	$1.42	$27.75	$15,401
RATITES	**97**	$9.73	$944	$0.53	$10.26	$995
Totals	**3,468,636**		**$5,160,747**			**$5,429,182**

Notes: Scenario One applies an across the board maximum increase of approximately 5.4% without going beyond the statutory allowable revenue collection amount of $5,432,872. The percent per category will vary slightly due to rounding as it is not practical to bill producers a partial cent rate. It is the Board's discretion to apply rates to any category up to the maximum revenue threshold.

MONTANA DEPARTMENT OF LIVESTOCK
Per Capita Fee Head Counts and Projected Revenue FY 2021

Scenario Two : Increase Cattle 1% and all other categories by approximately 10%

LIVESTOCK CATEGORY	CY 2020 Head Counts	Present Rate FY 2020	Projected Revenue No Rate Change	Change in Present Rate*	Proposed Rate Per Category	Projected Revenue with Rate Changes
CATTLE	**1,960,812**	$2.29	$4,490,259	$0.02	$2.31	$4,529,476
SHEEP & GOATS	**163,009**	$0.54	$88,025	$0.05	$0.59	$96,175
HORSES & MULES	**54,187**	$5.85	$316,994	$0.59	$6.44	$348,964
SWINE	**87,114**	$0.78	$67,949	$0.08	$0.86	$74,918
POULTRY	**1,140,410**	$0.05	$57,021	$0.01	$0.06	$68,425
BEES	**46,411**	$0.41	$19,029	$0.04	$0.45	$20,885
LLAMAS	**1,066**	$9.73	$10,372	$0.97	$10.70	$11,406
BISON	**14,975**	$6.38	$95,541	$0.64	$7.02	$105,125
DOMESTIC UNG.	**555**	$26.33	$14,613	$2.63	$28.96	$16,073
RATITES	**97**	$9.73	$944	$0.97	$10.70	$1,038
Totals	**3,468,636**		**$5,160,747**			**$5,272,485**

Notes: Scenario Two applies a 1% increase to cattle and an increase of approximately 10% to all other categories resulting in approximately $111,738 revenue increase over prior year but $160,387 below the statutory maximum allowable increase of $5,432,872. The percent per category will vary slightly due to rounding as it is not practical to bill producers a partial cent rate. It is the Board's discretion to apply rates to any category up to the maximum revenue threshold.

MONTANA DEPARTMENT OF LIVESTOCK
Per Capita Fee Head Counts and Projected Revenue FY 2021

Scenario Three : Increase Cattle 2.0% and all other categories by approximately 2.0%

LIVESTOCK CATEGORY	CY 2020 Head Counts	Present Rate FY 2020	Projected Revenue No Rate Change	Change in Present Rate*	Proposed Rate Per Category	Projected Revenue with Rate Changes
CATTLE	**1,960,812**	$2.29	$4,490,259	$0.05	$2.34	$4,588,300
SHEEP & GOATS	**163,009**	$0.54	$88,025	$0.01	$0.55	$89,655
HORSES & MULES	**54,187**	$5.85	$316,994	$0.12	$5.97	$323,496
SWINE	**87,114**	$0.78	$67,949	$0.02	$0.80	$69,691
POULTRY	**1,140,410**	$0.05	$57,021	$0.00	$0.05	$57,021
BEES	**46,411**	$0.41	$19,029	$0.01	$0.42	$19,493
LLAMAS	**1,066**	$9.73	$10,372	$0.19	$9.92	$10,575
BISON	**14,975**	$6.38	$95,541	$0.13	$6.51	$97,487
DOMESTIC UNG.	**555**	$26.33	$14,613	$0.53	$26.86	$14,907
RATITES	**97**	$9.73	$944	$0.19	$9.92	$962
Totals	**3,468,636**		**$5,160,747**			**$5,271,587**

Notes: Scenario Two applies a 2% increase to cattle and an increase of approximately 2% to all other categories resulting in approximately $110,840 revenue increase over prior year but $161,285 below the statutory maximum allowable increase of $5,432,872. The percent per category will vary slightly due to rounding as it is not practical to bill producers a partial cent rate. It is the Board's discretion to apply rates to any category up to the maximum revenue threshold.

MONTANA DEPARTMENT OF LIVESTOCK
STATE SPECIAL REVENUE REPORT
AUGUST 31, 2020

DEPARTMENT OF LIVESTOCK
STATE SPECIAL REVENUE COMPARISON FY 2021

Fund Description	FY 2020 as of August 31, 2019	FY 2021 as of August 31, 2020	Difference August 31 FY20 & FY21	Budgeted Revenue FY 2021
02425 Brands				
New Brands & Transfers	$ 71,072	$ 89,905	$ 18,833	$ 413,725
Re-Recorded Brands	77,451	77,451	-	464,705
Security Interest Filing Fee	14,356	6,395	(7,961)	47,500
Livestock Dealers License	4,915	18,820	13,905	76,764
Local Inspections	36,075	36,600	525	334,800
Market Inspection Fees	47,307	54,152	6,845	1,625,200
Investment Earnings	6,316	822	(5,494)	55,000
Other Revenues	8,988	5,189	(3,799)	307,225
Total Brands Division Revenue	**$ 266,480**	**$ 289,334**	**$ 22,854**	**$ 3,324,919**
02426 Per Capita Fee (PCF)				
Per Capita Fee	$ 110,161	$ 196,552	$ 86,391	$ 4,900,040
Indirect Cost Recovery	43,012	-	(43,012)	219,930
Investment Earnings	21,409	4,260	(17,149)	190,322
Total Per Capita Fee Revenue	**$ 174,582**	**$ 200,812**	**$ (16,782)**	**$ 5,478,592**
02427 Animal Health				
Animal Health Licenses & Permits	$ 325	$ 350	$ (25)	$ 9,650
Books & Trich Tag Sales	1,400	387	1,013	28,800
Investment Earnings	108	23	(85)	1,500
Total Animal Health Revenue	**$ 1,833**	**$ 760**	**$ 903**	**$ 39,950**
02701 Milk Inspection				
Inspectors Assessment	$ 58,180	$ 30,227	$ (27,953)	$ 345,000
Investment Earnings	286	9	(277)	3,000
Total Milk Inspection	**$ 58,466**	**$ 30,236**	**$ (28,230)**	**$ 348,000**
02262 EGG GRADING				
Inspectors Assessment	$ 22,898	$ 36,983	$ 14,085	$ 165,000
Total EGG GRADING	**$ 22,898**	**$ 36,983**	**$ 14,085**	**$ 165,000**
06026 Diagnostic Lab Fees				
Lab Fees	$ 73,084	$ 103,322	$ 30,238	$ 1,196,667
Other Revenues	390	253	(137)	4,000
	$ 73,474	**$ 103,574**	**$ 30,101**	**$ 1,200,667**
Combined State Special Revenue Total	**$ 597,733**	**$ 661,699**	**$ 22,931**	**$ 10,557,128**
Voluntary Wolf Donation Fund - per 81-7-123 MCA				
Donations	$ 329	$ 10,890	$ 10,561	$ 5,000

The voluntary wolf donation fund is donations that will be transferred to wildlife services for predator control. The department transferred $46,071 to wildlife services in August 2020.

Laboratory fee revenue is recorded in the month that statements are mailed to customers. This leads to revenues being recorded in the financial statements a month after they are earned. Accordingly, the revenue for laboratory fees in the amount of $103,322 are for the period ending August 2020. At fiscal year end, revenues earned in June 2020 will be recorded in FY 2021.

MONTANA DEPARTMENT OF LIVESTOCK
EXPENSE PROJECTION REPORT
AUGUST 31, 2020

MONTANA DEPARTMENT OF LIVESTOCK
PROJECTED EXPENSE TO BUDGET COMPARISON REPORT
AUGUST 31, 2020

DIVISION: **DEPARTMENT OF LIVESTOCK**
PROGRAM: **DEPARTMENT OF LIVESTOCK**

		Year-to-Date Actual Expenses August FY 2021	Projected Expenses September to June 2021	FY 2021 Projected Year End Expense Totals	FY 2021 Budget	Projected Budget Excess/ (Deficit)
	BUDGETED FTE	137.62				
	A	B	C	D	E	F
	61000 PERSONAL SERVICES					
1	61100 SALARIES	$ 824,738	$ 5,932,894	$ 6,757,632	$ 6,773,314	$ 15,682
2	61200 OVERTIME	16,044	144,422	160,466	161,312	846
3	61300 OTHER/PER DIEM	500	5,300	5,800	6,300	500
4	61400 BENEFITS	378,761	2,438,165	2,816,926	2,863,664	46,738
5	TOTAL PERSONAL SERVICES	1,220,043	8,520,781	9,740,824	9,804,590	63,766
6	62000 OPERATIONS					
7	62100 CONTRACT	84,304	1,537,668	1,621,972	1,705,315	83,343
8	62200 SUPPLY	103,986	797,501	901,487	940,314	38,827
9	62300 COMMUNICATION	22,301	243,914	266,215	266,462	247
10	62400 TRAVEL	12,799	169,745	182,544	203,876	21,332
11	62500 RENT	72,511	509,420	581,931	635,896	53,965
12	62600 UTILITIES	6,928	40,873	47,801	46,831	(970)
13	62700 REPAIR & MAINT	41,908	144,552	186,460	180,937	(5,523)
14	62800 OTHER EXPENSES	80,116	553,499	633,615	654,985	21,370
15	TOTAL OPERATIONS	424,853	3,997,172	4,422,025	4,634,616	212,591
16	63000 EQUIPMENT					
17	63100 EQUIPMENT	-	149,354	149,354	149,354	-
18	TOTAL EQUIPMENT	-	149,354	149,354	149,354	-
19	68000 TRANSFERS					
20	68000 TRANSFERS	-	339,942	339,942	342,481	2,539
21	TOTAL TRANSFERS	-	339,942	339,942	342,481	2,539
22	**TOTAL EXPENDITURES**	$ 1,644,896	$ 13,007,249	$ 14,652,145	$ 14,931,041	$ 278,896
23						
24	**BUDGETED FUNDS**					
25	01100 GENERAL FUND	$ 223,206	$ 2,956,900	$ 3,180,106	$ 3,060,732	$ (119,374)
26	02262 SHIELDED EGG GRADING FEES	17,728	166,915	184,643	351,733	167,090
27	02425 BRAND INSPECTION FEES	458,036	2,695,472	3,153,508	3,153,508	-
28	02426 PER CAPITA FEE	477,021	3,861,578	4,338,599	4,487,002	148,403
29	02427 ANIMAL HEALTH	-	5,721	5,721	5,721	-
30	02701 MILK INSPECTION FEES	27,505	264,710	292,215	361,944	69,729
31	02817 MILK CONTROL	25,089	200,527	225,616	293,197	67,581
32	03209 MEAT & POULTRY INSPECTION	147,387	936,644	1,084,031	1,084,031	-
33	03032 SHELL EGG FEDERAL INSPECTION FEES	91	21,339	21,430	23,288	1,858
34	03427 FEDERAL UMBRELLA PROGRAM	75,846	698,065	773,911	778,177	4,266
35	03673 FEDERAL ANIMAL HEALTH DISEASE GRA	26,049	104,951	131,000	131,000	-
36	06026 DIAGNOSTIC LABORATORY FEES	166,938	1,094,427	1,261,365	1,200,708	(60,657)
37	**TOTAL BUDGETED FUNDS**	$ 1,644,896	$ 13,007,249	$ 14,652,145	$ 14,931,041	$ 278,896

Due to the lag in timing that expenses are able to be posted to the accounting system, projected expenses are calculated using eleven months to the end of the year instead of the anticipated ten months.

MONTANA DEPARTMENT OF LIVESTOCK
PROJECTED EXPENSE TO BUDGET COMPARISON REPORT
AUGUST 31, 2020

DIVISION: **CENTRALIZED SERVICES**
PROGRAM: **CENTRAL SERVICES AND BOARD OF LIVESTOCK**

		Year-to-Date Actual Expenses August FY 2021	Projected Expenses September to June 2021	FY 2021 Projected Year End Expense Totals	FY 2021 Budget	Projected Budget Excess/ (Deficit)
	BUDGETED FTE	13.00				
	A	B	C	D	E	F
	61000 PERSONAL SERVICES					
1	61100 SALARIES	$ 101,632	$ 695,538	$ 797,170	$ 788,715	$ (8,455)
2	61300 OTHER/PER DIEM	400	3,850	4,250	4,500	250
3	61400 BENEFITS	38,218	266,732	304,950	303,343	(1,607)
4	TOTAL PERSONAL SERVICES	140,250	966,120	1,106,370	1,096,558	(9,812)
5						
6	62000 OPERATIONS					
7	62100 CONTRACT	18,119	166,147	184,266	230,640	46,374
8	62200 SUPPLY	11,789	57,781	69,570	113,693	44,123
9	62300 COMMUNICATION	2,448	38,372	40,820	41,876	1,056
10	62400 TRAVEL	1,623	11,498	13,121	24,007	10,886
11	62500 RENT	12,694	144,476	157,170	207,053	49,883
12	62700 REPAIR & MAINT	-	2,185	2,185	2,195	10
13	62800 OTHER EXPENSES	367	17,389	17,756	31,171	13,415
14	TOTAL OPERATIONS	47,040	437,848	484,888	650,635	165,747
15	68000 TRANSFERS					
16	68000 TRANSFERS	-	99,942	99,942	102,481	2,539
17	TOTAL TRANSFERS	-	99,942	99,942	102,481	2,539
18	**TOTAL EXPENDITURES**	$ 187,290	$ 1,503,910	$ 1,691,200	$ 1,849,674	$ 158,474
19						
20	**BUDGETED FUNDS**					
21	02426 PER CAPITA	$ 187,290	$ 1,503,910	$ 1,691,200	$ 1,849,674	$ 158,474
22	**TOTAL BUDGETED FUNDS**	$ 187,290	$ 1,503,910	$ 1,691,200	$ 1,849,674	$ 158,474

Due to the lag in timing that expenses are able to be posted to the accounting system, projected expenses are calculated using eleven months to the end of the year instead of the anticipated ten months.

MONTANA DEPARTMENT OF LIVESTOCK
PROJECTED EXPENSE TO BUDGET COMPARISON REPORT
AUGUST 31, 2020

DIVISION: **CENTRALIZED SERVICES**
PROGRAM: **LIVESTOCK LOSS BOARD**

		Year-to-Date Actual Expenses August FY 2021	Projected Expenses September to June 2021	FY 2021 Projected Year End Expense Totals	FY 2021 Budget	Projected Budget Excess/ (Deficit)
	BUDGETED FTE	1.00				
	A	B	C	D	E	F
	61000 PERSONAL SERVICES					
1	61100 SALARIES	$ 9,581	$ 66,447	$ 76,028	$ 73,670	$ (2,358)
2	61300 OTHER/PER DIEM	100	350	450	450	-
3	61400 BENEFITS	3,370	21,769	25,139	24,616	(523)
4	TOTAL PERSONAL SERVICES	13,051	88,566	101,617	98,736	(2,881)
5						
6	62000 OPERATIONS					
7	62100 CONTRACT	70	654	724	1,889	1,165
8	62200 SUPPLY	-	951	951	1,683	732
9	62300 COMMUNICATION	162	2,119	2,281	3,496	1,215
10	62400 TRAVEL	-	1,658	1,658	2,333	675
11	62500 RENT	325	3,546	3,871	4,034	163
12	62700 REPAIR & MAINT	-	3	3	49	46
13	62800 OTHER EXPENSES	278	802	1,080	1,361	281
14	TOTAL OPERATIONS	835	9,733	10,568	14,845	4,277
15	**TOTAL EXPENDITURES**	$ 13,886	$ 98,299	$ 112,185	$ 113,581	$ 1,396
16						
17	**BUDGETED FUNDS**					
18	01100 GENERAL FUND	$ 13,886	$ 98,299	$ 112,185	$ 113,581	$ 1,396
19	**TOTAL BUDGETED FUNDS**	$ 13,886	$ 98,299	$ 112,185	$ 113,581	$ 1,396

Due to the lag in timing that expenses are able to be posted to the accounting system, projected expenses are calculated using eleven months to the end of the year instead of the anticipated ten months.

MONTANA DEPARTMENT OF LIVESTOCK
PROJECTED EXPENSE TO BUDGET COMPARISON REPORT
AUGUST 31, 2020

DIVISION: CENTRALIZED SERVICES
PROGRAM: MILK CONTROL BUREAU

		Year-to-Date Actual Expenses August FY 2021	Projected Expenses September to June 2021	FY 2021 Projected Year End Expense Totals	FY 2021 Budget	Projected Budget Excess/ (Deficit)
	BUDGETED FTE	3.00				
	A	B	C	D	E	F
	61000 PERSONAL SERVICES					
1	61100 SALARIES	$ 15,459	$ 113,952	$ 129,411	$ 170,771	$ 41,360
2	61300 OTHER/PER DIEM	-	1,100	1,100	1,350	250
3	61400 BENEFITS	5,890	49,966	55,856	69,975	14,119
4	TOTAL PERSONAL SERVICES	21,349	165,018	186,367	242,096	55,729
5						
6	62000 OPERATIONS					
7	62100 CONTRACT	1,470	9,966	11,436	15,812	4,376
8	62200 SUPPLY	305	3,369	3,674	4,353	679
9	62300 COMMUNICATION	495	4,203	4,698	6,650	1,952
10	62400 TRAVEL	-	5,841	5,841	5,957	116
11	62500 RENT	487	7,740	8,227	9,937	1,710
12	62800 OTHER EXPENSES	983	4,390	5,373	8,392	3,019
13	TOTAL OPERATIONS	3,740	35,509	39,249	51,101	11,852
14	**TOTAL EXPENDITURES**	$ 25,089	$ 200,527	$ 225,616	$ 293,197	$ 67,581
15						
16	**BUDGETED FUNDS**					
17	02817 MILK CONTROL	$ 25,089	$ 200,527	$ 225,616	$ 293,197	$ 67,581
18	**TOTAL BUDGETED FUNDS**	$ 25,089	$ 200,527	$ 225,616	$ 293,197	$ 67,581

Due to the lag in timing that expenses are able to be posted to the accounting system, projected expenses are calculated using eleven months to the end of the year instead of the anticipated ten months.

MONTANA DEPARTMENT OF LIVESTOCK
PROJECTED EXPENSE TO BUDGET COMPARISON REPORT
AUGUST 31, 2020

DIVISION: **ANIMAL HEALTH DIVISION - STATE VETERINARIAN**
PROGRAM: **STATE VETERINARIAN IMPORT OFFICE**

		Year-to-Date Actual Expenses August FY 2021	Projected Expenses September to June 2021	FY 2021 Projected Year End Expense Totals	FY 2021 Budget	Projected Budget Excess/ (Deficit)
	BUDGETED FTE	8.50				
	A	B	C	D	E	F
	61000 PERSONAL SERVICES					
1	61100 SALARIES	$ 60,289	$ 419,528	$ 479,817	$ 483,515	$ 3,698
2	61400 BENEFITS	24,857	166,049	190,906	192,319	1,413
3	TOTAL PERSONAL SERVICES	85,146	585,577	670,723	675,834	5,111
4						
5	62000 OPERATIONS					
6	62100 CONTRACT	1,950	33,479	35,429	30,882	(4,547)
7	62200 SUPPLY	138	19,027	19,165	18,758	(407)
8	62300 COMMUNICATION	2,151	32,046	34,197	32,132	(2,065)
9	62400 TRAVEL	478	11,644	12,122	11,649	(473)
10	62500 RENT	1,182	11,515	12,697	10,952	(1,745)
11	62700 REPAIR & MAINT	-	7,401	7,401	4,893	(2,508)
12	62800 OTHER EXPENSES	761	13,156	13,917	13,754	(163)
13	TOTAL OPERATIONS	6,660	128,268	134,928	123,020	(11,908)
14	**TOTAL EXPENDITURES**	$ 91,806	$ 713,845	$ 805,651	$ 798,854	$ (6,797)
15						
16	**BUDGETED FUNDS**					
17	02426 PER CAPITA FEE	$ 91,806	$ 713,845	$ 805,651	$ 798,854	$ (6,797)
18	**TOTAL BUDGET FUNDING**	$ 91,806	$ 713,845	$ 805,651	$ 798,854	$ (6,797)

Due to the lag in timing that expenses are able to be posted to the accounting system, projected expenses are calculated using eleven months to the end of the year instead of the anticipated ten months.

MONTANA DEPARTMENT OF LIVESTOCK
PROJECTED EXPENSE TO BUDGET COMPARISON REPORT
AUGUST 31, 2020

DIVISION: **ANIMAL HEALTH DIVISION - STATE VETERINARIAN**
PROGRAM: **DESIGNATED SURVEILLANCE AREA (DSA) & FEDERAL ANIMAL HEALTH DISEASE GRANTS**

		Year-to-Date Actual Expenses August FY 2021	Projected Expenses September to June 2021	FY 2021 Projected Year End Expense Totals	FY 2021 Budget	Projected Budget Excess/ (Deficit)
	BUDGETED FTE	5.75				
	A	B	C	D	E	F
	61000 PERSONAL SERVICES					
1	61100 SALARIES	$ 38,598	$ 265,631	$ 304,229	$ 305,320	$ 1,091
2	61400 BENEFITS	17,235	102,980	120,215	120,705	490
3	TOTAL PERSONAL SERVICES	55,833	368,611	424,444	426,025	1,581
4						
5	62000 OPERATIONS					
6	62100 CONTRACT	13,990	957,644	971,634	973,283	1,649
7	62200 SUPPLY	1,322	27,845	29,167	29,966	799
8	62300 COMMUNICATION	888	14,895	15,783	16,781	998
9	62400 TRAVEL	297	19,339	19,636	20,710	1,074
10	62500 RENT	23,598	28,318	51,916	52,251	335
11	62700 REPAIR & MAINT	-	7,821	7,821	8,860	1,039
12	62800 OTHER EXPENSES	9,338	57,304	66,642	71,066	4,424
13	TOTAL OPERATIONS	49,433	1,113,166	1,162,599	1,172,917	10,318
14	68000 TRANSFERS		-			
15	68000 TRANSFERS	-	240,000	240,000	240,000	-
16	TOTAL TRANSFERS	-	240,000	240,000	240,000	-
17	**TOTAL EXPENDITURES**	$ 105,266	$ 1,721,777	$ 1,827,043	$ 1,838,942	$ 11,899
18						
19	**BUDGETED FUNDS**					
20	01100 GENERAL FUND	$ 29,420	$ 1,023,712	$ 1,053,132	$ 1,060,765	$ 7,633
21	03427 AH FEDERAL UMBRELLA	75,846	698,065	773,911	778,177	4,266
22	**TOTAL BUDGETED FUNDS**	$ 105,266	$ 1,721,777	$ 1,827,043	$ 1,838,942	$ 11,899

Due to the lag in timing that expenses are able to be posted to the accounting system, projected expenses are calculated using eleven months to the end of the year instead of the anticipated ten months.

MONTANA DEPARTMENT OF LIVESTOCK
PROJECTED EXPENSE TO BUDGET COMPARISON REPORT
AUGUST 31, 2020

DIVISION: DIAGNOSTIC LABORATORY
PROGRAM: DIAGNOSTIC LABORATORY

		Year-to Date Actual Expenses FY 2021	Projected Expenses September 2020 to June 2021	Projected FY 2021 Expenses	FY 2021 Budget	Projected Excess/ (Deficit)
	BUDGETED FTE	21.51				
	A	B	C	D	E	F
	61000 PERSONAL SERVICES					
1	61100 SALARIES	$ 158,854	$ 1,054,101	$ 1,212,955	$ 1,204,334	$ (8,621)
2	61400 BENEFITS	63,701	348,413	412,114	408,555	(3,559)
3	TOTAL PERSONAL SERVICES	222,555	1,402,514	1,625,069	1,612,889	(12,180)
4						
5	62000 OPERATIONS					
6	62100 CONTRACT	35,813	128,009	163,822	147,767	(16,055)
7	62200 SUPPLY	83,020	546,773	629,793	615,867	(13,926)
8	62300 COMMUNICATION	2,619	21,756	24,375	16,724	(7,651)
9	62400 TRAVEL	1,436	13,578	15,014	12,725	(2,289)
10	62500 RENT	1,815	3,802	5,617	3,518	(2,099)
11	62600 UTILITIES	6,928	34,373	41,301	39,831	(1,470)
12	62700 REPAIR & MAINT	41,789	78,716	120,505	117,297	(3,208)
13	62800 OTHER EXPENSES	5,766	110,274	116,040	114,261	(1,779)
14	TOTAL OPERATIONS	179,186	937,281	1,116,467	1,067,990	(48,477)
15	63000 EQUIPMENT					
16	63100 EQUIPMENT	-	149,354	149,354	149,354	-
17	TOTAL EQUIPMENT	-	149,354	149,354	149,354	-
18	**TOTAL EXPENDITURES**	$ 401,741	$ 2,489,149	$ 2,890,890	$ 2,830,233	$ (60,657)
19						
20	**BUDGETED FUNDS**					
21	01100 GENERAL FUND	$ 32,513	$ 801,205	$ 833,718	$ 833,718	$ -
22	02426 PER CAPITA FEE	176,241	488,566	664,807	664,807	-
23	03673 FEDERAL NATIONAL LAB NETWORK	26,049	104,951	131,000	131,000	-
24	06026 DIAGNOSTIC LABORATORY FEES	166,938	1,094,427	1,261,365	1,200,708	(60,657)
25	**TOTAL BUDGETED FUNDS**	$ 401,741	$ 2,489,149	$ 2,890,890	$ 2,830,233	$ (60,657)

Due to the lag in timing that expenses are able to be posted to the accounting system, projected expenses are calculated using eleven months to the end of the year instead of the anticipated ten months.

MONTANA DEPARTMENT OF LIVESTOCK
PROJECTED EXPENSE TO BUDGET COMPARISON REPORT
AUGUST 31, 2020

DIVISION: **MILK & EGG BUREAU**
PROGRAM: **MILK AND EGG - COMBINED**

		Year-to-Date Actual Expenses August FY 2021	Projected Expenses September to June 2021	Projected FY 2017 Expenses	FY 2021 Budget	Projected Excess/ (Deficit)
	BUDGETED FTE	4.75				
	A	**B**	**C**	**D**	**E**	**F**
	61000 PERSONAL SERVICES					
1	61100 SALARIES	$ 26,027	$ 247,237	$ 273,264	$ 384,394	$ 111,130
2	61200 OVERTIME	696	1,780	2,476	2,630	154
3	61400 BENEFITS	12,934	114,313	127,247	144,247	17,000
4	TOTAL PERSONAL SERVICES	39,657	363,330	402,987	531,271	128,284
5						
6	62000 OPERATIONS					
7	62100 CONTRACT	2,720	42,853	45,573	98,698	53,125
8	62200 SUPPLY	411	9,012	9,423	17,177	7,754
9	62300 COMMUNICATION	288	5,711	5,999	9,919	3,920
10	62400 TRAVEL	343	11,464	11,807	24,233	12,426
11	62500 RENT	912	10,364	11,276	19,540	8,264
12	62700 REPAIR & MAINT	-	1,221	1,221	6,549	5,328
13	62800 OTHER EXPENSES	993	9,009	10,002	28,145	18,143
14	TOTAL OPERATIONS	5,667	89,634	95,301	204,261	108,960
15	**TOTAL EXPENDITURES**	$ 45,324	$ 452,964	$ 498,288	$ 735,532	$ 237,244
16						
17	**BUDGETED FUNDS**					
18	02262 SHIELDED EGG GRADING FEES	$ 17,728	$ 166,915	$ 184,643	$ 351,733	$ 167,090
19	02701 MILK INSPECTION FEES	27,505	264,710	292,215	360,511	68,296
20	03202 SHELL EGG FEDERAL INSPECTION	91	21,339	21,430	23,288	1,858
21	**TOTAL BUDGET FUNDING**	$ 45,324	$ 452,964	$ 498,288	$ 735,532	$ 237,244

Due to the lag in timing that expenses are able to be posted to the accounting system, projected expenses are calculated using eleven months to the end of the year instead of the anticipated ten months.

MONTANA DEPARTMENT OF LIVESTOCK
PROJECTED EXPENSE TO BUDGET COMPARISON REPORT
AUGUST 31, 2020

DIVISION: **MEAT & POULTRY INSPECTION PROGRAM**
PROGRAM: **MEAT INSPECTION**

		Year-to-Date Actual Expenses August FY 2021	Projected Expenses September to June 2021	FY 2021 Projected Year End Expense Totals	FY 2021 Budget	Projected Budget Excess/ (Deficit)
	BUDGETED FTE	24.50				
	A	**B**	**C**	**D**	**E**	**F**
	61000 PERSONAL SERVICES					
1	61100 SALARIES	$ 133,614	$ 903,853	$ 1,037,467	$ 958,397	$ (79,070)
2	61200 OVERTIME	10,248	43,437	53,685	53,443	(242)
3	61400 BENEFITS	66,785	414,699	481,484	474,029	(7,455)
4	TOTAL PERSONAL SERVICES	210,647	1,361,989	1,572,636	1,485,869	(86,767)
5						
6	62000 OPERATIONS					
7	62100 CONTRACT	5,216	59,919	65,135	59,297	(5,838)
8	62200 SUPPLY	381	32,915	33,296	28,459	(4,837)
9	62300 COMMUNICATION	3,490	22,215	25,705	22,389	(3,316)
10	62400 TRAVEL	6,592	67,604	74,196	72,540	(1,656)
11	62500 RENT	13,407	147,352	160,759	156,460	(4,299)
12	62700 REPAIR & MAINT	-	9,365	9,365	3,738	(5,627)
13	62800 OTHER EXPENSES	55,041	274,690	329,731	313,168	(16,563)
14	TOTAL OPERATIONS	84,127	614,060	698,187	656,551	(41,636)
15	**TOTAL EXPENDITURES**	$ 294,774	$ 1,976,049	$ 2,270,823	$ 2,142,420	$ (128,403)
16						
17	**BUDGETED FUNDS**					
18	01100 GENERAL FUND	$ 147,387	$ 1,033,684	$ 1,181,071	$ 1,052,668	$ (128,403)
19	02427 ANIMAL HEALTH FEES	-	5,721	5,721	5,721	-
20	03209 MEAT & POULTRY INSPECTION	147,387	936,644	1,084,031	1,084,031	-
21	**TOTAL BUDGET FUNDING**	$ 294,774	$ 1,976,049	$ 2,270,823	$ 2,142,420	$ (128,403)

Due to the lag in timing that expenses are able to be posted to the accounting system, projected expenses are calculated using eleven months to the end of the year instead of the anticipated ten months.

MONTANA DEPARTMENT OF LIVESTOCK
PROJECTED EXPENSE TO BUDGET COMPARISON REPORT
AUGUST 31, 2020

DIVISION: **BRANDS ENFORCEMENT**
PROGRAM: **BRANDS ENFORCEMENT**

		Year-to-Date Actual Expenses August FY 2021	Projected Expenses September to June 2021	FY 2021 Projected Year End Expense Totals	FY 2021 Budget	Projected Budget Excess/ (Deficit)
	BUDGETED FTE	53.11				
	A	**B**	**C**	**D**	**E**	**F**
	61000 PERSONAL SERVICES					
1	61100 SALARIES	$ 280,684	$ 2,166,607	$ 2,447,291	$ 2,433,365	$ (13,926)
2	61200 OVERTIME	5,100	99,205	104,305	105,239	934
3	61400 BENEFITS	145,771	953,244	1,099,015	1,096,708	(2,307)
4	TOTAL PERSONAL SERVICES	431,555	3,219,056	3,650,611	3,635,312	(15,299)
5						
6	62000 OPERATIONS					
7	62100 CONTRACT	4,956	138,997	143,953	148,132	4,179
8	62200 SUPPLY	6,620	99,828	106,448	110,061	3,613
9	62300 COMMUNICATION	9,760	102,597	112,357	115,057	2,700
10	62400 TRAVEL	1,933	27,119	29,052	29,319	267
11	62500 RENT	18,187	152,307	170,494	170,662	168
12	62600 UTILITIES	-	6,500	6,500	6,500	-
13	62700 REPAIR & MAINT	119	37,840	37,959	38,040	81
14	62800 OTHER EXPENSES	6,590	66,485	73,075	74,092	1,017
15	TOTAL OPERATIONS	48,165	631,673	679,838	691,863	12,025
16	**TOTAL EXPENDITURES**	$ 479,720	$ 3,850,729	$ 4,330,449	$ 4,327,175	$ (3,274)
17						
18	**BUDGETED FUNDS**					
19	02425 BRAND INSPECTION FEES	$ 458,036	$ 2,695,472	$ 3,153,508	$ 3,153,508	$ -
20	02426 PER CAPITA FEES	21,684	1,155,257	1,176,941	1,173,667	(3,274)
21	**TOTAL BUDGET FUNDING**	$ 479,720	$ 3,850,729	$ 4,330,449	$ 4,327,175	$ (3,274)

Due to the lag in timing that expenses are able to be posted to the accounting system, projected expenses are calculated using eleven months to the end of the year instead of the anticipated ten months.

Rerecord expenses of $50,000 are included in the projections.

Projected expenses include the October retirement of two employees in the amount of $30,048. Projected salaries and benefits assumes immediate hires to replace the retiring employees.

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MONTANA DEPARTMENT OF LIVESTOCK
EXPENSE COMPARISON REPORT
AUGUST 31, 2020

MONTANA DEPARTMENT OF LIVESTOCK
BUDGETARY EXPENSE COMPARISON REPORT
AUGUST 31, 2020

DIVISION: DEPARTMENT OF LIVESTOCK
PROGRAM: DEPARTMENT OF LIVESTOCK

	BUDGET TO ACTUAL EXPENSE COMPARISON REPORT	FY 2021 Budget	Year-to-Date Actual Expenses August FY 2021	Same Period Prior Year Actual Expenses August FY 2020	Year to Year Comparison	Balance of Budget Available
	BUDGETED FTE	137.62				
	A	B	C	D	E	F
	61000 PERSONAL SERVICES					
1	61100 SALARIES	$ 6,704,314	$ 824,738	$ 804,675	$ 20,063	$ 5,879,576
2	61200 OVERTIME	178,312	16,044	10,016	6,028	162,268
3	61300 OTHER/PER DIEM	6,300	500	-	500	5,800
4	61400 BENEFITS	2,915,664	378,761	342,565	36,196	2,536,903
5	TOTAL PERSONAL SERVICES	9,804,590	1,220,043	1,157,256	62,787	8,584,547
6						
7	62000 OPERATIONS					
8	62100 CONTRACT	1,667,315	84,304	77,980	6,324	1,583,011
9	62200 SUPPLY	950,314	103,986	111,910	(7,924)	846,328
10	62300 COMMUNICATION	285,462	22,301	20,223	2,078	263,161
11	62400 TRAVEL	210,128	11,799	27,766	(15,967)	198,329
12	62500 RENT	645,896	72,511	98,343	(25,832)	573,385
13	62600 UTILITIES	46,831	6,928	14,342	(7,414)	39,903
14	62700 REPAIR & MAINT	180,937	41,908	14,501	27,407	139,029
15	62800 OTHER EXPENSES	654,985	81,116	59,459	21,657	573,869
16	TOTAL OPERATIONS	4,641,868	424,853	424,524	329	4,217,015
17	63000 EQUIPMENT					
18	63100 EQUIPMENT	149,354	-	176,769	(176,769)	149,354
19	TOTAL EQUIPMENT	149,354	-	176,769	(176,769)	149,354
20	68000 TRANSFERS					
21	68000 TRANSFERS	342,481	-	-	-	342,481
22	TOTAL TRANSFERS	342,481	-	-	-	342,481
23	TOTAL	$ 14,938,293	$ 1,644,896	$ 1,758,549	$ (113,653)	$ 13,293,397
24						
25	**FUND**					
26	01100 GENDERAL FUND	3,060,732	$ 223,206	$ 373,313	$ (150,107)	$ 2,837,526
27	02262 SHIELDED EGG GRADING FEES	351,733	17,728	21,042	(3,314)	334,005
28	02425 BRAND INSPECTION FEES	3,159,303	458,036	452,776	5,260	2,701,267
29	02426 PER CAPITA FEE	4,488,459	477,021	347,529	129,492	4,011,438
30	02427 ANIMAL HEALTH	5,721	-	-	-	5,721
31	02701 MILK INSPECTION FEES	361,944	27,505	53,708	(26,203)	334,439
32	02817 MILK CONTROL	293,197	25,089	34,078	(8,989)	268,108
33	03209 MEAT & POULTRY INSPECTION-FED	1,084,031	147,387	117,321	30,066	936,644
34	03032 SHELL EGG FEDERAL INSPECTION	23,288	91	2,775	(2,684)	23,197
35	03427 AH FEDERAL UMBRELLA	778,177	75,846	54,314	21,532	702,331
36	03673 FEDERAL ANIMAL HEALTH DISEASE GRAN	131,000	26,049	-	26,049	104,951
37	06026 DIAGNOSTIC LABORATORY FEES	1,200,708	166,938	301,693	(134,755)	1,033,770
38	TOTAL BUDGET FUNDING	$ 14,938,293	$ 1,644,896	$ 1,758,549	$ (113,653)	$ 13,293,397

The Department of Livestock is budgeted for $14,938,293 and 137.62 FTE in FY 2021. Personal services budget is 12% expended with 13% of payrolls complete. Personal services expended as of August 2020 was $62,787 higher than August 2019. Operations are 9% expended with 8% of the budget year lapsed. Operation expenses as of August 2020 were $329 higher than August 2019. Overall, Department of Livestock total expenditures were $113,653 lower than the same period last year. With 8% of the budget year lapsed, 11% of the budget is expended.

MONTANA DEPARTMENT OF LIVESTOCK
BUDGETARY EXPENSE COMPARISON REPORT
AUGUST 31, 2020

DIVISION: **CENTRALIZED SERVICES**
PROGRAM: **CENTRAL SERVICES AND BOARD OF LIVESTOCK**

	BUDGET TO ACTUAL EXPENSE COMPARISON REPORT	FY 2021 Budget	Year-to-Date Actual Expenses August FY 2021	Same Period Prior Year Actual Expenses August FY 2020	Year to Year Comparison	Balance of Budget Available
	BUDGETED FTE	13.00				
	A	B	C	D	E	F
	61000 PERSONAL SERVICES					
1	61100 SALARIES	$ 788,715	$ 101,632	$ 104,226	$ (2,594)	$ 687,083
2	61300 OTHER/PER DIEM	4,500	400	-	400	4,100
3	61400 BENEFITS	303,343	38,218	38,546	(328)	265,125
4	TOTAL PERSONAL SERVICES	1,096,558	140,250	142,772	(2,522)	956,308
5						
6	62000 OPERATIONS					
7	62100 CONTRACT	230,640	18,119	12,439	5,680	212,521
8	62200 SUPPLY	113,693	11,789	20,989	(9,200)	101,904
9	62300 COMMUNICATION	41,876	2,448	521	1,927	39,428
10	62400 TRAVEL	24,007	1,720	2,313	(593)	22,287
11	62500 RENT	207,053	12,598	24,865	(12,267)	194,455
12	62700 REPAIR & MAINT	2,195	-	-	-	2,195
13	62800 OTHER EXPENSES	31,171	366	563	(197)	30,805
14	TOTAL OPERATIONS	650,635	47,040	61,690	(14,650)	603,595
15	68000 TRANSFERS					
16	68000 TRANSFERS	102,481	-	-	-	102,481
17	TOTAL TRANSFERS	102,481	-	-	-	102,481
18	**TOTAL EXPENDITURES**	$ 1,849,674	$ 187,290	$ 204,462	$ (17,172)	$ 1,662,384
19						
20	**BUDGETED FUNDS**					
21	02426 PER CAPITA	1,849,674	$ 187,290	$ 204,462	$ (17,172)	$ 1,662,384
22	**TOTAL BUDGETED FUNDS**	$ 1,849,674	$ 187,290	$ 204,462	$ (17,172)	$ 1,662,384

Central Services And Board Of Livestock is budgeted $1,849,674 and 13.00 FTE in FY 2021 and is funded with per capita fees. Personal services budget is 13% expended with 13% of payrolls complete. The personal services expended through August 2020 was $2,522 lower than August 2019. Operation expenses are 7% expended as of August 2020 and were $14,650 lower than August 2019. Overall, Central Services And Board Of Livestock total expenditures were $17,172 lower than the same period last year. With 8% of the budget year lapsed, 10% of the budget is expended.

MONTANA DEPARTMENT OF LIVESTOCK
BUDGETARY EXPENSE COMPARISON REPORT
AUGUST 31, 2020

DIVISION: **CENTRALIZED SERVICES**
PROGRAM: **LIVESTOCK LOSS BOARD**

	BUDGET TO ACTUAL EXPENSE COMPARISON REPORT	FY 2021 Budget	Year-to-Date Actual Expenses August FY 2021	Same Period Prior Year Actual Expenses August FY 2020	Year to Year Comparison	Balance of Budget Available
	BUDGETED FTE	1.00				
	A	B	C	D	E	F
	61000 PERSONAL SERVICES					
1	61100 SALARIES	$ 73,670	$ 9,581	$ 9,637	$ (56)	$ 64,089
2	61300 OTHER/PER DIEM	450	100	-	100	350
3	61400 BENEFITS	24,616	3,370	3,368	2	21,246
4	TOTAL PERSONAL SERVICES	98,736	13,051	13,005	46	85,685
5						
6	62000 OPERATIONS					
7	62100 CONTRACT	1,889	70	-	70	1,819
8	62200 SUPPLY	1,683	-	124	(124)	1,683
9	62300 COMMUNICATION	3,496	162	77	85	3,334
10	62400 TRAVEL	2,333	-	-	-	2,333
11	62500 RENT	4,034	325	929	(604)	3,709
12	62700 REPAIR & MAINT	49	-	-	-	49
13	62800 OTHER EXPENSES	1,361	278	41	237	1,083
14	TOTAL OPERATIONS	14,845	835	1,171	(336)	14,010
15	**TOTAL EXPENDITURES**	$ 113,581	$ 13,886	$ 14,176	$ (290)	$ 99,695
16						
17	**BUDGETED FUNDS**					
18	01100 GENERAL FUND	$ 113,581	$ 13,886	$ 14,176	$ (290)	$ 99,695
19	**TOTAL BUDGETED FUNDS**	$ 113,581	$ 13,886	$ 14,176	$ (290)	$ 99,695

In FY 2021, the Livestock Loss Board is budgeted $113,581 with 1.00 FTE funded with . The personal services budget is 13% expended with 13% of payrolls complete. Personal services expended as of August 2020 was $46 higher than August 2019. Operations are 6% expended with 8% of the budget year lapsed. Operation expenses as of August 2020 were $336 lower than August 2019. Overall, Livestock Loss Board total expenditures were $290 lower than the same period last year. With 8% of the budget year lapsed, 12% of the budget is expended.

MONTANA DEPARTMENT OF LIVESTOCK
BUDGETARY EXPENSE COMPARISON REPORT
AUGUST 31, 2020

DIVISION: **CENTRALIZED SERVICES**
PROGRAM: **MILK CONTROL BUREAU**

	BUDGET TO ACTUAL EXPENSE COMPARISON REPORT	FY 2021 Budget	Year-to-Date Actual Expenses August FY 2021	Same Period Prior Year Actual Expenses August FY 2020	Year to Year Comparison	Balance of Budget Available
	BUDGETED FTE					
	A	B	C	D	E	F
	61000 PERSONAL SERVICES					
1	61100 SALARIES	$ 170,771	$ 15,459	$ 22,655	$ (7,196)	$ 155,312
2	61300 OTHER/PER DIEM	1,350	-	-	-	1,350
3	61400 BENEFITS	69,975	5,890	8,782	(2,892)	64,085
4	TOTAL PERSONAL SERVIC	242,096	21,349	31,437	(10,088)	220,747
5						
6	62000 OPERATIONS					
7	62100 CONTRACT	15,812	1,470	-	1,470	14,342
8	62200 SUPPLY	4,353	305	92	213	4,048
9	62300 COMMUNICATION	6,650	495	342	153	6,155
10	62400 TRAVEL	5,957	-	680	(680)	5,957
11	62500 RENT	9,937	487	1,112	(625)	9,450
12	62800 OTHER EXPENSES	8,392	983	415	568	7,409
13	TOTAL OPERATIONS	51,101	3,740	2,641	1,099	47,361
14	**TOTAL EXPENDITURES**	$ 293,197	$ 25,089	$ 34,078	$ (8,989)	$ 268,108
15						
16	**BUDGETED FUNDS**					
17	02817 MILK CONTROL	$ 293,197	$ 25,089	$ 34,078	$ (8,989)	$ 268,108
18	**TOTAL BUDGETED FUNDS**	$ 293,197	$ 25,089	$ 34,078	$ (8,989)	$ 268,108

In FY 2021, The Milk Control Bureau is budgeted $293,197 and has 3.00 FTE. The bureau is funded with milk industry fees. The personal services budget is 9% expended with 13% of payrolls complete. Personal services expended as of August 2020 were $10,088 lower than August 2019. Operations are 7% expended with 8% of the budget year lapsed. Operation expenses as of August 2020 were $1,099 higher than August 2019. Overall, Milk Control Bureau total expenditures were $8,989 lower than the same period last year. With 8% of the budget year lapsed, 9% of the budget is expended.

MONTANA DEPARTMENT OF LIVESTOCK
BUDGETARY EXPENSE COMPARISON REPORT
AUGUST 31, 2020

DIVISION: **ANIMAL HEALTH DIVISION - STATE VETERINARIAN**
PROGRAM: **STATE VETERINARIAN IMPORT OFFICE**

	BUDGET TO ACTUAL EXPENSE COMPARISON REPORT	FY 2021 Budget	Year-to-Date Actual Expenses August FY 2021	Same Period Prior Year Actual Expenses August FY 2020	Year to Year Comparison	Balance of Budget Available
	BUDGETED FTE	8.50				
	A	**B**	**C**	**D**	**E**	**F**
	61000 PERSONAL SERVICES					
1	61100 SALARIES	$ 481,515	$ 60,289	$ 68,441	$ (8,152)	$ 421,226
2	61400 BENEFITS	194,319	24,857	24,179	678	169,462
3	TOTAL PERSONAL SERVICES	675,834	85,146	92,620	(7,474)	590,688
4						
5	62000 OPERATIONS					
6	62100 CONTRACT	30,882	1,950	660	1,290	28,932
7	62200 SUPPLY	18,758	138	1,696	(1,558)	18,620
8	62300 COMMUNICATION	32,132	2,151	3,705	(1,554)	29,981
9	62400 TRAVEL	11,649	478	955	(477)	11,171
10	62500 RENT	10,952	1,182	29,537	(28,355)	9,770
11	62700 REPAIR & MAINT	4,893	-	260	(260)	4,893
12	62800 OTHER EXPENSES	13,754	761	1,159	(398)	12,993
13	TOTAL OPERATIONS	123,020	6,660	37,972	(31,312)	116,360
14	TOTAL	$ 798,854	$ 91,806	$ 130,592	$ (38,786)	$ 707,048
15						
16	**FUND**					
17	02426 PER CAPITA FEE	$ 798,854	$ 91,806	$ 130,592	$ (38,786)	$ 707,048
18	TOTAL BUDGET FUNDING	$ 798,854	$ 91,806	$ 130,592	$ (38,786)	$ 707,048

The State Veteriniarn Office includes Import and Alternative Livestock. In FY 2021, the State Veterinarian Import Office is budgeted $798,854 with 8.50 FTE and is funded with 02426 per capita fees. The personal services budget is 13% expended with 13% of payrolls complete. Personal services expended as of August 2020 was $7,474 lower than August 2019. Operations are 5% expended with 8% of the budget year lapsed. Operation expenses as of August 2020 were $31,312 lower than August 2019. The total budget is 11% expended with 8% of the year lapsed. This is $38,786 less than the same period in FY 2020.

MONTANA DEPARTMENT OF LIVESTOCK
BUDGETARY EXPENSE COMPARISON REPORT
AUGUST 31, 2020

DIVISION: **ANIMAL HEALTH DIVISION - STATE VETERINARIAN**
PROGRAM: **DESIGNATED SURVEILLANCE AREA (DSA) & FEDERAL ANIMAL HEALTH DISEASE GRANTS**

	BUDGET TO ACTUAL EXPENSE COMPARISON REPORT	FY 2021 Budget	Year-to-Date Actual Expenses August FY 2021	Same Period Prior Year Actual Expenses August FY 2020	Year to Year Comparison	Balance of Budget Available
	BUDGETED FTE		5.75			
	A	B	C	D	E	F
	61000 PERSONAL SERVICES					
1	61100 SALARIES	$ 305,320	$ 38,598	$ 35,128	$ 3,470	$ 266,722
2	61400 BENEFITS	120,705	17,235	12,792	4,443	103,470
3	TOTAL PERSONAL SERVICES	426,025	55,833	47,920	7,913	370,192
4						
5	62000 OPERATIONS					
6	62100 CONTRACT	973,283	13,990	40,279	(26,289)	959,293
7	62200 SUPPLY	29,966	1,322	2,980	(1,658)	28,644
8	62300 COMMUNICATION	16,781	888	1,319	(431)	15,893
9	62400 TRAVEL	20,710	297	3,165	(2,868)	20,413
10	62500 RENT	52,251	23,598	3,630	19,968	28,653
11	62700 REPAIR & MAINT	8,860	-	439	(439)	8,860
12	62800 OTHER EXPENSES	71,066	9,338	5,352	3,986	61,728
13	TOTAL OPERATIONS	1,172,917	49,433	57,164	(7,731)	1,123,484
14	68000 TRANSFERS	240,000	-	-	-	240,000
15	TOTAL TRANSFERS	240,000	-	-	-	240,000
16	**TOTAL EXPENDITURES**	$ 1,838,942	$ 105,266	$ 105,084	$ 182	$ 1,733,676
17						
18	**BUDGETED FUNDS**					
19	01100 GENERAL FUND	$ 1,060,765	$ 29,420	$ 50,770	$ (21,350)	$ 1,031,345
20	03427 FEDERAL FUNDING	778,177	75,846	54,314	21,532	702,331
21	**TOTAL BUDGETED FUNDS**	$ 1,838,942	$ 105,266	$ 105,084	$ 182	$ 1,733,676

The Designated Surveillance Area (DSA) is budgeted for $1,060,765 and 2.00 FTE in FY 2021 and is funded with general funds. The Federal Animal Disease Grants is budgeted for $778,177 and 3.75 FTE in FY 2021 and is funded with Federal Funds. The personal services budget is 13% expended with 13% of payrolls complete. Personal services expended as of August 2020 was $7,913 higher than August 2019. Operations are 4% expended with 8% of the budget year lapsed. Operation expenses as of August 2020 were $7,731 lower than August 2019. Overall, total expenditures were $182 higher than the same period last year with 6% of the budget expended.

MONTANA DEPARTMENT OF LIVESTOCK
BUDGETARY EXPENSE COMPARISON REPORT
AUGUST 31, 2020

DIVISION: **DIAGNOSTIC LABORATORY**
PROGRAM: **DIAGNOSTIC LABORATORY**

	BUDGET TO ACTUAL EXPENSE COMPARISON REPORT	FY 2021 Budget	Year-to-Date Actual Expenses August FY 2021	Prior Year Actual Expenses August FY 2020	Year to Year Comparison	Balance of Budget Available
	BUDGETED FTE	21.51				
	A	B	C	D	E	F
1	61000 PERSONAL SERVICES					
2	61100 SALARIES	$ 1,169,334	$ 158,854	$ 121,246	$ 37,608	$ 1,010,480
3	61400 BENEFITS	443,555	63,701	49,704	13,997	379,854
4	TOTAL PERSONAL SERVICES	1,612,889	222,555	170,950	51,605	1,390,334
5						
6	62000 OPERATIONS					
7	62100 CONTRACT	147,767	35,813	16,724	19,089	111,954
8	62200 SUPPLY	615,867	83,020	77,438	5,582	532,847
9	62300 COMMUNICATION	16,724	2,619	613	2,006	14,105
10	62400 TRAVEL	12,725	1,436	1,961	(525)	11,289
11	62500 RENT	3,518	1,815	90	1,725	1,703
12	62600 UTILITIES	39,831	6,928	7,842	(914)	32,903
13	62700 REPAIR & MAINT	117,297	41,789	12,230	29,559	75,508
14	62800 OTHER EXPENSES	114,261	5,766	17,327	(11,561)	108,495
15	TOTAL OPERATIONS	1,067,990	179,186	134,225	44,961	888,804
16	63000 EQUIPMENT					
17	63100 EQUIPMENT	149,354	-	176,769	(176,769)	149,354
18	TOTAL EQUIPMENT	149,354	-	176,769	(176,769)	149,354
19	TOTAL	$ 2,830,233	$ 401,741	$ 481,944	$ (80,203)	$ 2,428,492
20						
21	**BUDGETED FUNDS**					
22	01100 GENERAL FUND	$ 833,718	$ 32,513	$ 180,251	$ (147,738)	$ 801,205
23	02426 PER CAPITA FEE	664,807	176,241	-	176,241	488,566
24	03673 FEDERAL ANIMAL HEALTH DISEASE GRANTS	131,000	26,049	-	26,049	104,951
25	06026 DIAGNOSTIC LABORATORY FEES	1,200,708	166,938	301,693	(134,755)	1,033,770
26	**TOTAL BUDGET FUNDING**	$ 2,830,233	$ 401,741	$ 481,944	$ (80,203)	$ 2,428,492

At fiscal year end, invoices for June expenses are received in July. Although the invoices are received in July, they are appropriately recorded in June of the prior fiscal year. Subsequently, however, invoices are recorded in the month they are received and approved. For example, July's expenses are recorded in August when the invoices are due to be paid. This leads to expenditures being recorded in the month following the date the expense had occurred. Due to the lag in recording expenses, it may appear that expenses double in June. This is because May and June's expenses are both recorded in June.

The diagnostic laboratory is budgeted for $2,830,233 and 21.51 FTE in FY 2021. It is funded with 01100 general fund of $833,718, 02426 per capita fee of $664,807, federal funds of $131,000, and 06026 diagnostic laboratory fees of $1,200,708. Personal services are 14% expended with 13% of payrolls complete. Personal services expended as of August 2020 were $51,605 higher than August 2019. Operations are 17% expended with 8% of the budget year lapsed. Operation expenses as of August 2020 were $44,961 higher than August 2019. Overall, Diagnostic Laboratory total expenditures were $80,203 lower than the same period last year. With 8% of the budget year lapsed, 14% of the budget is expended.

1

MONTANA DEPARTMENT OF LIVESTOCK
BUDGETARY EXPENSE COMPARISON REPORT
AUGUST 31, 2020

DIVISION: **MILK & EGG INSPECTION BUREAU**
PROGRAM: **MILK & EGG - COMBINED PROGRAM**

	BUDGET TO ACTUAL EXPENSE COMPARISON REPORT	FY 2021 Budget	Year-to-Date Actual Expenses August FY 2021	Same Period Prior Year Actual Expenses August FY 2020	Year to Year Comparison	Balance of Budget Available
	BUDGETED FTE	7.00				
	A	B	C	D	E	G
	61000 PERSONAL SERVICES					
1	61100 SALARIES	$ 356,394	$ 26,027	$ 43,340	$ (17,313)	$ 330,367
2	61102 OVERTIME	2,630	696	167	529	1,934
3	61400 BENEFITS	172,247	12,934	19,263	(6,329)	159,313
4	TOTAL PERSONAL SERVICES	531,271	39,657	62,770	(23,113)	491,614
5						
6	62000 OPERATIONS					
7	62100 CONTRACT	98,698	2,720	3,225	(505)	95,978
8	62200 SUPPLY	17,177	411	1,032	(621)	16,766
9	62300 COMMUNICATION	9,919	288	440	(152)	9,631
10	62400 TRAVEL	24,233	343	5,471	(5,128)	23,890
11	62500 RENT	19,540	912	1,815	(903)	18,628
12	62700 REPAIR & MAINT	6,549	-	84	(84)	6,549
13	62800 OTHER EXPENSES	28,145	993	2,688	(1,695)	27,152
14	TOTAL OPERATIONS	204,261	5,667	14,755	(9,088)	198,594
15	TOTAL	$ 735,532	$ 45,324	$ 77,525	$ (32,201)	$ 690,208
16						
17	**BUDGETED FUNDS**					
18	02262 SHIELDED EGG GRADING FEES	$ 351,733	$ 17,728	$ 21,042	$ (3,314)	$ 334,005
19	02701 MILK INSPECTION FEES	360,511	27,505	53,708	(26,203)	333,006
21	03032 SHELL EGG INSPECTION FEES	23,288	91	2,775	(2,684)	23,197
22	TOTAL BUDGET FUNDING	$ 735,532	$ 45,324	$ 77,525	$ (32,201)	$ 690,208

At fiscal year end, invoices for June expenses are received in July. Although the invoices are received in July, they are appropriately recorded in June of the prior fiscal year. Subsequently, however, invoices are recorded in the month they are received and approved. For example, July's expenses are recorded in August when the invoices are due to be paid. This leads to expenditures being recorded in the month following the date the expense had occurred. Due to the lag in recording expenses, it may appear that expenses double in June. This is because May and June's expenses are both

The total Milk & Egg program is budgeted $735,532 with 7 FTE in FY 2017 funded mainly with and . The personal services budget is 7% expended with 13% of payrolls complete. Personal services expended as of August 2020 was $23,113 lower than August 2019. Operation expense budget is 3% expended with 8% of budget year lapsed. Operation expenses as of August 2020 was $9,088 lower than August 2019. The Milk & Egg Inspection Bureau total expenditures were $32,201 lower than the same period last year. With 8% of the budget year lapsed, the total Milk

MONTANA DEPARTMENT OF LIVESTOCK

BUDGETARY EXPENSE COMPARISON REPORT
AUGUST 31, 2020

DIVISION: **MEAT & POULTRY INSPECTION PROGRAM**
PROGRAM: **MEAT INSPECTION**

	BUDGET TO ACTUAL EXPENSE COMPARISON REPORT	FY 2021 Budget	Year-to-Date Actual Expenses August FY 2021	Same Period Prior Year Actual Expenses August FY 2020	Year to Year Comparison	Balance of Budget Available
	BUDGETED FTE		24.50			
	A	B	C	D	E	F
	61000 PERSONAL SERVICES					
1	61100 SALARIES	$ 958,397	$ 133,614	$ 117,773	$ 15,841	$ 824,783
2	61102 OVERTIME	53,443	10,248	6,851	3,397	43,195
3	61400 BENEFITS	474,029	66,785	58,426	8,359	407,244
4	TOTAL PERSONAL SERVICES	1,485,869	210,647	183,050	27,597	1,275,222
5						
6	62000 OPERATIONS					
7	62100 CONTRACT	59,297	5,216	4,455	761	54,081
8	62200 SUPPLY	28,459	381	165	216	28,078
9	62300 COMMUNICATION	22,389	3,490	1,893	1,597	18,899
10	62400 TRAVEL	72,540	6,592	8,906	(2,314)	65,948
11	62500 RENT	156,460	13,407	20,713	(7,306)	143,053
12	62700 REPAIR & MAINT	3,738	-	15	(15)	3,738
13	62800 OTHER EXPENSES	313,168	55,041	26,240	28,801	258,127
14	TOTAL OPERATIONS	656,551	84,127	62,387	21,740	572,424
15	**TOTAL EXPENDITURES**	$ 2,142,420	$ 294,774	$ 245,437	$ 49,337	$ 1,847,646
16						
17	**BUDGETED FUNDS**					
18	01100 GENERAL FUND	$ 1,052,668	$ 147,387	$ 128,116	$ 19,271	$ 905,281
19	02427 ANIMAL HEALTH FEES	5,721	-	-	-	5,721
20	03209 MEAT & POULTRY INSPECTION-FED	1,084,031	147,387	117,321	30,066	936,644
21	TOTAL BUDGET FUNDING	$ 2,142,420	$ 294,774	$ 245,437	$ 49,337	$ 1,847,646

In FY 2021, Meat Inspection is budgeted $2,142,420 with 24.50 FTE. The bureau is funded with general fund of $1,052,668, federal meat & poultry inspection funds of $1,084,031 and $5,721 of animal health fees levied from licensing as per 81-9-201(1)MCA.

Personal services budget is 14% expended with 13% of payrolls complete. Personal services expended as of August 2020 was $27,597 higher than August 2019. Operations are 13% expended with 8% of the budget year lapsed. Operation expenses as of August 2020 were $21,740 higher than August 2019. Overall, Meat Inspection total expenditures were $49,337 higher than the same period last year. The total budget is 14% expended with 8% of the budget year lapsed.

MONTANA DEPARTMENT OF LIVESTOCK
BUDGETARY EXPENSE COMPARISON REPORT
AUGUST 31, 2020

DIVISION: **BRANDS ENFORCEMENT DIVISION**
PROGRAM: **BRANDS ENFORCEMENT**

	BUDGET TO ACTUAL EXPENSE COMPARISON REPORT	FY 2021 Budget	Year-to-Date Actual Expenses August FY 2021	Same Period Prior Year Actual Expenses August FY 2020	Year to Year Comparison	Balance of Budget Available
	BUDGETED FTE		53.11			
	A	B	C	D	E	F
	61000 PERSONAL SERVICES					
1	61100 SALARIES	$ 2,429,365	$ 280,684	$ 282,229	$ (1,545)	$ 2,148,681
2	61200 OVERTIME	122,239	5,100	2,998	2,102	117,139
3	61400 BENEFITS	1,083,708	145,771	127,505	18,266	937,937
4	TOTAL PERSONAL SERVICES	3,635,312	431,555	412,732	18,823	3,203,757
5						
6	62000 OPERATIONS					
7	62100 CONTRACT	110,132	4,956	198	4,758	105,176
8	62200 SUPPLY	120,061	6,620	7,394	(774)	113,441
9	62300 COMMUNICATION	134,057	9,760	11,313	(1,553)	124,297
10	62400 TRAVEL	35,571	1,933	4,315	(2,382)	33,638
11	62500 RENT	180,662	18,187	15,652	2,535	162,475
12	62600 UTILITIES	6,500	-	6,500	(6,500)	6,500
13	62700 REPAIR & MAINT	38,040	119	1,473	(1,354)	37,921
14	62800 OTHER EXPENSES	74,092	6,590	5,674	916	67,502
15	TOTAL OPERATIONS	699,115	48,165	52,519	(4,354)	650,950
16	TOTAL	$ 4,334,427	$ 479,720	$ 465,251	$ 14,469	$ 3,854,707
17						
18	**BUDGETED FUNDS**					
19	02425 BRAND INSPECTION FEES	$ 3,159,303	$ 458,036	$ 452,776	$ 5,260	$ 2,701,267
20	02426 PER CAPITA FEES	1,175,124	21,684	12,475	9,209	1,153,440
21	TOTAL BUDGET FUNDING	$ 4,334,427	$ 479,720	$ 465,251	$ 14,469	$ 3,854,707

In FY 2021, Brands Enforcement is budgeted for $4,334,427 with 53.11 FTE. It is funded with of $3,159,303 and of $1,175,124. Personal services budget is 12% expended with 13% of payrolls complete. Personal services expended as of August 2020 was $18,823 higher than August 2019. Operations are 7% expended with 8% of the budget year lapsed. Operation expenses as of August 2020 were $4,354 lower than August 2019. Overall, Brands Enforcement total expenditures were $14,469 higher than the same period last year. With 8% of the budget year lapsed, 11% of the budget has been expended.